

**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
OF THE BETHLEHEM AUTHORITY**

**AUGUST 10, 2017**

The regular meeting of the Board of Directors of the Bethlehem Authority (Authority) was held on Thursday, August 10, 2017 in Room B504 of the City Administration Building, 10 E. Church Street, Bethlehem, PA and called to order at 3:30 PM by Mr. John Tallarico, Chairman. Also in attendance were:

- Mr. Vaughn Gower, Vice Chairman
- Ms. Sharon Zondag, Secretary
- Mr. Dennis Domchek, Treasurer
- Mr. Thomas Donchez, Assistant Secretary/Treasurer
- Mr. James Broughal, Esq., Solicitor
- Mr. John Filipos, CPA, Controller
- Mr. Stephen Repasch, Executive Director
- Ms. Sandra Reppert, Administrative Assistant
- Mr. Daniel Meixell, Special Police Officer

**APPROVAL OF MINUTES**

V. Gower moved and J. Tallarico seconded to approve the minutes of the July 13, 2017 regular meeting. Motion passed unanimously.

**RECOGNITION OF VISITORS**

- Mr. Stephen Antalics, private citizen
- Mr. Ron Madison, Maser Consulting and Authority Consulting Engineer
- Mr. Gene Auman, City of Bethlehem Deputy Controller

**COURTESY OF THE FLOOR**

Mr. Antalics: He humbly apologized if he insulted anyone's intelligence regarding his comments about pulpwood and alternative uses in the watershed at last month's meeting. T. Donchez responded no apology was necessary.

**CHAIRMAN**

**PennEast Pipeline.** J. Tallarico reported that PennEast has been in recent contact with the Authority regarding the technical issues raised by Maser in their March 31 report. Because these issues are related to the license agreement negotiations, the matter will be discussed in Executive Session.

**McMichaels Hunting Club.** J. Tallarico reported that this matter is related to a property lease and will be discussed in Executive Session.

**City Gift Policy.** J. Tallarico reported that the City has proposed to amend its gift policy, which defines "City employees" as including Authority, Board and Commission Members and their respective employees. The Authority adopted a gift policy approximately two years ago. It will be reviewed and compared to the City's for any significant differences.

J. Broughal stated that the Authority is an agency of the Commonwealth and not part of the City. The Authority could amend its policy to be similar to the City's, but the City does not control the Authority's gift policy.

#### **EXECUTIVE DIRECTOR**

**City/Authority Refunding.** S. Repasch updated the Board on the City-proposed refunding of the 2011 Lease Bonds discussed last month. No specifics have been provided and no firm conclusions have been reached related to the sale of assets back to the City. The City's financing team is still working on that issue. The intended plan is for Council to hold the first reading of the refunding ordinance on September 5 and the second reading on September 19. The Authority can act on the refunding at its September 14 meeting. There is no need for a special meeting with the City before this goes to Council. The terms of the refunding and savings have already been provided and the Authority wants to sell the assets back to the City. J. Broughal does not know if the trustee needs to approve the sale of assets. The assets are not directly involved in the Authority's primary purpose and should not be an issue, but the City's bond counsel should make those opinions. V. Gower said if the sale of the assets back to City does not succeed, we should receive an explanation as to why as a courtesy. Otherwise, the Authority is no worse off since it is the City's debt.

**Forestry Management.** S. Repasch reported that he, D. Meixell and R. Wildermuth met with the Penn Forest and Daniel Boone Hunting Clubs earlier this week regarding grant projects funded through the Department of Agriculture. The projects are to improve the habitat for golden winged and cerulean warblers. Grouse, woodcocks, deer and other wildlife in the Wild Creek watershed area, where the clubs are located, would also benefit. The grant money is available to private property owners or lessees of property. The contracts and agreements would be with the hunting clubs. The Authority's role would be to facilitate the administration of the grant and flow of funds and oversee the associated forestry work. The PGC will bid the work for herbiciding, fencing, tree felling, etc. The clubs' representatives seem to be on board with the projects; they just need to obtain approval from their entire membership. The grant is worth approximately \$380 per acre with approximately 30 acres on each leased property.

**UAV/GIS Update.** S. Repasch reported there was a meeting last week with Maser's GIS and UAV managers and R. Madison. A demonstration of the GIS platform and a video capture from the UAV patrol is planned for next month. The local FAA office at LVIA has not yet signed off on the authorization, which is the reason for the delay.

**Wind Energy Project.** J. Broughal reported that Atlantic Wind's deemed approval of the project and the Penn Forest Township Zoning Hearing Board's decision of denial have both been appealed. A conference call was held on July 27 with lawyers representing all parties, who along with the Judge, agreed that the deemed approval case should be heard first. The "argument" has been scheduled in Carbon County court on August 22. If deemed approval is found valid, then all else is moot. Whatever the decision, the losing party will most likely appeal.

**Emergency Water Supply Study RFP.** S. Repasch reported that the Emergency Water Supply Study RFP was sent out on August 1 to eight reputable engineering firms. Meetings have already been set up with several of these firms to obtain additional information. The RFP's are due on September 8. He received a letter from the Authority Engineer that his firm has declined to participate. R. Madison continued by stating Maser feels better suited to aid the Authority in the review and ranking of the RFPs and interview selection and decision process as the Authority Consultant rather than offer a proposal at this time. There will be an additional cost for this service.

**Microwave Tower Proposal.** S. Repasch reported that the lease proposed by McKay Brothers for a microwave tower will not be reviewed until issues are resolved with TNC. TNC's conservation easement does not allow for the construction of a tower on the property. McKay identified a site along Old Stage Road and initially proposed a lease for a 50' x 50' area. McKay was taken to a different site along the same road that was set back along a fire lane allowing access, eliminating the need for excess tree removal and reducing the area to not larger than 25' x 25'. There are competing interests to erect microwave towers in that area. He will research the market for information on these types of leases in other areas. The Authority Solicitor will likely be having a discussion with TNC's general counsel regarding the Discretionary Consent clause in the easement for its application in this matter. T. Donchez said we also need to know and understand the health effects of microwave towers and why the Authority is on McKay's list.

**William Street Cell Tower Lease.** S. Repasch reported that Crown Castle, representing Omnipoint Communications, wants to remove its existing cell tower at the William Street 5MG reservoir tank site and replace it with a larger tower. The original lease is with the City from when the City owned the property. However, the property has since been deeded to the Authority; therefore, a new lease must be entered into with the Authority. Crown Castle is working on this and remaining details will be discussed at a later time.

**3Q17 Income/Expense Projections.** Report circulated and filed without comments or questions.

**Expense Budget Comparative.** Report circulated and filed without comments or questions.

## **TREASURER**

**Investment Summary.** D. Domchek reported the Investment Summary is substantially the same as last month and he had no additional comments.

**Controller.** J. Filipos's report for the month of July, 2017 was circulated and filed. He reported that the Pennvest Loan payment of \$116,000 was made.

**Resolution 409 – Approval of Expenses.** J. Tallarico presented Resolution 409 to the Board for approval. The resolution totals \$40,825.45 for the payment of expenses from the General and Capital/Reserve accounts. T. Donchez moved and D. Domchek seconded to approve Resolution 409 as presented. Motion passed unanimously.

***The Solicitor's Report was reserved for the Executive Session.***

## **CONSULTING ENGINEER**

R. Madison reported that he provided information to the Executive Director and the City's WSR Director about inspecting large water mains and tunnels without taking them out of service, or in-situ inspection. This technology is becoming more of a possibility. It is performed by a snaked or tethered camera with infrared sensors and lasers for straight runs, or an untethered "smart ball" that can travel unlimited lengths throughout the system, with the data then downloaded and analyzed for pipe thickness, joint leaks, etc.

**Annual Report Fees.** R. Madison addressed the Board concerning the additional work put forth in preparing the Annual Report. The original proposal to perform this work was \$10,000 and based on the prior engineer's report format with some slight reformatting. Subsequently, the City's LTIP, capital improvement plan, emergency response plan and maintenance scorecard were provided to

Maser by the City and incorporated into the Annual Report. Maser also completed a letter report concerning the emergency water supply study issue. He respectfully requested to invoice the Authority \$7,600 for this additional work. S. Repasch said the report is a significantly better report; his issue is that most of the enhancements were not requested by the Authority. There was considerable discussion, and in summary the Board felt the report provides more insight into the status of the water system, provides for effective discussion with the City, the output is a big improvement and Maser should be compensated for a job well done. It agreed to pay for the additional work. R. Madison did say that the quote for next year's Annual Report should be closer to the original quote for this year's report, and he apologized for not keeping S. Repasch abreast of the additional costs.

#### **SPECIAL POLICE**

D. Meixell's report for the month of August, 2017 was circulated and filed.

#### **WATER REPORT**

The Water Report for the month of July, 2017 was circulated and filed. The reservoirs are currently at 92.7% capacity.

#### **CITY OF BETHLEHEM DIRECTOR OF WATER AND SEWER RESOURCES**

E. Boscola's report on the Water Fund and Major Initiatives for the month of July, 2017 was circulated and filed.

#### **COURTESY OF THE FLOOR**

Mr. Antalics: He questioned how different the Authority is now versus when it was created by Mayor Peiffle in 1935. S. Repasch responded the Authority was the first municipal authority incorporated in Pennsylvania in 1938, following the enactment of the Municipality Authorities Act. The Authority is a leaseback authority and there are a few like it in the state.

#### **NEXT MEETING**

The next regular meeting of the Board is scheduled for September 14, 2017.

#### **ADJOURNMENT**

J. Tallarico moved and D. Domchek seconded to adjourn the regular meeting at 4:30 PM and convene an Executive Session to discuss litigation matters.

*Sharon J. Zondag*  
Board Secretary