

June 11, 2026 Special Voting Meeting

Meeting minutes

The Mount Penn Borough Council met for a Special Voting Meeting on June 11, 2026, at Mount Penn Borough Hall, 200 N. 25th Street, Reading, PA 19606. Council President Rick Lombardo called the meeting to order at 6:31 PM and adjourned at 7:22 PM.

Council President Rick Lombardo, Council Vice President Christine Dise, Council Member Thomas Baer, Council Member Kelly Dudash, Council Member Michael Kindlick, and Council Member David Korinchock were present. Mayor Ryan Maurer and Council Member Troy Goodman were absent. Staff present was Borough Manager Hunter L. Ahrens.

Meeting Opening

The meeting was called to order at 6:31 PM. All present were asked to rise for the Pledge of Allegiance, which was led by Mr. Lombardo.

Borough Council entered an Executive Session at 6:32 PM to discuss potential litigation. Council returned from the Executive Session at 6:54 PM.

Discussion & Updates on Conveyance of MPBMA

Lease Agreement Negotiations: Council noted that productive conversations with the Authority were ongoing and that a successful lease agreement was being pursued. In light of this progress, Council indicated it would not be seeking any additional offensive legal action beyond what was necessary to defend against the suit filed by Saint Lawrence.

Allan Myers Construction Contract: Council reviewed the outstanding dispute with Allan Myers regarding additional costs incurred during the project. Allan Myers has claimed approximately \$98,000 in costs attributable to conditions encountered in the field, while the Borough has calculated liquidated damages of at least \$82,000, representing 82 days. Negotiations have narrowed to a figure of approximately \$50,000 needed to satisfy the project. Council discussed potential means of closing the gap, including the addition of Ochre Street resurfacing work for which the Authority would contribute approximately \$18,000.

The possibility of authorizing a change order to perform the entirety of Ochre Street at a total cost of approximately \$56,000 was discussed, with the Authority's share being approximately \$18,000 and the Borough's share approximately \$30,000 from the general fund. Concerns were raised regarding whether such a change order would exceed bid thresholds and legal authorization limits, and it was determined that Borough Solicitor Klonis should be consulted before any action is taken. Council agreed to place the matter on the agenda for the June 30, 2026 Business Meeting pending legal guidance.

PENNVEST Loan: Council discussed the importance of the PennVEST loan, noting that the loan is for \$2,830,000 at a rate of 1.75% over 20 years, compared to an alternative scenario of 4.35% over 25 years, which would result in approximately \$900,000 in additional interest and \$1,300,000 in total additional cost. Council emphasized that resolving the conveyance and securing the PENNVEST loan is a critical financial priority, with substantial completion of the tank project anticipated and loan repayment expected to begin in October.

Council acknowledged that legal costs associated with the Authority dispute are expected to result in attorney fee expenditures of approximately \$100,000 for the year, representing a significant budget overrun. Council noted that if the conveyance is not completed and associated revenues do not materialize by January, a tax increase may need to be considered.

Council discussed whether to hold the scheduled June 23, 2026 Workshop Meeting, noting that the Borough Solicitor would be on vacation that week. It was agreed to revisit the decision by the following Thursday.

Council noted that proposed dates of June 29th and June 30th had been submitted to the Authority for a joint meeting, with no response yet received. Council emphasized the urgency of scheduling this meeting given a July 28th deadline.

Authorize Counsel to Enter a Defense in Legal Action with St. Lawrence Borough

Council adopted Resolution 25-26, authorizing Borough Counsel to enter a defense against the legal action filed by Saint Lawrence and to take such additional legal steps as necessary in defending and responding to that suit.

Motion by Christine Dise, seconded by Michael Kindlick, to adopt Resolution 25-26, authorizing Counsel to enter a defense in the legal action brought by Saint Lawrence and to take any other legal action deemed necessary by Counsel in furtherance of that defense. Motion carried unanimously.

Authorize Counsel to Execute Legal Action

Council determined that offensive legal action against the Mt. Penn Borough Municipal Authority was not necessary at this time given the status of lease negotiations. This item was tabled.

Authorize Counsel to Execute Legal Action

Council determined that defensive legal action against the Mt. Penn Borough Municipal Authority was not necessary at this time. This item was tabled.

Approve Minutes for April 22, 2026

Motion by Thomas Baer, seconded by Michael Kindlick, to approve the minutes of the April 22, 2026 meeting. Motion carried unanimously.

Approve Minutes for April 29, 2026

Motion by Michael Kindlick, seconded by Kelly Dudash, to approve the minutes of the April 29, 2026 meeting. Motion carried unanimously.

Approve Minutes for May 26, 2026

Mr. Ahrens indicated the minutes had not yet been completed. The item was tabled.

Other Business

No other business was discussed.

Adjournment

Motion by Michael Kindlick, seconded by Kelly Dudash, to adjourn that meeting at 7:22 PM. Motion carried unanimously.

Mr. Lombardo announced the Council would adjourn to an Executive Session after the meeting at 6:32 PM to discuss potential litigation.

Submitted by:

Hunter L. Ahrens

Hunter L. Ahrens (Jul 31, 2026 14:41:19 EDT)

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

January 2026 Reorganization Meeting - Meeting Minutes

Final Audit Report

2026-07-31

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"January 2026 Reorganization Meeting - Meeting Minutes" History

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