

**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, March 13, 2025, 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:

Jim Kelly  
Walt LaSota  
Steve Wolfinger  
Rick Hoffmaster  
Rick Mountz

In attendance were Authority General Manager Timothy Feltenberger; Director of Operations, Nathan Roush; Thomas A. Rothermel, of counsel; and Jamie Lorah, PE, of Spotts, Stevens and McCoy (SSM), consulting engineer to the Authority. Also present were representatives of Conrad Siegel and Associates, David Lytle and John Vargo, and Jacklyn Rusnock, PA House of Representatives serving the 126<sup>th</sup> Legislative District.

The meeting was called to order at 7:00 p.m. by Chairman Kelly. Mr. Kelly announced that the Board had met in an executive session on March 5, 2025, and immediately prior to this meeting, to discuss matters involving real estate, litigation, and personnel.

Mr. Hoffmaster made a Motion to approve the Minutes of the previous regular meeting of the Board held on February 6, 2025. That Motion was seconded by Mr. LaSota and passed unanimously.

Chairman Kelly invited Mr. Lytle and Mr. Vargo of Conrad Siegel to make a report on the pension plan of the Authority. Mr. Lytle distributed a written report constituting the Annual Report of the pension funds invested by Conrad Siegel on behalf of the Authority, effective through January 31, 2025. He highlighted the services provided by Conrad Siegel and discussed the structure of the plan. Apart from updating authorized signers of the plan, Conrad Siegel also recommends a change in investment to allow for the fixed income asset class to invest in both domestic and global fixed bonds, the purpose of which is to increase diversification and reduce risk.

Discussion with the Board included ongoing separation of funds derived from cash value of insurance policies and general pension funds. Plan investments, market value, and performance were also discussed. In 2024, the plan showed a gain of 7.2% in terms of the return on investment, which was slightly above the market benchmark, net of all fees. Overall, the plan is still realizing the effects of fluctuating and at times volatile market conditions.

As of January 31, 2025, the market value of all general pension and life insurance assets totaled \$1,691,502, which was a significant reduction from prior years due in large part to recent retirees who all elected the cash-out option. Mr. Wolfinger questioned whether the plan was attractive enough to entice retirees to keep their funds in the plan as opposed to cashing out. Mr. Vargo responded by stating that the plan was attractive due to sustained above-benchmark performance. To encourage retention of funds in the plan as opposed to electing the cash-out option, Conrad Siegel will continue to educate plan participants with regard to the benefits of the same. Mr. Vargo additionally stated that the Board could elect to change the plan such that the cash-out option would be removed.

Regarding the overall plan funded ratio, as of November 1, 2024, the plan was funded at a rate of 69.9%. The MTA is currently operating at a deficit position (i.e. Unfunded Actuarial Accrued Liability) of \$668,785. Mr. Vargo noted, however, that the current plan participants are a significantly younger group, such that there is room to recover and improve gains.

The investment policies currently in place were discussed and reaffirmed in the Pension Plan Report. Mr. Lytle advised that there were no violations of the stated policies of the Authority in plan investment decisions in 2024. Total annual fees were calculated at 0.75%.

After addressing questions from the Board, Mr. Lytle and Mr. Vargo thanked the Board for its attention. After discussion, the Board elected to update the authorized plan signers and change the investment, in accordance with Conrad Siegel's recommendation. Mr. LaSota made a Motion to update the authorized signers of the plan, to authorize the change in investment, as recommended, and approve the Annual Report of Conrad Siegel, as presented. That Motion was seconded by Mr. Wolfinger and unanimously approved.

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. LaSota 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. Hoffmaster 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 first public portion, Representative Rusnock greeted the Board. She welcomed assistance with any grant applications and any other matter within her purview. The Board thanked Representative Rusnock for her appearance at the meeting.

Mr. Feltenberger presented the Operations Report for the preceding month, a full copy of which has been appended to these Minutes. The crew completed miscellaneous work orders such as cleaning out and straightening curb boxes, as well as performing ongoing

leak detection throughout the distribution system. 3/4" service was renewed at 1707 Mt. Laurel Road. Type I water main breaks were repaired at 1218 Mt. Laurel Road and at the intersection of Fulton Street and Hyde Park Avenue. Sewer laterals were cleaned and checked, including eight (8) customer owned lines, five (5) traps, and one (1) MTA-owned lateral. 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 February 3, 2025 through March 6, 2025. Ms. Lorah referenced a nine (9) 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.

With regard to the 2025 PA Small Water and Sewer Grant Applications, Ms. Lorah advised that applications are due next month. She invited management and the Board to review and discuss any projects that it would like to pursue with respect to this funding opportunity. Suggestions were made for further water main looping, infiltration and inflow efforts, and tank improvements. Ms. Lorah will present the Board with Resolutions for any such projects at the April 2025 meeting.

Regarding 2025 capital projects, Ms. Lorah confirmed that manhole lining was conducted this past month. So far, 47 manholes have been lined to date at a total cost of \$124,802. Hydrant replacement was also progressing. Mr. Feltenberger reported that 30 hydrants were just delivered. He will coordinate with Wexcon for installation of the hydrants. With regard to flow meter installation at two pump stations, Ms. Lorah reported that a meeting was convened on March 11, 2025 with the contractor scheduled to perform such work, Blooming Glen Contractors. Ms. Lorah anticipates Blooming Glen will submit a change order to account for use of on-site bypass pumps during installation. Ms. Lorah will update the Board with respect to a scheduled start date as well as receipt of any change order requests. Regarding the hydrant Storz fittings, the cost of which was funded as part of a 2024 LSA grant award, Mr. Feltenberger indicated that he is in the process of placing an order for the same.

Ms. Lorah reported that final plans for the Muhlenberg School District expansion were reviewed and found to be acceptable. The Solicitor noted that he requires a cost estimate and related documentation in order to prepare the requisite improvements agreement.

With regard to the proposed 7Brew coffee shop, Ms. Lorah commented that plans have been reviewed and approved. The developer intends to start construction within a month, which will include connection to existing water and sewer facilities that previously served the site.

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. LaSota and unanimously approved.

Under the Solicitor's Report, Mr. Wolfinger made a Motion to authorize the Solicitor to submit a claim to include the MTA as a class member in a PFAS suit involving Tyco and BAFS. That Motion was seconded by Mr. Hoffmaster and unanimously approved. Mr. Hoffmaster made a Motion to authorize settlement of a lawsuit involving MMG. That Motion was seconded by Mr. LaSota and unanimously approved. With no further questions posed to Mr. Rothermel, the Solicitor's Report was approved by Motion of Mr. LaSota, seconded by Mr. Hoffmaster and unanimously approved.

The Treasurer's Report was presented by Mr. Roush, a copy of which is appended to these Minutes. The water division realized a net gain of \$17,745 over the past month; the sewer division realized a net loss over the past month of \$9,964,057. Mr. Roush noted that funds have been transferred to the PLGIT sewer escrow account, which caused the operating account to have a significant net change. Regarding the sewer escrow account, total interest this past month yielded \$21,043. Mr. Hoffmaster made a Motion to approve the Treasurer's Report as presented. That Motion was seconded by Mr. LaSota and unanimously adopted.

Under New Business, Mr. Roush advised that the Authority's leak detection equipment is outdated, in a state of disrepair, and in need of replacement. The crew participated in product demonstrations of three different leak detection equipment manufacturers. Based on crew and management feedback, Mr. Roush recommended Sewerin equipment at a total cost of \$21,834. Mr. LaSota made a Motion to authorize the purchase of leak detection equipment from Sewerin, a Costars vendor, in the amount stated. That Motion was seconded by Mr. Hoffmaster and unanimously approved.

Mr. Mountz made a Motion to approve the proposal of USG Tank, a Costars vendor, for sanitary work at the elevated tanks totaling the aggregate amount of \$30,510. The scope of work, once completed, will bring MTA's elevated tanks into compliance with DEP standards. That Motion was seconded by Mr. LaSota and unanimously approved.

Discussion regarding access to the Mannerchor Tank was tabled until the April 2025 meeting.

Resolution No. 2025-2 was unanimously approved, on Motion of Mr. LaSota, seconded by Mr. Hoffmaster, by which management is authorized to disburse up to \$10,000 for related expenditures.

Discussion regarding property maintenance was deferred until the April 2025 meeting. In the interim, Mr. Roush was directed to compile further information with respect to the scope and costs associated with employment of a part-time seasonal employee tasked to maintain the grounds at facilities owned by the MTA.

Mr. Roush reported that all three pumps at the Laurel Run pump station remain out of service due to the valve failure the caused flooding at the station. The station remains operational only through the use of bypass pumps located external to the station. In order to restore service at this location, which is crucial for public health and safety, Mr. Roush authorized Red Dog Restoration to clean and sanitize the pump station. With the pump

station having been cleaned, work was able to commence on restoring electrical service to the station and restoring the three internal pumps, pending replacement. The total cost of the emergency cleaning was \$22,873.01. Mr. LaSota made a Motion to ratify and approve the emergency repair cost, which Motion was seconded by Mr. Hoffmaster and unanimously approved. Further regarding the Laurel Run pump station repairs, Mr. Roush was directed to submit crewmember hours to the insurance carrier for reimbursement.

With regard to the lead service line inventory project, Mr. Feltenberger advised of the following totals to date, based on customer reporting: 2,470 copper; 136 galvanized; 177 plastic; and 0 lead. Ms. Lorah advised that DEP standards for inventory purposes do not require absolute certainty, such that if sampling of 10 – 15% of certain areas of the Township are known to contain a certain service line material, DEP will accept reporting of that whole area as containing such material. Ms. Lorah will continue to monitor guidelines established by the DEP and provide updates to the Board as necessary.

Mr. Feltenberger advised the Board that electrical supplies were purchased from Weidner Sweigart Electric & More, LLC in the past month totaling \$9,093 relating to certain scheduled pump station upgrades.

Mr. Feltenberger reminded the Board that updated MidPenn Bank cards require signature.

There was no comment under the second public portion.

At 8:00 p.m., on Motion of Mr. Hoffmaster, seconded by Mr. Mountz, and unanimously approved, the meeting was called to recess for purposes of the Board entering Executive Session to discuss matters involving litigation and real estate. The meeting was called to order by Mr. Kelly thereafter at 8:06 p.m.

Under Member and Staff Comments, Mr. Feltenberger indicated that the fire company was soliciting support for a night out at an upcoming Reading Phillies game. Mr. Feltenberger will include that topic of discussion on the Agenda for the April 2025 meeting. Mr. Roush reported that management is currently performing a review of customer e-billing software. He expects to provide the Board with an update at the next meeting. Mr. LaSota reported that the Customer Advisory Committee met on March 11, 2025. Mr. Roush and Christina from the MTA office were present, and well received. Overall, it was a productive meeting where several topics of interest were discussed, including the recent main break behind Boscov's and the Laurel Run pump station failure. Mr. LaSota noted that the Committee members universally agreed that the MTA's level of communication regarding these two events was far superior to past experiences. The Committee members additionally offered suggestions regarding certain enhancements to the website (i.e. adding more pictures), improvements to service-related alerts (i.e. providing a more specific geographic location using road names; use of hyperlinks in text message communications), and suggested increased rates charged to customers for service calls. Mr. LaSota reported that at this time, there is no next meeting planned for the Committee.

There being no further business of the Board, the meeting was adjourned at 8:20 p.m. on Motion of Mr. Hoffmaster, seconded by Mr. LaSota, 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, April 10, 2025, at the main meeting room of the Muhlenberg Township Administration Building, 210 George Street, Reading, Muhlenberg Township, Berks County, Pennsylvania 19605.



Secretary

Title: