



## **Borough of Mount Penn**

*"The Friendly Borough"*

John A. Becker Municipal Building  
200 N. 25<sup>th</sup> Street  
Reading, PA 19606-2091  
Phone: (610) 779-5151 Fax: (610) 779-5221

April 1, 2026

### **MEMORANDUM ON PUBLIC WORKS DEPARTMENT COMPARISONS**

#### **Purpose**

This memorandum summarizes observations from discussions with peer municipalities—Shillington Borough, Leesport Borough, Kutztown Borough, New Hanover Township, Emmaus Borough, Ambler Borough, and Hamburg Borough—regarding Public Works organizational structures, workforce models, governance arrangements, and operational practices.

These insights are intended to inform Mount Penn Borough's evaluation of a future Public Works structure, particularly in the context of a conveyance–leaseback framework. This memo does not assess the coordination of administrative activities; each municipality contacted has a single administrative structure under the Municipal Manager, some with Public Works Directors and others with area leads.

#### **Peer Municipality Observations**

##### **Shillington Borough (Borough Manager: Scott Brossman)**

Shillington operates a leaseback-based system with a unified Public Works department supporting multiple municipalities. Governance remains with the Authority, but operations are effectively municipalized. The system is described as highly successful, with strong coordination between Borough leadership and Authority governance. The department is not unionized, allowing for operational flexibility.

##### **Leesport Borough (Borough Manager: Sandra Weiser-Pascavage)**

Leesport maintains a small, fully integrated Public Works operation, combining water and street functions within a minimal workforce. Leesport has minor responsibilities outside of the Borough and utilizes a leaseback agreement. Due to limited staffing, the Borough relies heavily on professional contractors for specialized work and administrative support.

##### **Kutztown Borough (Director of Public Works: Brian Bailey)**

Kutztown operates a fully integrated utility and Public Works system, including electric, water, sewer, streets, trash and recycling, and communications. Kutztown has limited responsibilities outside of the Borough in neighboring Maxatawny Township. Departments function independently in daily operations but are highly coordinated during emergencies, allowing for cross-deployment of staff and resources.

##### **New Hanover Township (Township Manager: Jamie Gwynn)**

New Hanover utilizes a leaseback model with clear departmental separation. Sewer operations and streets/public works functions are distinct. Cross-support between departments is limited

**INCORPORATED 1903**

and voluntary, particularly for activities such as snow plowing, preserving operational clarity and specialization.

#### **Emmaus Borough (Borough Manager: Sean Pepe)**

Emmaus operates a structured and credential-driven Public Works department. Compensation is tied to licensing and certifications, with multiple advancement pathways. Licensed operators are used strategically for work requiring certification, while general labor supports broader operational needs, improving efficiency and workforce utilization.

#### **Ambler Borough (Borough Manager: Kyle Detweiler)**

Ambler operates a departmental structure with separate Water, Sewer, and Highway departments within a PUC-regulated system serving multiple municipalities. Operationally, there is regular cross-support from Highway to Water during leaks and breaks, and limited, pre-planned support from Water to Highway during major snow events.

A defining feature is Ambler's PUC regulation, which introduces significant financial and operational constraints:

- Rate adjustments require 12–18 months to take effect
- Regulatory costs are substantial (e.g., \$70,000 to secure \$50,000 in additional revenue)
- Fees and compliance mirror private utility requirements

Despite these constraints, there is a strong cultural expectation of interdepartmental support, balanced with operational planning.

#### **Hamburg Borough (Manager: Amy Beakley)**

Hamburg operates a departmental model with separate Water, Sewer, and Streets divisions, while providing utility services to portions of Windsor Township, Tilden Township, and Port Clinton Borough.

All employees are Borough employees, with a separate Authority structure for governance. The Borough performs all operational work and utilizes a monthly billing and reimbursement system, where:

- The Borough incurs labor and operational costs
- Costs are invoiced monthly to the Authority
- The Authority issues a physical check from its accounts
- Funds are returned to the Borough's General Fund

This process creates a clear audit trail and strong financial transparency.

Over the past two years, Hamburg has made a deliberate shift toward greater operational integration, including:

- Weekly coordination meetings across departments
- Increased emphasis on shared project visibility and teamwork
- Identification of opportunities for in-house project execution

Results include:

- Significant cost savings through internal completion of water and excavation projects
- Improved snow response capacity with expanded staff participation
- Enhanced workplace culture and collaboration

Amy noted that operations were previously more segmented, and the move toward integration has materially improved both efficiency and employee environment.

### **Key Themes and Strategic Lessons**

#### *Organizational Structure is Flexible Across Models*

Municipalities operate successfully under integrated (Leesport, Shillington, Emmaus), hybrid (Hamburg, Kutztown), and segmented (New Hanover, Ambler) models. Structure alone does not determine success; effectiveness depends on clarity of roles, leadership alignment, and operational discipline.

#### *Workforce Strategy is the Primary Driver of Performance*

Credential-based systems (Kutztown) and cross-trained environments (Emmaus, Shillington) demonstrate that workforce design—not structure—is the key determinant of operational success.

#### *Cross-Department Support Must Be Intentional*

Successful municipalities do not rely on informal cooperation alone:

- Kutztown: broad emergency integration
- Hamburg: structured coordination through weekly meetings
- Ambler: planned and situational cross-support
- New Hanover: minimal, voluntary support

The lesson is clear: coordination must be designed, not assumed.

#### *Scale and Complexity Drive Operational Design*

- Smaller systems (Leesport) rely on lean staffing and contractor support
- Larger or regional systems (Kutztown, Ambler, Shillington) could require structured departments with coordination mechanisms

#### *Regulatory Structure Can Significantly Impact Outcomes*

Ambler highlights that PUC regulation introduces cost, delay, and reduced financial flexibility, which can outweigh operational efficiencies. This directly impacts rate-setting, capital planning, and municipal budgeting.

#### *Strategic Use of Skilled Labor is Critical*

Across municipalities, particularly Emmaus, there is a consistent emphasis on ensuring that licensed personnel are used efficiently, with general labor supporting broader operational needs.

## **Implications for Mount Penn**

Based on these peer observations, the following principles should guide Mount Penn's Public Works structure:

- Retain municipal control of employees under any leaseback arrangement
- Avoid unnecessary external regulatory structures that limit rate-setting flexibility
- Design intentional coordination mechanisms, such as regular interdepartmental meetings
- Develop a credential-based compensation structure to build internal expertise
- Use contractors strategically to supplement limited staffing
- Establish clear financial tracking mechanisms between Borough and Authority
- Ensure governance alignment early between Borough and Authority leadership
- Match organizational complexity to scale and financial capacity

## **Conclusion**

The municipalities reviewed demonstrate that there is no single "correct" Public Works model. Success is driven by alignment, workforce strategy, operational clarity, and financial structure, not by whether departments are formally integrated or separate.

Hamburg and Ambler further illustrate that governance and regulatory frameworks can be as impactful as operational design, particularly with respect to financial flexibility and accountability.

For Mount Penn, the most effective approach will likely be a hybrid model that combines structured coordination, credential-driven workforce development, strong financial transparency, and preservation of local control—aligned with the Borough's long-term strategic and fiscal objectives.

Sincerely,

Hunter L. Ahrens, MPA, SHRM-SCP  
Borough Manager