

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 9, 2026, beginning at 7:00 p.m., at 210 George Street, Reading, Muhlenberg Township, Berks County, Pennsylvania, 19605, pursuant to notice both advertised and posted according to law.

The following members of the Board were present:

Jim Kelly
Rick Mountz
Mike Merkel

In attendance were Authority Director of Operations, Nathan Roush; Timothy Feltenberger, Operations Manager; Jamie Lorah, PE, of Spotts, Stevens and McCoy (SSM), consulting engineer to the Authority; Thomas A. Rothermel, Solicitor, of Bingaman, Hess, Coblenz & Bell, P.C.; Bruce Koller, Transcend Business Advisors, Authority controller consultant; and Jeff Krick, Assistant Distribution Superintendent. Also present were: Jay Wenger of RBC Capital Markets; Kevin Reid, Esquire, of King Spry; and Diane Jones, a member of the public and member of the MTA Residential Customer Advisory Committee.

The meeting was called to order at 7:00 p.m. by Chairman Kelly. Mr. Kelly announced that the Board met in an executive session immediately prior to this meeting to discuss matters involving personnel and litigation.

Mr. Mountz made a Motion to approve the Minutes of the previous regular meeting of the Board held on March 12, 2026. That Motion was seconded by Mr. Merkel and passed unanimously.

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

The accounts payable for both the water and sewer departments for the preceding month were distributed prior to the meeting, a full listing of which has been appended to these Minutes. Mr. Merkel 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. Mountz and unanimously adopted.

Mr. Reid presented the Board with Resolution No. 2026-2, that in part, authorizes the undertaking of a certain 2026 capital project, authorizes and directs the issuance of a sewer revenue bond in the maximum aggregate principal amount of \$5 million, and authorizes and directs the issuance of a water revenue bond in the maximum aggregate principal amount of \$10 million. The Resolution confirms the Board's election of a 20-year term. Mr. Merkel made a Motion to pass Resolution No. 2026-2, which Motion

seconded by Mr. Mountz and unanimously approved. Mr. Reid and Mr. Wenger thanked the Board for its attention and then exited the meeting.

There was no further comment under the first public portion.

Mr. Feltenberger presented the Operations Report for the preceding month, a full copy of which has been appended to these Minutes. Four (4) water main leaks were identified and repaired, and two (2) 6" sewer lateral obstructions were repaired. Three (3) water service leaks were also identified and repaired. The crew performed miscellaneous services including equipment maintenance, leak detection, sewer trunk line maintenance, and pump house/booster station cleaning. The report further confirms that sewer laterals were cleaned and checked, including seven (7) customer owned lines, fourteen (14) traps, and two (2) Authority owned lines. Lastly, Mr. Feltenberger reported that a meeting was held with OCC this past Thursday to review data pertaining to tank levels. Mr. Feltenberger advised that tank level data will be included in future monthly reports. The Operations Report then concluded.

Under the Engineer's Report, Ms. Lorah of SSM provided a formal report of the Authority's consulting engineer for work completed through March 12, 2026. Ms. Lorah referenced a fourteen (14) page report that SSM circulated to the Board in advance of the meeting. The report provides a narrative of the status of each of the projects of the Authority on which SSM is currently engaged.

Regarding construction of the WAWA and carwash on N. 5th Street Highway, Ms. Lorah confirmed that a 12" water main was installed as part of the project, at MTA's request. The contractor, Schlouch, Inc., submitted final Payment Application No. 2 in the amount of \$46,399.21, which Ms. Lorah recommended be processed for payment. Mr. Mountz made a Motion to approve Payment Application No. 2 in the amount stated, which Motion was seconded by Mr. Merkel and unanimously approved.

With regard to the Laureldale water main replacement project, Ms. Lorah advised that bid opening occurred on April 8, 2026. Bid tabulation results were provided to the Board. The lowest qualified bidder was Doli Construction Corp. in the base bid amount of \$2,383,779.50. Total bid amounts ranged between \$2.3 million to \$3.6 million. Ms. Lorah reported that Doli Construction Corp. is known to be a reputable contractor. Approval was therefore recommended. Mr. Mountz made a Motion to approve the bid of Doli Construction Corp. in the amount stated. That Motion was seconded by Mr. Merkel and unanimously approved. The contractor will be required to post bond and insurances prior to beginning work. Ms. Lorah will proceed to issue the Notice of Award. As part of this project, Mr. Roush noted that Laureldale Borough assessed a road opening fee totaling \$109,900. Mr. Roush presented the Borough with a letter he delivered to the Borough requesting clarification of the fee amount, and waiver of the same. Mr. Roush will advise the Board of the Borough's response in that regard.

Ms. Lorah reviewed the tapping fee study that was previously circulated to the Board. The study confirmed that, based on a comprehensive review of costs associated with the respective systems, including capital improvements, the maximum allowable tapping fee totals the aggregate amount of \$10,896.00 (\$8,649.72 sewer collection/capacity; \$2,246.01 water collection/capacity). Since 2013, the Authority's tapping fee totaled the aggregate amount of \$3,278.26 (\$1,824.90 sewer collection/capacity; \$1,453.36 water collection/capacity). Ms. Lorah indicated that the increase in sewer system costs was rooted in significant expenses associated with treatment through the City of Reading. Overall, based on costs of material and labor, Mr. Roush indicated that current tapping fee charges are essentially a net loss to the Authority. It was noted that the Board could assess the maximum tapping fee, or a percentage thereof, taking into account the cost borne by customers while still recovering a fair share of system costs. The Solicitor advised that the Board would need to pass a Resolution for a new tapping fee to take effect. The Board indicated that further review and discussion was warranted.

With regard to the Laurel Run pump station, Ms. Lorah presented a proposal for additional services totaling \$110,600. The proposal includes additional electrical, mechanical, and structural design upgrades. Ms. Lorah advised that with these scheduled upgrades, a new pump station would not be necessary. Mr. Roush further indicated that a meeting was recently convened with PA DEP to review the proposed pump station upgrades; no concerns were noted. Mr. Mountz made a Motion to authorize SSM's proposal for additional engineering services in the total amount of \$110,600. That Motion was seconded by Mr. Merkel and unanimously approved. SSM will proceed to complete the requisite permitting applications for submission to DEP.

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

Under the Solicitor's Report, Mr. Rothermel advised that he continues to work with the developer of the WAWA and carwash site to finalize the requisite improvements agreement and easement agreement. It is anticipated that the Board will be prepared to execute the improvements agreement at the next meeting.

Mr. Rothermel advised that Clover Farms Dairy requested the Township vacate Lincoln Avenue, which is a stub street off Rt. 61. The Township is amenable, considering Lincoln Avenue is internal to the Clover Farm Dairy's parcel and serves no public purpose. As Authority water and sewer infrastructure is located under a portion of Lincoln Avenue, Clover Farms Dairy agreed to execute a Right-Of-Way and Easement Agreement in favor of the Authority. Mr. Merkel made a Motion to authorize acceptance and execution of the Right-Of-Way and Easement Agreement. Mr. Mountz seconded that Motion, which was unanimously approved.

No further questions were posed to the Solicitor. The Solicitor's report was unanimously accepted, on Motion of Mr. Mountz, seconded by Mr. Merkel.

Under the Treasurer's Report, Mr. Koller did not recommend the Board authorize a transfer of funds to PLGIT this month. Discussion regarding Bond Resolution No. 2026-2 was addressed under the first Public Comment, as noted above.

Regarding the MTA's financials, Mr. Koller reviewed the Treasurer's Report, a copy of which is appended to these Minutes. The water division realized a net increase of \$6,715 in March, for a total operating account balance of \$2,544,422. Total interest earned over the past month, across both operating and certificates of deposit in the water division, was \$26,420. The sewer division realized a net increase compared to the prior month in the amount of \$1,022,244, for a total account balance of \$5,348,886. In March, interest earned in the sewer division operating and certificate of deposit accounts totaled \$101,424. Total interest earned in the sewer escrow account this past month yielded \$57,737.

Mr. Koller reviewed the expense-to-budget figures through February 28, 2026. Mr. Koller reported that the Authority was in a good position with no areas of concern.

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

Under New Business:

Mr. Feltenberger reported that the Reading Muhlenberg Vo-Tech planned to offer a scholarship in the memory of the late Rick Hoffmaster, administered through the Muhlenberg Educational Foundation. Mr. Feltenberger indicated that other entities were also contributing to the scholarship fund. He further advised that the Hoffmaster family would choose the scholarship recipient. Mr. Rothermel confirmed that the Authority may contribute up to a maximum of \$1,000 annually. The Board will further review this matter at the May meeting.

Mr. Mountz made a Motion to authorize the hiring of Jessica Hernandez to the Office Manager position, as recommended by Management. Mr. Merkel seconded that Motion, which was unanimously approved. Contingent on Ms. Hernandez accepting the terms of the position, the effective date of hire would be April 13, 2026.

There was no comment under the second public portion.

Under Member and Staff Comments:

Mr. Roush thanked Ms. Jones for her valuable input regarding cybersecurity issues facing public sector entities.

Mr. Koller questioned Ms. Lorah regarding the range of tapping fees county-wide. In response, Ms. Lorah confirmed that fees range anywhere between \$3,200 to \$13,500 for both water and sewer collection/capacity. Mr. Koller further noted that the bond financing process was moving forward on schedule. Lastly, Mr. Koller reported that the

auditor was scheduled to be in the Authority office on April 13, 2026 to review the MTA's financials.

There being no further business of the Board, the meeting was adjourned at 7:33 p.m. on Motion of Mr. Merkel, seconded by Mr. Mountz, 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 14, 2026, at 210 George Street, Reading, Muhlenberg Township, Berks County, Pennsylvania.


Title: SECRETARY