

**BETHLEHEM AUTHORITY**

**Minutes of the Regular Meeting  
Of the Board of Directors  
August 10, 2023**

The regular meeting of the Board of Directors of the Bethlehem Authority (“BA”) was held on August 10, 2023, in the Conference Room B504 at City Hall, Bethlehem, PA and remotely via “Microsoft Teams”. The meeting was called to order at 9:00AM by Mr. Dennis Domchek, Chair.

Also in attendance were:

Ms. Sharon J. Zondag, Vice Chair  
Mr. Thomas Donchez, Secretary via teleconference  
Mr. Carlos Almeida, Treasurer  
Mr. John Tallarico, Assistant Sec./Treasurer  
Mr. James Broughal, Esq., Broughal & DeVito  
Mr. John Filipos, CPA, Buckno Lisicky & Company  
Mr. Ron Madison, PE, Colliers Engineering & Design  
Mr. Stephen Repasch, Executive Director  
Ms. Sandra Zapf, Administrative Assistant

**APPROVAL OF MINUTES**

S. Zondag moved and C. Almeida seconded to approve the minutes of the July 13, 2023, Regular Meeting. Motion passed unanimously.

**RECOGNITION OF VISITORS**

Mr. Ed Boscola, City of Bethlehem, Director of Water and Sewer Resources  
Mr. Steven Antalics, Private Citizen

**COURTESY OF THE FLOOR**

There were no comments during Courtesy of the Floor.

**CHAIR**

D. Domchek thanked Mr. Antalics for providing a newspaper article from 1927 regarding the installation of the first water meters in the COB.

Governance Document. D. Domchek reported that the HR Committee met on July 21<sup>st</sup> to update the Table of Contents based on previous comments and suggestions and now presents this updated document for approval. This Table of Contents will include electronic linkages to documents intended for current and future Board members.,

C. Almeida motioned and J. Tallarico seconded to approve the Table of Contents. Motion passed unanimously.

D. Domchek also stated two follow up items to the Governance Document that will need to be addressed. 1) The HR committee needs to discuss with J. Broughal which public documents should be on the BA website and 2) To have each Committee develop a brief summary of the responsibility of said Committee available for the next meeting.

### **CONSULTING ENGINEER**

Ron Madison presented the 2022 Annual Report on the Operation of the Water System by the COB for acceptance after incorporating the final suggestions and changes from S. Repasch, E. Boscola and board members.

C. Almeida motioned and J. Tallarico seconded to accept the 2022 Annual Report. Motioned passed unanimously.

D. Domchek then turned the discussion to the Recommendations Tracking Table, that was first formulated in 2020 to itemize, track, and prioritize the COB and BA goals, to see if it is capturing relevant and useful information for the BA and the COB. With many thoughts and suggestions, such as flipping the first column to show the current recommendations instead of the history of an item and indicating items as “operational” vs. “capital specific” projects, R. Madison will revise the spreadsheet for further review. S. Zondag questioned whether this plan was even helpful to E. Boscola and if it tied into the COB 10-year plan. E. Boscola identified the recommendations as aspirational and worthy but not necessarily attainable given constraints in funding and resources. C. Almeida asked what would help incorporate the COB’s 10-year plan and Budget, the Annual Recommendations and the BA’s aspirational goals, and E. Boscola answered that the development of a robust GIS System incorporated into an Asset Management System would be a tool to help prioritize goals. S. Repasch pointed out that the BA funded the Interconnections Evaluation and the Security Report and has the ability, albeit limited, to fund some of its goals if they think it’s important to help the COB achieve its goals.

### **EXECUTIVE DIRECTOR**

**Watershed Management.** S. Repasch reported that he met with R. Wildermuth and R Smith, our Forester, and submitted a boundary correction document to ANEW to adjust the boundaries of our carbon project. When the carbon project first started ten years ago, it was discovered that some of the boundaries were not correct and was advised by TNC to make the correction after the 10-year contract was completed. The corrections show some additions and deductions (roads and power lines that didn’t need to be included, and corrected County tax map boundaries that are historically incorrect) that netted an acreage gain of around 300.

S. Repasch, J. Tallarico and T. Donchez met with Jessica Stalberger, ANEW’s account representative, to get a handle on the process to get our revenue to us. J. Tallarico reported that the real set back has to do with the third-party verification company, of which there are only a few companies qualified to verify, and they are very busy. J. Tallarico felt J. Stalberger was very honest and gave good insight into the process and was generally interested in getting us paid.

S. Repasch reported that he was contacted by D.F. Development, a very prominent real estate firm headquartered in Houston, TX. They are developing some off-shoots of their business and are looking for large properties to produce Bio-Char, a product made from residue of forest floors: leaves, twigs, etc. to make a soil additive. There would be a revenue stream from marketing Bio-Char and revenue on the carbon side by capturing methane that is given off from decay on the forest floors. J. Broughal cautioned that the BA is “non-profit” and should consider this when entertaining new business proposals.

**Williams/Transco Pipeline.** S. Repasch reported that this pipeline has been very active. The last several weeks they have been trying to tunnel 5 ft. under our water transmission main from Tunkhannock Creek to Penn Forest with little success.

**3Q23 Income and Expense Projections.** S. Repasch presented the report showing regular revenue and expenses through July 31, 2023. Revenue is at 60% or \$417,050.00 and projected income for the 3rd Quarter as \$221,959.00 which includes anticipated Carbon Revenue at a minimum of \$200,000.00. Professional Service expenses are at 51% or \$48,241.00; Security & Property expenses are at 45% or \$28,472.00; Administrative expenses are at 30% or \$162,560.00. Total expenses are 35% or \$239,273.00. Projected Operating cash on hand at the end of September 30, 2023 is \$339,434.00. On the Capital Reserve side, total expenses through July 31, 2023, are at 78% or \$50,912.00; Total projected Capital Reserve cash on hand as of September 30, 2023, is \$97,465.00 and Total projected cash on hand on September 30, 2023, is \$1,363,321.00.

## **TREASURER**

**Investment Summary.** C. Almeida presented the Investment Summary as of August 1, 2023, showing no significant changes other than accumulated interest. All investments fall within the guidelines of the investment policy. After August, there is an investment of over \$6 Million in the Construction Fund that needs to be reinvested and we’ll be looking at the timing of the money that might be needed to see about locking the money or not and also what type of investment to consider to minimize the potential for an arbitrage payment. E. Boscola indicated that the 2024 budget should be firmed up around October so he can notify how much they will need.

**Controller.** J. Filipos’ report for the month of July 31, 2023, was circulated and filed with regular interest and expenses recorded. J. Filipos also mentioned that the COB 3<sup>rd</sup> Qtr. Operating Funds were received; The MRF will have three investments mature in August and in the Construction Fund, \$260,469.69 was paid out for Capital projects.

**Resolution 489 – Approval of Expenses.** C. Almeida presented Resolution 489 to the Board for expenses through August 10, 2023, from the General and Reserve accounts totaling \$41,901.16 and \$385,865.00 from the Construction Fund and \$127,582.64 from the BRIF for Water Capital Expenses.

S. Zondag motioned and C. Almeida seconded to approve Resolution 489 as presented. Motion passed unanimously.

## **SOLICITOR**

J. Broughal had no report.

## **SPECIAL POLICE**

S. Repasch reported that E. Yeakel is in training this week and he did supply a report, but S. Repasch did not have the time to review with him and therefore it was not presented to the Board at this time.

## **WATER REPORT**

The Water Report for the month of July 2023, was created and filed by E. Boscola. The reservoirs are at a combined capacity of 97.08% with Penn Forest's level coming back up from recent precipitation. The rain fall amount is coming back to normal compared to last year with the recent 10" of rain.

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

The Director's Report was filed and circulated reflecting financial status through July 31, 2023. E. Boscola reports the Operating Fund is right on target for revenue and keeping expenses under control. The review of the 2024 budget is starting and should have some finalizing of numbers by October.

Major capital expenditures for July include:

- a. Replaced to-date over 275 lead service lines and contractor will focus on rough restoration and wrap up this phase and then look into other areas of the City for potential candidates for another phase, and then talk to PennVest to see if there is any grant money available.
- b. Meter replacement contractor started in mid-July and have already replaced about 500 meters mostly on the South Side, Fountain Hill and Freemansburg area and will continue through the rest of the year. Goal is to replace 4,000 meters this year and 4,000 next year.
- c. Still waiting on the grant application to replace the 2-Million Gallon reservoir. Decision was deferred until September. This is a matching grant through the DCED Financing Authority.

E. Boscola added a few FYI updates to show how the COB needs to be reactive vs. planned: The County is replacing a bridge on Willowbrook Road in Allen Township, north of the new FedEx facility. Our 36" transmission main that was installed in 1940 runs right under this bridge so we have to relocate our line to accommodate the bridge work. The verbal agreement is that the cost will be shared 50/50 with the County at a total estimated cost of \$500,000.00. Another project is in the Borough of Freemansburg. They plan to do a total rebuild and widening of Main Street. The City's water main pipe is 100 years old and although there is no problem with the pipe, now would be the time to replace the pipe when this project is underway.

## **OLD BUSINESS**

- **Sky Lantern Legislation** – Nothing new to report until the next event in September and if everything is satisfactory with the Board; perhaps we will not pursue any further.

- **Palmerton F&HA** – Nothing new to report. Still waiting on judge’s decision.
- **Water System Security** – Fencing at Pohopoco Drive frontage at Wild Creek was completed.
- **Interconnection Evaluation.** The agreements for the interconnection study were sent to Eastern Suburban and LCA who are reviewing them. E. Boscola received a proposal from AECOM for design work. A meeting today with LCA, E. Boscola and S. Repasch is scheduled to discuss the draft agreement and proposed design for the project.

**OTHER BUSINESS**

There was no other business.

**COURTESY OF THE FLOOR**

S. Antalics described an instrument that emits a laser beam and reads the temperature of the ground. He questioned whether this technology would be useful in the water system to detect changes in soil temperature that could indicate water saturation and potential leakage.

**NEXT MEETING**

The next regular meeting is scheduled for September 14, 2023, at 3:30pm.

**ADJOURNMENT**

C. Almeida motioned and J. Tallarico seconded to adjourn the meeting at 10:22am. Motion passed unanimously.

*Thomas Donchez*  
Board Secretary