

BETHLEHEM AUTHORITY

**Minutes of the Regular Meeting
Of the Board of Directors
May 12, 2022**

The regular meeting of the Board of Directors of the Bethlehem Authority (“BA”) was held on May 12, 2022, in the Conference Room B504 at City Hall, Bethlehem, PA and remotely via “GoToMeeting”. The meeting was called to order at 3:30 PM by Mr. John Tallarico, Chair.

Also in attendance were:

- Ms. Sharon Zondag, Vice Chair via teleconference
- Mr. Thomas Donchez, Secretary
- Mr. Dennis Domchek, Treasurer
- Mr. Carlos Almeida, Assistant Sec./Treasurer
- Mr. James Broughal, Esq., Broughal & DeVito
- Mr. John Filipos, CPA, Buckno Lisicky & Co.
- Mr. Ron Madison, PE, Colliers Engineering & Design
- Mr. Stephen Repasch, Executive Director
- Ms. Sandra Zapf, Administrative Assistant
- Mr. Eric Yeakel, Police Officer-In-Charge

APPROVAL OF MINUTES

C. Almeida moved and T. Donchez seconded to approve the minutes of the April 14, 2022, Regular Meeting. Motion passed unanimously.

RECOGNITION OF VISITORS

- Mr. Ed Boscola, City of Bethlehem, Director of Water and Sewer Resources
- Ms. Michele Liberto, City of Bethlehem, Deputy Controller
- Ms. Wandalyn Enix, City of Bethlehem, Council Liaison
- Ms. Emily Boyd, Biologist, PA Game Commission
- Mr. Steve Antalics, Private Citizen

COURTESY OF THE FLOOR

No comments during the Courtesy of the Floor.

CHAIR

J. Tallarico had no report.

EXECUTIVE DIRECTOR

Forestry Management. S. Repasch introduced Emily Boyd, Small Game Mammal Biologist with the PA Game Commission (PGC). Ms. Boyd has been overseeing for the last two years the snowshoe hare study that occurs on the BA property and Game Lands #38 and gave a presentation on updated findings. Snowshoe hare is a species of conservation and maintenance concern with PA being the southern-most extent of this species range due to snow and duration of snow that it exists on the landscape. The snowshoe hare is one of only twenty-one species in the entire world that has evolved to change color for winter camouflage and very few research studies have been done in the southern edge; the PGC is very thankful for the BA to allow the study to take place on their property.

Sky Lanterns. S. Repasch spoke with Joe Kelly, Chief of Staff for Senator Boscola's office. They are working on a legislation similar to House Bill 93 that would ban the use of untethered sky lanterns in the State of PA; they already have a few democrats supporting this legislation and one republican, Senator Yudichak, to co-sponsor.

Wind Energy Project. S. Repasch reported that getting Atlantic Wind's rights assigned to the Authority for the zoning board hearing is being processed and expected to have them imminently.

2Q22 Income and Expense Projections. S. Repasch presented the report showing regular revenue and expenses through April 30, 2022. Revenue is at 69% of the budget; Professional Services is at 43% which includes some legal fees for Right-To-Know; Security & Property is at 31% of budget; Administrative is at 58% of budget which includes the transfer of \$200,000.00 from carbon credits into the BRIF Account. Total expenses are at 53% of the budget. On the Capital Reserve, legal fees are at 35% of budget mostly due to Right-To-Know expenses incurred. Total projected cash on hand on May 31, 2022, is \$1.069 Million Dollars.

TREASURER

Bond Resolution. D. Domchek remarked that since the last board meeting the market has been volatile with interest rates increasing on all kinds of investments. On the financial assessment prepared by J. Donnelly from P.R.A.G., she made the assumption that the overall interest expense would be about 3.2%. One question that arose was how much room above that would be needed to achieve net present value savings of at least 5% which is one parameter to be met in the Resolution. J. Donnelly responded 20 to 25 basis points as a cushion but given the present market most of the cushion has been eroded and we are on the edge. In the meantime, the financial advisors have been working on preparing the offering statement, getting quotations from a bond insurer and is working with the underwriters to prepare a proposal to purchase the bonds if markets are favorable.

Investment Summary. The Investment Summary as of May 1, 2022, is as reported. D. Domchek reported all investments are within policy limitations. \$200,000.00 was transferred from Operating Account to the BRIF.

Controller. J. Filipos’ report for the month of April 30, 2022, was circulated and filed with regular interest and expenses recorded. The 2nd Qtr. Operating Funds of \$91,250.00 were received from the City and \$200,000.00 was transferred from the Operating Fund to the BRIF. Upcoming Debt Service payments are due on May 15th of roughly \$4 Million Dollars. S. Repasch reported that the payment had been made by the City.

Resolution 473 – Approval of Expenses. J. Tallarico presented Resolution 473 to the Board for expenses through May 12, 2022, from the General and Reserve accounts totaling \$39,248.41.

C. Almeida motioned and D. Domchek seconded to approve Resolution 473 as presented. Motion passed unanimously.

SOLICITOR

J. Broughal reported on an update in respect to public meeting quorums. Before the pandemic, the Municipality Authorities Acts stated that “a majority of the members shall constitute a quorum” and that “all action may be taken by a majority of the members present.” After the pandemic, being “present” was a problem with most meetings being electronic (virtual). The State enacted Act 93 which allowed for electronically voting in order to make a quorum but the Act had a sunshine clause that stated that when the declaration of emergency went away so did Act 93, which has occurred. So now the BA must revert back to having a majority of members present in order to make a quorum. J. Broughal also reported that there is no obligation to have virtual meetings anymore.

CONSULTING ENGINEER

R. Madison presented the draft 2021 Engineer’s Annual Report including the 2022 adopted budget. It was discussed and agreed that the 20 recommendations will be categorized and placed at the end of the report. R. Madison also commented that next year’s report will probably look a lot different because the current report refers to a lot of old studies and/or long-range Capital Plans and between the current 10-year Capital Plan and proposed refinancing many of the items will be eliminated.

SPECIAL POLICE

Police report for the month of May was circulated and filed. It was determined that the wild fire was started intentionally and burned over 90 acres of BA property and 200 acres of PGC land. Two important takeaways that prevented the fire from spreading even further were previous prescribed burns on the property over the last 10 years which minimized fuel load on the property and that BA took the initiative to maintain the fire lanes over the last two years.

WATER SYSTEM SECURITY

E. Boscola announced that bids will be going out shortly for new fencing at Wild Creek frontage on Pohopoco Drive and fencing at the Water Filtration Plant.

WATER REPORT

The Water Report for the month of April, 2022, was created and filed by E. Boscola. The reservoirs are full at a combined capacity of 101.16%.

CITY OF BETHLEHEM DIRECTOR OF WATER AND SEWER RESOURCES

The Director’s Report was filed and circulated reflecting financial status through April 30, 2022.

On the Capital side, the settlement with PennVest for a grant of \$2.8 Million closed on May 3rd to be used for lead service line replacement. Contractors to mobilize on May 23rd.

E. Boscola reported that the contract with AECOM to look at the unaccountable for water issue is being executed and work should begin this summer.

OTHER BUSINESS

S. Zondag offered congratulations to Mr. Antalics for receiving the Slovenia award for promoting Slovenian heritage from the Slovenia Embassy in Washington, DC.

COURTESY OF THE FLOOR

Mr. Antalics asked about the quorum votes difference between present and virtual board members voting. J. Broughal stated that the Authorities Act gives no guidance regarding present votes and electronic votes and believes this will have to be worked out in the courts.

Mr. Antalics questioned the purpose of flushing of water lines and water being muddy? E. Boscola responded that the flushing of the water lines removes silt that has settled in the pipes and temporarily creates cloudy water.

NEXT MEETING

The next regular meeting is scheduled for June 9, 2022, at 3:30pm.

ADJOURNMENT

C. Almeida moved and D. Domchek seconded to adjourn the meeting at 4:44pm. Motion passed unanimously.

Thomas Donchez
Board Secretary