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, October 8, 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
Walt LaSota
Steve Wolfinger
Mike Merkel

In attendance were Authority Director of Operations, Nathan Roush; Timothy Feltenberger, Facility & Project Manager; Thomas A. Rothermel, Solicitor, of Bingaman, Hess, Coblentz & Bell, P.C.; and Scott Boehret, Transcend Business Advisors, Authority controller consultant. Also present was Alex Darlington, a member of the public.

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

Mr. Merkel made a Motion to approve the Minutes of the previous meeting of the Board held on September 10, 2026. That Motion was seconded by Mr. Wolfinger and passed unanimously.

Engineering bills for the preceding month were reviewed. Mr. LaSota made a Motion to approve the engineering bills for payment. That Motion was seconded by Mr. Merkel 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. Wolfinger 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.

There was no comment under the first public portion.

Mr. Roush presented the Operations Report for the preceding month, a full copy of which has been appended to these Minutes. This past month, two (2) 6” water main leaks were identified and repaired, two (2) water service leaks were identified and repaired, and one (1) service was renewed at 505 Elm Street. Piping was repaired at the Frush Valley booster station, which also included marking of the piping configuration at Beltline and Madison Avenues. The crew performed miscellaneous services including routine pump maintenance, generator service and checks, leak detection, vehicle/equipment

maintenance, well and pump station inspections, and attendance at a PA-1 safety and training session. The vacuum truck was also utilized for sewer trunk line jetting and maintenance, totaling 4,720 ft. of sewer line. Sewer laterals were cleaned and checked, including six (6) customer owned lines, six (6) traps, and two (2) Authority owned lines. Mr. Roush reported on updated tank level data that was included as part of the Operations Report. Of note, tank levels have risen over the past month, although crews have not yet discovered any obvious leaks to account for the prior decrease. Mr. Roush further advised that select pump station motors are in need of replacement to regain optimal efficiency. Mr. Roush will investigate replacement options and provide the Board with updates in that regard at the next meeting. The Operations Report then concluded.

The Engineer's Report was reviewed, which was provided by Ms. Lorah of SSM for work completed from September 11, 2026 through October 9, 2026. The report contains eleven (11) pages and provides a narrative of the status of each of the projects of the Authority on which SSM is currently engaged.

Mr. Roush reported that bids were advertised for the Laurel Run pump station upgrade project. Bids are due November 4, 2026, which will warrant Board review at the November 12, 2026 meeting.

With regard to Local Share Account (LSA) grant opportunities, the Board accepted Mr. Roush's recommendation to proceed with application submittals for two (2) projects, consisting of a proposed water main loop on Water Street and booster pump station upgrades to replace existing pumps with variable frequency drive (VFD) units. Mr. Roush will assist SSM in preparing the grant submittals for these two (2) projects.

The revised DEP inspection report was reviewed. Mr. LaSota requested that the report provide further detail with respect to those items of high priority that either have been completed or those with a projected target date of completion.

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

There were no substantive updates on which the Solicitor reported.

Under the Treasurer's Report, Mr. Boehret did not recommend a transfer this month to PLGIT.

Regarding MTA's financials, Mr. Boehret reviewed the Treasurer's Report, a copy of which is appended to these Minutes. The water division realized a net decrease of $232,196 in September, for a total operating account balance of $2,374,832. Total interest earned over the past month, across both operating and certificates of deposit in the water division, was $27,220. The sewer division realized a net decrease compared to the prior month in the amount of $112,207, for a total account balance of $6,087,373. In September, interest earned in the sewer division operating and certificate of deposit accounts totaled $98,447. Total interest earned in the sewer escrow account this past month yielded $39,196. Mr. Boehret advised that the Treasurer's Report now includes a separate report of the water and sewer bond indentures for purposes of tracking proceeds, disbursements, and interest. Mr. Boehret further advised that with

implementation of the new accounting and general ledger software system, the Treasurer's Report will be enhanced to include trends and more detailed analysis of the Authority's finances.

With regard to transitioning to automated payments, Mr. Boehret presented the Board with a proposal of Corpay, which would serve as a third-party payment provider. Corpay would process approved accounts payable by printed check, ACH, or virtual credit card while the Authority retains invoice approval and release controls. The annual cost of the Corpay system is $3,300, but that costs could be offset or fully covered by applicable rebates, which are projected to be in the amount of $4,000. Use of the Corpay system would eliminate the current paper check system for accounts payable, while maintaining and enhancing internal controls. Logistically, the Board would be provided with a list of all accounts payable for approval prior to Corpay processing the respective payments. Implementation of this system would save time currently expended by Management and staff, and also greatly reduce soft costs such as postage, paper, etc. In response to a question posed by Mr. LaSota, Mr. Boehret confirmed that Corpay would provide annual statements that details the cost of the service versus rebates. Mr. Wolfinger made a Motion to approve the proposal of Corpay in the amount stated. Mr. LaSota seconded that Motion, which was unanimously approved.

Regarding the Board's prior discussion involving water and sewer rates, Mr. Roush stated that Management continues to finalize a five-year cost projection for the purpose of refining a recommended rate increase in both the water and sewer divisions. Mr. Roush further reported that Paragon was assisting Management with formulating educational materials to distribute to customers regarding the Authority's current rate structure and potential need for a rate increase to support capital projects and maintain the Authority's current water and sewer systems. In response to a question posed by Mr. LaSota, Mr. Roush confirmed that once the Board makes a final decision regarding any potential rate increase, the Residential Customer Advisory Committee will be advised of the same for purposes of soliciting feedback to ensure effective customer communication. Mr. Roush further noted that the staff and crew will be briefed on this issue to ensure consistent messaging.

Mr. Boehret advised that the preliminary budget will be presented for Board review at the November 2026 meeting. Mr. LaSota questioned the status of the Authority's reserve policy in light of the bond indentures. Mr. Boehret will provide that information for review.

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

There were no items of discussion under New Business.

Under the second public portion, Mr. Darlington questioned the current use of the quarry property. The Board confirmed that the water in the quarry is of high purity. The Board confirmed that it remains interested in utilizing the quarry as a resource at some point in the future.

Under Member and Staff Comments, Mr. Roush advised that it was customer service appreciation week. The staff will be provided lunch as a means of recognizing their hard work, including efforts in transitioning to the new accounting software.

There being no further business of the Board, the meeting was adjourned at 7:25 p.m. on Motion of Mr. Merkel, 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, November 12, 2026, at 210 George Street, Reading, Muhlenberg Township, Berks County, Pennsylvania.

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Title: