

BETHLEHEM AUTHORITY

Minutes of the Regular Meeting Of the Board of Directors February 12, 2026

The regular meeting of the Board of Directors of the Bethlehem Authority (“BA”) was held on February 12, 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 V. Filipos, CPA, Buckno Lisicky & Company
Mr. Rankin Smith, Highlands Forest Management LLC
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

D. Domchek motioned and C. Almeida seconded to approve the January 8, 2025, Re-Organization & Regular Minutes. Motion passed unanimously.

RECOGNITION OF VISITORS

Mr. Steve Antalics, Private Citizen
Mr. Mark Will-Weber, Private Citizen
One visitor on-line, Michael

COURTESY OF THE FLOOR

Mr. Will-Weber, representing a citizen’s consumer activist group about water called “The Drip”, wanted to make the Board aware of several downloadable water applications that are available when smart meters are installed, that monitor water consumption per hour. As it is right now, the consumer receives an invoice every three months and only then can they see their water consumption and might get a big bill because they didn’t know they had a leak. Mr. Will-Weber stated the he persistently lobbies City Council to provide the citizens a water app. so they can monitor their usage and perhaps save some money. He noted a study done last year in Riverside, CA that asked 3,500 people to agree to use a water application for a year. The findings showed that the average household was using 6% to 12% less water over that year. Mr. Will-Weber dug into various programs for two years, looked at thousands of different cities in every region of the country that smart meters are installed. They are normally installed when the smart meters are installed, free of charge to the consumer. This was not done in The City and they are presumably trying to do it on the fly now but it is

usually planned up front. E. Boscola said that The City is working on a plan to develop a program for customers but couldn't give a time-line when it would be available.

CHAIR

S. Zondag reported that she did attend the PMAA Authorities Act webinar last week and found it to be very informative and raised several questions that came out of that webinar including one possible change to the By-Laws. I. van Halem, R. Donchez will be attending, in person, and C. Almeida, remotely, Essential Training for Board Members on March 11 and April 4 respectively.

PROPERTY & INFRASTRUCTURE COMMITTEE

Watershed Management:

Solar Project. I. van Halem reported that The City is awaiting a revised proposal from Wilson Engineering that includes supplying a smaller solar array and adding battery storage. With this combination for use at peak demand, it could provide more savings. I. van Halem hopes to bring more updates at the next meeting.

GIS Project. I. van Halem gave a brief rundown on some progress on the GIS Project:

- Access roads are up and live on the website for visitors to use.
- He presented a listing of projects that are completed, working on and ideas for projects going into the future.
- Currently working with Colliers on the property parcel mapping initiative, i.e. identify and create a digital map of all the properties that the BA owns and build many layers for The City and the BA to use.

TNC. S. Repasch reported that last month he had a meeting with The Nature Conservancy (TNC) and the one big item that came out at the meeting is the new Forest Stewardship Council (FSC) requirements that FSC has adopted and TNC and all partners will need to comply with in order to keep their forests certified. Every month there is a meeting identifying bi-level requirements that FSC is moving to and we are learning more and more what needs to be done in regards to the forest management.

S. Repasch also reported that he met with TNC and some other property owners at TNC's office in Long Pond relating to the Dynamic Forest Restoration Block program that we entered in with TNC. Their goal is to get all of the major property owners, basically in the that area of the Poconos, thinking about adopting programs like this so the whole landscape would be moving in the direction of more sustainable forest management. The Game Commission, Pocono Lakes Preserve and Wild Lands Conservancy were all on board with this initiative.

S. Repasch also mentioned that the prescribed burn agreement with TNC expired the end of 2025. The TNC is reviewing all their programs including the prescribed burn agreement. They are looking at all their SOPs and are unsure how they will proceed with their fire program. However, the Game Commission has plans to burn some of their property as well as some of our property and therefore we are working together to try to figure out what we need to get this to move forward.

Forestry. S. Repasch introduced the BA's forester, Rankin Smith from Highlands Forest

Management LLC, so he could give his annual power point presentation on forest management activity and watershed management. R. Smith reported that 2025 was a rather quiet year but recapped some activity:

- ANEW made a carbon verification visit to basically review the work that was done in 2023 by himself and Logan and re-monitored the fixed plots for them to do their growth monitoring.
- One timber sale was sold last year, DEFG (65 acres) but has not been harvested yet.
- Rankin controlled invasives in Osprey sale that was completed by Justick & Justick and will need to monitor this year for stilt grass which takes years and years to control. Rankin also brushed the Osprey area with funds provided through the Ruffed Grouse Society in order to focus on creating bird habitat.
- The Clearview sale was sprayed by Forest Regeneration Services
- The spongy moth threat was never much of an issue on BA's property but will continue to monitor. According to the DCNR and Game Commission, the County outbreak has slowed down.
- Completed another survival check in Long Pond for lob lolly pitch pine & Larch trees planted in 2022 with above target goals and natural regeneration occurring as well.
- The Forest Management Plan (FMP) was updated.
- Dynamic Forest Restoration Block plan was completed for Tunkhannock tract and is now an appendix to the FMP.
- Inventory for Compartments F, G, P Q11 and Q12, roughly 1,727 acres

Some Initiatives for 2026:

- Inventory for Compartments 2, B, C & Q3, roughly 1,883 acres in Wild Creek Watershed
- Herbicide for areas in 2Q8, 130, 140 and DEFG Sale, roughly 60 acres in Wild Creek Watershed
- Continue to update the FMP, a living document that gets updated year to year as work is completed.
- Timber Sale at Hypsy Gap in Long Pond Area, 158 acres.
- Final survival check for Long Pond trees.

Herbicide Contract. S. Repasch presented a proposal from Harner's Forestry for invasive spraying at DEFG sale for \$11,040.00 with work to begin in May. Two bids were received but Harner's Forestry was more reasonable; Davy Resource Group was \$6,368.00 per day, estimated 2-3 days. S. Repasch requests approval for Harner's proposal.

I. van Halem motioned and R. Donchez seconded to approve Harner's spraying proposal. Motion passed unanimously.

FINANCE COMMITTEE

Investment Summary. R. Donchez presented the Investment Summary as of February 1, 2026. In the MRF the balance is \$2,439,511.00 and in the BRIF balance is \$5,168,375.00. Both of those accounts have a minimum of \$2M so we are above that. Construction and Water Reservoir Funds are at zero; DSRF balance is \$1,353,769.00; Excess Earnings balance is \$20,976.00. A total trust investment of \$8,982,631.00 and adding the Capital Reserve and Operating Reserve accounts gives total investments of \$10,173,829.00. All investments are in policy compliance as shown on the right-hand side but you'll notice Freedom Capital is above policy limit at 33.07% but all CDs are in fourteen different institutions all under FDIC insurance.

S. Repasch will instruct the trustee to transfer the balance of the Excess Investment Earnings account to the BRIF account as discussed last month.

Arbitrage Payment. The payment of \$111,574.10 was made on January 27th, 2026, to complete the arbitrage filing. Board approved payment via e-mail and S. Repasch is asking for re-affirmation at the meeting today.

D. Domchek motioned and C. Almeida seconded to re-affirm the approval of the arbitrage payment on January 27, 2026. Motioned passed unanimously.

Bond Document Review. C. Almeida reported that the Finance Committee met last month with Bond Counsel on issues related to the bond documents and clarifications and potential revisions. He anticipates bringing the proposal to the next board meeting.

Controller. J. Filipos' report for the month of January 31, 2026, was circulated and filed with regular interest and expenses recorded. The Operating Account received \$112,324.10 from the Excess Investment Earnings Account; received \$50,000.00 from the Operating Reserve Account and then paid \$111,574.10 to the U.S. Treasury for arbitrage payment. In the MRF, a CD will mature on February 27, 2026.

1Q26 Income and Expense Projections. S. Repasch presented the report showing regular revenue and expenses through January 31, 2026. Revenue is at 1% of budget or \$10,593.00; In the Professional Services, 4% of budget or \$3,867.00; Security & Property is at 4% of budget or \$2,669.00; Administration is at 9% of budget or \$30,137.00. Total Operating Expenses is 8% of budget or \$36,673.00. Anticipated Cash on Hand as of 3/31/26 is \$83,986.00. In the Capital Account, no expenses in January and anticipated Cash on Hand as of 3/31/26 is \$4,727.00. Projected Funds Total for March 31, 2026 are: Operating Account \$83,986.00; Capital Account \$4,727.00; Reserve Accounts \$1,191,199.00. Projected Funds for all accounts at the end of first quarter is \$1,279,912.00.

Resolution #520 – Approval of Expenses. S. Zondag presented Resolution #520 to the Board for expenses through February 12, 2026, from the General and Reserve Accounts totaling \$148,110.63.

R. Donchez motioned and D. Domchek seconded to approve Resolution #520. Motion passed unanimously.

GOVERNANCE & HR COMMITTEE

D. Domchek reported that the Governance and HR Committee met and discussed adding to the employee handbook an annual recognition letter be sent to employees on their employment anniversary date for their service and dedicated commitment to the Authority. D. Domchek requests approval for adding the annual recognition letter to the employee handbook.

C. Almeida motioned and I. van Halem seconded to approve the recognition letters. Motion passed unanimously.

SOLICITOR

Solicitor had no report.

CONSULTING ENGINEER

S. Repasch reported that R. Madison completed the Financial Certification that is part of the requirements of the Trust Indenture and it was sent to the Trustee certifying that The City's Budget, revenue and expenses, are in line and adequate to proceed for the year. R. Madison is waiting on information from The City in order to complete the Annual Report

SPECIAL POLICE

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

WATER REPORT

The water report for the month of January is as filed. E. Boscola reports the reservoir level is still down and officially still in a drought watch.

Water Main Breaks. E. Boscola provided some data on water main breaks for this year. During the recent cold snap, there were 19 main breaks in 19 days; when the weather starts to warm up, settlement will occur creating sink holes and pot holes. There were 60 frozen meter calls between Nov. 2025 and Feb. 2026 usually due to unheated areas where meters are located.

CITY OF BETHLEHEM DIRECTOR OF WATER AND SEWER RESOURCES

The Director's Report was filed and circulated reflecting financial status through January 31, 2026, only one month into the new year so billing is low and will be doing a little catch-up.

S. Zondag asked E. Boscola about the Budget for the Security Enhancements on the Expenditure Status Report. The budget shows \$200,000.00 but on the 10-year capital plan it calls for \$400,000.00 for this year. Last year \$180,000.00 less was spent than what was budgeted. S. Zondag is disappointed that The City has spent less than anticipated last year, and will spend less this year as well, on an issue that we all agree is critical.

E. Boscola presented the Unaccounted-For-Water Tracking spreadsheets for the 4th Quarter 2025, and as expected the loss is down. It's the same trend as last year, high in the summer and low in the winter.

OTHER BUSINESS

There was no other business.

COURTESY OF THE FLOOR

Mr. Antalics expressed that the comments made by Mr. Will-Weber is very important and disturbing because you're learning something from a private citizen. Apparently, there are quite a few communities who have implemented the app at the same time as the new smart meters and found great savings for their citizens. And what we heard today is that it might take one to two years to get it going in Bethlehem or longer and he wonders if the citizens are being well served by their government.

NEXT MEETING

The next Regular Meeting is scheduled for March 12, 2026, at 3:30pm.

ADJOURNMENT

R. Donchez motioned and I. van Halem seconded to adjourn the meeting at 4:49pm. Motion passed unanimously.

Ian van Halem

Secretary