

NORTHAMPTON BOROUGH MUNICIPAL AUTHORITY
M I N U T E S

Northampton, PA – June 11, 2024

The regular monthly meeting of the Board of the Northampton Borough Municipal Authority (NBMA) was held at 5:00 p.m. on June 11, 2024 in the NBMA Edward D. Hozza, Sr., Board Room, 1 Clear Springs Drive, Northampton, PA. Chairman Deily, Vice Chairman Glassic, Board Members Haldeman, Hucaluk and Lopsonzski were present. Also, in attendance were, Mr. Stephen J. Kerbacher, General Manager/Secretary, Mrs. Lori Schwartz, Treasurer/Comptroller, Mr. Scott Steirer, Solicitor, Ms. Melissa Grube, CPA and Mr. Mario Cozzubbo, Auditor/Manager, Campbell, Rappold & Yurasits, LLP.

Pledge of Allegiance to the American Flag.

Upon motion by Mr. Glassic and Mrs. Hucaluk, the Board unanimously approved the minutes of the monthly meeting held May 14, 2024 and the May 2024 Cash Vouchers.

Ms. Melissa Grube, CPA and Mr. Mario Cozzubbo, Auditor/Manager, Campbell, Rappold & Yurasits, LLP, Certified Public Accountants, presented a draft of the Northampton Borough Municipal Authority Financial Statement, Auditor's Report and Supplementary Information as of March 31, 2024 to the Board and Officers at this time. A brief discussion followed in regard to the Audit and Managements Discussions and Analysis (MDA), which is intended to serve as an introduction to the Authority's basic financial statements. Chairman Deily questioned the Auditors on the financial standing of the Authority due to the large increase in operating expenses and due to a longer number of Capital projects in the future. A brief discussion followed and the opinion of the Auditors was, the Authority was in good financial shape, but if there is a large sum of money needed for projects a bond issue may be needed or a rate study should be done to see how much of an increase is needed to cover the capital project.

Upon motion by Messrs. Glassic and Lopsonzski, the Board unanimously approved the presentation of NBMA Financial Statements for fiscal year ending March 31, 2024.

Ms. Melissa Grube and Mr. Mario Cozzubbo withdrew from the meeting at 5:55 p.m.

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Upon motion by Mr. Glassic and Ms. Haldeman, the Board unanimously approved the single audit/federal data collection form (Penn Vest).

Accounting Policies and Procedure Manual update, the Board will review for approval at the July 2024 Board Meeting.

Upon motion by Ms. Haldeman and Mr. Lopsonzski, the Board authorized the NBMA condensed statement of Net Position as of March 31, 2024 be advertised in the Express-Times Lehigh Valley.

Campbell, Rappold & Yurasits, LLP will electronically file the DCED CLGS-04 – Annual Report of Municipal Authorities 2024 – with Commonwealth of Pennsylvania – Department of Community Affairs. A copy of the DCED will go to the Borough of Northampton with the 2023/2024 Audit Report.

Digital Assurance Certification LLC (DAC) – Audit will be filed with DAC/EMMA upon approval and printing of the final NBMA Audit by Campbell, Rappold & Yurasits, LLP, Certified Public Accountants.

Chairman's Report:

Annual NBMA Clambake - Friday, August 16, 2024 at Tri-Boro Sportsmen Club.

PMAA 82nd Annual Conference & Trade Show – September 15-18, 2024 Hershey Lodge & Convention Center.

Treasurer/Comptroller Report:

The Treasurer/Comptroller presented the following invoices for approval:

Gannett Fleming, Inc. – Invoices:

The Gannett Fleming, Inc. – Invoices covering May services, see below:

Gannett Fleming, Inc. (GFI) dated June 6, 2024, for professional services rendered through May 24, 2024. Update Water System GIS Maps and perform related services. 24D – Mapping Updates/GIS Work. Total due this invoice \$152.49.

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Gannett Fleming, Inc. (GFI) dated June 6, 2024, for professional services rendered through May 24, 2024. Provide general engineering services related to NBMA water system facilities and operations, including meeting attendance, consulting advice, SDWA compliance, main extensions and replacements. Trust Indenture requirements, etc. 24A General Consulting Services. Total due this invoice \$665.51.

Gannett Fleming, Inc. (GFI) dated June 6, 2024, for professional services rendered through May 24, 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. Cementon Tanks Project. Total due this invoice \$9,432.53.

Gannett Fleming, Inc. (GFI) dated June 6, 2024, for professional services rendered through May 24, 2024. Assist NBMA with the Cementon Reservoir Cover and Lining Project, including Designs, Permitting, Bid Phase, and Construction Phase Services. Cementon Reservoir Cover & Lining Project. Total due this invoice \$8,929.93.

Total Invoices \$19,180.46.

Upon recommendation of Mr. Martin Hozza and Mr. Stephen Kerbacher, the Board upon motion by Ms. Haldeman and Mr. Glassic approved the invoices dated June 6, 2024 from Gannett Fleming, Inc. in the total amount of \$19,180.46.

DN Tank Application - Cementon Tank #2 Pennvest Loan #13 – \$339,102.49.

Upon motion by Messrs. Glassic and Lopsonzski, the Board approved the DN Tank Application – Cementon Tank #2 - Pennvest Loan#13 in the amount of \$339,102.49.

Upon motion by Ms. Haldeman and Mr. Lopsonzski, the Board approved the agreement with RTD Enterprises for Cover & Liner Project in the amount of \$895,172.00.

Upon motion Ms. Haldeman and Mr. Lopsonzski, the Board approved the Notice to Proceed to RTD Enterprises for the 3MG Reservoir Cover and Liner Replacement Project.

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The Treasurer/Comptroller presented an invoice from Pierce and Steirer, LLC dated June 5, 2024, for professional services rendered for the month of May 2024 in the amount of \$667.52. Total year to date \$4,271.45.

Upon motion by Mr. Lopsonzski and Mrs. Hucaluk, the Board unanimously approved the invoice from Pierce and Steirer, LLC dated June 5, 2024, for professional services rendered for the month of May 2024 in the amount of \$667.52.

PMHIC – The Treasurer/Comptroller presented the surplus claim fund distribution check for the 2023 plan year – NBMA received \$39,892.00, 50% of the total 2023 surplus distribution on May 29, 2024.

The Treasurer/Comptroller presented the May 2024 NBMA Consumption Report, March 2023 Operating Financial Statements, Replacement and Renewals and the Delinquent Water Account Status at this time.

The Treasurer/Comptroller reported on the new NBMA Accounts Metered – Ten (10) - new meters were installed in May – (0-Northampton, 4-Allen Township, 6-North Catasauqua, 0-Laury's Station, 0-Coplay, 0-W.Catasauqua, 0-Fullerton, 0-Hokendauqua, 0-Stiles, 0-Egypt, 0-Cementon, 0-North Whitehall, 0-Clearview, & 0-Water Hauler). Calendar Year to Date –55 New accounts Fiscal Year 2024 to 2025 to Date-19. The information pertinent to new connections was sent to the Borough of Northampton and Allen Township.

The Treasurer/Comptroller reported NBMA replaced 106 meters and 134 MXU's Fiscal Year to Date. Total cost of Meters and MXU's fiscal year to date \$32,599.92.

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

M&T BANK 2003 REQUISITIONS:

2003 Revenue Fund Requisition #7 - \$479,747.00 – July 2024 Budget Expenses, Operating Expenses, Maintenance Expenses, Inventory, Trustee Fees.

2003 Revenue Fund Requisition #8 – \$19,000.00 – May 2024 Meter & MXU & Reimbursement & Replacement Program.

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2003 Revenue Fund Requisition #9 - \$24,118.72 – May 2024 Replacement & Renewals

Total all Requisitions: \$522,865.72.

Upon motion by Messrs. Glassic and Lopsonzski, the Board unanimously approved the 2003 Revenue and 2003 Construction Funds as listed above in the total amount of \$522,865.73 contingent upon approval by Gannett Fleming, Inc.

PLGIT – Certificates of Deposits in the total of \$6,963,000.00 and cash of \$1,252,481.85 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 \$383,568.10. 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 5.10%-5.60%.

Northampton Borough Municipal Authority purchased the following CD's

Bond Redemption & Improvement Fund

Resolution #235: On May 15, 2024 a \$237,000.00 – 365 CD was purchased with a net interest rate of 5/45%/5.30% and interest at maturity will be \$12,916.50. Bond Redemption & Improvement Fund.

Resolution #236: On May 15, 2024 a \$237,000.00 – 365 CD was purchased with a net interest rate of 5/40%/5.25% and interest at maturity will be \$12,798.00. Bond Redemption & Improvement Fund.

Resolution #237: On May 15, 2024 a \$176,000.00 – 365 CD was purchased with a net interest rate of 5/35%/5.20% and interest at maturity will be \$9,416.00. Bond Redemption & Improvement Fund.

Resolution #238: On June 3, 2024 a \$237,000.00 – 365 CD was purchased with a net interest rate of 5.40%/5.25% and interest at maturity will be \$12,798.00. Bond Redemption & Improvement Fund.

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Upon motion by Messrs. Lopsonzski and Glassic, the Board unanimously approved the Resolutions and Bond Redemption & Improvement Fund as presented above and to be submitted to M&T Bank.

MANAGER’S REPORT:

Staff Meeting – Mr. Kerbacher reported that the NBMA Staff Meeting was held on Thursday, June 6, 2024 at 9:00 a.m. in the NBMA Headquarters Building.

On the recommendation of Mr. Kerbacher, the Board, upon motion by Mr. Glassic and Mrs. Hucaluk, unanimously authorized an increase in salary effective July 5 from \$26.61 per hour to \$28.81 for Mr. Shawn Sovorsky – Water Treatment Plant Operator – based on the six (6) month review presented and discussed by the Manager. Mr. Sovorsky was employed on July 5, 2022.

On the recommendation of Mr. Kerbacher, requested to purchase a 2024 Ford F-150 4x4 to replace truck #1. Purchase through CO-Stars in the amount of \$49,086.00 via Koch 33 Ford, 3810 Howertown Road, Easton.

Upon motion by Messrs. Glassic and Lopsonzski, the Board approved the purchase of a 2024 Ford F150 4x4 as stated above.

Cyber Security update – Mr. Kerbacher updated the Board regarding the Cyber Security Policy & Cyber Recovery Plan introduction is scheduled for July 12, 2024 at 12:00 to 1:00 p.m.

5550 2nd Street – Mr. Kerbacher suggested that the rental income to the property located at 5550 2nd Street, Whitehall, PA increase from \$800.00 per month to \$1,000.00 monthly, effective October 1, 2024. He also noted the rent has not changed in 8 years.

Upon motion by Mr. Glassic and Mrs. Hucaluk, Ms. Haldeman abstained, the Board agreed on the rental increase from \$800.00 per month to \$1,000.00 per month. Letter was mailed to the Tenant (Mr. Zachary Fritz) on June 20, 2024.

Operations Report:

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

3MG Cementon Tank #2; Tank #1 Rehab – Mr. Kerbacher, along with Mr. Scott Hughes requested approval of Change Order No. 1 – Increased cost to rehabilitate Cementon Tank #1 and its valve chamber above the \$500,000.00 allowance provided for in the original contract - \$353,750.00. Also, a time extension of 136 days with a new completion date of September 30, 2024.

Upon motion by Messrs. Glassic and Lopsonzski, the Board unanimously approved the Change Order No. 1 to increase the cost and time extension as stated above.

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.

Northampton Borough Waste Water Treatment Plant

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

Lehigh River – Cementon Dam update – Mr. Kerbacher and Mr. Hughes reported that Mr. Kerbacher was recently contacted by members of the PA DEP regarding a Delaware River Basin Commission (DRBC) Docket related to renewal of the Holcim Cement (Formerly LaFarge) Whitehall plant water withdrawal on the Lehigh River. Mr. Kerbacher and Mr. Hughes explained to the Board that conditions of the permit renewal require Holcim to consult with PA DEP regarding further actions or requirements to develop a plan to address fish passage at the Cementon dam. NBMA is recognized as a stakeholder potentially effected by any dam removal / fish passage action that may be taken. It appears that no immediate action by NBMA is needed at this time. A brief discussion followed.

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

Asset Management Plan – Mr. Kerbacher reported that Gannett Fleming, Inc. will be presenting a proposal on the Asset Management Plan within the next few months.

Water Treatment Plant Operator – On the recommendation of Mr. Kerbacher and Mr. Martin Hozza, the recommendation was to hire Mr. Dominic Malone, for the Water Treatment Plant Operator, effective July 8, 2024 at \$24.00 / per hour.

Upon motion by Messrs. Lopsonzski and Glassic, the Board approved the hiring of Mr. Dominic Malone, start date of July 8, 2024 at the pay rate of \$24.00/ per hour.

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

SOLICITOR'S REPORT:

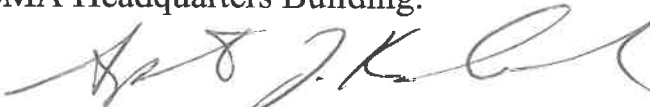
Old Business

1. Liens and Satisfactions – \$5,115.61 worth of Liens, continuing.
2. LCA-DEP Permit
3. Act 151 Policy – Cyber Security
4. Meter Change Letters – approved to shut off if not changed (1) one left

New Business

No new business.

Upon motion Messrs. Glassic and Lopsonzski, the Board unanimously agreed to adjourn at 7:56 p.m. to meet in a regular session on Tuesday, July 9, 2024 at 5:00 p.m. in the NBMA Headquarters Building.


Stephen J. Kerbacher, General Manager

Visitor(s) 2 Total year to date 5 .