

MUHLENBERG TOWNSHIP AUTHORITY
MINUTES OF A REGULAR MEETING OF THE BOARD

A regular meeting of the Board of Muhlenberg Township Authority, Water and Sewer Projects, was held on Thursday, April 4, 2024, beginning at 7:00 p.m., at 210 George Street, Reading, Muhlenberg Township, Berks County, Pennsylvania, pursuant to notice both advertised and posted according to law.

The following members of the Board were present:

Scott Lehr
Rick Hoffmaster
Jim Kelly
Walt LaSota
Steve Wolfinger

In attendance were Authority General Manager Timothy Feltenberger, Thomas A. Rothermel, of counsel, and Daniel Standish, Senior Operations Specialist at Spotts, Stevens and McCoy (SSM), consulting engineer to the Authority. Also present were Authority controller consultant, Scott Boehret of Transcend Business Advisors, Jeff Krick, Assistant Distribution Superintendent, and Nate Lunsford.

The meeting was called to order at 7:00 p.m. by Chairman Lehr. Mr. Lehr announced that the Board had met earlier in executive session to discuss matters involving personnel, real estate, and litigation.

Mr. Hoffmaster made a Motion to approve the Minutes of the previous regular meeting of the Board held on March 7, 2024, and the Workshop Meeting held on March 19, 2024. That Motion was seconded by Mr. LaSota, and passed unanimously.

Under the first public comment portion, Mr. Lunsford, an MTA crewmember, approached the Board regarding the proposed purchase of a boat and trailer owned by the Authority. Per Mr. Lunsford, the MTA purchased a small boat and trailer in or around 2006 for use at the quarry property, but it has not been utilized by the MTA in quite some time. Mr. Lunsford expressed interest in purchasing the boat and trailer at fair market value. Mr. Feltenberger confirmed that the Authority does not use the boat or trailer, and there is no planned use of the boat or trailer at the quarry property. Should there be a future need to access the quarry water by boat, the fire department has available equipment. Mr. Feltenberger was directed to research the fair market value of the boat and trailer, with further discussion to ensue at the next Board meeting. Mr. Lunsford exited the meeting.

Mr. Standish of SSM provided a formal report of the Authority's consulting engineer for work completed March 2, 2024 through March 27, 2024. Mr. Standish referenced a seven (7) page report, which attachments, that SSM circulated to the Board in advance of the meeting. The report provides a narrative of the status of each of the twenty-one (21) projects of the Authority on which SSM is currently engaged.

Regarding the DEP/EPA System Inspection Report, Mr. Standish confirmed the status of various corrective measures that have since been completed, including those more recent proposals that were approved the month prior. Part of this ongoing process includes instrumentation and level sensor integration at clearwell Nos. 6 & 8. Mr. Standish presented the Board with a proposal of Optimum Controls Corporation (OCC), a Costars vendor, for such work, at a total cost of \$15,382.00. Mr. Hoffmaster made a Motion to approve the proposal in the amount stated, which Motion was seconded by Mr. Kelly, and unanimously approved. Mr. Standish also presented the Board with two (2) proposals from Utility Service Co., Inc. for washout and condition assessments of clearwell Nos. 6 & 8, at a cost of \$2,900.00 each. Mr. Wolfinger made a Motion to approve the two (2) proposals in the amount stated. That Motion was seconded by Mr. LaSota and unanimously approved. Mr. Standish further noted that SSM continues to update the DEP with regard to those corrective measures and enhancements that have already been completed and those that are scheduled for completion.

Mr. Standish confirmed that the annual Source Water Report, DRBC Water Audit, and Chapter 110 Report were prepared and timely submitted.

With regard to the proposed office relocation, Mr. Standish reported that a site visit with the architect, Beers + Hoffman, was held this past month at the Muhlenberg Township Office Building. Mr. Wolfinger made a Motion to approve a proposal by Beers + Hoffman for preparation of a conceptual design and layout for conversion of the Township Office Building space into Authority offices, at a total cost of \$6,700.00. Discussion ensued, which resulted in a directive that the architect explore options for a drive-up window or other remote customer access for purposes of bill payment. After discussion, that Motion was seconded by Mr. Hoffmaster and unanimously approved.

Mr. Standish updated the Board with respect to the Eagles Landing development. SSM and MTA crewmembers continue to work with Exeter Supply to secure manhole cover inserts, which will serve to reduce inflow and infiltration of stormwater into the sanitary sewer system during weather events. Crewmembers will install the inserts once the inserts are finalized and delivered. Mr. Feltenberger reported that the MTA did not receive any customer alerts from Eagles Landing residents either during or after a recent heavy rain event.

With respect to the proposed Maiden creek interconnection, Mr. Standish reported that a follow-up meeting was held on March 14, 2024 for purposes of finalizing details of a revised Memorandum of Understanding (MOU). At this point, the Authority awaits revisions from Maiden creek's Solicitor.

Regarding the Ebling Memorial Bridge, Mr. Standish reported that a field meeting was held this week to review a tentative construction schedule for repair of a leak of a 24" water main. At this point, installation is scheduled for next Wednesday, contingent on UGI performing its scheduled improvements at the site. Once underway, construction is estimated to take approximately three (3) weeks.

With regard to the River Road pump station, Mr. Standish reported that the replacement pumps are still awaiting shipping; there is no set timeframe for delivery. Mr. Feltenberger reported that crews continue to closely monitor the existing pumps to ensure maximum operating efficiency pending scheduled replacement. Mr. Feltenberger additionally noted that he secured a quote for replacement of the fence surrounding the pump station; he awaits a second proposal prior to proceeding with replacement.

Mr. Standish confirmed that the 2023 Chapter 94 Report was completed and timely submitted to the City of Reading.

With regard to the Laurel Run pipe repair and manhole restoration in Laurel Run Creek, Mr. Standish reported that SSM is addressing deficiencies in the permit submittals. Once permitting is received, work will be scheduled at both sites.

SSM is currently reviewing plans submitted by the Muhlenberg School District for a new building to be erected on the side adjacent to the high school. A set of plans and Planning Module was recently received. Escrow was established for purposes of capturing engineering fees associated with plan review. Mr. Standish noted that a developer's agreement may be needed depending on whether existing connections are utilized.

Mr. Standish reported that SSM recently issued a tapping fee letter to a developer associated with proposed construction of a Panda Express restaurant on 5th Street Highway.

Mr. Feltenberger was questioned regarding the status of applicants for the sewer backflow prevention program. Mr. Feltenberger reported that there have a total of nine (9) applicants thus far, including three (3) more recently in Temple.

There being no further active projects on which to report, and no additional questions posed by the Board, the report of the Mr. Standish concluded. Mr. Hoffmaster made a Motion to accept the Engineer's Report as presented. That Motion was seconded by Mr. Kelly and unanimously approved.

Mr. Feltenberger presented the Operations Report for the preceding month, a full copy of which has been appended to these Minutes. A Type-II, 6" main break was repaired on the 3000 block of Raymond Street. Since the break resulted in a loss of pressure, the MTA issued a boil advisory notice. Thus far in 2024, there have been a total of five (5) Type-I main breaks, all resulting in no interruption in service, and one (1) Type-II main break, which resulted in brief interruption in service. Mr. Feltenberger further reported that crews were busy performing a variety of miscellaneous tasks such as leak detection, cleaning wells and booster stations, concrete repair work, and manhole inspections. In addition, crews inspected the altitude valve at the elevated tank and Elizabeth Avenue tank as part of an annual maintenance program. Sewer laterals were cleaned or checked at multiple locations throughout the Township, three (3) of which were customer owned. Mr. Feltenberger reported that the vacuum truck was used a total of six (6) man hours over the past month, at an equivalent labor cost of \$4,260. To date, the vacuum truck was used the monetary equivalent of \$99,125.50, excluding the cost of disposal fees that

the Authority no longer pays. Lastly, Mr. Feltenberger was questioned regarding the status of shutoffs and late fees following implementation of revised billing practices. In that regard, Mr. Feltenberger noted that he has seen a reduction in late fees, although the amount of shutoffs have not changed. The Operations Report then concluded.

Engineering bills for the preceding month were reviewed. Mr. Hoffmaster made a Motion to approve the engineering bills for payment. That Motion was seconded by Mr. Wolfinger and unanimously adopted.

The accounts payable for both the water and sewer departments for the preceding month had been distributed prior to the meeting, a full listing of which has been appended to these Minutes. Mr. LaSota made a Motion to approve payment of the accounts payable for both the water and sewer departments, as presented. That Motion was seconded by Mr. Hoffmaster and unanimously adopted.

Under the Solicitor's Report, discussion regarding the proposed Maiden Creek interconnection was held under the Engineer's Report. Regarding the status of the City of Reading IMA, as amended, Mr. Rothermel advised that a meeting was in the process of being scheduled with the City to review the City's preliminary reconciliation reports. In preparation of that meeting, SSM will review and comment on the data. The Solicitor will update the Board as further information becomes available. No further questions were posed to Mr. Rothermel. The Solicitor's Report was approved by Motion of Mr. Hoffmaster, seconded by Mr. LaSota, and unanimously approved.

The Treasurer's Report was presented by Mr. Boehret, as detailed in a four (4) page report appended to these Minutes. The water division realized a net gain of \$31,385.05 over the past month; the sewer division realized a net gain over the past month of \$1,355,997.28. Across both accounts, the Authority realized a net gain of \$1,387,382.33, although an upcoming quarterly payment is due the City of Reading per the IMA. Compared to this time last year, the water and sewer divisions realized a positive increase in cash flow totaling approximately \$2,500,000. The sewer escrow account, maintained by funds per the City of Reading IMA, as amended, currently totals approximately \$16.7 million, of which the Authority has earned approximately \$623,000 in interest. Mr. Boehret noted that the Quarter 1 report would be available for Board review at the May 2024 meeting.

With regard to the \$50 credit that was previously extended to all 7,496 MTA sewer customers, Mr. Boehret reported that the cost of such initiative totaled \$374,800. Mr. LaSota made a Motion to transfer the sum of \$374,800 from the sewer escrow account to the sewer investment account to account for such cost. Mr. Wolfinger seconded that Motion, which passed unanimously. Mr. Lehr noted that the Board may revisit a further sewer credit in Quarter 3, depending on the status of funds at that time.

Mr. Boehret reported that all employees have been entered in the Paychex system. Mr. Boehret and Mr. Feltenberger met with all employees to review and discuss the program. Full implementation is expected next week. The MTA will run dual payroll systems for the

first month to ensure seamless integration. Mr. Boehret will assist Mr. Feltenberger in finalizing a plan for time tracking, likely through the use of tablets.

Mr. Hoffmaster made a Motion to approve the Treasurer's Report as presented. That Motion was seconded by Mr. Kelly and unanimously adopted.

Under New Business, discussion regarding the prospect of the MTA relocating its offices to the Township Building was covered during the Engineer's Report. Discussion regarding the Collective Bargaining Agreement ("CBA") was deferred until after a planned Executive Session. Discussion regarding the Crown Castle proposal pertaining to the cellular tower at the quarry property was deferred until the May 2024 Board meeting. Mr. Wolfinger made a Motion to approve the purchase of a landscape trailer from Tractor Supply Co. in the amount of \$1,700, which Motion was seconded by Mr. Hoffmaster and unanimously approved. Regarding the damaged maintenance facility garage door, Mr. Feltenberger reported that the first door was repaired and is operational; parts are on order for repairs associated with the second damaged garage door. Mr. LaSota reported that name submissions were due on April 9, 2024 with respect to the Residential Customer Advisory Committee. Thus far, Mr. LaSota has not receive any communication regarding prospective Committee members. Mr. LaSota will further update the Board as the stated deadline passes. Mr. Feltenberger commented that he was planning certain website enhancements, to include updated photographs, a careers page, and information regarding the Residential Customer Advisory Committee. Discussion was held regarding Board member email addresses being accessible from the website. Mr. Feltenberger will review that issue with the web developer and provide further comment at the May Board meeting. Lastly, Mr. Hoffmaster made a Motion to approve the rate study proposal of PFM Financial Advisors, LLC in the flat rate amount of \$19,500. That Motion was seconded by LaSota and unanimously approved.

At 7:50 p.m., on Motion of Mr. Hoffmaster, seconded by Mr. Kelly, and unanimously approved, the meeting was called to recess for purposes of the Board entering Executive Session to discuss matters involving personnel. The meeting was called to order by Mr. Lehr thereafter at 8:15 p.m. Upon reentering public session, the Board, on Motion of Mr. Wolfinger, seconded by Mr. Hoffmaster, approved the terms of an MOU with the Union regarding the CBA, contingent on Solicitor review and consent to terms.

There were no comments under the second public portion.

There were no Member and Staff Comments.

There being no further business of the Board, the meeting was adjourned at 8:17 p.m. on Motion of Mr. Hoffmaster, seconded by Mr. LaSota, and unanimously approved. The next regular meeting of the Board of the Muhlenberg Township Authority will be held at 7:00 p.m. on Thursday, May 9, 2024, at the main meeting room of the Muhlenberg Township Administration Building, 210 George Street, Reading, Muhlenberg Township, Berks County, Pennsylvania 19605.

A handwritten signature in black ink, appearing to read "D. Hoffmaster", written over a horizontal line.

Title: CHAIRMAN