

BETHLEHEM AUTHORITY

Minutes of the Regular Meeting Of the Board of Directors August 13, 2026

The regular meeting of the Board of Directors of the Bethlehem Authority ("BA") was held on August 13, 2026, in the Conference Room B504 at City Hall, Bethlehem, PA and remotely via Microsoft "Teams". The meeting was called to order at 3:30PM by Ms. Sharon Zondag, Chair.

Also in attendance were:

Mr. Carlos A. Almeida, Vice Chair
Mr. Ronald Donchez, Treasurer
Mr. Ian van Halem, Secretary
Mr. Dennis Domchek, Assistant Secretary/Treasurer
Mr. James Broughal, Esq., Broughal & DeVito
Mr. John Filipo, CPA, Buckno Lisicky & Co.
Mr. Ronald Madison, PE, Colliers Engineering
Mr. Stephen Repasch, Executive Director
Ms. Sandra Zapf, Director of Administration
Mr. Eric Yeakel, Police Officer-In-Charge
Mr. Ed Boscola, City of Bethlehem, Director of Water and Sewer Resources

APPROVAL OF MINUTES

I. van Halem motioned and R. Donchez seconded to approve the July 9, 2026, Regular Minutes. Motion passed unanimously.

RECOGNITION OF VISITORS

Mr. Steve Antalics, Private Citizen
Mr. Matt Williams, Wildlife Manager, PA Game Commission via "Teams"
Ms. Emily Boyd, Small Game Mammal Specialist, PA Game Commission via "Teams"
Mr. Michael Miller via "Teams"

COURTESY OF THE FLOOR

There were no comments during Courtesy of the Floor.

CHAIR

S. Zondag reported that The Board is in the midst of the review process for the Executive Director; the deadline for paperwork back to her is Tuesday, September 18th at which time she will schedule a meeting with S. Repasch to review the results and summarize for the record. S. Repasch is also in the process of conducting annual personnel evaluations for 2026 and they will be in place for the 2027 budget and recommendations for the new fiscal year.

PROPERTY & INFRASTRUCTURE COMMITTEE

Watershed Management:

PA Game Commission. S. Repasch reported that he met with the PA Game Commission (PGC) a couple weeks ago regarding a proposal for a Cooperative Wildlife Management Agreement for our properties; he then introduced M. Williams and E. Boyd from the PGC who gave a presentation about the proposed agreement. The mission of this agreement would be to assist in the planning and implementation of wildlife habitat management practices on BA lands to improve long-term health of wildlife habitats, while simultaneously providing reasonable public access for hunting and trapping opportunities. With PGC's resources, they could provide prescribed burns, road improvements, grass land restoration, invasive species removal, orchard and fruit tree maintenance, etc.

Action from the Board is requested to authorize the staff and Solicitor to work with the PGC to draft an agreement that will satisfy the goals of each organization.

D. Domchek motioned and R. Donchez seconded to authorize working on the Cooperative Wildlife Management Agreement. Motioned passed unanimously.

Solar Project. I. van Halem stated that a report was received today, and the biggest outcome was that the capacity charges would drop from \$36,000.00 per year down to \$300.00 per year if the solar battery is installed. It is still ultimately up to The City if they want to move forward and hopefully, we will hear soon on their decision.

GIS Project. I. van Halem reported that he and S. Repasch met with Colliers to discuss a potential "master" plan for the GIS platform over the coming years and are awaiting a draft outline proposal from Colliers. A presentation of this "master" plan is tentatively scheduled for the October meeting. R. Madison indicated that the easement information is needed from the BA to implement into the GIS platform and S. Zondag suggested maybe an intern could do this job to make more progress. S. Repasch requested someone from Colliers stop into the BA office to review the files and determine the best way to proceed to obtain the information.

Forestry. S. Repasch reported that he met with Jim Vogt with the Aquashicola Watershed Group, to tee up the location for the watershed association hike on August 29th; a nice 3-mile round trip hike in Hell Hollow with 15 to 20 enthusiastic participants

Timber Project. S Repasch reports that the timber project is 65% to 70% complete; ran into a little bit of issues with rainfall last week and a couple of mills in Canada have shut down for maintenance for several weeks, so there is a stockpile of lumber on the site that needs to be trucked out when the roads dry out and mills are available again.

Another prospectus was put together for the next timber sale in Long Pond, the Hysie Gap Sale. Hopefully by the September meeting we will have a contract for the board to approve that timber sale.

PP&L Right-Of-Way Agreement. S. Repasch mentioned that he was contacted by an agent working for PP&L. They would like to move a telephone pole or two to an area that's uncooperative for their maintenance; they would like to move it closer to the street and part of that right-of-way for that distribution line is going through our property. This R-O-W agreement allows them to access the property. The worst thing that could happen is guide wires on our property for the new pole(s) but would have minimal disturbance.

I. van Halem motioned and D. Domchek seconded to approve the R-O-W Agreement. Motioned passed unanimously.

Pocono Organics. S. Repasch reported that a letter and e-mail was received two days ago from Pocono Organics that they are ceasing operation on September 7th, 2026, for financial reasons. Our solicitor, J. Broughal, stated that they paid for the entire year (March 31, 2026 through March 30, 2027) and that the letter indicated that they are going out of business but didn't say they wanted to terminate the lease. S. Repasch will contact them to determine their plans for the properties.

FINANCE COMMITTEE

Investment Summary. R. Donchez presented the Investment Summary as of August 1, 2026. The balance in the MRF is \$2,491,856.00. In the BRIF account, the balance is \$5,486,950.00. In the DSRF, the balance is \$1,353,319.00. Total trust investment is \$9,332,125.00. Adding Capital and Operating Reserves gives a total investment of \$10,491,487.00. Right-hand side of report breaks out the summary of where the investments are, and all investments are within policy guidelines.

Bond Compliance. R. Donchez mentioned that there are on-going good discussions with bond compliance issues between the Authority and The City and will provide and update as they progress.

Controller. The Controller's Report for the month of July 31, 2026, was circulated and filed with regular interest and expenses recorded. The BA did receive from The City the 3rd quarter operating funds of \$91,250.00 which was deposited into the Operating Account.

2026 Income and Expense Projections. S. Repasch presented the report showing regular revenue and expenses through July 31, 2026. Revenue is 32% of budget or \$364,307.00, we are collecting timber revenue from the Wild Creek timber stand and anticipating another \$12,000.00 before the end of the next quarter. On the expense side, Professional Services are at 50% of budget or \$44,897.00; Security and Property is 49% of budget or \$30,806.00; Administrative Expenses are at 57% of budget or \$190,864.00. Total expenses are 55% of budget or \$266,567.00. Capital budget is at 12% of budget or \$6,030.00 with \$500.00 for legal fees for the wind project. Notification was received from our wind energy counselors that oral arguments are scheduled on the zoning appeals for September 17th, at 9:00am at Lehigh County Courthouse. Total projected Funds are Operating Account \$102,853.00; Capital Account \$48,217.00 and Reserve Accounts \$1,159,362.00 for a total Cash On-Hand Balance of \$1,310,432.00

Resolution #526 – Approval of Expenses. S. Zondag presented Resolution #526 to the Board for expenses through August 13, 2026, from the General and Reserve Accounts totaling \$35,092.46.

D. Domchek motioned and C. Almeida seconded to approve Resolution #526. Motion passed unanimously.

GOVERNANCE & HR COMMITTEE

D. Domchek reported that The Authority has HSA and FSA Flex Spending Plans that benefit one employee. There was a recent government adjustment to the maximum contribution limits allowed and approval by The Board is needed.

C. Almeida motioned and R. Donchez seconded the approval of the updated contribution limits. Motion passed unanimously.

SOLICITOR

The Solicitor had no report.

CONSULTING ENGINEER

Consulting Engineer had no report, but S. Zondag mentioned having a watershed tour in October and perhaps coordinating with R. Madison's annual report inspections. R. Madison also responded that he should have Colliers' proposal for next year's annual report by the next meeting.

SPECIAL POLICE

Police report for the month of August 2026 was circulated and filed.

WATER REPORT

The water report for the month of July is as filed; Reservoirs continue to be a watch area. Penn Forest is still trending down and is 20 feet below capacity. Precipitation is about the same as last year.

CITY OF BETHLEHEM DIRECTOR OF WATER AND SEWER RESOURCES

The Director's Report was filed and circulated reflecting financial status through July 2026. E. Boscola reports that the Operating Fund is in decent shape with Revenue in July of roughly \$2M and Expenses roughly \$1.5M so still recognizing positive cash flow. Total Cash Flow for the year is \$2.2M and Cash Balance is \$14.9M. In the Capital Fund, expenses to date are \$4.8M and \$5.5M encumbered. Cash in the Capital Fund is \$2.1M.

E. Boscola reported on some security matters:

- Wild Creek fence installation is in progress and hopefully will be completed this year.
- He anticipates receiving a proposal from Keystone, the City's security contractor, next week for access control and related electronic hardware installation at all of the water system facilities, then plan for an implementation schedule over the next several years.
- Addressed the news of some threat actors getting access to water and sewer controls, mostly programmable logic controllers (PLCs). E. Boscola participated in a webcast last week that was sponsored by EPA and SISA (Federal Computer Security Dept.). It appears that these vulnerable systems and instruments are PLC's that are directly tied to

the internet with either little or no password protection. The City's PLCs for the water and sewer system are behind the firewall inside the SCADA network and SCADA is on its own virtual private network, meaning it's separate from the internet, so no one can get access to any of our instrumentation. We keep an eye on it and we get updates all the time.

S. Zondag asked E. Boscola to give an update on the 2 MG SW Reservoir replacement tank. E. Boscola stated that the contractor is going to mobilize in September, start clearing land and getting things prepped but it's still a 2027 install and completion.

The metering project is on target for 2026: 2,500 meters were budgeted with our subcontractor and to date they have installed 1,700 meters with 800 to go and are targeted to finish by the end of October.

Regarding the lead service lines, The City hired a predictive modeling company. The first run of the model should be done by the beginning of September. The model will give us a list of 300 to 400 somewhat random sites to go and investigate that currently have "unknown" service line material by soft digs or look inside basements. That information gets fed back into the model and every time you update these models the information gets more accurate.

OTHER BUSINESS

There was no other business to report.

COURTESY OF THE FLOOR

Mr. Antalics asked the status of the tracking for Unaccounted for Water. E. Boscola responded that they are still tracking it but are still relying on the same existing metering infrastructure. He also acknowledges that he owes The Board the latest quarterly report. The customers' meters are getting newer and are more accurate. The City has engaged some metering vendors to see if they can improve measurement technology. S. Zondag also mentioned that they did go out to AECOM for a study on how we can improve loss water and identified six or seven areas and we have worked our way through those with metering, as an example. Now what will be looked at is the metering from the filtration plant and how accurate that meter is.

NEXT MEETING

The next Regular Meeting is scheduled for September 10, 2026, at 3:30pm.

ADJOURNMENT

D. Domchek motioned and R. Donchez seconded to adjourn the meeting at 4:52pm. Motion passed unanimously.

Ian van Halem
Secretary

