

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, August 10, 2023, 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
Richard Heffner
Otto Voit, III
Rick Hoffmaster

In attendance were Authority General Manager Timothy Feltenberger, Thomas A. Rothermel, of counsel, and Darryl Jenkins, PE, of Spotts, Stevens and McCoy (SSM), consulting engineer to the Authority. Also present were Authority Assistant Distribution Superintendent Jeff Krick, and Jeffrey Calpino. Sue Swavely, and Jack and Diane Pennington appeared as members of the public.

The meeting was called to order at 7:00 p.m. by Chairman Lehr.

Mr. Voit made a Motion to approve the Minutes of the previous special meeting of the Board held on August 2, 2023. That Motion was seconded by Mr. Hoffmaster, and passed unanimously.

Under the first public portion, Sue Swavely of Riverview Drive presented to the Board with concerns relating to infiltration of sewage in the ground level of her bi-level home. The issue began during a recent storm event of July 9, 2023. Damage was estimated to be in the range of \$25,000. Ms. Swavely indicated that she and her husband had lived in their home for approximately thirty (30) years and had no prior issues until a similar event occurred in August 2020 following significant rainfall. She questioned the cause of this issue and was seeking Authority action. Mr. Jenkins indicated that he spoke with Ms. Swavely shortly after the incident. In their discussion, Mr. Jenkins noted that the nearby pump station was fully operational during the storm event and it did not overflow. In Mr. Jenkins' opinion, the cause of the issue was a combination of factors, precipitated by the sheer volume of rain that fell in a very condensed timeframe, which overwhelmed the Township stormwater system and in turn, affected the Authority sewer system. Mr. Jenkins explained that unfortunately, where rainfall is intensified in a such a short period of time (i.e. 8" of rainfall in a 5-hour timeframe such as this event of July 9, 2023), no pump station can handle such floodwater infiltration. After hearing from Ms. Swavely, the Board directed Mr. Jenkins and Mr. Feltenberger to conduct a field assessment in order to ascertain what options may be available to potentially reduce the likelihood of a future occurrence. Mr. Voit noted that Ms. Swavely's comments were valid, and he joined Mr. Hoffmaster and Mr. Heffner in stating that the Authority will review its system to ascertain

why the issue occurred and whether any improvements could be made. Chairman Lehr additionally commented that communication with Ms. Swavely regarding this situation could have been improved, and confirmed that the Authority is implementing changes to ensure that occurs. Mr. Lehr also noted that while the root cause of this event appears to have been related to excess stormwater runoff, the Authority plans to align with the Township to see what improvements, if any, could be implemented with respect to their respective systems, considering in such extreme weather events, one affects the other. Mr. and Mrs. Pennington, also of Riverview Drive, experienced similar sewer backup and damage. They shared the same viewpoints and concerns expressed by Ms. Swavely. The Board was appreciative of this issue having been brought to its attention. Ms. Swavely and Mr. and Mrs. Pennington were thanked for attending this meeting and were encouraged to attend future meetings. They, in turn, thanked the Board for its attention to this matter, and exited the meeting.

Mr. Jenkins of Spotts, Stevens and McCoy provided a report of the Authority's consulting engineer for work completed July 1, 2023 through August 7, 2023. Mr. Jenkins referenced a two-page report of SSM that had been circulated to the Board in advance of the meeting. The report provides a narrative of the status of each of the eleven (11) projects of the Authority on which SSM is currently engaged.

With regard to the damaged water main located in Laurel Run Creek, Mr. Jenkins confirmed that SSM prepared and submitted an emergency permit to DEP to allow entry into the stream to make repairs. The main was damaged during the storm event of July 9, 2023, when a large chunk of concrete fell from a railroad culvert and impacted the water main, causing the joint to separate. Mr. Jenkins anticipates securing the emergency permit within the next thirty (30) days. Due to multiple system redundancies, service is not currently affected. Also due to such redundancies, should the main not be repairable, it could be capped and abandoned without impacting service. Mr. Jenkins is, however, guardedly optimistic that the main can be repaired, which will further benefit the water distribution system. Once repaired, the creek bed will be restored as a means of further protecting the main from damage. Mr. Jenkins additionally noted that he advised the Township of the repair, and requested an expanded service area so that Township personnel could access the creek to make repairs it may deem necessary. Mr. Feltenberger indicated that he has already made contact with site contractors for purposes of preparing the site for repair work.

Mr. Jenkins reported that Reading and Northern Railroad is revisiting its planned siding across Route 61. This was a prior issue of concern in 2021 considering the Authority's 12" main is located underneath the old siding location. At this time, if the location of the siding is not changed, no further action would be indicated since prior investigation revealed that the Authority's 12" main was encased. Mr. Jenkins noted that he and Mr. Feltenberger would attend a field meeting with the PUC scheduled for August 14, 2023. Mr. Jenkins will report to the Board following the occurrence of the meeting.

The GIS mapping database continues to be updated to account for lead and copper service inventory, prompted by DEP regulatory directives. Mr. Jenkins estimates that

approximately 30% of the service mapping is complete. The Board would like this project prioritized. In response, Mr. Jenkins noted that SSM will apply more resources to this project with the goal of having it completed early next year. Once the inventory is complete, SSM will perform an assessment and make appropriate recommendations to the Board. Mr. Jenkins confirmed that the regulatory deadline for inventory completion is October 2024. Funding for service line replacement will still be made available in the next year or two, so there is ample time to complete the assessment.

With regard to a potential water supply interconnection with Maiden Creek Township, Mr. Jenkins reported that a follow-up meeting with Maiden Creek Township Authority, its engineer and solicitor, was delayed due to damage that occurred at their wastewater treatment plant stemming from the July 9, 2023 flooding. The Solicitor is circulating dates for a meeting to occur in late August or early September with the aim of reducing an agreement to writing.

Mr. Jenkins confirmed that the 2022 H2O Grant Application was successfully submitted in December 2022. Mr. Jenkins anticipates that notification of grant recipients will likely occur in October 2024. Mr. Jenkins also reported that LSA Grant funds will soon become available. Such funds are generally available for purchases of equipment, performance of maintenance, and construction projects. Mr. Jenkins will circulate a Memo to the Board once information regarding the LSA Grant funds becomes available. He anticipates a submission deadline for LSA Grant funds after the Thanksgiving holiday.

Chairman Lehr directed Mr. Jenkins to make risk and resiliency an active project. Mr. Jenkins will utilize the prior risk and resiliency report to identify potential improvements to key areas of the Authority's water and sanitary sewer systems, and the projected costs associated with such improvements. SSM will coordinate this project with the assistance of Mr. Feltenberger.

There being no further active projects on which to report, and no additional questions posed by the Board, the report of the Mr. Jenkins concluded. Mr. Hoffmaster made a Motion to accept the Engineer's Report as presented. That Motion was seconded by Mr. Heffner 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 12" main break was repaired at Reading Crest, and 6" main breaks were repaired on N. 11th Street and Freemont Street. Fire hydrants were repaired at Mt. Laurel and Commerce Street, which were damaged in the recent flood. Crews continue to address punchlist items generated in response to the DEP site inspection. A pump at Eagles Landing was pulled and unclogged, which repair did not impact any residents. In addition, sewer laterals were cleaned or checked at twelve (12) different locations throughout the Township, eight (8) of which were customer owned. Mr. Feltenberger reported that the vacuum truck was used a total of twenty (20) man hours over the past month, at an equivalent labor cost of \$7,100.00. To date, the vacuum truck was used a total of two hundred sixty-six (266) man hours, or the monetary equivalent of \$64,253.00, excluding the cost of disposal fees that the Authority no longer pays. Lastly, Mr. Feltenberger reported that five (5) curb boxes were excavated, cleaned or repaired. The Operations Report then concluded.

No engineering bills for the preceding month were submitted for review of payment.

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. Heffner 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. Voit and unanimously adopted.

Under the Solicitor's Report, Mr. Rothermel advised that he continues to attempt to arrange a meeting with the City of Reading Engineer and City Solicitor to review and discuss the content of the Exhibit I reports, which are a required submission under the City of Reading Intermunicipal Agreement (IMA). Apart from the Exhibit I reports, there was no update with respect to the status of reconciliation. Mr. Rothermel noted that discussion regarding Reading and Northern Railroad, and the proposed Maiden Creek interconnect, was previously conducted during the Engineer's Report.

Mr. Rothermel advised that he spoke with the Township Solicitor, and followed with an e-mail on August 7, 2023, to propose a meeting with the respective Boards. The purpose of the meeting would be to engage in meaningful dialogue regarding the current state of affairs, with the aim of addressing the concerns previously conveyed by the Commissioners. Mr. Rothermel further advised that as of the time of this meeting, the Township had not yet responded. Mr. Rothermel indicated that he would follow up with the Township Solicitor in this regard. With no further questions posed to Mr. Rothermel, the Solicitor's Report was approved by Motion of Mr. Hoffmaster, seconded by Mr. Voit and unanimously approved.

The Treasurer's Report was presented. Interest rates remained steady at 2.53%. With regard to account balances for both the water and sewer divisions, the water division realized a net gain over the prior month of \$57,278.98. The sewer division realized a net gain over the prior month of \$720,115.81. Across both accounts, the Authority realized a net gain in July 2023 of \$777,403.79. Overall, the Authority's total cash flow is approximately \$1.3 Million more than compared to this time last year; however, the next payment to the City of Reading under the IMA is pending, which will significantly reduce such financial position. Discussion was held regarding the status of the various funds held in Certificates of Deposit (CD), some of which are pending maturity as of August 15, 2023. Of those CDs set to mature, Mr. Voit made a Motion to rollover three (3) sewer escrow account CDs each to another three (3) month term, and to establish a fourth sewer escrow account CD on a three (3) month term in an amount totaling approximately \$2 Million. That Motion was seconded by Mr. Heffner and unanimously approved. On Motion of Mr. Hoffmaster, seconded by Mr. Heffner and unanimously adopted, the Treasurer's Report was accepted as presented.

Under New Business, Mr. Feltenberger reported that union healthcare rates were set to renew at an increase of 3.1%, or \$2,052.27 per month. Per the CBA, there is no employee contribution if the increase is less than 10%. Mr. Hoffmaster moved to approve the union healthcare rate at the stated percentage increase, which Motion was seconded by Mr.

Heffner and unanimously approved. Next, Chairman Lehr reported that ARRO Consulting began its review of operations on August 7, 2023. ARRO will return next week to complete the extensive interview process. Mr. Feltenberger reported that the process had gone smoothly thus far. The Board will be apprised of further project developments with respect to ARRO's consulting work as they occur. The Board, on Motion of Mr. Heffner, seconded by Mr. Hoffmaster, unanimously voted to amend the Agenda to include an action item under New Business for payment to ARRO of a retainer sum totaling one-third (1/3) the total project cost, which was precipitated by discussion regarding ARRO's commencement of work.* Mr. Lehr made a Motion to remit payment to ARRO in the amount of \$12,400.00, or one-third (1/3) the total project cost, as a retainer for future services as per the terms of the Consulting Agreement. That Motion was seconded by Mr. Hoffmaster and unanimously adopted.

There were no comments under the second public portion.

At 8:35 p.m., on Motion of Mr. Voit, seconded by Mr. Hoffmaster, and unanimously approved, the meeting was called to recess for purposes of the Board entering Executive Session to discuss matters involving personnel and litigation. The meeting was called to order by Mr. Lehr thereafter at 9:17 p.m. Upon reentering public session, the Board, on Motion of Mr. Hoffmaster, seconded by Mr. Voit, unanimously voted to amend the Agenda to include three (3) action items, precipitated by discussion conducted during Executive Session.*

On Motion of Mr. Hoffmaster, seconded by Mr. Voit and unanimously approved, Francis Catania, Esquire was retained as special counsel with authorization to initiate litigation in matters affecting the Authority.

Mr. Hoffmaster made a Motion, seconded by Mr. Heffner, to establish a Citizens' Advisory Committee, the purpose of which is to provide the ratepayers with a structured platform by which to contribute their opinions and concerns regarding any water and sewer-related issues. Discussion ensued, which resulted in confirmation that in addition to a diverse group of ratepayers from Muhlenberg Township, Laureldale Borough, and that portion of Alsace Township that the Authority serves, the Committee would include a respective Board member from the Authority, Township, Laureldale Borough, and Alsace Township. The Board was excited for the opportunity to further engage with the ratepayers, and municipalities, with the goal of improving communication and transparency of Authority operations. The Motion passed unanimously. The Board expects to pass a Resolution at the September 2023 meeting that will provide further details of the Committee's formation and operating procedures.

On Motion of Mr. Hoffmaster, seconded by Mr. Heffner, and unanimously approved, the Board authorized the scheduling and expenditure relating to a farewell event for Mr. Calpino, an Authority employee of over forty (40) years and former Manager.

There were no comments under the Member and Staff Comments portion of the meeting.

There being no further business of the Board, the meeting was adjourned at 9:20 p.m. on Motion of Mr. Voit, seconded by Mr. Heffner, 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, September 7, 2023, in the Authority Maintenance Facility main meeting room, 3711 Oak Street, Temple, Muhlenberg Township, Berks County, Pennsylvania 19560.


Title: _____

* An Amended Agenda was posted to the Authority office building and to the Authority website on August 11, 2023.