

MOUNT PENN BOROUGH MUNICIPAL AUTHORITY

MINUTES

REGULAR MEETING

JUNE 10, 2026

The regular meeting of the Mount Penn Borough Municipal Authority was held on Wednesday, June 10, 2026, at 7:00 p.m. in the meeting room of the John A. Becker Municipal Building, 200 North 25th Street, Reading, PA 19606.

An Executive Session was held at 6:00 p.m. to discuss litigation.

The regular meeting was called to order at 7:22 p.m. by Chairman Joe Boyle and a moment of silence was held in honor of the passing of Central Berks Police Officer Kristin Yeager.

The following Board members were also present:

Alfred Worrall, Vice Chairman
Kelly Dudash, Assistant Treasurer
Kevin Blackburn, Treasurer

Also present were the following:

Christeena Hauck, Office Manager
Mark Merolla, Solicitor
Matt Hauck, Superintendent
Steven Riley, Engineer
Hunter Ahrens, Manager, Mt. Penn Borough
Ryan Maurer, Mayor, Mt Penn Borough
Tom Baer, Councilman, Mt Penn Borough

AUDIENCE PARTICIPATION-

The agenda was amended to move the Borough of Mt. Penn forward into Audience Participation. Mayor Ryan Maurer addressed the Board, presenting a formal proposal aimed at resolving the ongoing disputes between the Borough and the Authority. The Mayor summarized the current situation, noting that on June 8th, PENNVEST warned that a failure to cooperate could trigger a loan default requiring full debt repayment. A 4.35% interest rate over a 25-year term could cost taxpayers an additional \$900,000 in interest if alternative lending options were needed. The Mayor emphasized that PENNVEST requires a "meeting of the minds" to proceed and that the status quo cannot continue.

Mayor Maurer outlined the Borough's proposal as follows:

- The Authority board should commit to cooperating with the conveyance process and postpone passing the Certificate of Dissolution that evening.

- A working group consisting of two Authority board members, two Borough Council members, staff, and attorneys would be formed to negotiate lease terms, with a target of a signed lease agreement by July or August 2026.
- PFM's financial assessment would be made public on June 30, 2026, supporting lease drafting, with annual lease payments projected at \$295,300–\$300,000 beginning in 2027.
- All financial and staff transitions would be postponed until January 1, 2027.
- The Borough committed to helping defend the Authority against the St. Lawrence lawsuit

Specifically, Mayor Maurer requested that the Authority draft a letter to PENNVEST advising of its willingness to cooperate with the Borough on the conveyance of assets, and that two Authority board members join a negotiating team. Mr. Boyle indicated that the Authority's position was to move forward with drafting such a letter. Mr. Boyle and Mr. Blackburn were identified as the Authority's negotiating representatives, with a preference for evening meeting times.

Motion to amend the agenda to consider the Borough's request that the Authority authorize counsel to draft and issue a letter to PENNVEST regarding cooperation on the conveyance of assets was made by Mr. Boyle and seconded by Mr. Blackburn. Motion carried

Motioned by Mr Boyle to authorize counsel to draft and issue a letter to PENNVEST regarding cooperation on the conveyance of assets, seconded by Mr. Worrall. The motion carried unanimously.

MINUTES-

Motion to approve the minutes of the May 10th meeting was made by Mr. Worrall and seconded by Mr. Blackburn. The motion carried unanimously.

TREASURER- Kevin Blackburn

Mr. Boyle made the motion to accept May Treasurer's Report, seconded by Ms. Dudash. Motion carried unanimously.

ENGINEER- Steven Riley

1. Spook Lane Tank: AFP No. 7 / Project Update

Engineer Riley presented Application for Payment No. 7 for the Spook Lane Tank Replacement Project, noting a correction from the agenda which had listed it as No. 6. The recommended payment amount is \$606,834.25. Mr. Riley noted that this marks the beginning of a roughly three-month window of larger invoices as the project transitions from groundwork to structural assembly. A crane arrived on site the previous day, and wall and roof panels — poured on-site as part of the DN tank construction process — were being lifted and set into place. Mr. Riley projected that the tank proper would be substantially complete by the end of July 2026.

Board members discussed the construction process, the relationship of the new tank's size to the existing tank, and the planned demolition of the existing tank once the new tank comes online — a task constrained by creek relocation restrictions prohibiting in-creek work between October 1 and December 31. A retaining wall question regarding the embankment area was noted for discussion at the upcoming progress meeting.

Mr. Riley also informed the Board that sufficient pay applications have now been accumulated to submit for the \$750,000 DCED H2O grant, which will be submitted as a single submission. It was noted that PENNVEST disbursements have been paused, meaning project costs are currently being funded directly from Authority accounts, to be reimbursed by the \$750,000 grant.

Motion to approve Application for Payment No. 7 for the Spook Lane Tank Replacement Project in the amount of \$606,834.25 was made by Mr. Boyle and seconded by Mr. Blackburn. Motion carried.

Laurel Avenue Water Main: AFP No. 2 / Update

Engineer Riley reported that the Laurel Avenue Water Main project is complete. A punch list was issued to Barrasso Excavation, with only minor items remaining that have been largely addressed. The project proceeded without loss of water service. Application for Payment No. 2 in the amount of \$237,198.00 was presented, with \$2,500.00 withheld pending final punch list resolution, expected to be released next month.

Mr. Riley further noted that additional milling and overlay paving is required on Ochre Street beyond the original project limits, due to work performed at the fire hydrant location. The Borough obtained a price from Allan Myers of \$18,644.00 for this work. Because Allan Myers is already under contract with the Borough for its road reconstruction project, Engineer Riley characterized the price as fair and competitive. Rather than a formal change order to the existing Borough contract, it was agreed that the Authority would reimburse the Borough for the cost of the work. A separate price for trench restoration will be obtained from Barrasso Excavation or another contractor.

Motion to approve Application for Payment No. 1 for Laurel Avenue Water Main in the amount of \$237,198.00 was made by Mr. Boyle and seconded by Ms. Dudash. Motion carried unanimously.

Motion to authorize reimbursement of Mount Penn Borough in the amount of \$18,644.00 for the Allan Myers mill and overlay work related to the Laurel Avenue Water Main Project on Ochre Street was made by Mr. Boyle and seconded by Mr. Worrall. Motion carried unanimously.

Oley Turnpike Road Water Main Update

Engineer Riley reported that the Oley Turnpike Water Main project is currently out to bid. A mandatory pre-bid meeting was held on June 3rd with four prospective bidders in attendance. An addendum addressing pre-bid questions was anticipated to be issued by Friday, June 12th. Bids are due June 30th, with a recommendation for award expected at the July Authority meeting.

Risk and Resiliency Assessment (RRA) Update

Engineer Riley advised that the Authority's Risk and Resiliency Assessment (RRA), originally completed in 2021 per EPA requirements, is due for its five-year update. Mr. Riley has reviewed comments from Mr. Hauck and is in the process of incorporating revisions. Once complete, Mr.

Hauck will need to re-certify with the EPA via their online portal. Mr. Riley noted that the EPA has revised its approach to the cybersecurity/IT component of the assessment, which was previously cumbersome, and that the updated process should be more straightforward for staff and the Authority's IT and SCADA consultants.

WATER SYSTEM –Matthew Hauck

Mr. Hauck presented the May maintenance report. Key activities included completion of a fire hydrant replacement at the Antietam Shopping Center, ongoing grass cutting and property maintenance, continued fire hydrant flushing, receipt of a new Kubota excavator, and installation of a new guardrail in the pool parking lot. The Board noted the guardrail installation turned out well, with a suggestion made to stain it once conditions dry out.

Mr. Hauck reported that the new variable frequency drive (VFD) control system is partially online, allowing flow control without throttling the booster station valves, resulting in improved efficiency. However, a significant issue was discovered at Well 5: the shaft to the impeller was found to be unthreading and missing bolts, which Kohl Brothers reported was days away from a potentially catastrophic failure. The pump has been pulled and a video inspection is scheduled for the following day to assess whether jetting and cleaning is required, as records for screens at that well are unclear. Also confirming that other wells have compensated for Well 5 being offline and that current pumping levels are comparable to the same period last year. Well 14, also due for a VFD installation, will provide additional control once online.

A safety meeting was held in the form of a hands-on training exercise using the new Kubota excavator.

SOLICITOR- Mark Merolla

Resolution # 02-2026-Greeways, Trails and Recreation Program (GTRP) application and document execution. Motioned by Mr. Boyle, seconded by Mr. Blackburn. All were in favor.

BUSINESS OFFICE- Christeena Hauck

Ms. Hauck reported that quarterly meter reads have been completed and that invoices are expected to be mailed in early July. A water conservation notification message will be included with the billing, with Matt Hauck tasked with providing the specific wording.

The office also reported that Xpress Bill Pay, the Authority's third-party payment processing company, is severing its relationship with Caselle, the Authority's billing software provider. Caselle is developing its own payment platform and has indicated it will be competitively priced. A demonstration meeting with Caselle is scheduled for around June 25th. The office noted that the new platform appears robust and may also incorporate community notification features comparable to CodeRed, potentially eliminating the need for a separate CodeRed subscription. A decision will be required in the coming months, as an uninterrupted credit card payment capability is essential.

SOURCE WATER PROTECTION- Joe Boyle

Lake Update

Mr. Boyle reported receipt of an email from PA Growing Greener inquiring about the status of the project, with a response deadline of June 16th. The Authority is working to merge funding from the Growing Greener grant and supplemental funding from Lower Alsace Township, with prevailing wage requirements duly addressed. Work is slated to begin after July 1st. The lake level is planned to be dropped 2–3 feet to facilitate spillway work and construction of the constructed wetland. Lori Lilley will survey turtles in the project area prior to construction. It was noted that Larry Lloyd has been performing ongoing invasive vegetation removal to prevent invasive species from seeding into the planned native grass wetland area.

Tree Removal Quotes

Three quotes were received for tree removal at the lake/source water area:

- Ken's Tree Service: \$7,850.00
- Signify: \$9,400.00
- Boulder Tree Removal: \$7,500.00 (with a \$500.00 reduction offered if one red oak is left on-site for firewood)

Following discussion, the Board authorized Matt Hauck to approve a contract for tree removal up to a not-to-exceed amount of \$7,500.00, providing flexibility to negotiate the final cost depending on disposition of the red oak.

Motion to authorize the Superintendent to approve a tree removal contract up to \$7,500.00 was made by Mr. Boyle and seconded by Mr. Blackburn. Motion carried.

BOROUGH OF MOUNT PENN

Certificate of Dissolution

No action was taken on the Certificate of Dissolution. The item was tabled in light of the Borough's proposal and the cooperative framework agreed upon earlier in the meeting.

UNFINISHED BUSINESS

Following the Executive Session discussion regarding the St. Lawrence Borough litigation, the Board moved to authorize Michael Gill, Special Council for the Authority to enter a defense on behalf of the Authority in the St. Lawrence case and to protect the interests of the Mount Penn Borough Municipal Authority upon request, consistent with the Borough's commitment to also defend against the lawsuit. Motion was made by Mr. Boyle and seconded by Mr. Worrall. Motion carried unanimously.

The motion was made by Joe Boyle, seconded by Kelly Dudash, to adjourn the meeting at 8:07 p.m. All were in favor.

The next meeting will be held on Wednesday, July 8, 2026, at 7:00 p.m.

Respectfully submitted,

Christeena Hauck

Christeena Hauck
Business Office Manager