

**MINUTES OF THE
EASTON AREA JOINT SEWER AUTHORITY BOARD
September 15, 2025 Meeting**

- ❖ The regular monthly meeting of the Easton Area Joint Sewer Authority Board was held at 5:00 p.m. on Monday, September 15, 2025, at the EAJSA Administration Building, 50 South Delaware Drive, Easton, Pennsylvania 18042, with Zoom Meeting option. The meeting was open to the public.
- ❖ The meeting was called to order by Chairman, Mr. Robert Lammi. Mr. Lammi ordered the roll to be called at 5:00 p.m. Board Members were present in-person and via video conference option. Board members present at the call to order were as follows:

#	Member	Municipality	Term Expires	Present	Absent	Time Entered
1	Robert Blanchfield Treasurer	Palmer Township	12/31/2025	X		*
2	Jeffery Bracken	Wilson Borough	12/31/2029	X		*
3	Luis Campos	City of Easton	12/31/2025	X		*
4	Patrick Caubel	City of Easton	12/31/2028	X		*
4	James Frank	Forks Township	12/31/2029	X		*
5	David Hopkins Vice-Chairman	City of Easton	12/31/2028	X		*
6	Paul James	West Easton Borough	12/31/2029	X		*
7	Robert Lammi Chairman	Palmer Township	12/31/2029	X		*
8	Joseph Mauro Jr	City of Easton	12/31/2025	X		*
9	Stephen Riegel Secretary	Tatamy Borough	12/31/2029	X		*
11	Robert Werner	City of Easton	12/31/2025	X		*
12	VACANT	City of Easton	12/31/2029			

*Beginning of Meeting

**Adjournment of Meeting

Board members attending via Zoom Meeting could hear each meeting attendee and be heard by each attendee.

❖ **The following personnel were in attendance:**

Mike Gaul (King Spry law firm, Authority Solicitor), Jeff Morgan (SC Engineers, Authority Engineer), John Schimmel (Authority Accountant), Charles Wilson (City of Easton Operations Manager of WWTP), Alexandria Hoffman (City of Easton Assistant Operations Manager of WWTP, and Authority IPP Manager), Yuslenny Zorrilla (City of Easton Office Manager of WWTP, and Authority Administrative Assistant). Also in attendance were Ryan Hottenstein, Authority Financial Advisor, and Attorney Kevin Reid, Authority Bond Counsel.

Mr. Lammi stated the first item was approval of the Agenda and any Amendments. Mr. Lammi requested that the Board approve an amendment to the initially posted agenda to permit Board action on a proposed RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF AN AGREEMENT TO AUTHORIZE ELECTRONIC ACCESS TO PENNDOT SYSTEMS AND OTHER MISCELLANEOUS ITEMS.

Mr. Gaul stated that he considered the matter an administrative matter, as it was required by PENNDOT to process the Authority's HOP application, and the Authority had already approved the repair project, including the HOP application. The Board would need to vote to approve the amendment and provide a reason for it. In the past, the Board had approved amendments to allow expedited Authority action.

A Motion was made by Mr. Mauro and seconded by Mr. Riegel to amend the agenda to add under the Engineer Committee Report the proposed RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF AN AGREEMENT TO AUTHORIZE ELECTRONIC ACCESS TO PENNDOT SYSTEMS AND OTHER MISCELLANEOUS ITEMS. The reason for the amendment was to allow expedited Authority action. **Motion Carried (11-0).**

Agenda and any Amendment Approval:

A motion was made by Mr. Mauro and seconded by Mr. Riegel, to approve the posted agenda with the previously approved amendment. **Motion Carried (11-0).**

❖ **Minutes Approval:**

A motion was made by Mr. Riegel, and seconded by Mr. James, to approve, with a revision for the Pre-Treatment Committee Report, the minutes of the Board's August 18, 2025, regular meeting.

Mr. Mauro stated there was an error on the August 18, 2025 minutes. The IPP meeting date was on July 10, 2025 and by error that line was recorded on the August 18, 2025 minutes as well.

Motion Carried (11-0).

❖ **Courtesy of the floor:**

Ms. Hoffman confirmed that the Authority had not received any correspondence through phone, email, or mail for public comment at the meeting. No members of the public attended the meeting.

❖ **Discussion and Approval of 10 Year Loan**

Mr. Blanchfield stated the Finance Committee met on September 9, 2025, to discuss the 10 Year Loan. Mr. Blanchfield provided a brief background on the matter. Mr. Blanchfield stated Mr. Hottenstein from FSL Funding Finance sent out RFPs in August 2025 for a bank-qualified tax-exempt loan for the Authority of 2.3 million dollars and requested finance options for 5-10-15 year terms. Mr. Blanchfield stated 5 financial institutions responded by the due date of September 5th, 2025.

Mr. Blanchfield stated Mr. Hottenstein had prepared a summary of all five finance options, which was included in the Board packet. Mr. Blanchfield stated the Finance Committee's recommendation is for M&T Bank. Mr. Blanchfield stated there was a telephone conference where some issues with the cost of funds calculations was identified, but he still considers this bank the best option for the Authority.

Mr. Hottenstein stated his office received proposals from Embassy Bank, Fidelity Bank, Univest Bank, M&T Bank, and Webster Bank. Mr. Hottenstein stated his office asked for a draw period of one year so, the Authority could minimize its interest costs to only funds actually drawn down. Mr. Hottenstein stated some of the proposals offered this option, but others did not have the capability and/or did not comply with the request.

Mr. Hottenstein stated the lowest cost with the drawdown facility is M&T Bank, with a rate of 4.67% for the first year.

Mr. Hottenstein stated that, if the Authority were to draw on that loan right now, the rate would be 4.67%. Mr. Hottenstein stated that, after the conclusion of the draw down period, the Authority would be required to draw down the entire amount of the remaining loan proceeds, and the interest rate would be fixed. Mr. Hottenstein stated the rate would be calculated by M&T Bank, which would be calculated based on the bank's cost of funds. Based on the current market rate, it would be 4.05%. Mr. Hottenstein stated Webster bank proposed the same rate but did not have the drawn facility capability. Mr. Hottenstein stated M&T Bank has local facilities, but Webster is a New England based bank.

Mr. Hottenstein stated that M & T bank's cost of funds is based on Secured Overnight Finance Rate (SOVR) Mr. Hottenstein stated this is what is utilized by banks to lend and borrow from each other. Mr. Hottenstein stated M&T makes its calculations on its own and produces their cost of funds which currently is 4.05%.

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Mr. Hottenstein stated Univest Bank switched to a new rate, they use index Federal loan bank, it can be looked at and see what the rate was. Mr. Hottenstein stated Fidelity Bank just uses Wall Street Journal Prime times 62%.

Mr. Hottenstein stated the bank's cost of funds is based on SOVR, but the calculations are unknown.

Mr. Hottenstein stated M&T provides the lowest cost of funds with the drawdown facility.

Mr. Caubel asked about the possibility of a decrease in interest rates. Mr. Hottenstein stated that it is unknown, but he hopes future rates will be lower than they are currently.

Mr. Hottenstein stated he wanted to be certain the Authority understands and is comfortable with this variable and some interest risks between now and fixed rate period, a year from now.

Mr. Hottenstein stated that if a situation calls for it, the M&T proposal provides the Authority with an option to refinance without penalty during the draw down period.

SOLICITOR'S REPORT

Attorney Gaul stated he did not have a report.

- **Discussion and Approval of Resolution for 10 Year Loan**

Attorney Ried presented a proposed written Resolution **2025-09-15A**, titled "RESOLUTION AUTHORIZING THE UNDERTAKING OF A CERTAIN 2025 CAPITAL PROJECT; AUTHORIZING AND DIRECTING THE ISSUANCE OF THE AUTHORITY'S SEWER REVENUE BONDS, SERIES OF 2025 IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$2,300,000 (THE "2025 BONDS"); APPROVING THE TERMS OF, AND AUTHORIZING AND DIRECTING THE EXECUTION, AUTHENTICATION AND DELIVERY OF THE 2025 BONDS SECURED BY THE SUPPLEMENTAL INDENTURE DESCRIBED HEREIN; SETTING FORTH THE SECURITY FOR THE 2025 BONDS; APPROVING THE FORM OF AND AUTHORIZING

AND DIRECTING THE EXECUTION AND DELIVERY OF THE SUPPLEMENTAL INDENTURE; ACCEPTING THE PURCHASE CONTRACT/BANK PROPOSAL FOR THE 2025 BONDS; APPROVING THE FORM OF AND AUTHORIZING THE DISPOSITION OF THE PROCEEDS OF THE 2025 BONDS AND OTHER AVAILABLE AUTHORITY FUNDS; PROVIDING FOR THE UNDERTAKING OF THE 2025 CAPITAL PROJECT, AS MORE FULLY DESCRIBED HEREIN; AUTHORIZING THE ENTERING INTO SUCH OTHER NECESSARY DOCUMENTATION AS APPROPRIATE IN CONNECTION WITH THE FOREGOING AND RESCINDING ALL INCONSISTENT RESOLUTIONS”.

Copies of the resolution were distributed to the Board prior to the meeting.

Mr. Reid went over the Resolution’s provisions, and also the form of the Third Supplemental Indenture. Mr. Reid stated a Resolution is a requirement under the Indenture. Mr. Reid stated the Indenture also requires a supplemental indenture to authorize additional debt or bond.

Mr. Reid went over the history of the Authority’s recent bond issuances. Mr. Reid stated the purpose of the Resolution is to encapsulate the history of the prior bond issuances and the details of this bond issuance, including that the Authority accepts a proposal with M&T Bank, specifies the 10 Year option, and indicates there is a drawdown facility, meaning the Authority has the option to draw down loan proceeds during that first year, instead of having to receive all proceeds at closing.

Mr. Reid stated the tax code for tax-exempt Bonds requires the Authority to receive a minimum draw at closing, but it is not a significant amount of money.

Mr. Reid stated the Resolution authorizes several officers, primarily the Chairman and in his absence, the Vice-Chairman, to execute a variety of documents required for closing on the loan, including a General Certificate of the Authority, which confirms the Authority’s existence and organizational documents, and a Tax -Exempt Certificate, because the bond is being issued on a tax-exempt basis. Mr. Reid stated that a closing date in October will be scheduled, by which time all documents will be signed and delivered, and the ability to conduct a drawdown will commence.

A Motion was made by Mr. James and seconded by Mr. Mauro to adopt **proposed Resolution 2025-09-15A. Motion carried (11-0).**

Mr. Lammi and other attendees expressed their gratitude to Mr. Reid and Mr. Hottenstein for their attendance and information provided. Mr. Reid and Mr. Hottenstein then left the meeting.

ACCOUNTANT’S REPORT

Mr. John Schimmel, EAJSA Accountant, had no report.

Mr. Hopkins made a motion, seconded by Mr. James, to approve August 18, 2025, bills for payment in total amount of \$546,758.30. **Motion Carried (11-0).**

Mr. James made a motion, seconded by Mr. Mauro to approve the Bond Funds Requisition 25-C2025-09 in the amount of \$ 84,459.18 in accordance with the Authority Engineer’s recommendation. **Motion Carried (11-0).**

ENGINEERING COMMITTEE REPORT

Mr. Hopkins stated the Engineering Committee met on September 2, 2025. Mr. Hopkins stated the committee mostly discussed project updates, such as the Digester Project and the Force Main Project.

Mr. Morgan stated his topics to be covered are the Force Main Project, the Digester Project, just an update, and the resolution approval for the PENNDOT project.

- **Force Main Project**

Mr. Morgan had a Power Point presentation on the casing work and some pictures to show how the work was done.

Mr. Morgan presented a photo of a piece of equipment similar to the one used by the contractor to drill the casing pipe. Mr. Morgan showed a blue sleeve where the ram is, which drives it through the casing into the ground.

Mr. Morgan stated that on both sides of the river, there is a 42-inch steel casing pipe going in to prevent any inadvertent return.

Mr. Morgan stated both 42-inch steel casing pipes were welded together, a total of 89 feet, which had to be driven in the parking lot side. That part of the project was completed on Saturday September 13, 2025.

Mr. Morgan stated the equipment was moved to the park side to hammer in a 45-50 feet casing pipe.

Mr. Morgan stated there was no conflict, no damage to any City storm sewers.

Mr. Morgan stated that welders were on-site to perform the work.

Mr. Morgan stated an HTPV pipe is being used because it provides smooth bends for the work.

Mr. Morgan stated the park Easement was required to obtain access to make the entry peek there and the exit peek over in the park.

Mr. Morgan stated three pipe sessions would be fused and welded together on the ground, it would be 200 feet each, the last section will be 75-foot session.

Mr. Morgan stated he needed Fulton Bank's routing information from Mr. Schimmel to obtain H2O grant payment once he receives the bill from the contractor. Mr. Morgan stated payment should be received within two days.

- **Digester Project**

Mr. Morgan stated Digester cleaning has been completed. Mr. Morgan stated scaffolding would be installed to perform more detailed inspection. A Structural Engineer will inspect the inside and outside of the tank.

Mr. Morgan stated new equipment would be coming in for the Digester, Heat Exchanger Pump and all the work would be going on, painting on the Chlorine Tanks would be done, some valves would be coming in as well.

- **PENNDOT Project**

Mr. Morgan stated a PENNDOT Highway Occupancy Permit is required to complete the Lehigh Drive Project.

Mr. Morgan stated a Business Partner ID is required by PENNDOT to allow us to designate ATLAS as our Agent to submit our Highway Occupancy Permit. Mr. Morgan added this BP ID would go on the permit and the plant.

Mr. Morgan stated that if PENNDOT does not see this BP ID on the application, then the application would be rejected.

Mr. Morgan stated that ATLAS has its own BP ID, so they would be managing all our PENNDOT-required paperwork.

Attorney Gaul presented proposed written Resolution **2025-09-15B**, titled "RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF AN AGREEMENT TO AUTHORIZE ELECTRONIC ACCESS TO PENNDOT SYSTEMS AND OTHER MISCELLANEOUS ITEMS."

A Motion was made by Mr. Mauro and seconded by Mr. Blanchfield to adopt proposed Resolution **2025-09-15B. Motion carried (11-0).**

PRETREATMENT COMMITTEE REPORT

Mr. Mauro stated Ms. Hoffman had great news about an electronic payment system.

Ms. Hoffman stated the IPP meeting members discussed electronic payments option and how Fulton Bank was not an option. Ms. Hoffman stated she also investigated other banks such as PNC and Embassy. Ms. Hoffman stated that after a presentation by all three banks, Embassy meets our requirements. Ms. Hoffman requested approval of their IntelliPay Platform.

Ms. Hoffman explained that platform's monthly fee is \$25.00, no integration fee, service fee (Card) is \$1.50 under \$50/3.5% over \$50.00. In addition, Ms. Hoffman stated that for each check, the fee is \$1.50 per transaction.

Ms. Hoffman stated that, based on everything presented, it is user-friendly and meets the Authority's needs.

Ms. Hoffman stated the IPP committee agrees this would be a good move for EAJSA.

Mr. Lammi stated EAJSA has been looking for an acceptable option, and he is pleased that it has finally been confirmed.

A Motion was made by Mr. Hopkins and seconded by Mr. Mauro to approve use of the IntelliPay Platform with Embassy Bank. **Motion Carried (11-0).**

Ms. Hoffman stated EAJSA would be responsible only for the monthly fee of \$25.00.

Ms. Hoffman stated everything else is going well.

FINANCE COMMITTEE REPORT

Mr. Blanchfield stated the committee cannot approve the 2024 Draft Audit at this time.

Mr. Schimmel stated his office received an Audit Adjustment memo from the Auditing firm, which instructed him not to distribute the Draft to anyone, but the EAJSA Board until the audit is adjusted and completed.

Mr. Schimmel stated the auditing firm presented some entries they would like to confirm before the final Audit is issued.

Mr. Blanchfield stated this agenda item is currently tabled.

Mr. Gaul asked whether the Audit is required for the M&T loan. Mr. Schimmel stated that Mr. Hottenstein said the 2024 Draft Audit will suffice.

Mr. Lammi confirmed this agenda item is tabled until next Board meeting October 20, 2025.

INSURANCE REVIEW COMMITTEE REPORT

Mr. Lammi stated there is no report.

OPERATIONS REPORT

Mr. Wilson stated the plant is running well.

ADDITIONAL REPORT

❖ **Old Business:** N/A

❖ **New Business:** Mr. Lammi stated the EPWPCOA Industrial Pre-Treatment Award 2025 will be presented to Ms. Hoffman.

Mr. Morgan will also be receiving an Award.

Mr. Lammi congratulated both Ms. Hoffman and Mr. Morgan on their accomplishment.

❖ **Unfinished Business:** N/A

Mr. Lammi asked Mr. Gaul if there was a reason for an Executive Session. Mr. Gaul responded, there was not.

The meeting was adjourned on a motion by Mr. James and seconded by Mr. Riegel, and unanimously carried, at 5:58 pm.

Respectfully submitted,

Yuslendy Zorrilla

EAJSA Board Recording Secretary