

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, May 11, 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
Jim Kelly
Rick Hoffmaster
Otto Voit, III

In attendance were Authority Manager Jeffrey A. Calpino, Thomas A. Rothermel, of counsel, and Darryl Jenkins, PE, of Spotts, Stevens and McCoy (SSM), consulting engineer to the Authority. Muhlenberg Township Commissioner Steven Wolfinger was also present.

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

Mr. Hoffmaster made a Motion to approve the Minutes of the previous regular meeting of the Board held on April 6, 2023. That Motion was seconded by Mr. Heffner, and passed unanimously.

Under the first public portion, Commissioner Wolfinger, liaison to the Authority, commented on the informative Reading Eagle newspaper article, entitled Toilet to Tank, published May 11, 2023. The article addressed the downfalls and unintended consequences associated with the sale of municipal water and sewer systems to private companies. A copy of the article is appended to these Minutes.

Mr. Jenkins of Spotts, Stevens and McCoy provided a report of the Authority's consulting engineer for work completed April 1, 2023 through May 11, 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 Consumer Confidence Report (CCR) for the water system, Mr. Jenkins confirmed that the report has been completed and will be provided to the Authority for review and comment. Once the CCR is finalized, it will be posted on the Authority website.

Mr. Jenkins provided further updates with regard to SSM's inquiries into potential bottlers or other bulk water haulers who may have an interest in water drawn from the quarry

property. In that regard, SSM recently made contact with Crossroads Beverage, a local bottler, regarding the potential use of quarry water for their operations. Crossroads will review the matter internally and advise of any interest. Mr. Jenkins will provide further relevant updates with regard to this matter at future meetings.

SSM continues to work with Authority personnel to update the GIS mapping database. In particular, lead and copper service line inventory data is being incorporated into the database to ensure compliance with PA DEP regulations.

With regard to the potential water supply interconnection with Maiden Creek Township, Mr. Jenkins reported that SSM refined its technical calculations regarding available and desired flows and pressures from Maiden Creek's system. Based on those calculations, Mr. Jenkins is of the opinion that both an elevated tank and booster pump station would be of benefit to both municipalities. Mr. Jenkins plans to review SSM's calculations with System Design Engineering, Inc., Maiden Creek's consulting engineer firm, to confirm design, capacity and proposed tank location. Ultimately, consensus on the major design points of this project is needed prior to moving forward with a proposed memorandum of understanding and later, a potential bulk water sale agreement.

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. Voit made a Motion to accept the Engineer's Report as presented. That Motion was seconded by Mr. Heffner and unanimously approved.

Mr. Calpino presented the Operations Report for the preceding month, a full copy of which has been appended to these Minutes. 3/4" service was renewed at two residences on Jefferson Street, and 3/4" residential services were repaired on Sheidy and Columbia Avenues. A 6" main break was repaired on the 600 block of Tuckerton Road. The repair was challenging due to the location of the break. Mr. Calpino reported that the homeowner was very accommodating to the Authority crew, despite the need to remove a section of fencing. Mr. Calpino confirmed that the homeowner's property would be fully restored. In addition, crews installed new chlorine equipment at Well Nos. 6, 12 and 14. At this point, only Well No. 13 is pending installation of new chlorination equipment. A re-built pump was installed at River Road sewer station, and is operational. A re-built effluent pump was installed at Well No. 8, but there are some issues requiring further inspection and repair. The annual process of fire hydrant flushing has begun. Sewer laterals were cleaned or checked at fourteen (14) different locations throughout the Township, eleven (11) of which were customer owned. Lastly, Mr. Calpino reported that the vacuum truck was used a total of nineteen (19) man hours over the past month, at an equivalent labor cost of \$6,745.00. To date, the vacuum truck was used a total of one hundred nine (109) man hours, or the equivalent of \$38,695.00, 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. Voit 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. 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 reported that the developer of the Floret Avenue parcel provided satisfactory CAD files regarding the municipal improvements set for dedication. All other requirements had previously been met. As authorized at the April 6, 2023 Board meeting, dedication was formally accepted effective April 21, 2023. In turn, Mr. Calpino reduced financial security to \$7,673.40. Mr. Rothermel confirmed that the 18-month maintenance period will commence as of April 21, 2023 and expire October 21, 2024.

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.

Mr. Hoffmaster presented the Treasurer's Report. 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 \$94,394.75. The sewer division realized a net gain over the prior month of \$428,494.56; however, a quarterly payment to the City of Reading is pending per the IMA, as amended. Across both water and sewer accounts, the Authority realized a net gain in April 2023 of \$522,889.31. With regard to the City of Reading IMA, as amended, it was confirmed that the sewer escrow account has a principal escrow balance of \$9,172,390.30, with \$102,084.82 in interest earned thus far. Overall, the Authority's total cash flow is approximately \$2.8 Million more than compared to this time last year. Again, however, it was noted that such figure was inflated due to an impending quarterly payment due the City. Discussion was held regarding the status of the various funds held in Certificates of Deposit (CD), some of which are pending maturity as of May 15, 2023. Of those CDs set to mature, Mr. Voit made a Motion to: renew the water investment CD to another six (6) month term at a rate of 4.75%; renew the sewer investment account CD to a one (1) year term at a rate of 4.85%; renew two (2) sewer escrow account CDs to another three (3) month term at a rate of 4.65%; and establish a new sewer escrow account CD for a three (3) month term at a rate of 4.65%. That Motion was seconded by Mr. Heffner and unanimously approved. Regarding accumulation of interest, Chairman Lehr inquired as to the use of such funds. The Board engaged in preliminary discussion, with the consensus being to revisit the issue in conjunction with the budgetary review process. On Motion of Mr. Hoffmaster, seconded by Mr. Kelly and unanimously adopted, the Treasurer's Report was accepted as presented.

Under New Business, Mr. Calpino reported that bids were submitted for trench restoration work for 2023. Sloan Paving, Inc. was the lowest bidder for repairing the existing trenches, at a contract amount of \$38,500.00. In 2022, the contract amount was \$54,120.00. Sloan Paving, Inc. was also the lowest bidder for repairs at a price per square yard of \$118.50, which was the same pricing as in 2022. Mr. Heffner made a

motion to accept the Sloan Paving, Inc. bids for existing trench work and trench work on a per square yard basis in the amounts stated, and to authorize Mr. Calpino to issue a notice of intent to award. That motion was seconded by Mr. Voit and unanimously adopted. Mr. Calpino will also secure insurance certificates from the contractor.

There were no comments under the second public portion.

Under the Member and Staff Comments portion of the meeting, Mr. Calpino reminded the Board that a representative of Herbein & Co. would be present at the June meeting to present the audit report. In addition, Mr. Hoffmaster suggested that a tour of water and sewer facilities be scheduled in the coming months. Mr. Calpino noted that he would circulate dates to the Board in that regard.

At 7:35 p.m., on Motion of Mr. Heffner, seconded by Mr. Voit, 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 Chairman Lehr thereafter at 8:00 p.m.

There being no further business of the Board, the meeting was adjourned at 8:05 p.m. on Motion of Mr. Hoffmaster, seconded by Mr. Voit, 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, June 8, 2023, in the Authority Maintenance Facility main meeting room, 3711 Oak Street, Temple, Muhlenberg Township, Berks County, Pennsylvania 19560.



Title: Secretary