

BETHLEHEM AUTHORITY
Minutes of the Regular Meeting
Of the Board of Directors
June 13, 2019

The regular meeting of the Board of Directors of the Bethlehem Authority (“Authority”) was held on June 13, 2019, in Conference Room, Bethlehem Authority’s Field Office, 7125 Pohopoco Drive, Kunkletown, PA. The meeting was called to order at 9:30 AM by Ms. Sharon Zondag, Authority Chair. Also in attendance were:

Mr. Thomas Donchez, Vice Chair
Mr. Vaughn Gower, Secretary
Mr. Dennis Domchek, Treasurer
Mr. John Tallarico, Assistant Secretary/Treasurer
Mr. John Filipos, Controller
Mr. Ron Madison, Consulting Engineer
Mr. Stephen Repasch, Executive Director
Ms. Sandra Zapf, Administrative Assistant
Mr. Dan Meixell, Police Officer-In-Charge
Mr. Steve Mertz, Officer/Ranger

APPROVAL OF MINUTES

V. Gower moved and T. Donchez seconded to approve the minutes of the May 9, 2019, regular meeting. Motion passed unanimously.

RECOGNITION OF VISITORS

- Ms. Amy Heindel, Madison Engineering
- Mr. Jack Branch, Towamensing Historical Society
- Ms. Mary Beth Beers, Secretary of Towamensing Historical Society
- Mr. Ed Boscola, City of Bethlehem Director of Water and Sewer Resources

COURTESY OF THE FLOOR

J. Branch updated the Board on the progress of the application for the historical plaque. R. Christman expects to have the application completed within two weeks and will submit to the Board for their review and approval.

R. Madison introduced his new colleague, Amy Heindel, a recent graduate from Villanova University, joining Madison Consulting Engineers.

CHAIR

S. Zondag addressed the memo dated June 5, 2019, from Mayor Donchez regarding moving the Board Meeting time to either 6pm or 7pm so that the public has a better chance to attend. S. Repasch spoke with the Mayor and suggested changing the time on an “as needed” basis if and when an agenda item of significant public interest arose. Also, all meetings are audio recorded and would be available on our website. All Board members concurred with this response.

EXECUTIVE DIRECTOR

Forestry Management. S. Repasch reported that timbering at Wild Creek is completed for the year. The contractor will return to re-grade property and repair roads when the weather is drier. The next timbering project is a 52 acres site in the Tunkhannock Creek area and expected to start in late summer.

S. Repasch was in contact with The Nature Conservancy and Blue Source regarding the Carbon Credit for 2018 in which approximately 33,000 tons of carbon was submitted for credit. He was advised that it is in the verification process and should be completed by the end of July. S. Repasch noted that in 2017 roughly 32,000 tons of carbon was submitted and resulted in a revenue check of \$261,000.00 so he anticipates another good revenue check for 2018.

Property Adjoiner. S. Repasch and R. Wildermuth are making significant progress on the ESRI and GIS mapping programs and another training session will be scheduled. The expected property report should be forthcoming within the next month or so.

S. Repasch met and sent two letters to the property owner where a shed and fencing were placed on the BA’s land. The first letter was to acknowledge that the shed and fencing is on BA’s property and the second letter establishes that the owner must disclose the property boundaries when the property is sold and at that time the fence and shed must be removed.

Tunnel Inspection. R. Madison submitted a rough draft from Pure Technologies outlining suggestions and recommendations for inspecting the tunnels and indicated that this draft outlines different levels of information, related costs and up-front costs. E. Boscola indicated that he could contact another company that did work in NY City and request a proposal. After much discussion, it was agreed that more information is needed in order to meet the original objective of determining the overall risk to the water system, including whether valves at connections and other critical locations will operate when needed to use an alternate water source. R. Madison will contact Pure Technologies and have them refine their proposal to include the order of the program, pros and cons of each method proposed and what information will be obtained with each system. E. Boscola also indicated that the Federal Government passed a law requiring utilities to perform a risk assessment of their system and submit a report in 2020. S. Zondag suggested making an assessment list of security issues and opportunities and have these items put on the capital project list. S. Zondag also wanted to go on the record again to express concern about the alarm system not being operational and why the City has not addressed this situation.

Fire Tower Sale. S. Repasch stated that the buyer has a crane under contract and anticipates coming up to start removal within the next couple of weeks.

Hecktown Road. S. Repasch submitted two appraisal reports for easement access to replace and re-route a water line that is out of operation due to a leak at Hecktown Road and over Route 22. The cost of both appraisals is \$1,250.00. V. Gower motioned and J. Tallarico seconded. Motion passed unanimously.

Wind Energy Project. Arguments on the appeals are scheduled for June 21st at the Carbon County Courthouse on Atlantic Wind's second application. S. Repasch informed the Board that three of the four remaining test towers are being taken down this week.

Solar Energy Project. Mayor Donchez has given the green light to go ahead with the solar project at the filtration plant. The City has received the power purchase agreement to review and S. Repasch will share agreement with J. Broughal for his review. A land lease will also be prepared for the Board to review.

Senate Bill 678. S. Repasch indicated that the PMAA is closely following this bill that provides oversight by the PA Public Utility Commission over Municipal Authorities. PMAA will provide all Authorities with updates and legal support as needed.

2Q19 Income and Expense Projections. S. Repasch presented the new formatted report for the 2nd Qtr. 2019 without discussion.

TREASURER

Financial Planning. D. Domchek reported that Bond Counsel did not offer an opinion on the plan provided by the Authority's Financial Advisor, S. Goldfield, for the release of the Maintenance Reserve Fund and the substitution of the Debt Service Reserve Fund with a Surety Bond to relieve the stresses that the 98 CABS has on the debt service. S. Goldfield then offered another recommendation that could defer new borrowing and refinancing for the next three years and considers upping the Debt Service to \$9Million. D. Domchek will request that the City's FA, S. Shearer, run another scenario given these circumstances for the Authority and City to review.

Investment Summary. D. Domchek reported that the Investment portfolio shows the one CD in the MRF that matured in May was reinvested with Embassy Bank. The funds from the two CD's that matured in the BRIF is temporarily in the cash account until the paperwork is completed for new CD's valued at \$410K each to be purchased from Peoples Security and QNB Banks.

Controller. J. Filipos' report for the month of May, 2019, was circulated and filed. J. Filipos did want to point out that \$1.23 Million was paid to Debt Service with most of the money coming from the City of Bethlehem with some credit for interest earned.

Resolution 433 – Approval of Expenses. S. Zondag presented Resolution 433 to the Board for the payment of expenses and transfers from the General and Reserve accounts totaling \$36,625.64.

D. Domchek moved and V. Gower seconded to approve Resolution 433 as presented. Motion passed unanimously.

SOLICITOR

S. Repasch reported that J. Broughal had a phone call with a colleague at Northampton County regarding the tax exempt property re-assessment hearing scheduled for June 17th. In the meantime, J. Broughal advised S. Repasch to submit a packet of information to Northampton County to legitimately show that the BA is a non-profit municipal authority. J. Broughal received notice the morning of June 13th from Northampton County that the parcels in question were removed from the re-assessment review.

CONSULTING ENGINEER

R. Madison had no report other than tunnel inspection draft report discussed earlier.

SPECIAL POLICE

Officer S. Mertz's report for the month of June was circulated and filed.

D. Meixell submitted a Watershed Arrest Statistics Report showing a ten year analysis of incidents at the watershed areas and it clearly shows that ATV and dumping activities are the chief items the police deal with. All agreed that this was a good report to keep track of and thanked D. Meixell for putting it together.

S. Repasch reported that he had a telephone discussion with the director of the Harlem Camp that adjoins our property. The Director stated that the camp is planning a waste water project and apologized for not contacting the BA before the hired contractor marked the property line, apparently to conduct future perc tests.

WATER REPORT

The Water Report for the month of May, 2019, was created and filed by E. Boscola. The reservoirs are at a combined capacity of 101.26%.

CITY OF BETHLEHEM DIRECTOR OF WATER AND SEWER RESOURCES

The Director's Report was filed and circulated.

Highlights of the report include:

- City Council approved the allocation of \$2 Million from the Water Operating Fund to the Capital Fund bringing total 2019 capital appropriations to \$3.25 Million.
- In June, the City will go out for bids for additional water main replacements at Freemansburg, Bethlehem Township and the City of Bethlehem. Fire pump overhaul design is just being started with construction to begin in 2020.
- The cash balance in the Operating Fund is about \$7.05 Million as of May 31, 2019.

ADJOURNMENT

T. Donchez moved and J. Tallarico seconded to adjourn the meeting at 10:29am and go into Executive Session to discuss a matter with potential litigation.

RECONVENED

The regular meeting was called back to order by S. Zondag, Chair at 10:52 am.

J. Tallarico motioned and T. Donchez seconded to allow our Solicitor, Broughal & DeVito, to file a complaint on behalf of the Board against the Palmerton Fishing & Hunting Association for Slander of Title. Motion passed unanimously.

COURTESY OF THE FLOOR

S. Zondag thanked everyone for traveling to the Field Office in Kunkletown and suggested that at least once a year they conduct their meeting in the area. V. Gower suggested that they conduct a yearly site visit and it not be necessarily combined with a board meeting. D. Meixell noted that if another board meeting is scheduled here, that early local advertising would certainly lead to many visitors from the local area. The Board decided to discuss this further at a future meeting.

NEXT MEETING

The next regular meeting is scheduled for July 11, 2019, at 3:30pm.

ADJOURNMENT

T. Donchez moved and D. Domchek seconded to adjourn the meeting at 11:30am.

Vaughn C. Gower

Board Secretary