

## **BETHLEHEM AUTHORITY**

### **Minutes of the Regular Meeting Of the Board of Directors May 9, 2024**

The regular meeting of the Board of Directors of the Bethlehem Authority (“BA”) was held on May 9, 2024, in the Conference Room B504 at City Hall, Bethlehem, PA and remotely via Microsoft “Teams”. The meeting was called to order at 3:30 PM by Mr. Dennis Domchek, Chair.

Also in attendance were:

Ms. Sharon J. Zondag, Vice Chair  
Mr. Thomas Donchez, Secretary  
Mr. Carlos Almeida, Treasurer  
Mr. John Tallarico, Assistant Secretary/Treasurer  
Mr. James Broughal, Esq., Broughal & DeVito  
Mr. John Filipos, CPA, Buckno Lisicky & Company  
Mr. Ron Madison, P.E., Colliers Engineering & Design  
Mr. Stephen Repasch, Executive Director  
Ms. Sandra Zapf, Administrative Assistant  
Mr. Eric Yeakel, Office-In-Charge

#### **APPROVAL OF MINUTES**

T. Donchez moved and C. Almeida seconded to approve the April 11, 2024, minutes of the Regular Meeting. Motion passed unanimously.

#### **RECOGNITION OF VISITORS**

Mr. Steven Antalics, Private Citizen

#### **COURTESY OF THE FLOOR**

There were no comments during Courtesy of the Floor.

#### **CHAIR**

The Chair reported that there will be an executive session to discuss a legal issue and a real estate matter after the regular meeting. Also, the Chair reported that the Board had a special meeting on May 8<sup>th</sup> with E. Boscola to review the ten-year capital plan with the focus on the projects which coincides with last month’s meeting of the Finance Committee with E. Boscola to review the funding of said projects. A draft of the Annual Engineer’s Report was distributed today and allows the Board to see how the ten-year capital plan and the annual report link or do not link to progress and recommendations. Another meeting of the Board, E. Boscola and R. Madison prior to the June Board meeting will be scheduled to discuss the annual report and provide feedback and comments. Two items specifically will be some additional improvements to the tracking document and a list of aspirational projects or activities if funding was not limited.

## **PROPERTY & INFRASTRUCTURE COMMITTEE**

**Watershed Management.** T. Donchez deferred to S. Repasch to give this portion of the report.

**Timber Sale.** S. Repasch reported that the Clearview timber sale in Tunkhannock Twp. was completed about two weeks ago. S. Repasch also mentioned that we have finally found a logger who specializes in red pine and soft woods after several months of searching. S. Repasch and our Forester, Rankin Smith, met with Marty Justik of Justik & Sons Logging about a week ago. They are enthusiastic about BA's soft timber and they have a good connection with a mill for this type of timber.

**GIS Project.** S. Repasch reported that communication with Carbon County's GIS personnel, Colliers and our forester is moving along after making a deal to supply information about our property in exchange for information we need from them.

**PF&HA.** S. Repasch met with two foresters, Jon and Josh Regan from the Easton area, who have been hired by Penn Forest Fishing & Hunting Association to set up a hunting habitat at the top of their property but they need access through our property to get to it. Discussions are ongoing to figure out how best to do this; S. Repasch laid out some opportunities to them to improve two BA roads and waiting to hear back.

**Interconnection Water Design Agreement.** S. Repasch presented an Intermunicipal Water Service Agreement between Lehigh County Authority (LCA), City of Allentown (COA), the City of Bethlehem (City) and Bethlehem Authority (BA) for design of three interconnection upgrades in order to provide water in an event of an emergency condition in either water system.

S. Zondag motioned and C. Almeida seconded to approve the Intermunicipal Water Service Agreement. Motion passed unanimously.

**Representative Susan Wild's Visit.** S. Repasch mentioned that the site visit with U.S. Representative Susan Wild is still scheduled for May 28<sup>th</sup> and will last about one hour. She is interested in seeing what we are doing with The Nature Conservancy as far as the Forest Management Program, FSC certification and carbon. The plan is to show her both reservoirs and a chestnut tree planting site. One person from her staff will be meeting with S. Repasch tomorrow to do a dry-run.

**Delaware River Forum.** S. Repasch reported that the 12<sup>th</sup> annual Delaware River Watershed Coalition is being held in Bethlehem this year at the Wind Creek Event Center and recommends a \$500.00 sponsorship. In addition to its being a very informative event, the BA is part of this watershed and it's right in our backyard and he feels it's a good opportunity to make the City and BA's presence known.

C. Almeida motioned and J. Donchez second the sponsorship of \$500.00 to the Delaware River Watershed Coalition event. Motion passed unanimously.

## **FINANCE COMMITTEE**

**Investment Summary.** C. Almeida presented the Investment Summary as of May 1, 2024. In the Construction Fund in April, an investment of \$2.9 Million matured. \$1.9 Million was transferred to the Dreyfus MM Fund earning roughly 5.19% and subject to arbitrage and the remaining amount was reinvested in a U.S. Treasury Bill earning 5.05 % and maturing on 2/15/25. There is still roughly \$6 Million available to support spending this year. S. Repasch contacted Bond Counsel requesting clarification on when the Construction Fund needs to be spent and what happens if you don't meet that timeline. Bond Counsel replied that there is some leniency as long as you demonstrate good faith progress towards your plan and are around 85% of the 3-year mark, there shouldn't be any issues. C. Almeida stated that gives the BA roughly \$1.5 Million in leeway on what gets spent by August 2025. All investments fall within policy parameters.

**Capital Financing.** C. Almeida had no report.

**Controller.** J. Filipos' report for the month of April 30, 2024, was circulated and filed with regular interest and expenses recorded. In the Operating Expense Account, the 2<sup>nd</sup> Qtr. Operating Funds of \$91,250.00 was received from The City. Construction Fund, \$222,013.59 was used to pay Water Capital Invoices and interest of \$91,290.00 on an investment was received. In May, Debt Service payments of \$662,975.00 for interest on the 2022 Bonds and \$3,135,000.00 for principal on the 1998 CAB's, of which The City will take a credit of \$36,516.46. This practice has evolved over the years after agreement was reached on how to handle this credit.

**2Q24 Income and Expense Projections.** S. Repasch presented the report showing regular revenue and expenses through the end of April 30, 2024. Revenue is at 32% of budget or \$232,226.00; Professional Service expenses are at 23% or \$21,383.00; Security & Property expenses are at 27% or \$16,050.00; Administrative expenses are at 16% or \$92,374.00. Total expenses are 18% or \$129,807.00 and Operating Cash on hand as of June 30, 2024 is \$67,414.00. On the Capital Reserve budget, expenses to date are 47% or \$59,308.00 with most of these expenses due to purchase of a new patrol vehicle and some more expenses still to come to install the truck with safety and police equipment. Total projected Capital Cash on hand as of June 30, 2024 is \$104,198.00; Total projected cash on hand as of June 30, 2024 for all funds is \$1,241,805.00

**Resolution 498– Approval of Expenses.** D. Domchek presented Resolution 498 to the Board for expenses through May 9, 2024, from the General and Reserve accounts totaling \$37,504.25 and \$490,830.44 from the Construction Fund for Water Capital Expenses.

C. Almeida motioned and T. Donchez seconded to approve Resolution 498. Motion passed unanimously.

## **GOVERNANCE & HR COMMITTEE**

S. Zondag had no report.

**SOLICITOR**

J. Broughal had no report.

**CONSULTING ENGINEER**

R. Madison had no report.

**SPECIAL POLICE**

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

**WATER REPORT**

The Water Report for the month of March are as filed and show that the reservoirs are full.

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

The Director's Report was filed and circulated reflecting financial status through April 30 2024.

**OTHER BUSINESS**

No other business.

**COURTESY OF THE FLOOR**

There were no comments during Courtesy of the Floor.

**NEXT MEETING**

The next regular meeting is scheduled for June 13, 2024, at 3:30pm.

**EXECUTIVE SESSION**

Regular Meeting is suspended and moved into Executive Session at 4:13pm to discuss legal and real estate issues. The Session concluded at 4:40 P.M. and the Regular Meeting was adjourned at 4:41 P.M. with no action taken.

*John J. Tallarico*

Assistant Secretary/Treasurer