

BETHLEHEM AUTHORITY
Minutes of the Regular Meeting
Of the Board of Directors
July 9, 2020

The regular meeting of the Board of Directors of the Bethlehem Authority ("Authority") was held on July 9, 2020, remotely via "GoToMeeting". The meeting was called to order at 3:30 PM by Mr. Thomas Donchez, Chair. Also in attendance were:

Mr. John Tallarico, Vice Chair
Ms. Sharon Zondag, Secretary
Mr. Dennis Domchek, Treasurer
Mr. Vaughn, Gower, Assistant Secretary/Treasurer
Mr. James Broughal, Esq., Broughal & DeVito
Mr. John Filipos, CPA, Buckno Lisicky & Company
Mr. Ron Madison, PE, Maser Consulting and Authority Consulting Engineer
Mr. Ed Boscola, City of Bethlehem, Director of Water and Sewer Resources
Mr. Eugene Auman, City of Bethlehem, Deputy Controller
Mr. Stephen Repasch, Executive Director
Ms. Sandra Zapf, Administrative Assistant

APPROVAL OF MINUTES

S. Zondag moved and D. Domchek seconded to approve the minutes of the June 11, 2020, regular meeting. Motion passed unanimously.

RECOGNITION OF VISITORS

Ms. Amanda Schumacher, Borton-Lawson Engineering

COURTESY OF THE FLOOR

There were no comments during courtesy of the floor.

CHAIR

T. Donchez had no report.

EXECUTIVE DIRECTOR

Forestry Management. S. Repasch reported that last week the annual meeting with The Nature Center (TNC) took place remotely. There has been several staff changes: Kevin Yoder is now the new TNC representative and contact person for the forest stewardship and carbon programs; Fran Price left TNC and is working for the World Wildlife Foundation (WWF); and Budd Cook has officially retired.

The on-site verification of the 2019 carbon credit was to take place in July but due to COVID-19, Blue Source staff did not feel comfortable travelling and instead will be contracting with someone closer. They anticipate the verification to take place sometime in August.

Upon closer review of our agreement between TNC and Blue Source that was thought to end in 2021, S. Repasch noted that the start of the 10 year agreement begins when the first carbon is registered; BA first carbon registration took place in 2013. Therefore our agreement with Blue Source and TNC will need to be addressed at that time.

Palmerton Hunting Club. S. Repasch reported that our solicitor responded back to the PHC's answers to our claims for damages and that they filed a counter claim. The claims are now entering the discovery phase in which the court will set a time limit for the parties to file their briefs and conduct depositions if so desired.

Lanternfest. D. Meixell, S. Repasch and two Pocono Racetrack representatives met on July 8 and walked around a section BA property in order to show the lantern debris that was still on the ground after 10 months since the event. All were surprised with the amount of litter, dozens of lanterns in various stages of decomposition, which didn't even account for the lanterns in the woods that is difficult to access. The representatives were under the impression that the lanterns broke down in six to eight weeks and they acknowledged that after the next event they would be back to clean up what they could reach but agreed they would not be able to clean up all the debris. Utah Lanternfest, Inc. is the third party whom leases the racetrack property for this event. They started selling tickets for this event even though they do not have a contract with the Racetrack. T. Donchez, S. Repasch and the CEO of the Racetrack, Mr. Igdalsky, will be meeting in the near future to further discuss this situation.

Interconnection Evaluation. After receiving four proposals for the Emergency Water Supply Interconnection Evaluation, T. Donchez, J. Tallarico, E. Boscola and S. Repasch met on Tuesday to review and discuss the proposals. They all felt that AECOM really understood the project and is completely qualified to perform the work and therefore agreed to recommend the Board accept AECOM's proposal for \$55,500.00.

J. Tallarico motioned and V. Gower seconded approval of AECOM's proposal. Motion passed unanimously.

Atlantic Wind. S. Repasch reported that the two appeals are moving forward. Next week both Atlantic Wind and BA will be filing their matters of statement on noise and property use issues respectively.

3Q20 Income and Expense Projections. S. Repasch presented the report showing regular revenue and expenses through six months of the year. Revenue is at 35% for the year at \$240,047.00 and anticipates the carbon credit revenue later this year. Professional Services Expenses reflects 44% of budget and projects Saxon's investment fee and legal fees predominately for the Palmerton Hunting Club issues. Security and Property is at 37% for the year. A new landline was installed in the Wild Creek office and a new mobile phone was purchased for the officers who were using their personal phones. Administration is at 23% for a

Projected Cash on Hand as of 7/31/20 to \$117,896.00. Capital Reserve Account is projecting additional legal fees for Atlantic Wind appeals; and also haven't received the license fee of \$35,000.00 yet.

TREASURER

Investment Summary. D. Domchek reported that the two CD's that matured in the MRF were not reinvested and the funds are in the cash account. One CD in the BRIF account that matured was reinvested with Peoples Bank at 1.05% for 12 months and the other CD in the BRIF account that matured was reinvested with American Bank at .40% for 12 months.

With the Federated Treasury Fund yielding only .01%, we are in the process of opening new PLGIT PRIME accounts in several Fund Accounts and transferring most of the cash into PRIME which is yielding around .48%. Also the PLGIT I-Class and Plus Class funds are to be converted to PRIME.

V. Gower also suggested looking into Fed. Govt. Mutual Bond Funds and D. Domchek requested S. Goldfield to review and advise appropriate action.

Controller. J. Filipos' report for the month of June 30, 2020, was circulated and filed. Normal interest and expenses noted. DCED report was filed and as usual they requested the audit report. J. Filipos wrote a letter acknowledging the audit report will be forwarded once completed later this year when the City's Audit is also completed.

Resolution 448 – Approval of Expenses. T. Donchez presented Resolution 448 to the Board for the payment of expenses through July 9, 2020 from the General and Reserve accounts totaling \$22,845.20.

D. Domchek motioned and S. Zondag seconded to approve Resolution 448 as presented. Motion passed unanimously.

SOLICITOR

J. Broughal had no report.

CONSULTING ENGINEER

R. Madison had no report.

SPECIAL POLICE

Police report for the month of July was circulated and filed.

WATER REPORT

The Water Report for the month of June, 2020, was created and filed by E. Boscola. The reservoirs are at a combined capacity of 100.43%. There is a small dip in the Penn Forest levels as rainfall amounts over the last several weeks have declined but overall reservoirs are in good shape.

CITY OF BETHLEHEM DIRECTOR OF WATER AND SEWER RESOURCES

The Director's Report was filed and circulated for the month of June 2020.

Highlights of the report include:

1. Revenue numbers as reported reflect consumption data through May. Billings for the month of June show an increase in the commercial end as compared to last year at this time.
2. Mountaintop Pump Station work was awarded and are in the process of executing contracts. A construction kick off meeting will occur in the near future.
3. Generator Replacement at Filtration Plant. The generator is a long lead item and will not be delivered until sometime in the 4th quarter.
4. The City has resumed meter replacements that was put on hold due to COVID-19 with no issues.

COURTESY OF THE FLOOR

There were no comments during Courtesy of the Floor.

NEXT MEETING

The next regular meeting is scheduled for August 13, 2020, at 3:30pm.

ADJOURNMENT

S. Zondag moved and V. Gower seconded to adjourn the meeting at 4:31pm.

Sharon J. Zondag

Board Secretary