

April 21, 2026 Special Voting Meeting

Meeting minutes

The Mount Penn Borough Council met for a Monthly Workshop and Special Voting Meeting on April 21, 2026, at the Antietam Senior High School at 201 N. 25th Street, Reading, PA 19606. Council President Rick Lombardo called the meeting to order at 7:01 PM and adjourned at 8:39 PM.

Council President Rick Lombardo, Council Vice President Christine Dise, Council Member Thomas Baer, Council Member Kelly Dudash, Council Member Troy Goodman, Council Member Michael Kindlick, and Council Member David Korinchock were present. Mayor Ryan Maurer was absent. Staff and professionals present included Borough Manager Hunter L. Ahrens. Several members of the public were present including Tuan Duong, Mary Laverty, Lawrence Kuzniar, and Ann Sellers.

Meeting Opening

The meeting was called to order at 7:00 PM. All present were asked to rise for the Pledge of Allegiance, which was led by Mr. Lombardo.

Public Comment

Public comment was integrated under the presentation on the Conveyance-Leaseback framework.

Discussion of Conveyance-Leaseback Proposal

Hunter Ahrens presented a detailed overview of the proposed conveyance-leaseback arrangement between Mount Penn Borough and the Mount Penn Borough Municipal Authority (MPBMA). The presentation drew upon the Borough's five-year financial forecast and a water rate projection study, both of which are publicly available on the Borough's website under the "Conveyance Leaseback" section.

Key financial details presented included a proposed lease payment of \$295,300 due to the Borough from the Authority beginning in 2027, with a 5% escalation in 2028 and 2029, subject to renegotiation every three years. A budget impact analysis indicated that under this structure the Borough would realize a surplus of approximately \$180,611.12. From a ratepayer perspective, the current average quarterly water bill is \$112, based on approximately 12,000 gallons of average usage at a 5/8-inch connection size. Under the most aggressive modeled scenario—a \$580,000 leaseback payment—the quarterly bill could reach \$183 by 2036, representing an increase of roughly \$7.10 per quarter per year over the ten-year period. Mr. Ahrens noted that the proposal currently being advanced is more conservative, and the projected increase is anticipated to fall closer to the \$128–\$150 quarterly range, representing a total increase of approximately \$38–\$50 over ten years. The

Borough's current average annual water bill of \$447 remains well below the Pennsylvania state average of \$614.

Mr. Ahrens further explained the structural mechanics of the conveyance-leaseback: under Pennsylvania's Municipality Authorities Act, the Borough holds the legal right to convey the water system's assets back to Borough ownership and lease them to the Authority for continued operation. The Authority would retain full governance over rates, capital projects, and day-to-day operational decisions. A key protection against future sale of the system would be codified within the lease agreement itself, running with the Borough's charter, to prevent any future governing body from conveying the assets to a private utility. Mr. Ahrens confirmed that a draft lease agreement would be shared with the Authority board for review and would be made publicly available prior to any formal vote.

The presentation also described a proposed joint public works department, under which Authority staff would become Borough employees and be leased back to the Authority for operational purposes. This structure is modeled after comparable municipalities in Berks County, including the City of Reading, Hamburg, Shillington, Leesport, and Kutztown Boroughs. Mr. Ahrens noted that payroll would flow through the Borough with monthly invoices issued to the Authority for its proportional share of staff costs, consistent with practices used by comparable municipalities. Full integration of public works operations is expected to be a gradual process and would not be complete on day one of the transition, targeted for January 1, 2027.

Lawrence Kuzniar, 424 N. 25th Street – Mr. Kuzniar raised questions regarding rate impacts.

Tuan Duong, 233 Carsonia Avenue – Mr. Duong asked about the separation of water and sewer charges on bills, the governance structure of the Authority,

Ann Sellers, Lower Alsace Township Supervisor – Ms. Sellers asked questions about the protections afforded to neighboring municipalities, including Lower Alsace Township, under the lease agreement. Mr. Lombardo responded and emphasized that the protections against private sale would extend to all municipalities served by the system, and that any merger of the two municipalities in the future would cause the resulting entity to inherit those same protections.

Consider Advertising Ordinance to Convey MPBMA Assets

The Council President noted that the ordinance had already been voted upon and advertised, and that substantive discussion would be deferred until after the required seven-day advertising period, to be taken up at the April 29, 2026 Borough Business Meeting.

Approve Letter to MPBMA on Negotiation Timeline

Council discussed a letter addressed to the MPBMA regarding the negotiation timeline. The Borough Manager noted that the letter supersedes an earlier draft and effectively communicates that the previously proposed timeline is no longer appropriate given recent developments. Discussion centered on concerns regarding the conduct of the MPBMA Board Chair, who Council members indicated had been scheduling meetings and disseminating information without authorization from the full Authority Board. Council agreed to hold the public release of the letter until after the April 29th meeting, at which time it would be formally presented alongside a broader account of the Authority actions.

Motion by Christine Dise to approve the letter to the MPBMA on the negotiation timeline. Seconded by Michael Kindlick. Motion carried unanimously.

Approve Hiring of Alexander Darlington

The Borough Manager clarified that Council had previously voted to approve the intern position and compensation of \$15.00 per hour, but that the specific name of the hire had not been entered into the record. This motion formally placed the name Alex Darlington in the minutes.

Motion by Christine Dise to approve the hiring of Alex Darlington as intern at \$15.00 per hour. Seconded by Thomas Baer. Motion carried unanimously.

No Parking Ordinance for Woodvale Avenue

The Ordinance discussion was tabled pending a draft ordinance being presented to Borough Council.

Minutes for March 31, 2026 Meeting

Motion by Michael Kindlick to approve the minutes of the March 31, 2026 Workshop Meeting. Seconded by Thomas Baer. Motion carried, with Mr. Goodman abstaining.

April 2026 Treasurer's Report

Mr. Baer requested clarification on what period was being covered by the Treasurer's report. Mr. Ahrens replied that the Treasurer's Report is presented one month in arrears; accordingly, the April 2026 report reflects the March reporting period.

Motion by David Korinchock to accept the April 2026 Treasurer's Report. Seconded by Kelly Dudash. Motion carried unanimously.

Reports

Public Relations Liaison

Mrs. Dise proposed having a Borough representative attend school board meeting, similar to Lower Alsace Township's practice. Council discussed rotating attendance among members, with Borough Manager Hunter offering to coordinate a schedule for Borough Council. The meetings occur on the fourth Monday of each month, and attendance would focus on the main voting meeting rather than committee meetings.

Public Works Committee

Street sweeping is scheduled for the week of May 11th. The final street list is pending from the Streets Foreman. Mrs. Dise noted she would contact a resident regarding vehicle relocation prior to sweeping.

Merger Committee

Mr. Lombardo noted that dates for the first joint committee meeting with Lower Alsace Township representatives are pending scheduling availability for both sides.

Borough Manager

Mr. Ahrens noted that no workshop meeting would be held in May due to Election Day. The office would remain open on Election Day. Additionally, the Borough Business Meeting on May 26, 2026 will include a joint presentation from the Fire Company, Lower Alsace EMS, and the Police Department regarding Berks County's radio replacement initiative. The Manager advised Council that the new radio system is proprietary and that current radios cannot be repaired if they fail, with replacement costs rising from approximately \$3,000 to nearly \$8,000 per unit without the 60% county discount available through end of year. Council discussed the possibility of pursuing LSA grant funding to offset costs. It was noted that the financial burden would be distributed differently across the Fire Company, EMS, and Police Department given their respective service area arrangements.

Other Business

Mr. Korinchock raised a concern that protracted litigation resulting from the conveyance-leaseback process could pose a significant challenge to the Borough's budget given current legal fee exposure.

Adjournment

*Motion by Michael Kindlick, seconded by Kelly Dudash, to adjourn that meeting at 8:39 PM.
Motion carried unanimously.*

Submitted by:

Hunter L. Ahrens
Hunter L. Ahrens (Jul 24, 2026 08:36:24 EDT)

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

January 2026 Reorganization Meeting - Meeting Minutes

Final Audit Report

2026-07-24

Created:	2026-07-24
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"January 2026 Reorganization Meeting - Meeting Minutes" History

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