

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, February 8, 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, Authority controller consultant, Scott Boehret of Transcend Business Advisors, Jamie Nace, Authority Assistant Distribution Superintendent Jeff Krick, and Garrett Washington of Performance Pipelining, Inc. (PPI).

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.

Mr. Hoffmaster made a Motion to approve the Minutes of the previous regular meeting of the Board held on January 11, 2024 and the Workshop Meeting held on January 31, 2024. That Motion was seconded by Mr. Kelly, and passed unanimously.

Under the first public portion, Mr. Washington appeared on behalf of PPI. He was present to answer any questions regarding PPI's proposal for replacement manhole frames and covers along a section of River Road. Mr. Washington provided further comment regarding that particular project during the Engineer's Report.

Commissioner Wolfinger requested that the Authority communicate with the Township Road Foreman for purposes of coordinating any pipeline replacements with the planned paving of Township roads this year. Mr. Feltenberger confirmed that he has already been in contact with the Road Foreman in that regard. A follow up meeting will be scheduled.

Ms. Lorah of SSM provided a formal report of the Authority's consulting engineer for work completed January 12, 2024 through February 1, 2024. Ms. Lorah referenced a six (6) 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.

Regarding the DEP/EPA System Inspection Report, Ms. Lorah confirmed the status of various proposals that were accepted the month prior, all of which were aimed at addressing the remaining items at issue. SSM has continued to update DEP with respect to ongoing work that has been completed including, without limitation, tank inspections, SCADA training, and system-wide SCADA system upgrades.

Ms. Lorah presented the Board with a proposal submitted by Optimum Controls Corporation (OCC) for installation of nine (9) new level sensors at well sites, in addition to integration of a Turbidimeter at Well No. 15, and installation of a new flow meter at Well No. 1. The cost of the proposed instrumentation upgrades totaled \$75,082.00, inclusive of parts of installation. OCC is a COSTARS vendor. Mr. LaSota made a Motion to approve the proposal in the amount stated, which Motion was seconded by Mr. Hoffmaster, and unanimously approved. Ms. Lorah further noted that a second proposal from OCC would be presented for Board approval at the March meeting, which will include level sensors at the clearwells and instrumentation at Adams Street.

Ms. Lorah presented the Board with a revised maintenance agreement submitted by OCC, which 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 agreement was revised to include an enhanced response time at no added cost. Mr. Hoffmaster made a Motion to approve the proposal in the amount stated, which Motion was seconded by Mr. LaSota. Discussion ensued. The Board was not in agreement with entertaining a mutual aid proposal submitted on behalf of Renegade Solutions as a component of the service agreement with OCC. Mr. Kelly additionally questioned whether there were viable alternatives to OCC for the Authority's SCADA system. Ms. Lorah commented that the focus in the short term was for OCC to resolve the immediate areas of concern, and then focus on any desired system upgrades and SCADA enhancements. After such discussion, the Motion was unanimously approved.

With regard to the proposed Wawa on 5th Street Highway, Ms. Lorah confirmed that review letters were completed and were issued. Escrow was established for purposes of assessing engineering fees with respect to plan review work that SSM had performed to date. Ms. Lorah further confirmed that a revised tapping fee letter was issued to Wawa this past month in the amount of \$53,655.12. The final step is execution of the Planning Module, which the developer is currently in the process of updating.

Ms. Lorah updated the Board with respect to the Eagles Landing development. Last month, the Board authorized the installation of flow meters at all pump stations, including Eagles Landing and River Road. The flow meters will enable operations staff to monitor and react to changes in flow. SSM is currently awaiting a second proposal for electrical service, as needed, and integration of the flow meters into the SCADA system. Ms. Lorah anticipates Board review of such proposal at the March meeting. Regarding manhole covers and dishes that the Board approved last month, Ms. Lorah presented a proposal of PPI for installation of 25 bolt-down frames and covers at each of the manholes along River Road that lie within and near the floodplain, at a total cost of \$74,600.00. PPI is a

COSTARS vendor. Mr. Washington commented that installation of bolt-down covers may not be advisable in all locations due to creation of pressure elsewhere in the system. Mr. Kelly inquired as to other areas where manhole lids have dislodged during storm events. The consensus of the Board was to install bolt-down covers at those areas where covers routinely become dislodged, and install the remainder of the bolt-down covers on River Road, as planned. Mr. Washington confirmed that the proposal would not increase, regardless of where the covers were installed within the boundary of the Township. He also confirmed that the Authority could later either plug the bolt holes or switch the covers to a non-bolt down variety, depending on the impact on inflow and infiltration, and pressure gradients. Mr. Kelly made a motion to approve the proposal in the amount stated, contingent on receipt of a revised proposal from PPI that confirmed installation of the manhole cover and frames at multiple locations as the MTA may specify. That Motion was seconded by Mr. Hoffmaster and unanimously approved. Mr. Washington confirmed that work would begin within the next 2 – 3 weeks, and be completed by mid-March.

Regarding the Ebling Memorial Bridge, Ms. Lorah confirmed that construction started in January and is ongoing. Water lines have been run through the borings, and sewer and gas borings were completed. Ms. Lorah noted that the contractor submitted a \$60,000 change order to the County, which does not impact the Authority.

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.

Lastly, Ms. Lorah noted that she circulated a draft customer advisory letter regarding sewer vent and cleanout deficiencies, which is aimed at reducing sewer inflow. The Board elected to defer discussion on that subject to a future meeting.

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 Pottsville Pike, Foster Lane, and Alsace Road. So far in 2024, there have been a total of three Type-I main breaks, all resulting in no interruption in service. Mr. Feltenberger advised that crews closely monitored all sewer stations during and after recent heavy rain events; there were no issues to report. A hydrant was repaired at Ken Avenue, and also at Elizabeth Avenue & Holtery Street. Mr. Krick confirmed that the hydrant inventory has been fully replenished. The fire system valve at Exide was closed secondary to a pipe break in the building. With respect to the inspection results of Well No. 8, Mr. Feltenberger confirmed that there were no roots inside the tank, rather, it was mineral deposits. Ms. Lorah advised that the presence of mineral deposits inside a tank is not a violation per se, but it will need to be cleaned, nonetheless. Ms. Lorah was directed to secure a proposal for tank cleaning. Sewer laterals were cleaned or checked at multiple locations throughout the Township, nine (9) of which were customer owned. 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. Kelly 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. LaSota and unanimously adopted.

Under the Solicitor's Report, Mr. Rothermel updated the Board with respect to the proposed Maiden creek interconnection. A Memorandum of Understanding (MOU) was circulated to Maiden creek's Solicitor, which broadly defines the terms of the proposed interconnection between the two entities. Mr. Rothermel anticipates the Board will be in a position to review a final MOU at the March meeting.

Regarding the Citizens' Advisory Committee, which the Board previously authorized formation of, Mr. Rothermel confirmed that he circulated revised Resolution No. 2023-2 to the Board in advance of the meeting. The Resolution provides specifics with regard to formation and operations of the Committee, renamed the "Residential Customer Advisory Committee." Mr. Hoffmaster made a Motion to approve Resolution No. 2023-2, as amended. That Motion was seconded by Mr. LaSota. The Motion passed by majority vote (Mr. Kelly voting in the negative due to the timing and priority of other projects). The Board will review and discuss community outreach for purposes of implementing the Committee.

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 \$18,249.98 over the past month; the sewer division realized a net gain over the past month of \$573,619.17. Across both accounts, the Authority realized a net gain of \$591,869.15. 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. Mr. Boehret further confirmed that the sewer escrow account, maintained by funds per the City of Reading IMA, as amended, currently totals approximately \$4 million, of which the Authority has earned approximately \$519,000 in interest. Mr. Hoffmaster made a Motion to transfer \$3.4 million of such funds to a 3-month CD, and rollover those other CDs set to mature in February to another 3-month term, each. That Motion was seconded by Mr. LaSota and unanimously approved.

Mr. Boehret presented a cash flow report for the water and sewer divisions for year ending December 31, 2024. He will present the Board with the same reports for the first quarter.

With regard to digital payroll, Mr. Boehret presented the Board with proposals from Paychex and ADP. Based on features and cost, and availability of local customer service

representatives, Mr. Boehret recommended Paychex, at a total annual cost of \$4,295.27. The program also includes enhancements for HR-related tasks, as well as time sheet aggregation. Mr. Boehret estimated that switching to a payroll service would save the MTA approximately \$5,000 in net employee man hours. Mr. Kelly made a Motion to approve the proposal of Paychex in the amount stated. That Motion was seconded by Mr. Hoffmaster and unanimously approved. Mr. Boehret will work with Mr. Feltenberger to implement this change, which process is estimated to take approximately 3 – 4 weeks.

Regarding the backflow prevention policy, Mr. Feltenberger confirmed that he has received 3 – 4 applications thus far. Mr. Feltenberger questioned which funds were to be used for purposes of reimbursement to applicants. Mr. Boehret recommended the sewer investment account be used for that purpose. The Board agreed with such recommendation. The Solicitor was directed to draft a form notice to the customer, to be sent along with the reimbursement check, which will remind customers of their responsibility to maintain the valve.

Discussion was held regarding a proposed rate study. The consensus of the Board was to defer a formal rate study until such time as a capital improvement plan is formulated. In the interim, Mr. Boehret will continue to attempts at sourcing a second proposal for a rate study. As part of this discussion, the Board reviewed the prospect of adjusting the water and sewer rates as a means of rebalancing the respective accounts. Mr. Lehr circulated a proposal that would serve to increase water rates, but decrease sewer rates, resulting in a net zero increase for those customers who receive both water and sewer from the MTA. Mr. Boehret confirmed that overall, such adjustment would have no impact on the current budget, although the budget would have to be amended. Mr. LaSota expressed concern regarding how to properly, and effectively, communicate the rate change to the customers. A question was raised regarding the ability to implement this type of change where it would potentially disproportionately effect customers who are water-only customers of the Authority. Mr. Rothermel indicated that he would review that issue for purposes of further discussion at the March meeting.

Lastly under the Treasurer's Report, Mr. Boehret was directed to investigate whether there is a complete software package available to the MTA as an alternative to the existing billing and accounting software currently being utilized.

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, the following items were discussed:

- Mr. Feltenberger advised the Board that he purchased a new postage machine at a cost of \$4,288.73.
- Mr. Feltenberger reported that two new crewmembers are scheduled to begin CDL training at a program offered by Berks Career & Technology Center at a total cost of \$5,900.00 each. The program is offered on Mondays.

- Mr. Feltenberger advised that a crewmember was set to retire in May 2024. Mr. Feltenberger will handle the hiring process of a new crewmember in-house. Mr. Feltenberger, Mr. Krick, and a Board member will conduct the interview process.
- Regarding the inspection reports of clearwells Nos. 6 & 8, Mr. Feltenberger advised that he continues to await the reports. He will update the Board as further information becomes available.
- Non-union wage increases for 2024 were unanimously approved, on Motion of Mr. Hoffmaster, seconded by Mr. Kelly.
- Mr. Feltenberger advised that new leak detection equipment was needed. Mr. LaSota made a Motion to approve a proposal of Exeter Supply Co., Inc. in the amount of \$5,850.00 for the purchase of new leak detection equipment. That Motion was seconded by Mr. Kelly and unanimously approved.
- Issues regarding MTA vehicle policy changes and well chlorination monitoring equipment will be discussed at the March meeting.
- Mr. LaSota suggested moving the regular meeting location to the Township Building located at 210 George Street, Reading, PA 19605. Mr. Hoffmaster made such Motion, seconded by Mr. LaSota. Discussion ensued. Mr. LaSota advised that Jim Bobeck, Township Manager, already confirmed that the building was available for use on the remaining meeting dates of 2024, at no charge to the MTA. After discussion, the Motion passed unanimously. The Solicitor will advertise the change, effective the March 2024 meeting date.
- Mr. Hoffmaster suggested that the Board consider relocating its offices to the Township Building located at 210 George Street. This was a prior topic of Board discussion. The consensus of the Board was to tour the available space and further discuss that matter at a future meeting.

A second Executive Session was not held.

There were no comments under the second public portion.

Under Member and Staff Comments, Mr. Lehr questioned whether the billing due date change resulted in any feedback or logistical issues. Mr. Feltenberger was aware of none. Mr. Hoffmaster reported that the MTA, at the request of the Temple Fire Company, relocated a fire hydrant a distance of approximately 40'. The relocated hydrant enabled the Fire Company to provide more parking and the ability to more easily and safely maneuver its equipment. The Fire Company was appreciative of Mr. Krick and the Authority's cooperation in that regard.

There being no further business of the Board, the meeting was adjourned at 8:50 p.m. on Motion of Mr. Hoffmaster, seconded by Mr. Kelly, 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, March 8, 2024, at the main meeting room of the Muhlenberg Township Administration Building, 210 George Street, Reading, Muhlenberg Township, Berks County, Pennsylvania 19605.

Walter S. L. Solo

Title: SECRETARY