

BETHLEHEM AUTHORITY

Minutes of the Regular Meeting Of the Board of Directors December 14, 2023

The regular meeting of the Board of Directors of the Bethlehem Authority (“BA”) was held on December 14, 2023, 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. James Broughal, Esq., Broughal & DeVito
Mr. John Filipos, CPA, Buckno Lisicky & Co.
Mr. Ron Madison, Colliers Engineering & Design
Mr. Stephen Repasch, Executive Director
Ms. Sandra Zapf, Administrative Assistant
Mr. Eric Yeakel, Officer-In-Charge

APPROVAL OF MINUTES

C. Almeida moved and S. Zondag seconded to approve the minutes of the November 9, 2023, Regular Meeting. Motion passed unanimously.

RECOGNITION OF VISITORS

Mr. Ed Boscola, City of Bethlehem, Director of Water & Sewer Resources
Ms. Michele Liberto, City of Bethlehem, Deputy Controller

COURTESY OF THE FLOOR

There were no comments during Courtesy of the Floor.

CHAIR

The Chair, along with S. Zondag from the HR Committee, recommended that the first formal review of the Governing Documents take place in January 2025 as the process of developing, refining and approving these documents took place only two months ago. There were no objections.

PROPERTY & INFRASTRUCTURE COMMITTEE

Watershed Management. S. Repasch reported that a meeting is being scheduled for some time in January with The Nature Conservancy (TNC) and Game Commission to go over their proposed prescribed fire plan. Two blocks of BA’s property are to be included and S. Repasch will provide more specific details after their meeting.

S. Repasch reported that a timber sale in Long Pond will be starting up right around Christmas time. This timber sale was purchased and paid for in 2022 but they are just getting around to harvesting it.

S. Repasch also reported that Congresswoman Susan Wild had wanted to make a trip to the watershed property in the Fall but due to the turmoil in the House, she couldn't get away. A tentative meeting is scheduled for May 28th, 2024. D. Domchek suggested that this could be an opportunity to do some lobbying for specific projects, namely funding for our capital plan, security measures or watershed improvement.

S. Repasch mentioned that he received a draft of a business plan for the Biochar project. He sent it to T. Donchez and J. Tallarico for their review and will be setting up an Infrastructure Meeting to discuss in more detail along with a potential property sale.

Wind Energy Project Zoning. S. Repasch reported that he did attend the argument hearing in Carbon County on November 21st. There was a lot of back and forth from the attorneys on their interpretation of the State Appellate Court's ruling of sending it back to the Zoning Board for clarification. The hearing lasted roughly 2 hours after which the judge stated he would take it under advisement.

GIS Proposal. S. Repasch presented a proposal from Colliers Engineering for some GIS design work for a not-to-exceed cost of \$15,000.00. The specific scope of the services is to review the current GIS platform and add in GIS mapping coordinates for the water transmission line and Buckeye Gas transmission line in the watershed, and any other boundary issues that have come up that need to be corrected since the last time the boundaries were identified in the GIS system.

D. Domchek requested a demonstration of the GIS system as it is now and what we want it to look like in one or two years. R. Madison will check with their GIS Manager and schedule a demonstration in either January or February. R. Madison stated that the goal is to integrate The City's GIS platform with all the attributes associated with the water distribution system and then have it connect with the watershed.

J. Tallarico motioned and S. Zondag seconded to approve Colliers Engineering proposal. Motion passed unanimously.

Property Appraisal. S. Repasch reiterated that since the East Allen Gardens, in Allen and East Allen Twps., water is now getting their water from The City's water system, the well properties are no longer needed. There is a 1.04-acre property on Buttonwood Road in Allen Twp. that came along with the transfer of the water system that the BA owns but no longer needs. A first step is to appraise the property and S. Repasch contacted Linda Dietrick Appraisals and received a proposal for \$1,000.00 to appraise the Buttonwood Road property.

J. Tallarico motioned and C. Almeida seconded to approve the appraisal proposal. Motion passed unanimously.

FINANCE COMMITTEE

Investment Summary. C. Almeida presented the Investment Summary as of December 1, 2023. In November, one T-Bill matured in the MRF and reinvested. All investments fall within

the guidelines of the investment policy. C. Almeida noted that markets seem to be moving fairly quickly to adjust for the current interest rate volatility.

Controller. J. Filipos' report for the month of November 30, 2023, was circulated and filed with regular interest and expenses recorded. The BA received \$4,970,693.49 from The City to pay Debt Service and included the 5% coverage requirement of \$238,398.75. In the Construction Fund, \$789,856.22 was transferred to The City to pay Water Capital Invoices for October and November. J. Filipos also mentioned that the Annual Survey of Local Government Finances due every December was electronically filed on December 6, 2023.

4Q23 Income and Expense Projections. S. Repasch presented the report showing regular revenue and expenses through November 30, 2023. Revenue is at 114% of budget or \$786,633. Professional Service expenses are at 83% or \$78,647; Security & Property expenses are at 66% or \$41,863; Administrative expenses are at 51% or \$271,295 and anticipate transfers to the BRIF and Capital Reserves of \$125,000.00 each. Total expenses are 57% or \$391,805. On the Capital Reserve budget, total expenses through November 30, 2023, are at 98% or \$63,554 with most of the expenses for the Wind Energy appeal. Total projected Operating Cash on hand \$25,000.00 and Capital Reserve cash on hand \$1,394,055.00 as of December 31, 2023; Total projected cash on hand on December 31, 2023, is \$1,419,055.00.

Resolution 493 – Approval of Expenses. D. Domchek presented Resolution 493 to the Board for expenses through December 14, 2023, from the General and Reserve accounts totaling \$28,854.93 and \$183,058.38 from the Construction Fund for Water Capital Expenses.

C. Almeida motioned and T. Donchez seconded to approve Resolution 493 as presented. Motion passed unanimously.

S. Repasch mentioned that next week some additional checks will need to go out before the end of the year and he will send an e-mail for approval. These checks will appear on the next resolution.

GOVERNANCE & HR COMMITTEE

Governance Documents. S. Zondag had no report.

SOLICITOR

J. Broughal had no report.

CONSULTING ENGINEER

R. Madison mentioned that normally for the Annual Report in January, they obtain the Certification of Insurance from The City and a list of all assets insured but for some reason this year the Bond Trustee wanted that documentation before the end of the year. R. Madison was able to get those documents from The City and submit them to the Trustee before and end of year deadline.

SPECIAL POLICE

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

WATER REPORT

The Water Report for the month of November 30, 2023, was created and filed by E. Boscola. The reservoirs are at a combined capacity of 93.15% with Penn Forest down about 5 feet below spillway but precipitation through November is about the same as last year so nothing to worry about yet.

CITY OF BETHLEHEM DIRECTOR OF WATER AND SEWER RESOURCES

The Director's Report was filed and circulated reflecting financial status through November 30, 2023. In the Water Operating Fund, revenues are up from projections and expenditures are below and \$10.5 Million in cash.

In the Water Capital Fund, there were close to \$5.6 Million in disbursements to date.

Lead service lines - 340 service lines have been replaced.

Meter replacement – 4,000 meters replaced to date.

Security Fence at Treatment Plant and Wild Creek – Fence installation is completed.

2024 Water Capital Fund Budget – \$8.4 Million; About \$2.8 Million is already encumbered for projects already underway and carry into next year.

2024 Projects - Schedule another 4,000 meter replacements, a few major water main replacements projects, finish up lead service lines, system interconnect design and some additional security items.

S. Zondag requested that in March 2024, E. Boscola could tie-in the list of items from the Annual Report and the 2023 10-year capital plan and identify the progress of each of the items.

S. Zondag also questioned E. Boscola if he knew what percentage of the lead line has been replaced. E. Boscola stated that he didn't know because it is unknown how much lead pipes are in the system. The regulators want the utilities to make a good faith effort to try and identify to the extent possible all the service line materials and have them in a public facing GIS document by next October 2024 so the public can go on and see where the lead is in the system. Their ultimate goal is to remove all lead from the country's water systems by 2037.

OTHER BUSINESS

No other business.

COURTESY OF THE FLOOR

There were no comments during Courtesy of the Floor.

NEXT MEETING

Reorganization Meeting is scheduled for January 11, 2024, at 3:30pm immediately followed by our next Regular meeting.

ADJOURNMENT

C. Almeida moved and T. Donchez seconded to adjourn the meeting at 4:24pm. Motion passed unanimously.

Thomas Donchez
Board Secretary

