

BETHLEHEM AUTHORITY
Minutes of the Regular Meeting
Of the Board of Directors
May 9, 2019

The regular meeting of the Board of Directors of the Bethlehem Authority (“Authority”) was held on May 9, 2019, in Room B504, City Administration Building, 10 E. Church Street, Bethlehem, PA. The meeting was called to order at 3:30 PM by Ms. Sharon Zondag, Authority Chair. Also in attendance were:

Mr. Vaughn Gower, Secretary
Mr. Dennis Domchek, Treasurer
Mr. John Tallarico, Assistant Secretary/Treasurer
Mr. John Filipos, Controller
Mr. Ron Madison, Consulting Engineer
Mr. James Broughal, Esq., Solicitor
Mr. Stephen Repasch, Executive Director
Mr. Steve Mertz, Officer/Ranger

APPROVAL OF MINUTES

D. Domchek moved and V. Gower seconded to approve the minutes of the April 11, 2019, regular meeting. Motion passed unanimously.

RECOGNITION OF VISITORS

- Mr. Stephen Antalics, private citizen
- Mr. Roy Christman, Towamensing Historical Society
- Mr. Jack Branch, Towamensing Historical Society
- Mr. Gene Auman, City of Bethlehem Deputy Controller

COURTESY OF THE FLOOR

Mr. Roy Christman submitted a paper with the potential wording for historical designation plaque for the Wild Creek Reservoir for review and comments from the Board. After some discussion and revisions, it was decided that R. Christman will revise and send to S. Repasch for approval. R. Christman stated the process for applying for the plaque and will do the necessary paperwork. S. Zondag thanked R. Christman and the Historical Society for recognizing the historical value of the Bethlehem Authority’s property.

CHAIR

S. Zondag addressed the letter submitted from Mayor Donchez regarding moving the Board Meeting time to early evening so that the public has a better chance to attend. V. Gower questioned the availability of the City of Bethlehem's Room B504 after City Hall closes. S. Zondag asked S. Repasch to investigate possible public spaces and times and report to the Board.

S. Zondag suggested another property tour be scheduled to view and evaluate current property issues. It was decided that potential times and agendas from the Board members will be forwarded to S. Repasch to coordinate an acceptable date and time.

EXECUTIVE DIRECTOR

Forestry Management. S. Repasch reported that the timbering contractor has temporarily moved off the property because it is too wet to proceed. He will return when ground dries out.

The Earth Day chestnut tree planting was a huge success with roughly 15 volunteers helping with planting. R. Wildermuth also planted four specific 100% blight-resistant hybrid chestnut trees near the field office.

Game Commission Grants. S. Repasch informed the Board that there are several PA Game Commission Grants that are becoming available in October and he and R. Wildermuth will be working together to apply. One grant in particular would be in cooperation with the Nature Conservancy to hire a contractor to perform fire lane and road maintenance near Long Pond area.

S. Repasch is invited to the PA Land & Trust Conference on May 17, 2019, at Skytop Lodge. This conservation group, in cooperation with the Nature Conservancy, will go on a field trip on BA property and then S. Repasch and R. Wildermuth will give a presentation on our forest management at the conference.

Property Adjoinder. S. Repasch reported that he has received several calls from property owners wanting to sell their property. One in particular was from a homeowner at 410 Hatchery Road. It is less than ½ acre and adjoins BA and Palmerton hunting club property. S. Repasch will obtain more information. S. Repasch believes the adjoinder property report from C. Wildermuth should be forthcoming within the next month or so.

Tunnel Inspection. R. Madison indicated that he has not received the report requested from Pure Technologies yet but was provided with background information on the three different technologies for examination and distributed the information to the Board.

Fire Tower Sale. S. Repasch stated that the buyer is dealing with some family issues but plans to visit the site within the next few weeks.

Solar Energy Project. Several of The City of Bethlehem's department heads have been discussing whether to enter into a power-purchase agreement with Solar City and it appears that the City is not interested at this time because the terms and conditions do not seem favorable for the City. E. Boscola is trying to schedule a time to meet with the Mayor to see what his thoughts

are. S. Repasch will be attending the Northampton County Climate Summit on Wednesday, May 15th at Mountaintop Campus.

Wind Energy Project. Briefs were filed on the second application and a court date is scheduled for June 21st for arguments on the appeals. There still has been no decision on the deemed approval appeal on the first application.

2Q19 Income and Expense Projections. S. Repasch presented the new formatted report for the 2nd Qtr. 2019 and briefly explained the numbers. Revenue for the 2nd Qtr. shows \$185,000.00 which mostly reflects the two payments (1st & 2nd Qtrs.) from the City of Bethlehem for administrative costs. Professional Services Expenses for the 2nd Qtr. does not include our Financial Advisor's work on the financing options. Security & Property Expenses is showing 68% of 2019 budget which reflects property services performed by AASA on the PFHA boundary issue (this used to be under Professional Services.) Administrative Expenses shows 62% of budget which reflects the one-time \$200,000 transfer in January to Capital Reserves. On the Capital Reserve and Source of Funding page, fourth quarter 2018 and first quarter 2019 reimbursements from Atlantic Wind are still outstanding and S. Repasch has contacted AW regarding payments. Also coming due in June is AW's \$35,000 license fee.

TREASURER

Financial Planning. D. Domchek reported that we are waiting for a response and opinion from Bond Council regarding the opportunities to use the Debt Service & Maintenance Reserve Funds for the 98 CABS and 2014 Bonds. S. Repasch had a telephone conversation with our FA, S. Goldfield and P. Carlucci, Bond Counsel, and it appears that using the DSRF and/or MSF could be possible for the 2014 Bonds but further research is needed for the 1998 CABS.

Investment Summary. D. Domchek reported that the Investment portfolio is the same as last month noting three CD's maturing in May, two in the BRIF and one in the MRF. Authority staff will request bid information for CD and Money Market rates from banks and make a decision.

Controller. J. Filipos' report for the month of April, 2019, was circulated and filed. J. Filipos did want to mention that the City of Bethlehem's Auditors were in to look at the 2018 Year End numbers; their report will be completed in Sept/Oct. J. Filipos is completing the DCED Report in June but will need to resubmit with the COB Auditor's Report when available.

May 15th is when the Debt Service payments of roughly \$1.2 Million are due. The City will take \$127,953.79 credit from interest in DSRF against payment.

Resolution 432 – Approval of Expenses. S. Zondag presented Resolution 432 to the Board for the payment of expenses and transfers from the General and Reserve accounts totaling \$34,154.

V. Gower moved and J. Tallarico seconded to approve Resolution 432 as presented. Motion passed unanimously.

SOLICITOR

On May 1st, J. Broughal and S. Repasch went to Monroe County and met with a representative from Tyler Technologies regarding the re-assessment of properties. The representative was not very informed and unable to discuss the BA's situation regarding the conservation easements but said he would discuss it with his supervisor. A copy of the easement was left with the representative. J. Broughal stated that after the final assessments are filed around July 1st, an appeal can be filed to request a change.

CONSULTING ENGINEER

R. Madison submitted to the Board a draft copy of the Annual Report on the Operation of the Water System by the City of Bethlehem, 2018 Operations and 2019 Adopted Budget. For ease of review, major items were highlighted that were added or changed from last year's report. D. Domchek stated he would like to see on the City's annual budget a line item for Debt Service Payments. R. Madison said he would discuss with E. Boscola and C. Ruhf to see about implementing that into the 2020 budget. D. Domchek also suggested adding a section for "risk assessments" and R. Madison indicated that the EPA recommends having municipal systems conduct risk assessments but it is not required in PA. R. Madison pointed out that there are some related topics discussed in the report, i.e. The Emergency Water Supply Study and the 2 million gallon tank replacement project. S. Zondag also mentioned that in the Homeland Security Report the BA received in November 2017, it specifically points out the vulnerability of risk and the need to address and prepare for them annually. R. Madison stated he would address that in next year's report.

D. Domchek moved and V. Gower seconded to approve the Maser's annual draft copy with minor revisions noted. Motion passed unanimously.

SPECIAL POLICE

Officer S. Mertz's report for the month of May was circulated and filed. S. Zondag questioned if there is an alarm system in place at the garage in regards to the door that was left open. S. Mertz said yes but it is not operational and is connected with the City's security system that is undergoing changes. S. Mertz will keep the BA apprised of the situation in case further action needs to be addressed.

A lady in the Long Pond area contacted S. Mertz to report she received several fines for trash on her property. She believes it was bears dragging trash from her containers and wanted S. Mertz to track the bears. S. Mertz explained that that was not possible and referred her to the Game Commission.

S. Zondag asked S. Mertz if he expected any problems with the change of hunting season starting Saturday instead of Monday and he expressed some concerns related to scheduling and monitoring but will report any situations that occur.

WATER REPORT

The Water Report for the month of April, 2019, was created and filed by E. Boscola. The reservoirs are at a combined capacity of 100.85%.

CITY OF BETHLEHEM DIRECTOR OF WATER AND SEWER RESOURCES

The Director's Report was filed and circulated.

Highlights of the report include:

- On Tuesday, May 7th, 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. Specific projects to be addressed include Hecktown Road, Freemansburg and Bethlehem Twp. water main replacements.
- The cash balance in the Operating Fund is about \$8.2 Million as of April 30, 2019.

COURTESY OF THE FLOOR

There were no comments during Courtesy of the Floor.

NEXT MEETING

The next regular meeting is scheduled for June 13, 2019, at 3:30pm.

ADJOURNMENT

D. Domchek moved and J. Tallarico seconded to adjourn the meeting at 4:43pm.

Vaughn C. Gower

Board Secretary