

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, January 11, 2024, beginning at 7:00 p.m., at 3711 Oak Street, Temple, 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

In attendance were Authority General Manager Timothy Feltenberger, Thomas A. Rothermel, of counsel, and Jamie Lorah, PE, of Spotts, Stevens and McCoy (SSM), consulting engineer to the Authority. Also present were Township Commissioner Steve Wolfinger, and Authority controller consultant, Scott Boehret, of Transcend Business Advisors.

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 and litigation.

Mr. Lehr turned over conduct of the meeting to the Solicitor for purposes of reorganization of the Board.

Mr. Rothermel confirmed the current composition of the Board, which includes the appointment of Mr. LaSota (term ending December 31, 2028), and existing members Mr. Kelly (term ending December 31, 2027), Mr. Hoffmaster (term ending December 31, 2026), Mr. Lehr (term ending December 31, 2024), and a vacancy created by virtue of Mr. Heffner's resignation effective January 11, 2024 (term ending December 31, 2025). Mr. Lehr made a Motion to nominate a slate of Officer positions, as follows: Mr. Lehr – Chairman; Mr. Kelly – Vice Chairman; Mr. Hoffmaster – Treasurer; and Mr. LaSota – Secretary. That Motion was seconded by Mr. Hoffmaster. After brief discussion, there were no other nominations for Board Officer positions. The Solicitor called for a vote, and the Board members of the Authority were unanimously elected to the Offices for which they were nominated. The election of Officers was approved by unanimous vote, on Motion of Mr. Hoffmaster, seconded by Mr. Kelly.

The Solicitor advised the Board that the Authority should appoint consultants for 2024. Mr. Hoffmaster made a Motion to retain Spotts, Stevens and McCoy as Consulting Engineer. That Motion was seconded by Mr. Kelly and unanimously approved. Mr. Kelly made a Motion to retain Herbein & Company as Auditor to the Authority. That Motion was seconded by Mr. Hoffmaster and unanimously approved. Mr. Hoffmaster made a

Motion to retain Bingaman, Hess, Coblenz & Bell, P.C. as Solicitor to the Board. That Motion was seconded by Mr. Kelly and unanimously approved. Mr. Rothermel then returned the meeting back to Chairman Lehr.

Mr. Hoffmaster made a Motion to approve the Minutes of the previous regular meeting of the Board held on December 7, 2023. That Motion was seconded by Mr. Kelly, and passed unanimously.

There was no comment under the first public portion.

Ms. Lorah of SSM provided a formal report of the Authority's consulting engineer for work completed December 4, 2023 through December 28, 2023. Ms. Lorah referenced a five (5) 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 nineteen (19) projects of the Authority on which SSM is currently engaged.

With regard to the damaged water main located in Laurel Run Creek, Ms. Lorah confirmed that SSM prepared and submitted an amended emergency permit to DEP to allow entry into the stream for purposes of cutting and capping the pipe, with removal of the damaged pipe section. SSM continues to await permit approval from DEP, which may take anywhere between 4 – 6 months. As reported in prior months, crews are ready to mobilize once permit approval is secured.

SSM submitted a permit to DEP for repair of Manhole 1948 situate in Laurel Run Creek, which was damaged in the July 2023 floodwaters. SSM will ensure that crews are mobilized to perform the repair once permit approval is secured.

Ms. Lorah reported that as part of SSM's ongoing investigation into the stormwater infiltration and inflow issue, a residential property located in the Eagles Landing development was noted to have a deficient sewer vent and clean-out. Ms. Lorah explained that a deficient sewer vent and clean-out leads to excess stormwater inflow into the sanitary sewer system, which is a contributing factor in system surcharging during extreme weather events. Discussion was held regarding redress regarding those customers who may have deficient vent and clean-out control, or who otherwise are directing stormwater to the sanitary sewer system. The Solicitor confirmed that the Rules do provide for prohibition against redirected stormwater entry into the sewer system. Further discussion regarding policymaking to address this issue is expected to be a topic of discussion at the February meeting.

Regarding the DEP/EPA System Inspection Report, SSM organized a site visit with Authority crewmembers and contractors for purposes of securing proposals for completing the remainder of the work required by contracted professionals as opposed to Authority crewmembers. In addition, Ms. Lorah reported that a comprehensive letter was sent to the DEP advising of the work that had already been completed, and a timeline for such work that was scheduled for completion. Within the past week, DEP issued a status letter regarding the System Inspection Report, which contains no new violations.

Ms. Lorah confirmed that those items noted in the second report have already been scheduled for resolution. SSM will continue to update DEP with respect to the progress of completion. Lastly in this regard, Ms. Lorah presented the Board with proposals to implement correction of certain deficiencies noted in the DEP report, as follows:

- Optimum Controls Corporation (OCC) – repair of access and security equipment at the remote locations of the MTA's water and sewer system, at a total cost of \$16,657, inclusive of parts of installation. OCC is a COSTARS vendor. Mr. Hoffmaster made a Motion to approve the proposal in the amount stated, which Motion was seconded by Mr. LaSota. Discussion ensued. Ms. Lorah confirmed that the scope of the proposal addresses all deficiencies noted in the DEP report. Once the repairs are complete, Mr. Feltenberger will test and verify that everything is working properly. Ms. Lorah expects installation within sixty (60) days. After discussion, the Motion passed unanimously.
- Service Agreement – OCC submitted a maintenance agreement that provides for bi-annual preventative maintenance as well as a corrective hardware/software maintenance schedule for the SCADA and CCTV systems of the Authority. The total cost of the proposal was \$7,320. The Board was in agreement with Mr. Kelly that the response timeframes, as noted in the OCC proposal, should be improved. Ms. Lorah was directed to secure a revised proposal from OCC in that respect, and to additionally secure a proposal from at least one other SCADA vendor. The Board will review and consider the proposals at the February meeting.
- Storage Tank Inspections – DEP requires the Authority's wells be inspected on an interval basis. This is an item in pressing need of correction in order to comply with the DEP report. SSM secured three (3) quotes, which included visual and Remove Operation Vehicle (ROV) inspections. Mumford-Bjorkman Associates, Inc. presented a proposal to perform ROV inspection of the Authority's six (6) steel wells, at a total cost of \$21,000. Mr. Kelly made a Motion to approve the proposal in the amount stated, which Motion was seconded by Mr. Hoffmaster. Discussion ensued. The Board was in agreement that ROV would provide more substantive information with respect to the condition of the wells. Ms. Lorah additionally noted that DEP would likely expect an ROV inspection considering the timing of the prior inspections. After discussion, the Motion was unanimously approved. Utility Service Co., Inc. presented a proposal to perform ROV inspection of the Authority's two (2) clear wells, at a total cost of \$2,350. Mr. Kelly made a Motion to approve the proposal in the amount stated, which Motion was seconded by Mr. Hoffmaster and unanimously approved.

Ms. Lorah confirmed that the 2022 H2O Grant awards were announced. The Authority was not a recipient of grant funds for its Application, which pertained to the proposed Maiden creek interconnection. SSM will continue to monitor the Commonwealth Financing Authority (CFA) and other agencies to determine if new grant funds have become available. Ms. Lorah confirmed that despite not being awarded the H2O Grant for this particular Application, it can be resubmitted once the project is further along, and once such funds are again made available.

SSM completed a plan review letter for a proposed WAWA location on 5th Street Highway. Ms. Lorah confirmed that a developer's agreement was not required since no water or sewer facilities are being extended or constructed. Notwithstanding, a question arose with regard to submission of escrow funds for plan review to cover associated engineering costs. The Solicitor will assist Mr. Feltenberger and Ms. Lorah in addressing that issue. Lastly with regard to this project, Ms. Lorah noted that SSM continues to work with the developer's engineer to confirm the appropriate tapping fee.

Further discussion ensued regarding the Eagles Landing. Ms. Lorah presented the Board with various proposals for review and consideration, all of which pertain to implementation of the action plan to combat the stormwater infiltration and inflow problem at Eagles Landing and elsewhere in the collection system. The proposals are as follows:

- Exeter Supply Co., Inc. - purchase of eleven (11) manhole inserts and twenty-five (25) bolt-down covers and frames for installation upstream of Eagles Landing pump station, as well as on River Road, at a total cost of \$12,561.00. Mr. Hoffmaster made a Motion to approve the proposal in the amount stated. That Motion was seconded by Mr. Kelly. Discussion ensued. Mr. Feltenberger confirmed that MTA crewmembers would install the manhole inserts, which task could be completed in a matter of days. The bolt-on manhole covers and frames would require contractor installation. Ms. Lorah will present the Board with a proposal for the installation part of the manhole project at the February meeting. After discussion, the Motion was unanimously approved.
- Exeter Supply Co., Inc. – purchase of an air release valve for installation at the Eagles Landing pump station, at a total cost of \$1,883.85. Mr. Hoffmaster made a Motion to approve the proposal in the amount stated. That Motion was seconded by Mr. Kelly. Discussion ensued. Mr. Kelly suggested that the Authority also purchase a valve repair kit so that parts are available in the event of either failure or performance of routine maintenance. In addition, Mr. Feltenberger confirmed that a contractor would be needed to install the valve. Ms. Lorah will present the Board with a proposal for the installation part of the project at the February meeting, as well as a separate proposal for a valve repair kit. After discussion, the Motion was unanimously approved.

- Blooming Glen Contractors – purchase of seven (7) flow meters for use at all pump stations, which will monitor flows and provide real-time data through implementation in the SCADA system, at a total cost of \$120,425. The proposal additionally included the purchase of a hatch for River Road pump station at a cost of \$6,175, for use in remediating a deficiency noted in the DEP report. Blooming Glen Contractor is a COSTARS vendor. Mr. LaSota made a Motion to approve the proposal in the amount stated, which Motion was seconded by Mr. Kelly. Discussion ensued. Ms. Lorah confirmed that the flow meters will require integration into the SCADA system, which will separately be invoiced; this proposal was for purchase of equipment and installation only. Delivery time is expected to be within 4 – 8 weeks. After discussion, the Motion passed unanimously.

Ms. Lorah provided an update with regard to the proposed interconnection with Maiden creek Township Authority (Maiden creek). The Solicitor advised that on December 27, 2023, Maiden creek's Solicitor confirmed that his Board would accept terms of a bulk water sales agreement with the MTA, which negotiations had been ongoing for quite some time. Mr. Feltenberger advised that just recently, on December 21, 2023, the Executive Director of the Reading Area Water Authority (RAWA) contacted him regarding a proposed interconnection at the Hegel Gehl Reservoir. Mr. Lehr noted that prior discussion regarding water source options available to the MTA, inclusive of RAWA, were previously explored in detail. Since that time, and after exploring those options, the Board elected in early 2022 to pursue and further investigate the viability of an interconnection with Maiden creek. Engineer design and cost structure were near finalization. Notwithstanding, in light of this new outreach by RAWA, SSM was directed to prepare a Memorandum that detailed the history of the MTA's efforts in this regard, and reviewed and compared the two most feasible bulk water source options, those identified as Maiden creek and RAWA. The Board engaged in discussion regarding the Memorandum and key points therein. Mr. Kelly, noting his experience in the private water supply sector, specifically noted his concern with water compatibility issues between RAWA, which uses chloramine to treat water, and MTA, which uses free chlorine. There were added concerns regarding the projected cost of water, and proximity of connection points to the system to ensure system-wide use. Mr. Lehr suggested that the Board could gather further information on the proposed RAWA interconnection and more fully consider both options at the February meeting. After further discussion, it was the consensus of the Board to move forward with the Maiden creek interconnection. Mr. Hoffmaster made a Motion to accept and confirm the terms of Maiden creek's most recent proposal, as set forth in their Solicitor's e-mail dated December 27, 2023. That Motion was seconded by Mr. Kelly and unanimously approved. The Solicitor was directed to confirm the agreement in principle, and work towards finalizing the terms of a Water Supply Agreement. Mr. Lehr indicated that he would advise RAWA of MTA's decision in this regard.

Regarding the Ebling Memorial Bridge, Ms. Lorah confirmed that work commenced this past month. SSM continues to perform routine inspections to ensure the integrity of the work affecting the Authority's water and sewer infrastructure.

With regard to the River Road pump station, Ms. Lorah confirmed that the emergency bypass pump continues to be in-service and ready to use on an as-needed basis pending pump replacement. Two (2) replacement pumps were authorized for purchase at the December 2023 meeting. Pending delivery and installation of the pumps, SSM secured a proposal from OCC for full integration of the two (2) pumps into SCADA system, together with related services and materials for flow meter installation. The aggregate cost totals \$35,341, inclusive of parts and installation. OCC is a COSTARS vendor. Mr. LaSota made a Motion to approve the proposal in the amount stated. That Motion was seconded by Mr. Hoffmaster. Discussion ensued. Ms. Lorah confirmed that, after factoring in parts delivery, completion timeframe was estimated to be 14 – 16 weeks. After discussion, the Motion was unanimously approved.

Lastly, Ms. Lorah reported that SSM continues to work with Authority staff to complete the annual Chapter 94 reports, which are due to the City of Reading by the end of February.

There being no further active projects on which to report, and no additional questions posed by the Board, the report of the Ms. Lorah 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. Three Type-I, 6" main breaks were repaired on Rhodora Avenue, E. Kent Road, and in the intersection of Rosewood Road; there was no reported interruption in service. Mr. Lehr requested that Mr. Feltenberger include a graph to track the number of breaks, by type, on future Operations Reports. Crewmembers completed all the work they were able to perform with regard to the DEP punchlist. Crews monitored the sewer stations, including specifically, Eagles Landing, during a heavy rain event on December 11, 2023; there were no issues to report. Crews also installed approximately 100 manhole liners to combat stormwater I&I. Sewer laterals were cleaned or checked at multiple locations throughout the Township, ten (10) of which were customer owned. Mr. Feltenberger noted that one of the customers whose sewer lateral was cleaned posted a message on social media thanking the MTA and its crew for their quick response time on Christmas day. Lastly, Mr. Feltenberger reported that the vacuum truck was used a total of 10.5 man hours over the past month, at an equivalent labor cost of \$3,727.50. To date, the vacuum truck was used the monetary equivalent of \$90,960.50, excluding the cost of disposal fees that the Authority no longer pays. 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. Kelly 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. Hoffmaster 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. Kelly and unanimously adopted.

Under the Solicitor's Report, the Board was apprised that the Pennsylvania Department of Labor & Industry published the authority and municipal bidding thresholds for 2024. Under Act 90 of 2011, the bidding thresholds provide for an annual inflation adjustment based on the Consumer Price Index for all urban consumers. Mr. Rothermel confirmed that beginning January 1, 2024, the bidding thresholds for municipal authorities will be as follows: purchases and contracts below \$12,600.00 require no formal bidding or written/telephonic quotations; purchases and contracts between \$12,600.00 and \$23,200.00 require three written/telephonic quotations; and purchases and contracts over \$23,200.00 require formal bidding.

The Maiden creek interconnection was previously discussed during the Engineer's Report.

Regarding the City of Reading Intermunicipal Agreement, as amended (IMA), Mr. Rothermel reported that there was no further update regarding the City's completion of the past-due reconciliation and submission of Exhibit I reports. The MTA continues to hold funds pending submission of those reports.

The previously established Citizens' Advisory Committee will be reviewed and presented to the Board for consideration of approval at the February meeting.

Mr. Rothermel presented Resolution No. 2023-5, which effects amendment to the Articles of Incorporation of the Authority for purposes of expanding the number of Board members from five (5) to seven (7). Mr. Hoffmaster made a Motion to pass such Resolution, seconded by Mr. Kelly. Discussion ensued. Mr. Rothermel advised that per a recent conversation with the Township Solicitor, the Township was no longer requesting that the Authority expand its number of Board members to seven (7). Should that prove true, the consensus of the Board was that the MTA could still pass the Resolution and it would then be at the discretion of the Township whether or not to take any further action. After discussion, the Motion passed unanimously. Mr. Rothermel additionally advised that the Township must appoint an individual to fill Mr. Heffner's vacant seat.

With regard to the Sewer Backflow Prevention Policy initiative (the "Policy"), as fully implemented at the December 2023 meeting, Mr. Rothermel confirmed that the website had been updated to include the Policy information and Application. Mr. Feltenberger additionally noted that reference to the Policy was included on the most recent bill. So far, one (1) resident has inquired about the Policy.

Mr. Rothermel reported that Laureldale Borough is seeking to install bathroom facilities at the park located on Elizabeth Avenue. The installation of such facilities will require the Borough to enter into an agreement with the Authority, as would a traditional developer. Mr. Rothermel will provide further relevant updates as they occur.

Mr. Hoffmaster made a Motion for the MTA to participate as a member in a class action suit brought against 3M and DuPont surrounding PFAS contamination, and to authorize

Mr. Feltenberger to authorize and execute any documents in furtherance of, and as may be required by, a class member, including without limitation, expenditure of a sum not to exceed \$5,000 for well sampling. Mr. LaSota seconded that Motion, which passed unanimously.

No further questions were posed to Mr. Rothermel. The Solicitor's Report was approved by Motion of Mr. Hoffmaster, seconded by Mr. Kelly and unanimously approved.

The Treasurer's Report was presented, as detailed in a four (4) page report appended to these Minutes. The water division realized a net gain of \$209,567.34 over the past month; the sewer division realized a net gain over the past month of \$1,502,902.21. Across both accounts, the Authority realized a net gain of \$1,712,469.55, although a quarterly payment is due the City of Reading under the IMA. Next, discussion was held regarding the status of the various funds held in Certificates of Deposit (CD), some of which are pending maturity as of February 15 & 16, 2024, respectively. Of those CDs set to mature in both the water and sewer accounts on such dates, Mr. Hoffmaster made a Motion to rollover such CDs to another 3-month term each. That Motion was seconded by Mr. Kelly and unanimously approved.

Next, Scott Boehret of Transcend Business Advisors, consultant controller to the Authority, reported that documentation from two (2) digital payroll companies would be presented to the Board for review in advance of the February meeting. Mr. Boehret also reported that he was working in concert with Mr. Feltenberger to resolve an issue with bank reconciliations for the months of November and December 2023. He further anticipates completion of financial statements within the next two (2) weeks. Lastly, surrounding brief discussion regarding the need for a rate study, Mr. Lehr proposed review of the water and sewer accounts for purposes of rebalancing the finances between the respective divisions. Mr. Lehr indicated that he would circulate data to the Board for further consideration in that regard, subject to review by Transcend or another vendor. 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, Mr. Feltenberger advised the Board that Statement of Financial Interest Forms are due no later than May 1, 2024. Mr. Hoffmaster made a Motion to update the authorized bank account signers to remove Mr. Voit and Mr. Heffer, and to include Mr. LaSota. That Motion was seconded by Mr. Kelly and unanimously approved. Mr. Hoffmaster inquired as to discussion regarding exploration of the MTA relocating its offices to the Township building at 210 George Street. Mr. Rothermel indicated that he would place that item on the Agenda for the February meeting. Mr. LaSota inquired as to the possibility of conducting the MTA meetings at the Township building. That item will also be placed on the February meeting Agenda. Mr. Kelly inquired as to the status of capital projects of the Authority, in response to which Ms. Lorah indicated that SSM was in discussions with Mr. Feltenberger regarding a capital improvements plan. Lastly under New Business, Mr. Lehr inquired as to the status of the flyover leak detection program, which the Board previously authorized. Mr. Feltenberger reported that the program was completed, and that the data continues to be reviewed and analyzed. Crews have already

begun to investigate certain identified problem areas, but to date, no obvious leaks have been found.

Executive Session was deferred until after the meeting.

There were no comments under the second public portion.

There were no Member and Staff Comments on which to report.

Chairman Lehr announced that at the conclusion of the meeting, the Board would move into an Executive Session to discuss matters involving personnel. There being no further business of the Board, the meeting was adjourned at 9:52 p.m. on Motion of Mr. Kelly, seconded by Mr. Hoffmaster, 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, February 8, 2024, in the Authority Maintenance Facility main meeting room, 3711 Oak Street, Temple, Muhlenberg Township, Berks County, Pennsylvania 19560.



Title: