

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, September 5, 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, and Jamie Lorah, PE, of Spotts, Stevens and McCoy (SSM), consulting engineer to the Authority. Also present was Scott Boehret of Transcend Business Advisors, Authority controller consultant.

The meeting was called to order at 7:10 p.m. by Chairman Lehr. Mr. Lehr announced that the Board had met in an executive session prior to this meeting to discuss matters involving personnel, a portion of which Mr. Lehr and Mr. Kelly had abstained from discussion.

Mr. Hoffmaster made a Motion to approve the Minutes of the previous meeting of the Board held on August 8, 2024. That Motion was seconded by Mr. LaSota and passed unanimously.

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 August 2, 2024 through August 29, 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-one (21) projects of the Authority on which SSM is currently engaged.

Ms. Lorah provided an update with respect to the DEP/EPA compliance reports. Significant progress has been made thus far; work is ongoing. SSM has continued to provide periodic status reports to the DEP and EPA with respect to recent improvements and enhancements to the system that have been completed, as well as those that are scheduled for completion. Ms. Lorah reported that SSM is currently preparing a comprehensive permit amendment for submission to DEP, which will cover all system upgrades that require permitting.

Ms. Lorah reported that the Drought Contingency Plan was approved by DEP.

With respect to proposed development of a 7Brew drive-through coffee and beverage shop in the Township, Ms. Lorah reported that the developer submitted a Planning Module to DEP for consideration. Ms. Lorah recommended developer escrow be established for further engineering and legal review.

Development of a proposed residential apartment complex known as the Rowe Tract is under consideration in Alsace Township. The Authority would serve this development for both water and sewer. Alsace Township may also be looking to expand the Authority's service within the Township. A meeting is scheduled on September 18, 2024 with Mr. Feltenberger and the Solicitor to further review and discuss this matter.

Regarding the proposed interconnection with Maiden Creek Township Authority, which was recently approved per Memorandum of Understanding (MOU), Ms. Lorah reported that she requested a cost proposal from System Design Engineering (SDE), Maiden Creek's engineering consultant, relating to SDE's preparation and submission of a docket amendment with the Delaware River Basin Commission (DRBC). Ms. Lorah advised that the docket amendment is a regulatory filing that will be determinative of whether or not this project is ultimately deemed viable, as the DRBC will need to approve an increase in Maiden Creek's allotted capacity in order to serve the Authority. Ms. Lorah will update the Board in this regard as further information becomes available.

Ms. Lorah advised that approvals of the 2023 Pennsylvania Department of Community & Economic Development, Local Share Account (LSA), grant submissions is anticipated on September 17, 2024. On behalf of the MTA, SSM previously submitted grant applications for projects including looping of certain areas of the water system to provide further resilience, and installation of Storz hydrant connections. Ms. Lorah further advised that a new LSA grant opportunity has been released, for which submittals are due on November 30, 2024. As SSM will need time to prepare the submittals, the Board was requested to consider which projects, if any, it would like to consider for grant submission.

Regarding the River Road pump station upgrade project, Ms. Lorah advised that a pre-construction meeting was scheduled for September 3, 2024 to prepare the doghouse manhole installation. Pumps and electrical work will follow after the pump station is operating on bypass, per the doghouse manhole. As part of this process, MetEd is scheduled to shutoff service to the pump station on September 25, 2024, which is not anticipated to affect any surrounding customers.

Ms. Lorah reported that an on-site meeting was scheduled with DEP with respect to the Laurel Run water pipe and manhole repair projects. Once permitted, SSM will proceed to secure proposals from Costars vendors, or, preparation of bid documents.

Ms. Lorah presented the Board with two proposals relating to replacement of twenty fire hydrants throughout the Township. LB Water, a Costars vendor, submitted a proposal for the purchase of twenty fire hydrants at a total cost of \$93,500. Wexcon, Inc., a Costars

vendor, submitted a proposal for the installation of those twenty fire hydrants at a total cost of \$63,750. The total amount of the hydrant replacement project totals \$157,250. Mr. Wolfinger made a Motion to approve the respective proposals of LB Water and Wexcon, Inc. in the amounts stated. That Motion was seconded by Mr. LaSota and unanimously approved.

Regarding the manhole lining project, which is being undertaken in an attempt to further reduce stormwater infiltration, Ms. Lorah reported that she is in the process of obtaining a proposal for such work. Based on preliminary cost estimates, the Board was looking to repair approximately fifty manholes, focusing on those in low-lying areas. Since the pricing is based on vertical feet of each manhole, Ms. Lorah will request that the contractor provide a quote with a not-to-exceed figure that is within the budgeted amount for such project. This is expected to be an item of discussion at the next Board meeting.

Regarding the County Ebling Memorial Bridge project, Ms. Lorah reported that all Authority work had been completed. The only issue remaining appears to be final paving.

With regard to PFAS/PFOA regulations, Ms. Lorah updated the Board and confirmed that final state and federal limits have not yet been determined. As a result, no remediation plan or process has yet been determined by the respective regulatory agencies. SSM will continue to monitor that situation.

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. LaSota made a Motion to accept the Engineer's Report as presented. That Motion was seconded by Mr. Kelly 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 work orders including cleaning out, straightening, and replacing curb boxes. Leak detection was also performed within the system. A 4" Type I main break occurred at 3612 Oak Street, which resulted in no service interruption. So far in 2024, ten main breaks, nine of which were Type I, have occurred throughout the Township. 3/4" service was renewed at 1006 Neitherwood Drive. The crew also installed new trespassing signs at various sites including wells and booster stations. Sewer laterals were cleaned and checked, including seven customer owned lines. Mr. Feltenberger noted that the vacuum truck was used a total of six hours over the past month, at an equivalent labor cost of \$2,130. To date, the vacuum truck has been used 421.50 hours, which is the total monetary equivalent of \$128,235, excluding the cost of disposal fees that the Authority no longer pays. Mr. Feltenberger was asked about the status of service shutoffs, in response to which he reported that shutoffs were stagnant over the past month. Regarding emergency response planning, Mr. Feltenberger indicated that would plan a refresher course with the crew and staff with respect to the flow of communication in the event of a main break, the goal of which is to provide prompt and accurate information to customers. 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. Wolfinger 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 Solicitor's Report, Mr. Rothermel advised that he continues to await the City's executive summary that was to circulate after the meeting that took place on May 6, 2024. As previously noted, the executive summary report is expected to set forth the City's formal position with respect to proposed reconciliation figures. Mr. Rothermel recommended that the Authority not take action until the City makes a formal request for payment of the escrow funds, and, until such time as the City otherwise complies with the Addendum to the IMA.

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. Boehret, a copy of which is appended to these Minutes. The water division realized a net gain of \$136,475.18 over the past month; the sewer division realized a net gain over the past month of \$1,032,636.11. Across both accounts, the Authority realized a net gain of \$1,169,111.29. Compared to this time last year, the water and sewer divisions realized a positive increase in cash flow totaling approximately \$2,500,000. The sewer escrow account, maintained by funds per the City of Reading IMA, as amended, currently totals approximately \$21 million, of which the Authority has continued to earn interest. Regarding the financial reports, Mr. Boehret was directed to provide the Board with more detail in terms of income and expenditures.

With regard to payroll, Mr. Boehret reported that the Paychex discontinued service after failed implementation. In response, the Authority sourced two other payroll servicing companies and participated in demos of each. Of the two, Mr. Boehret and Mr. Feltenberger recommended Paycom. The cost of the Paycom service totals \$10,927.02 annually, plus \$1,600 in implementation costs. Paycom expects to go live in early December. Overall, Paycom's pricing is similar to that of Paychex. Mr. Hoffmaster made a Motion to approve the proposal of Paycom in the amount stated. That Motion was seconded by Mr. Wolfinger and unanimously approved. Mr. Boehret was directed to secure confirmation from Paychex that any data used in the failed implementation process be destroyed.

Mr. Boehret informed the Board that the rate study is near completion. The vendor, PFM, is expected to present the Board with its preliminary findings at the October meeting.

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

Under New Business, the Board confirmed that it expected to review a draft budget for 2025 at the October meeting.

Regarding the Authority's IT services, termination of services provided by Watchkeep/Imageze/Fraser was confirmed, and approval of the contract for replacement IT services with Runwell was ratified, on Motion of Mr. Wolfinger, seconded by Mr. Hoffmaster and unanimously approved. The Solicitor advised that Runwell was scheduled to commence service as of November 1, 2024.

Regarding the Customer Advisory Board Committee, Mr. LaSota, Committee Chairman, reported that the next meeting was scheduled for September 17, 2024 at 7:00 p.m. Topics of discussion may include website design; office remodel versus relocation; illicit sewer connections; effective communication; and disclosure of completed and scheduled capital projects of 2024.

Mr. Feltenberger advised that the National Night Out took place on August 20, 2024. He reported that the event went well. The crew received positive feedback from attendees. The Authority plans to participate again next year. Mr. Hoffmaster commented that the event was a success.

Regarding the SCADA system, Mr. Feltenberger advised that half the system is based on a cellular system and half is based on a radio system. Mr. Feltenberger recommends that the entire system be converted to cellular, which will result in a more robust system. Further discussion regarding the proposal of OCC, a Costars vendor, for completion of the cellular conversion of the SCADA system, was deferred to the next Board meeting.

Mr. Feltenberger indicated that 2024-2025 Minimum Municipal Obligation (MMO), which is a state-mandated municipal pension payment, required Board review and approval. The amount for the stated period saw an increase over the prior year, and payment is due in the amount of \$173,992. Mr. Hoffmaster made a motion to authorize payment of the MMO in the amount stated. That motion was seconded by Mr. LaSota and unanimously adopted.

Mr. Feltenberger reported that he met with a representative of USG for purposes of providing an inspection report of the Authority's wells. Mr. Feltenberger was directed to engage USG to perform the tank inspections, which was offered free of charge.

Regarding 209 E. Bellevue Avenue, Mr. Feltenberger was authorized, on Motion of Mr. LaSota, seconded by Mr. Wolfinger and unanimously approved, to process a refund to the customer, upon Solicitor review, for sewer charges resulting from a billing error that has since been corrected.

Mr. Feltenberger advised that he would be purchasing a new chlorine tank containment system for Well No. 15 at a cost not to exceed \$2,000. The purchase was necessitated to ensure DEP compliance.

Mr. LaSota made a Motion to readvertise the proposed Executive Director position. That Motion was seconded by Mr. Wolfinger and approved (Mr. Lehr and Mr. Kelly abstained).

Regarding proposed lift station upgrades, Ms. Lorah indicated that SSM visited two stations for purposes of formulating appropriate recommendations. Ms. Lorah anticipates providing the Board with proposals for review at the October meeting.

Lastly under New Business, regarding the potential purchase of a new emergency response truck, Mr. Feltenberger advised that met with Crest Truck Equipment to review specifications and pricing of a new truck. Mr. Feltenberger reported that delivery of a new truck may be upwards of one year. Further information will be provided as it becomes available.

There were no public present for the second public portion.

A second executive session was not called.

Under Member and Staff Comments, Mr. Wolfinger reported that certain residents of Lauralee Avenue were concerned with road conditions, in response to which the Township indicated that it was deferring paving the road until such time as water mains are repaired or replaced. After discussion, the consensus of the Authority Board was that main replacement on Lauralee Avenue was a priority. Ms. Lorah was directed to secure a Costars proposal for the project or alternatively, preparation of a bid package. Mr. Feltenberger advised that while the main replacement would likely be completed by the end of this year, the road would likely not be paved until 2025, depending on the Township schedule, due to the current paving season nearing an end. Mr. Feltenberger will coordinate the schedule with the Township road foreman.

There being no further business of the Board, the meeting was adjourned at 8:45 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, October 10, 2024, at the main meeting room of the Muhlenberg Township Administration Building, 210 George Street, Reading, Muhlenberg Township, Berks County, Pennsylvania 19605. In the interim, a Special Meeting will be conducted on September 17, 2024 at the same location.


Title: *Secretary*