

BETHLEHEM AUTHORITY

Minutes of the Regular Meeting Of the Board of Directors June 12, 2025

The regular meeting of the Board of Directors of the Bethlehem Authority ("BA") was held on June 12, 2025, in the Conference Room B504 at City Hall, Bethlehem, PA and remotely via Microsoft "Teams". The meeting was called to order at 3:30pm by Mr. Dennis Domchek, Chair.

Also in attendance were:

Ms. Sharon J. Zondag, Vice Chair
Mr. Carlos Almeida, Treasurer
Mr. Ian van Halem, Secretary
Mr. Ronald Donchez, Asst. Secretary/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, Director of Administration
Mr. Eric Yeakel, Police Officer-In-Charge
Mr. Ed Boscola, City of Bethlehem, Director of Water and Sewer Resources

APPROVAL OF MINUTES

S. Zondag motioned and R. Donchez seconded to approve the May 8, 2025, Minutes. Motion passed unanimously.

RECOGNITION OF VISITORS

Mr. Steve Antalics, Private Citizen
Ms. Sarah Degrendel, COB Sustainability Manager
Mr. Nathan McIntyre, Wilson Engineering, via "Teams"
Ms. Kathy Palmero, Solar Renewable Energy, LLC via "Teams"
Mr. Seth Berry, Solar Renewable Energy, LLC via "Teams"

COURTESY OF THE FLOOR

There were no comments during Courtesy of the Floor.

CHAIR

D. Domchek reported that an Executive Session will be held following the regular meeting to discuss several matters with no action being taken. Also, I. van Halem will be about 15 minutes late and therefore the meeting will start with the Finance Committee reports

FINANCE COMMITTEE

Investment Summary. C. Almeida presented the Investment Summary as of June 1, 2025. There were no CD purchased in May and very little activity except for an increase in the BRIF account of roughly \$190,000.00 for the 5% debt service coverage from The City. C. Almeida also commented that the Construction Fund has a balance of just above \$4 Million and that the fund needs to be exhausted or have significant commitments to spend the fund by August 22nd in order to comply with the indenture requirements. C. Almeida requests the Finance Committee meet to discuss what will take place over the next three months in terms of spending or commitments.

Controller. J. Filipos' report for the month of May 31, 2025, was circulated and filed with regular interest and expenses recorded. In the Operating Account, BA did receive \$8,742.00 from Pocono Organics for their 2025 Ag Lease. In the Construction Fund, \$19,450.00 was used to pay Water Capital Project Invoices and in the BRIF, \$190,398.75 was received from The City for 5% debt service coverage.

On May 15, 2025, the Debt Service Payments for the '98 CAB's of \$3,145,000.00 and 2022 Water Bonds of \$662,975.00 were paid. The City took a credit of \$35,261.34 from the DSRF.

2025 Income and Expense Projections. S. Repasch presented the report showing regular revenue and expenses through May 31, 2025. Revenue is at 23% of budget or \$246,560.00 and a note that Pocono Organics lease payment due in March was received; Professional Services expenses are at 32% of budget or \$27,295.00 and S. Repasch mentioned that an invoice from our financial advisor, P.R.A.G., will be paid in June for review of the Investment Policy; Security and Property expenses are at 24% or \$16,388.00; E. Yeakel ordered some equipment and cameras which will be reflected in July & August's reports; Administrative expenses are 25% or \$222,029.00. Total expenses are 25% or \$265,712.00 of budget. Operating Cash on Hand projected for 6/30/2025 is \$62,559.00. On the Capital Reserve, 5% of budget or \$4,963.00 and more legal fees will be incurred for the Wind Energy Project appeal; a down payment for construction of the new garage at Wild Creek will also be reflected next month. Total Capital Cash on Hand is \$75,681.00. Projected Fund Totals for all Funds for June 30, 2025 is \$1,310,452.00.

Resolution #512 – Approval of Expenses. D. Domchek presented Resolution #512 to the Board for expenses through June 12, 2025, from the General and Reserve Accounts totaling \$43,563.29 and from the Construction Fund totaling \$432,723.11.

C. Almeida motioned and R. Donchez seconded to approve Resolution #512. Motion passed unanimously.

(It is noted that board member, Ian van Halem, entered the meeting at 3:48pm)

PROPERTY & INFRASTRUCTURE COMMITTEE

Watershed Management:

GIS Project. I. van Halem reported that E. Yeakel and S. Repasch met with Julia Wolanski from Colliers Engineering last week at Wild Creek and started mapping fire lines. This data, and subsequent data collected, is the first step. It will then be published on the BA's website in "layers" so that relevant information for the public will be available but other layers will not be available to the public.

Forestry Activity. S. Repasch reported that R. Smith, BA's Forester, along with The Nature Conservancy are finishing up on the final draft of the Forest Management Plan 10-year update and he hopes to have it for review within a month or two.

Herbicide Treatment. S. Repasch reports that a herbicide application at the Clearview timber stand will occur within a week or two.

Carbon Credits. S. Repasch spoke with ANEW, the carbon project broker. ANEW is using a new verifier and S. Repasch needed to answer similar questions for the new verifier that he answered the last time of verification. S. Repasch is still anticipating receiving revenue by end of the year, as the verification is moving forward, albeit somewhat slowly.

Solar Project. S. Repasch introduced Kathy Palmero and Seth Berry from Solar Renewable Energy, LLC in Mechanicsburg, PA. S. Berry gave a brief description of his company which was formed in 2010 and primarily focuses on Pennsylvania commercial and non-profit sites. Solar projects can generate financial returns via savings on utility energy bills, income from renewable energy credits, state grants/rebates and federal tax incentives.

S. Berry described their analysis of the proposed BA solar project and answered questions pertaining to location of solar panels on the site, maintenance responsibility, amount of annual usage, what happens with the excess power generated, how the financing is structured, time frame from construction to going live, etc.

D. Domchek suggested a follow up meeting to go over the financial analysis in detail, but will wait for at least 30 days to see if the U.S. Senate makes changes to the House bill which has negative implications for solar power credits.

E. Boscola mentioned that the Department of Energy has a program called "On-Site Energy Program" and he met with people today from Penn State which is running the program in our region. They are like an independent group that looks at industrial and commercial facilities that have the capacity to produce energy—solar, wind, steam, bio-gas. They are going to take a look at the City's energy bills and use profile and see what makes sense relative to on-site energy production. S. Degrendel stated that the City is interested in renewable energy as part of their "Climate Action Plan" which has greenhouse gas reduction goals to be met. Two of the leading areas are at the waste water treatment plant and the water filtration plant (WFP).

GOVERNANCE & HR COMMITTEE

S. Zondag had nothing to report, but indicated related personnel topics would be discussed in Executive Session after the meeting.

SOLICITOR

Solicitor had no report.

CONSULTING ENGINEER

R. Madison reported that he prepared his requisition letter for the Water Capital Invoices for design services for the WFP roof, water meter replacements, 2-million-gallon reservoir replacement design, Freemansburg bridge water main replacement and the WFP and watershed electric security gates.

R. Madison also reported that he modified Recommendation #7 on the Annual Report as directed and the final date on the annual report is May 28, 2025.

SPECIAL POLICE

Police report for the month of June 2025 was circulated and filed.

WATER REPORT

The water report for the month of May is as filed. E. Boscola reports that with all the rain recently, the reservoirs are recovering nicely

CITY OF BETHLEHEM DIRECTOR OF WATER AND SEWER RESOURCES

The Director's Report was filed and circulated reflecting financial status through May 31, 2025. Revenue and expenditures are on target and over \$14 Million in the bank.

On the Capital side, the report for May looks a little thin but there will be a big bill in June to be paid. Water meter replacements are on-going, and water main replacement projects at Freemansburg bridge, Eaton Avenue and Garrison Street to be completed.

Still waiting on a proposal for the security gate at Wild Creek; the gate was completed at the filtration plant but need to fix the arm to converted over to the City's card reader system and a proposal is in for cameras at the filtration plant. Will be going out for bids to re-roof the WFP which will hopefully happen this Fall.

E. Boscola presented an Excel spreadsheet of water main replacements from 2014 through 2024 showing location, length replaced, budget and contractor who performed the work. S. Zondag requested an "average" column be added to this report.

OTHER BUSINESS

S. Repasch reported that on Monday, June 9th, our attorney filed a brief to the State Appellate Court on the Penn Forest Township zoning denial appeal for the wind energy project. The Zoning Board has 30 days to respond, after which oral arguments will be scheduled, which will be followed by the Appellate Court decision.

COURTESY OF THE FLOOR

Regarding the solar energy project, S. Antalics believes an important question would be “how much direct sun is necessary for solar energy” and that amount should be figured into the analysis. S. Zondag stated that it was addressed in the presentation.

NEXT MEETING

The next regular meeting is scheduled for July 10, 2025, at 3:30pm.

ADJOURNMENT

I. Van Halem motioned and R. Donchez seconded to adjourn the meeting at 5:10pm and move into Executive Session. Motion passed unanimously.

Ian van Halem

Secretary