

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, July 11, 2024, beginning at 7:00 p.m., at 210 George Street, Reading, 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
Jim Kelly
Steve Wolfinger
Rick Hoffmaster

In attendance were Authority General Manager Timothy Feltenberger, Mahlon J. Boyer, of counsel, and Jamie Lorah, PE, of Spotts, Stevens and McCoy (SSM), consulting engineer to the Authority. Also present were Authority controller consultant, Scott Boehret of Transcend Business Advisors, Jeff Krick, Assistant Distribution Superintendent, Rhonda Moyer of Tompkins Insurance Agencies, and Stacey Feltenberger as a member of the public.

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 a personnel matter.

Mr. Hoffmaster made a Motion to approve the Minutes of the previous meetings of the Board held on April 24, 2024, May 9, 2024, June 6, 2024 June 24, 2024. That Motion was seconded by Mr. Wolfinger and passed unanimously (Mr. Kelly abstained from voting to approve the Minutes of the April 24, 2024 Meeting).

There was no comment under the first public portion.

Under the Engineer's Report, Ms. Lorah of SSM provided a formal report of the Authority's consulting engineer for work completed June 1, 2024 through July 3, 2024. Ms. Lorah referenced an eight (8) 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 twenty (20) projects of the Authority on which SSM is currently engaged.

Mr. Lorah gave an update on the Mikulin property and said that the updated planning module was received.

In regard to the Rowe development, a plan review was completed and issued. There was a meeting with Mr. Rothermel to address questions from Alsace Township's new solicitor including the need for tapping fees, consideration of a bulk rate and possible expansion of service to the Township.

Ms. Lorah said that the equipment and pumps for the River Road pump station were received. There was a field meeting at which the contractor, Blooming Glen Contactors, recommended a doghouse manhole that would allow the Authority to bypass the pump station during construction. This would avoid the need for the Authority to bypass in the street with the installation of an insertion valve as a temporary measure. The doghouse manhole would be a permanent bypass location in case of future pump repair or replacement. The proposed cost for the installation of the bypass is \$99,850.00 and is an additional cost to the project.

Mr. Lehr said that the new proposal from Blooming Glen would be discussed in executive session, in particular, to discuss why the additional cost is occurring and that any action regarding the new proposal would be delayed to later in the Board meeting. Ms. Lorah suggested that the Authority's employees had previously performed the work for wet taps at other pump station projects and that the proposed bypass was not included as part of the initial project scope.

Regarding the DEP/EPA System Inspection Report, Ms. Lorah confirmed that the EPA recently issued a Notice of Violation in regard to violations included in its May 2023 inspection. The Notice includes a thirty-day deadline to resolve the open issues. A proposal from Layne for the Air Stripping Tower Inspection for Wells 6 and 8 was discussed. The proposed inspection fee is \$8,500.00 plus a fee of \$950.00 per day if Layne has to provide a manlift. Ms. Lorah confirmed that the Layne proposal includes travel expenses and a full inspection report.

Mr. Wolfinger asked if the proposed cost from Layne was standard. Ms. Lorah said that it was. Mr. Wolfinger asked if SSM contacted other companies in regard to the work. Ms. Lorah said that other companies were not contacted because the work requires specialized knowledge. She said that other SSM clients have successfully used Layne, that the quote is reasonable and also said that the work needs to move ahead due to the EPA Notice.

Mr. Lehr asked about the timing of the work in light of the 30-day deadline from EPA. Ms. Lorah said that she had reached out to the EPA about its deadline but did not receive a response. She feels that the deadline is the time in which the problem needs to be addressed and that delay in the final product would not cause an administrative order. She also said that the EPA letter was undated, but said it was received around June 22, 2024. The only remaining work is the inspection of the air strippers. SSM has otherwise notified the EPA about actions taken or disputes with certain of the EPA findings.

Mr. Kelly asked what would happen if Layne identified a problem during its inspections. Specifically, he questioned what the Authority would do if the inspection required a well to be shut down. Mr. Feltenberger said that shutting down both wells would affect a part of the Authority's system but the Authority could use its connection with RAWA if necessary. After discussion held, it was agreed that the tank inspections should not occur at the same time to ensure that both wells would not be taken out of service to the extent

any immediate repairs are necessary. It was also agreed that Well 6 would be the first one inspected because it has a lower flow.

Mr. Wolfinger made a motion to approve the retention of Layne pursuant to its Air Stripping Tower System Inspection Proposal for Wells 6 and 8 in an amount not to exceed \$9,450.00 with two provisions: 1) that the Authority may obtain its own manlift for the work and 2) that the inspections of Wells 6 and 8 not occur at the same time. The motion was seconded by Mr. Hoffmaster and unanimously approved.

Ms. Lorah said that SSM will issue its second formal update to DEP upon Mr. Feltenberger's approval. The last formal update was issued to DEP in December 2023. However, DEP has been continually informed of the Authority's work to resolve the issues noted by DEP. The bulk of the issues have been addressed. At Well 1, piping may be added in regard to the chlorine contact time. Ms. Lorah will provide proposed costs at the next board meeting in regard to that additional piping. Mr. Lehr asked Ms. Lorah when the DEP items will be completely resolved. Ms. Lorah said that a final resolution will likely not be reached until the end of 2024 due to DEP permitting requirements.

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

Mr. Feltenberger presented the Operations Report for the preceding month, a full copy of which has been appended to these Minutes. Mr. Feltenberger reported that crews were busy performing a variety of miscellaneous tasks such as leak detection, hydrant flushing and painting as well as the cleaning of Authority properties. Mr. Feltenberger said there was a six-inch water main break at Frederick Blvd. that was repaired. Mr. Feltenberger reported that the vacuum truck was used a total of ten (10) man hours over the past month, at an equivalent labor cost of \$3,550.00. To date, the vacuum truck has been used 404.5 hours with is the total monetary equivalent of \$122,200.00, 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. 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. Wolfinger and unanimously adopted.

Under the Solicitor's Report, regarding the proposed interconnection with Maidencreek Township Authority, Mr. Boyer advised that Mr. Rothermel had received a revised Memorandum of Understanding (MOU) from Maidencreek's Solicitor that sets forth the principal terms of the parties' agreement. Mr. Rothermel will review the MOU with Mr.

Feltenberger and Ms. Lorah. The MOU may be presented for approval at the August board meeting.

With regard to status of the City of Reading IMA, Mr. Boyer said that Mr. Rothermel is still waiting for an executive summary that the City was supposed to circulate after the meeting that took place on May 6, 2024. The executive summary report is expected to set forth the City's formal position with respect to the reconciliation figures. Mr. Boyer said that the Authority should not take action until the City makes a formal request for payment of the escrow funds.

Mr. Boyer said that the Board had previously approved a cell tower lease with Crown Castle. However, the lease had to be amended to remove right of first refusal language that the tenant unilaterally inserted into the lease. Mr. Kelly made a motion to approve the amended lease. Second by Mr. Hoffmaster. The motion was unanimously approved.

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

The Treasurer's Report was presented by Mr. Boehret, a copy of which is appended to these Minutes. Mr. Boehret said that the Authority's cash balance had increased since last month due in part to funds the Authority is holding for the City of Reading IMA. The sewer escrow account, maintained by funds per the City of Reading IMA, as amended, currently totals approximately \$19 million and continues to earn interest.

Mr. Boehret said that a second quarter report is being prepared and will be presented to the Board next month. He also reported that the 2023 audit will soon be finished. He expects to hear from the auditor shortly. It was also confirmed that data is being compiled for the rate study. There should be an update in regard to the rate study in a few weeks.

Mr. Boehret said that a test was performed in regard to the new payroll system. Due to some tax rate differences that were found, it will be necessary to run another test. The second test will correspond to the July 15 payroll. The tax rate discrepancy was caused by the new payroll company improperly entering some of the information that was provided to it. The discrepancy did not affect employees. There is a three to four day lead time before paychecks are issued so the discrepancy was caught and corrected before it had any effect. It is expected that the new payroll system will be functioning normally and in good order by the July 29 payroll.

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, Rhonda Moyer from Tompkins Insurance Agencies made a presentation to the Board in regard to the Authority's non-union employee healthcare. She presented a possible new healthcare plan with Capital Blue Cross. The Authority had traditionally had a fully insured plan using an age banded rate, which was the cheaper option. Now, the employee census has changed. The average employee age is lower.

Ms. Moyer said a level funded plan may be better. The Authority will incur a roughly 8% increase if it keeps its current plan but could see an almost 10% decrease with the Capital Blue plan. There are currently 5 employees on the healthcare plan, which is the lowest number of employees permitted for a level funded plan. She said that healthcare plans should normally be reviewed on a yearly basis to confirm the most cost-effective plan. She said that Authority employees will not have to change their doctors if the Authority switches to Capital Blue. A decision on the Authority's healthcare will need to be made by August 15, 2024.

At 8:00 p.m., Mr. Lehr announced that the Board was going into execution session to discuss pending litigation and personnel matters. The executive session ended at 8:36 p.m. The regular meeting then resumed.


Mr. Kelly made a motion to approve the Capital Blue healthcare plan for the Authority's non-union employees. Second by Mr. Wolfinger. The motion passed unanimously.

Mr. Hoffmaster made a motion to approve the proposal of Blooming Glen Contractors, a COSTARS vendor, to install a doghouse manhole and bypass for the River Road pumping station at a total cost of \$99,850.00. Second by Mr. Kelly. The motion passed unanimously.

Lastly under New Business, Mr. Wolfinger made a motion to approve a final payment of \$9,578.50 to Arro Consulting for its Phase 1 work and, further, to end the project and terminate Phase 2. Second by Mr. Hoffmaster. The motion passed unanimously.

There were no comments under the second public portion.

There being no further business of the Board, the meeting was adjourned at 8:42 p.m. on Motion of Mr. Hoffmaster, seconded by Mr. Wolfinger, 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, August 8, 2024, at the main meeting room of the Muhlenberg Township Administration Building, 210 George Street, Reading, Muhlenberg Township, Berks County, Pennsylvania 19605.


Title: *Secretary*