

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
OF THE BETHLEHEM AUTHORITY

January 9, 2014

The regular meeting of the Board of Directors of the Bethlehem Authority (Authority) was held on January 9, 2014 in Room B-504, City Administration Building, 10 E. Church Street, Bethlehem, PA and called to order immediately after the reorganization meeting by Mr. Vaughn Gower, Chairman. The following were also in attendance:

- Mr. John Tallarico, Vice Chairman
- Ms. Laurie Hackett, Secretary
- Mr. Mark Jobes, Treasurer
- Mr. James Broughal, Esq., Solicitor
- Mr. John Filipos, CPA, Controller
- Mr. Stephen Repasch, Executive Director
- Ms. Sandra Reppert, Administrative Assistant
- Mr. Daniel Meixell, Special Police Officer

APPROVAL OF MINUTES OF DECEMBER 12, 2013

V. Gower presented the minutes from the Authority's regular meeting held December 12, 2013. L. Hackett moved for approval. J. Tallarico seconded. Motion passed unanimously.

RECOGNITION OF VISITORS

V. Gower recognized and welcomed the following visitors:

- Mr. Stephen Antalics, Bethlehem Citizen
- Bethlehem Press
- Mr. Ed Boscola, City of Bethlehem Director of Water and Sewer Resources
- Mr. Ron Madison, Rettew
- Mr. Robin Wildermuth and Ms. Cindy Wildermuth, Woodland Management Services and Authority Consulting Foresters
- Mr. Neal Kern, Barry Isett & Associates and Authority Consulting Engineer
- Mr. Michael Recchiuti, City of Bethlehem Councilman
- Mr. David DiGiacinto, City of Bethlehem Controller

COURTESY OF THE FLOOR

There were no comments.

CHAIRMAN

Operating Authority. V. Gower reported that a request for information was received from City Council on the operating authority evaluation and a response was provided. There was a follow-up request for additional information and it will be provided.

EXECUTIVE DIRECTOR

S. Repasch said he appreciated the Board's confidence in him and he thanked them for his reappointment.

Forest Management. R. Wildermuth thanked the Board for the reappointment of Woodland Management Services as Authority Forester. He provided an overview of activities and accomplishments for 2013 – the FSC audit, the visit from the Rain Forest Alliance, thinning, regeneration and prescribed burning projects under the FSC plan, and his project with Blue Source to establish permanent plots that will measure forest growth for carbon tracking. He is also working on building a history of activities since 2010. Timbering revenue for 2013 totaled \$74,844. Forest management activities planned for 2014 include five timbering projects at the allowable cut of 8,000 tons (carbon) and with estimated revenue of \$135,000, another FSC audit, prescribed fire projects and a prescribed fire experiment in Wild Creek for oak regeneration.

Timber Project. S. Repasch presented to the Board for approval a draft timber sale agreement with Elite Timber Harvesting to harvest a 42 acre pine plantation in Long Pond. The agreement requires a \$3,000 performance bond and the prices are \$4/ton for softwood, \$2/ton for hardwood-pulpwood, and \$8/ton for sawlogs, the value of which could increase. The Authority Solicitor has reviewed and approved the agreement.

J. Tallarico moved to approve the timber sale agreement with Elite Timber Harvesting as presented. L. Hackett seconded. Motion passed unanimously.

Wind Energy Project. S. Repasch reported construction additions were made to the met towers, wind data is being collected, and Atlantic Wind/Iberdrola's application to the PJM grid for a purchase agreement was approved. The project is in the queue and the evaluation of the agreement could take three to four months.

1st Quarter 2014 Income/Expense Projections. The 1st Quarter 2014 Income and Expense Projections report was circulated and filed.

Expense Budget Comparative. The Expense Budget Comparative for the year ended December 31, 2013 was circulated and filed.

CONTROLLER

J. Filipos thanked the Board for his reappointment. His report for the month of December, 2013 was circulated and filed. He noted that ~\$109,000 was transferred from reserves to the operating account (less than the \$140,000 budgeted), the 5% lease coverage was received from the City and transferred to the BRIF, and the debt service principal and interest for the leaseback bond was paid (~\$596,000).

Resolution 360 – Approval of Expenses. V. Gower presented Resolution 360 to the Board in the total amount of \$30,520.87 for the payment of administrative and professional expenses. Water capital expenses are being paid from the City's line of credit. S. Repasch noted that the BRIF will most likely be used next month for water capital expenses since the balance is above the \$2.2 million minimum threshold.

M. Jobses moved to approve Resolution 360. J. Tallarico seconded. Motion passed unanimously.

SOLICITOR

J. Broughal thanked the Board for his reappointment.

CONSULTING ENGINEER

N. Kern thanked the Board for the reappointment of Barry Isett & Associates as Authority Engineer. He has performed the inspections of the water system and gathered most of the information for the Annual Report. The statistical data for the appendices is still needed from the City. The insurance and budget certifications have been completed and issued. He and S. Repasch will be meeting with the City's contract engineer on the Master Plan for improvements to the water distribution system (water mains, pump stations, and other upgrades over the next 10 years). The study will be addressed in the Annual Report.

BETHLEHEM AUTHORITY SPECIAL POLICE

D. Meixell thanked the Board for his reappointment. The PA Game Commission and Penn State graduate student have begun the snowshoe hare study.

WATER REPORT

The Water Report for December, 2013 was circulated and filed.

CITY OF BETHLEHEM DIRECTOR OF WATER AND SEWER RESOURCES

E. Boscola reported his first days as the new Director of Water and Sewer Resources have been busy. He has toured the water treatment plant and hopes to tour the reservoirs next week. He also reported that Water Fund receipts for year total 99.8% of the \$21.2 million projected, pending any last minute changes. He did not have any information to report on expenses at this time.

OTHER BUSINESS

None.

COURTESY OF THE FLOOR

Mr. Antalics commented on Councilwoman Belinski being the watchdog of the Authority many years ago, especially regarding the then-timbering issues. After listening to the Authority's Forester today, there has been a tremendous turnaround.

S. Reppert thanked the Board for her reappointment.

NEXT MEETING

The next meeting is scheduled for February 13, 2014.

ADJOURNMENT

L. Hackett moved to adjourn the meeting. J. Tallarico seconded. Motion passed unanimously and the meeting adjourned at 5:00 PM.

Laurie G. Hackett, Secretary