

**NORTHAMPTON BOROUGH MUNICIPAL AUTHORITY**  
**M I N U T E S**

Northampton, PA – September 10, 2024

The regular monthly meeting of the Board of the Northampton Borough Municipal Authority (NBMA) was held at 5:00 p.m. on September 10, 2024 in the NBMA Edward D. Hozza, Sr., Board Room, 1 Clear Springs Drive, Northampton, PA. Vice Chairman Glassic, Board Members Haldeman and Hucaluk were present. Also, in attendance were, Mr. Stephen J. Kerbacher, General Manager/ Secretary, Mrs. Lori Schwartz, Treasurer/ Comptroller and Mr. Scott Steirer, Solicitor. Chairman Deily and Board Member Lopsonzski attended via tele-conference.

Pledge of Allegiance to the American Flag.

An executive session was called at 5:08 p.m. Attorney Tom Heimbach attended the executive session left at 5:50 p.m.

Upon motion by Mr. Lopsonzski and Ms. Haldeman, the Board approved the minutes of the monthly meeting held August 13, 2024.

Upon motion by Ms. Haldeman and Mr. Lopsonzski, the Board approved the August 2024 Cash Vouchers.

**Chairman’s Report: (Vice Chairman ran meeting for Chairman Deily)**

Dinner meeting with Borough of Northampton, Wednesday, October 23, 2024 at the Northampton Banquet and Event Center.

Whitehall Township – Tax office issue – Article in newspaper regarding the closing of Whitehall Tax Office due to no staff.

**TREASURER/COMPTROLLER REPORT:**

**Gannett Fleming, Inc. – Invoices:**

The Gannett Fleming, Inc. – Invoices covering August services, see below:  
Gannett Fleming Inc. – (GFI) dated September 6, 2024, for professional services rendered through August 23, 2024. Provided general engineering services related to NBMA water system facilities and operations, including meeting attendance, consulting advice SDWA compliance, main extensions and replacements. Trust

indenture requirement, etc. 24A – General Consulting Services – Total due this invoice - \$532.41.

Gannett Fleming, Inc. – (GFI) dated September 6, 2024, for professional services rendered through August 23, 2024. Assist NBMA with the Cementon Tank No. 2 and Tank No. 1 Project, including Preliminary Investigations, Final Designs, Permitting Pennvest, Bid Phase and Construction Phase Services. 1 – Cementon Tanks Project – Total due this invoice - \$10,395.54.

Gannett Fleming, Inc. – (GFI) dated September 6, 2024, for professional services rendered through August 23, 2024. Assist NBMA with the Cementon Reservoir Cover and Lining Project, including Designs, Permitting, Bid Phase, and Construction Phase Services. 1 – Cementon Res. Cover & Lining Project – Total due this invoice - \$6,243.59.

Gannett Fleming, Inc. (GFI) dated September 6, 2024, for professional services rendered through August 23, 2024. Update water system GIS maps and perform related services. 24D – Mapping Updates/GIS Work – Total due this invoice - \$387.55.

Total Invoices - \$17,559.09.

Upon recommendation of Mr. Martin Hozza and Mr. Stephen Kerbacher, the Board upon motion by Ms. Haldeman and Mr. Lopsonzski, approved the invoices dated September 6, 2024 from Gannett Fleming, Inc. in the total amount of \$17,559.09.

The Treasurer/Comptroller stated there was no invoice from Pierce & Steirer, LLC for professional services rendered for the month of August 2024 it will be in next month's Agenda.

The Treasurer/Comptroller presented the August 2024 NBMA Consumption Report –July 2024 Operating Financial Statements - Replacement and Renewals – and Delinquent Water Account Status at this time.

The Treasurer/Comptroller stated the Borough of Northampton, Exchange of Services payment will be deferred until December of 2024 in the amount of \$21,124.25.

The Treasurer/Comptroller reported on the new NBMA Accounts Metered - Eighteen (18) - new meters were installed in August – (2-Northampton, 3-Allen

Township, 8-North Catasauqua, 0-Laury's Station, 0-Coplay, 0-W.Catasauqua, 0-Fullerton, 0-Hokendauqua, 0-Stiles, 2-Egypt, 0-Cementon, 3-North Whitehall, 0-Clearview, & 0-Water Hauler). Calendar Year to Date –93 New accounts Fiscal Year 2024 to 2025 to Date-57. The information pertinent to new connections was sent to the Borough of Northampton and Allen Township.

The Treasurer/Comptroller reported NBMA replaced 235 Meters and 281 MXU's Fiscal Year to Date. Total cost of Meters and MXU's fiscal year to date \$67,123.74.

The Treasurer/Comptroller presented the following M&T Bank 2003 Requisitions as follows:

**M&T BANK 2003 REQUISITIONS:**

2003 Revenue Fund Requisition #16 - \$479,747.00 –October 2024 Budget Expenses, Operating Expenses, Maintenance Expenses, Inventory, Trustee Fees.

2003 Revenue Fund Requisition #17 – \$21,862.92 – August 2024 Meter & MXU & Reimbursement & Replacement Program.

2003 Revenue Fund Requisition #18 - \$9,392.75 – August 2024 Replacement & Renewals

2003 Construction Fund Requisition #5 - \$297,980.75 – August 2024 Cherryville Road/High Meadows Development #2 August Tapping Fee.

Total all Requisitions: \$808,983.42.

Upon motion by Ms. Haldeman and Mrs. Hucaluk, the Board unanimously approved the 2003 Revenue and 2003 Construction Fund Requisitions as listed above in the total amount of \$808,983.42 contingent upon approval by Gannett Fleming, Inc.

**Pennvest Loan – Cementon Tank #2 - DN Tank Payment – DN Tank Payment Application #16 \$14,430.00.**

Upon motion by Mr. Lopsonzski and Mrs. Hucaluk, the Board unanimously approved the payment Application #16 for DN Tank #2 in the amount of \$14,430.00.

2003 Bond Redemption and Improvement Fund Requisition #3 – Construction of Capital Additions: Reservoir Cover & Liner Project.

Resolution No. 3 (Requisition No. 3) Approve 2003 Bond Redemption & Improvement Fund #3 \$143,703.87.

**3 MG Reservoir Cover and Liner Replacement** - RTD – Enterprises, Inc.  
Payment Application #3 **\$143,703.87.**

Upon motion by Mr. Lopsonzski and Mrs. Hucaluk, the Board approved the 2003 Bond Redemption and Improvement Fund Requisition #3, 3MG Reservoir Cover and Liner Replacement payment Application #3 in the amount of \$143,703.87, contingent upon approval by Gannett Fleming, Inc.

\*PLGIT – Certificates of Deposits in the total of \$6,975,000.00 and cash of \$835,532.74 are held for the following Restricted Funds of the NBMA Trust Indenture at M&T Bank: Bond Redemption & Improvement Account, Emergency Repair Fund, Revenue Fund and Debt Service Reserve Fund. The projected interest upon maturity on the Certificates of Deposit invested for these funds is \$378,969.99. The Federated Money Market (Direct Obligations of the US Government) at M&T Bank has a yield of 5.00%, the Certificate of Deposit investments with PLGIT are currently yielding 4.85%-5.66%.

Northampton Borough Municipal Authority purchased the following Certificates of Deposits for the Bond Redemption & Improvement Fund

Emergency Repair Fund

Resolution #243: On August 19, 2024 a \$210,000.00 – 364 day CD was purchased with a net interest rate of 5.10%/4.95% and interest at maturity will be \$10,710.00.

Upon motion by Ms. Haldeman and Mr. Lopsonzski, the Board approved the Bond Redemption & Improvement Fund Emergency Repair Fund as presented above to be submitted to M&T Bank.

Upon motion by Ms. Haldeman and Mrs. Hucaluk, the Board approved the Authority's 2025 Minimum Municipal Obligation (MMO) in the amount of \$144,450.00 for the Defined Benefit Plan (N-1) and \$95,660.00 for the Cash Balance Plan Defined Contribution Plan (N-2). The prior year numbers were \$160,525.00 for the (Defined Benefit Plan) and \$82,869.00 for the Cash Balance (Plan Defined Contribution Plan).

Pennsylvania Municipal Retirement System (PMRS) – referred to letters from PMRS for the Defined Benefit Plan and Defined Contribution Plan (Cash Balance Plan). The Defined Benefit Plan is as follows:

On behalf of Mr. Stephen J. Kerbacher, Chief Administrative Office, Mr. Kerbacher reported to the Board of Directors of the Northampton Borough Municipal Authority, the 2025 Minimum Municipal Obligation for the Salaried Employees of the Northampton Borough Municipal Authority Pension Plan is as follows:

**Act 205 of 1984, as amended, governs the funding requirements for all municipal pension plans. The law requires the “Chief Administrative Officer” of each pension plan to inform the governing board of the municipality of the plan’s expected financial obligation for the coming year. This must be done by the last business day in September.**

**The calculation of the 2025 MMO required an estimate of the 2024 W-2 wages of the employees covered by the plan. I have indicated on the attached worksheet my best estimate of the same. Questions on the pension cost calculation may be addressed to either myself or the Pennsylvania Municipal Retirement System at (800) 622-7968.**

**The MMO is the municipality’s 2025 bill for this pension plan and must be paid by December 31, 2025. The obligation must be met with general fund monies or any General State Aid to Municipal Pensions to which we may be entitled to under Act 205.**

Pennsylvania Municipal Retirement System (PMRS) – referred to the Defined Contribution Plan’s investment performance through March 31, 2023. PMRS has and will continue to provide up-to-date, transparent investment information on its website. As of March 31, the fund’s market value was \$3.3 billion (unaudited). The 5-year return on the total fund was 12.2 % (net) vs. the policy index of 10.6%. PMRS realized an investment gain of \$1.3 billion, ranking in the top 4<sup>th</sup> percentile of peers. Of note, the Pennsylvania Municipal Retirement Board has recently taken actions that will reduce the total amount of risk in the investment portfolio.

MRM Workers Compensation – an invoice dated September 4, 2024 for the period October 1, 2024 to September 1, 2025 in the amount of \$73,586.00. NBMA received a dividend SIR for years 2010-2018 from MRM Workman’s Comp Trust Dividend Fund of \_\_\_\_\_ . Last year’s Workman Compensation invoice was \$69,188.52.

## **MANAGER'S REPORT:**

Staff Meeting – Mr. Kerbacher reported that the NBMA Staff Meeting was held on Thursday, September 5, 2024 at 9:00 a.m. in the NBMA Headquarters Building.

Mr. Kerbacher reported on Mr. Daniel Boyle, Lineman – 6 month review, Mr. Boyle received 2 raises in March for March and September 2024.

Engineering Services Proposal Asset Management Program – Mr. Kerbacher reported that Gannett Fleming, Inc. had a proposal.

Upon motion by Ms. Haldeman and Mrs. Hucaluk, the Board approved of the proposal.

Pennsylvania DEP Invoice: Mr. Kerbacher reported that the Annual fees for NPDES Permit is \$1,500.00.

Upon motion by Ms. Haldeman and Mrs. Hucaluk, the Board approved the NPDES Annual fee in the amount of \$1,500.00.

## **Operations Report:**

Mr. Stephen Kerbacher referred to the Operation's Report for September 2024. Construction projects completed in August 2024 were presented as well as current projects underway in the month of September 2024. A list of upcoming scheduled projects and potential proposed projects were presented.

SR 0329 Cementon Bridge Replacement – Mr. Kerbacher reported that the bids for this project were opened on January 12, 2023 and the apparent low bidder was Richard E. Pierson Construction Company from Woodstown, NJ at bid amount of \$21,724,776.64. A brief discussion followed. Mr. Kerbacher reported that utility relocation is being performed by PPL and Verizon at this time. Water line relocation will happen at a later date. No further updates at this time.

Taste & Odor – Mr. Kerbacher reported that there are no taste and odor issues at this time.

Lehigh River – Cementon Dam update – no further information at this time.

Monthly Water Treatment Plant Report – Mr. Kerbacher reported on the monthly NBMA Water Treatment Plant report.

3MG Reservoir Cover & Liner Replacement – Mr. Kerbacher reported that RTD Enterprises has begun work on the project. The project is scheduled to be completed by the end of September.

3MG Cementon Tank #2; Tank #1 Rehab – Mr. Kerbacher reported that the Rehabilitation of Tank #1 has been completed and the Operating Permit from PA DEP has been received. Tank #1 has been placed back in service. Mr. Kerbacher reported however, that there is a small leak in an old crack in Tank #1. This repair was part of the rehab project details. It is not affecting the operation of Tank #1. DN Tanks will return to the site upon completion of the 3MG Reservoir Cover & Liner replacement project. Tank #1 will then be taken out of service so that final repairs can be made.

Chairman Deily requested we contact Mr. David Bausch about a 6-month review of Revenue since we are spending & will need to spend big sums on Capital projects and have a smaller replacement and renewals budget.

**ENGINEERS' REPORT:** (Mr. Scott Hughes was not in attendance)

**SOLICITOR'S REPORT:**

**Old Business**

Liens and Satisfactions – \$6,682.21 worth of Liens, continuing.  
Labor Matter

**New Business**

No new business.

Upon motion Ms. Haldeman and Mr. Lopsonzski, the Board unanimously agreed to adjourn at 7:07 p.m. to meet in a regular session on Tuesday, October 8, 2024 at 5:00 p.m. in the NBMA Headquarters Building.

Stephen J. Kerbacher, General Manager

Visitor(s) 2 Total year to date 9.