

**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, November 7, 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  
Walt LaSota  
Rick Hoffmaster

In attendance were Authority General Manager Timothy Feltenberger, Thomas A. Rothermel, of counsel, Jamie Lorah, PE, of Spotts, Stevens and McCoy (SSM), consulting engineer to the Authority, and Scott Boehret of Transcend Business Advisors, Authority controller consultant. Also present were Jaime Nace, and members of the public as noted on the sign-in sheet of record.

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

Mr. Wolfinger made a Motion to approve the Minutes of the previous meeting of the Board held on October 10, 2024. That Motion was seconded by Mr. Kelly and passed unanimously.

There was no comment under the first public portion.

Under the Solicitor's Report, Mr. Rothermel provided an update with respect to the proposed interconnection with Maiden Creek Township Authority (Maiden Creek). The Solicitor advised that a Docket Amendment was prepared and reviewed by SSM for submission to the Delaware River Basin Commission (DRBC). The DRBC will review the submission, which serves to request additional capacity allocated to Maiden Creek that will be needed to serve the MTA. The review process at the DRBC is expected to take upwards of one year. SSM will provide the Board with further updates in regards to this regulatory process.

With respect to the City of Reading Intermunicipal Agreement, as amended (IMA), Mr. Rothermel confirmed that payment was released to the City for reconciliation dating from 2018 through 2022. In addition, escrow funds held through Q3 2023 will be released after intra-account reconciliation is completed on November 15, 2024. Both of these payments were previously authorized at the October 2024 meeting. Mr. Rothermel advised that the

City is nearing full compliance with the reporting requirements of the IMA such that the remainder of funds held in escrow may soon be eligible for release. At that point, no further funds will be held in escrow, rather, the MTA will make quarterly payments to the City as the same become due.

Mr. Rothermel advised that a meeting with representatives of Alsace Township was held on October 31, 2024 to discuss potential service area expansion. The two entities are scheduled to again meet on December 11, 2024 to advance discussions.

The Solicitor informed the Board that Laureldale Borough plans to install ADA bathroom facilities at Dominic Mazella Park, which will require extension of water and sewer service to the park. The MTA would accept dedication of the water and sewer improvements, once completed. Mr. Rothermel advised that the Borough requested waiver of posting financial security for the project, as the Borough has retained the same from its contractor in an amount that fully protects the MTA. The Borough has, however, agreed to provide escrow for purposes of engineer and legal review. Mr. LaSota made a Motion to approve the Municipal Improvements, Dedication and Easement Agreement, contingent on engineer and legal review. That Motion was seconded by Mr. Hoffmaster 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.

Under the Engineer's Report, Ms. Lorah of SSM provided a formal report of the Authority's consulting engineer for work completed October 3, 2024 through October 30, 2024. 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 twenty-three (23) projects of the Authority on which SSM is currently engaged.

Regarding lift station upgrades, Ms. Lorah confirmed that the Eagles Landing pump station work had been awarded to Axiom, Inc. for the replacement of pumps and controls, as well as a new coating of the wet well. The pumps and equipment have been ordered. With respect to the Crossroads pump station, Ms. Lorah secured quotes for work to include pump replacement, guiderails, level sensors, and integration into the SCADA system. The lowest quote was submitted by Axiom, Inc., a Costars vendor, totaling \$231,000, which includes the cost of conduit replacement. Mr. Wolfinger made a Motion to approve the quote of Axiom, Inc. in the amount stated, seconded by Mr. LaSota. Discussion ensued, during which Mr. Boehret confirmed that the project cost was within budget. Mr. Feltenberger estimated that the lead time for the pumps was approximately 18 – 20 weeks, and that actual installation would take approximately 7 – 9 days. After discussion, the Motion passed unanimously.

Ms. Lorah provided an update with respect to the DEP/EPA compliance reports. Mr. LaSota requested that SSM provide a spreadsheet that shows a detailed summary of the work that has been completed, work that is underway, and work that is scheduled for completion. It was further recommended that past violations be made part of the MTA's

inspection program so as to avoid the potential for recurrence in the future. Part of this discussion centered on the condition of MTA's tanks. In that regard, Mr. Feltenberger advised that USG was in the process of completing an assessment of all tanks, together with a proposed maintenance program for the same. Per USG, no tanks are in need of immediate attention, although rehabilitation work should be considered. Ms. Lorah commented that grant funding may be available to complete tank repairs. Further discussion in this regard will ensue once USG completes its report.

With regard to the Laurelee Avenue water main replacement project, Ms. Lorah advised that bid opening occurred on October 29, 2024. The project includes replacement of 2,100 linear feet of water main, including reconnection of 45 water services along Laurelee Avenue. Bid tabulation results were provided to the Board. The lowest qualified bidder was Anrich, Inc., in the base bid amount of \$309,608.00. The bid amount was lower than a prior Costars quote submitted for the same scope of work. Ms. Lorah reported that Anrich, Inc. is known to be a reputable contractor. Mr. Kelly concurred. Approval was therefore recommended. Ms. Lorah further advised that temporary paving would be performed after the main work was completed. The Township would then perform final paving in the spring. Mr. Hoffmaster made a Motion to approve the bid of Anrich, Inc. in the amount stated, contingent on work commencing prior to the end of this calendar year. That Motion was seconded by Mr. Kelly and unanimously approved. The contractor will be required to post bond and insurances prior to beginning work.

Ms. Lorah advised that the MTA received grant approvals issued by the Pennsylvania Department of Community & Economic Development, Local Share Account (LSA) for both 2023 submissions. The grant funds will be used to loop certain areas of the water system for resiliency purposes, and to install Storz hydrant connections for ease of use by the fire departments. Once the grant funds are received, Mr. Feltenberger will order the Storz fittings, and SSM will prepare bid packages for the system loop project.

Regarding 2024 LSA grant opportunities, SSM prepared submission for six projects, including Frush Valley tank rehabilitation, Bernhart tank rehabilitation, Mannerchor Road tank rehabilitation, Wedgewood tank rehabilitation, Hay Road tank rehabilitation, and lead water service line replacement. The project limits are between \$25,000 and \$1,000,000. Mr. LaSota made a Motion to approve Resolutions authorizing submission of applications for these six grants, and authorizing execution of all documents in relation thereto. That Motion was seconded by Mr. Kelly and unanimously approved. With respect to the Mannerchor Road tank, there was discussion regarding the MTA's right of access to the tank, considering the access road has become overgrown. SSM was directed to complete a survey for purposes of defining the MTA's property boundary lines and determining the need of any access easement.

With respect to the lead service line inventory, Mr. Feltenberger confirmed that "lead service unknown" letters were sent to 5,622 customers. The letter explained that EPA and DEP regulations required the MTA to notify customers of the need to identify their water service line material, and to replace the same within ten (10) years if the line is

made of either lead or galvanized steel. Thus far, 110 customers have responded to the letter; on-line and in-person submissions continue to be received. The master inventory list will be updated as submissions are received. Should customers fail to respond to the inventory letter within 90 days, a reminder notice will be sent. Mr. Feltenberger advised that staff members have been trained on the process so that effective communication can be conveyed to the customer. In addition, Mr. Feltenberger reported that for those customers who may experience difficulty with identifying the material of their service line, crewmembers will be scheduled to visit the home for verification purposes. Feedback thus far has been positive. Concerning a report of some negative comments and misinformation having been posted on a local Facebook group page, the Board directed Mr. Feltenberger and staff to respond, if appropriate, to further explain why and how this is being done. In terms of process, Ms. Lorah explained that completing the inventory was the first step, which is expected to be finalized by the end of 2025. Regarding costs associated with service line replacement, SSM is investigating funding options for those customers who may be affected, in the form of grants or low interest loans offered through Pennvest. Ms. Lorah confirmed that one of MTA's 2024 LSA grant submissions included a request of \$1,000,000 for lead service line replacement, which would include removal and replacement of approximately 200 lead or galvanized service lines, using a factor of \$5,000 for the average cost of repair.

With regard to the River Road pump station, Ms. Lorah advised that this past month, flow meters were installed as well as completion of additional electrical work. The only remaining item is integration by OCC into the SCADA system. Mr. Feltenberger reported that the pumps are fully operational. Next week, the bypass pump will be removed and fencing around the perimeter of the pump station will be restored.

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.

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 completed various miscellaneous work orders including cleaning out, straightening, and replacing curb boxes, leak detection, hydrant flushing, and assisting Laureldale Borough with cleaning out stormwater catch basins. The hydrant replacement project has been completed, which resulted in replacement of twenty hydrants located throughout the Township. The meter reading truck was delivered, and the emergency response truck will soon be delivered to Reading Body for fabrication. In addition, curb stop repairs were completed at several locations. A 6", Type I, water main break was repaired at 532 Floret Avenue, which resulted in no loss of service. Sewer laterals were cleaned and checked, including nine customer owned lines, and seven traps. Mr. Feltenberger noted that the vacuum truck was used a total of 63 hours over the past month, at an equivalent labor cost of \$22,365. To date, the vacuum truck has been used 501.5 hours, which is a total monetary savings equivalent to \$156,635, 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. 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. 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.

The Treasurer's Report was presented by Mr. Boehret, a copy of which is appended to these Minutes. The water division realized a net gain of \$34,773 over the past month; the sewer division realized a net loss over the past month of \$1,589,111, which is largely attributable to a \$1.3M quarterly payment owed to the City of Reading per IMA. Across both accounts, the Authority realized a net loss in October 2024 of \$1,554,338.

With regard to payroll, Mr. Boehret reported that Paycom continues to move towards the anticipated digital conversion date of December 4, 2024. The Board stressed redundancy in payroll reporting until such time as all issues have been identified and addressed.

Mr. Boehret recommended that in lieu of renewal of various CDs, funds instead be transferred to the Pennsylvania Local Government Investment Trust (PLGIT) account, which carries a near 50 basis point difference than a CD. In total, \$34,413,702 across both water and sewer accounts would be transferred to PLGIT. Over the course of a year, the MTA would project these funds to earn interest totaling approximately \$65,000. Mr. Wolfinger made a Motion to transfer funds in the stated amount to PLGIT, which Motion was seconded by Mr. Hoffmaster and unanimously approved.

With regard to the 2025 budget, Mr. Boehret confirmed that a draft was circulated to the Board in advance of the meeting. The Solicitor was directed to schedule a Special Meeting for purposes of more in depth budget discussion. The Board is expected to vote on the 2025 budget at the December meeting.

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. LaSota, Chairman of the Customer Advisory Board Committee, advised that the Committee last convened a meeting on October 29, 2024. Mr. Feltenberger and Mr. Wolfinger conducted the meeting in Mr. LaSota's absence. Topic of discussion centered on the lead service inventory letter. Mr. LaSota commented that to date, the Committee has provided valuable feedback on various topics, some of which has already been implemented. The Committee will next meet early next year at a date to-be-determined.

Mr. Feltenberger reported that the Christmas Party is scheduled for December 20, 2024 at 12:30 p.m. at The Pour House.

Discussion regarding the lead service line inventory was conducted earlier in this meeting, as noted above.

Mr. Rothermel advised that the 18-month maintenance period on the Floret Avenue project expired on October 21, 2024. Mr. Feltenberger confirmed that all municipal improvements remain operational and in satisfactory condition. On motion of Mr. Hoffmaster, seconded by Mr. Wolfinger and unanimously approved, Mr. Feltenberger was authorized to release maintenance security to the developer totaling \$7,673.40.

Mr. Wolfinger made a Motion to remit payment to Laureldale Borough in the amount of \$13,680.06 in full and final satisfaction of a billing correction stemming from reclassification of certain Laureldale Borough sewer customers. That Motion was seconded by Mr. Hoffmaster and unanimously approved.

No action was necessitated with regard to Local Union No. 429.

Mr. Hoffmaster made a Motion to approve the engagement letter of James Mancuso, Esquire as special counsel. That Motion was seconded by Mr. LaSota and unanimously approved.

Mr. Feltenberger advised that Berks County has officially issued a drought warning. In response, Mr. Feltenberger posted a drought warning notice on the MTA website that serves to inform customers of voluntary water conservation. The MTA will also coordinate with the Township and Laureldale Borough to communicate this alert to all residents.

Under the second public portion, a representative of Axiom, Inc. was present to answer any questions regarding the lift station projects. No questions were posed to Axiom, Inc.

A second executive session was not called.

Under Member and Staff Comments, Mr. Hoffmaster commented that the hydrant project was well done. He further remarked that Laureldale residents were pleased that the hydrant located on Montrose Avenue was replaced.

Mr. LaSota complimented Mr. Feltenberger and Ms. Lorah on the work that had been done thus far on the lead service line replacement project. He, too, had received positive feedback on the MTA website features and customer letter. In addition, Mr. LaSota commented that Eagles Landing residents were pleased with notification of the impending project.

Mr. Kelly commented that advance notice should be given to residents of Laurelee Avenue who will be affected by the main replacement project.

Mr. Boehret reported that Q3 financial reports will be circulated in advance of the December Board meeting.

Mr. Feltenberger presented the Board with a sample of the manhole lining material. The material is a membrane-like plastic that coats the wall of the manhole structure for purposes of preventing inflow.

Mr. Wolfinger commented that the MTA should notify the Township of its intention with respect to potential relocation of its administrative offices to the Township building. Mr. Feltenberger confirmed that it will be placed on the December Agenda.

Chairman Lehr suggested that the Board consider further investigation into use of the quarry water, either as an alternative water source or source of revenue.

There being no further business of the Board, the meeting was adjourned at 8:30 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, December 5, 2024, at the main meeting room of the Muhlenberg Township Administration Building, 210 George Street, Reading, Muhlenberg Township, Berks County, Pennsylvania 19605.

  
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Title: *Secretary*