MOUNT PENN BOROUGH MUNICIPAL AUTHORITY

MINUTES

REGULAR MEETING

OCTOBER 14, 2026

The regular meeting of the Mount Penn Borough Municipal Authority was held on Wednesday, October 14, 2026, at 7:00 p.m. in the meeting room of the John A. Becker Municipal Building, 200 North 25th Street, Reading, PA 19606.

The regular meeting was called to order at 7:00 p.m. by Chairman Joe Boyle.

The following Board members were also present:
Alfred Worrall, Vice Chairman
Troy Goodman, Secretary

Also present were the following:
Christeena Hauck, Office Manager
Mark Merolla, Solicitor
Matt Hauck, Superintendent

AUDIENCE PARTICIPATION-

Carsonia Park Artwork Presentation-Presenter: Anthony Trevino
Anthony Trevino presented a proposed mural design intended for the office wall at Carsonia Park/Antietam Swimming Pool, incorporating photographic and AI-assisted imagery of children, recreational activities, and an organ-donation awareness element. The Board advised Mr. Trevino that the proposed location is operated by AVRCC, the Authority's tenant for the Antietam swimming pool, and that approval must be sought from that board rather than the Authority. Mrs. Hauck will provide Mr. Trevino with contact information for Lynn Wilson (AVRCC) to pursue placement on AVRCC's November agenda. No motion or Authority action was taken.

Pat McDevitt 2326 Grandview Ave requested Authority guidance regarding removal of a hazardous chestnut oak tree on his property adjacent to the Grandview Avenue pump station, scheduled for removal on Friday, October 16, 2026. The resident sought assurance regarding access across Authority property and coordination to avoid damage to underground water mains. The Board indicated no objection to the planned removal and directed the resident's contractor to coordinate directly with Mr. Hauck. A certificate of insurance was provided by the contractor.

Evaluation of Water Rates and Lease/Conveyance Transaction -Presenter: David Busch, Keystone Alliance Consulting

Mr. Busch presented an independent review of the PFM financial analysis prepared in connection with the proposed Borough lease/conveyance transaction. He identified discrepancies between the draft lease agreement's escalation terms (3% to 6% annually) and the lower 2% escalation assumed in the PFM analysis, concerns regarding overstated future debt service assumptions, and reliance on PA American Water volume that cannot be guaranteed. He estimated that, absent the lease, rates would need to increase by approximately 17% in 2027 to cover existing debt service that will include the Spook Lane Tank payment; with the lease (at the PFM-assumed 2% escalation), the increase would be substantially higher and could be significantly greater if Saint Lawrence Township withdraws from the system.

Attorney Merolla provided a litigation and lease-negotiation status update: no response has been received from the Borough to the Authority's correspondence of September 28, 2026, regarding the Borough's prior assertion of potential surcharge liability against individual Board members; the Mount Penn Borough v. Mount Penn Borough Municipal Authority litigation remains pending; and Saint Lawrence Borough filed a petition to intervene in that action, with a related court hearing scheduled for October 15, 2026. The Solicitor noted Saint Lawrence Borough has also published notice of a proposed ordinance to form a preliminary municipal authority.

Michael Frankhouser 1962 Woodvale Ave addressed the Board during public comment regarding concerns about the legitimacy and timing of the proposed lease transaction and inquired about the status of pending litigation.

Mr. Boyle called for an Executive Session at 7:56 p.m. to discuss litigation and personnel. Regular Session resumed at 8:14 p.m. No action was taken.

MINUTES-

Motion to approve the minutes of September 9, 2026, regular meeting was made by Mr. Boyle and seconded by Mr. Worrall. The motion carried unanimously.

TREASURER- Kevin Blackburn

APPROVAL OF THE TREASURER'S REPORT FOR AUGUST 2026

MOTION: To approve the Treasurer's Report for September 2026.

Moved by: Mr. Boyle, Seconded by: Mr. Goodman VOTE**:** Motion carried unanimously.

A. 2027 Minimum Municipal Obligation (MMO)

MOTION: To approve the 2027 Minimum Municipal Obligation.

Moved by: Mr. Goodman, Seconded by: Mr. Boyle VOTE**:** Motion carried unanimously.

ENGINEER- Steven Riley

Spook Lane Tank - Application for Payment No. 11

The Engineer presented Application for Payment No. 11 to DN Tanks in the amount of $117,920.00, reviewed and confirmed accurate, with the contract balance now at approximately $580,000.

MOTION: To approve payment to DN Tanks in the amount of $117,920.00.

Moved by: Mr. Boyle, Seconded by: Mr. Goodman **VOTE:** Motion carried unanimously.

Mr. Riley also provided, for the record, a letter from DN Tanks regarding project schedule delays attributable primarily to spring/groundwater conditions encountered during excavation of the underdrain. No action was required. The Engineer further reported, in response to a prior Board inquiry, that the Spook Lane Tank project remains approximately $120,000 under the PENNVEST-funded budget; a change order for underdrain work remains pending with DN Tanks and its site subcontractor.

Oley Turnpike Road Water Main

MOTION: To approve Change Order No. 1, reducing the contract amount by $32,495.00 (final contract value: $214,335.00).

Moved by: Mr. Boyle, Seconded by: Mr. Goodman **VOTE:** Motion carried unanimously.

MOTION: To approve application for Payment No. 1 to Wexcon in the amount of $214,335.00 (final project payment).

Moved by: Mr. Boyle, Seconded by: Mr. Goodman VOTE**:** Motion carried unanimously.

Mr. Riley reported the project is substantially complete, with only final closeout paperwork outstanding, and commended Wexcon's workmanship.

Draft Engineering Work Order - LSA Grant Application

MOTION: To proceed with the draft engineering work order supporting a 2026 Local Share Account (LSA) grant application.

Moved by: Mr. Boyle, Seconded by: Mr. Goodman **VOTE:** Motion carried unanimously.

The Board discussed whether to target the Ridge Avenue or Highland Avenue tank for the next LSA application. Based on prior inspection findings indicating the Ridge Avenue tank is in worse exterior coating condition, the Board directed the Engineer to proceed with the Ridge Avenue tank for the grant application (deadline November 30, 2026).

Neversink Tank Rehabilitation

Mr. Riley reported that the DEP permit application is expected to be submitted the following week, with bidding targeted to open by November 3, 2026, bids due December 2, 2026, and award action anticipated at the December Authority meeting. Construction is tentatively planned for spring 2027, weather permitting.

Crystal Lake Phase 3 LSA Grant Update

Mr. Riley reported that Authority has been awarded $591,000 toward Crystal Lake Phase 3 (pathway, bank restoration, viewing platform, and interior regrading for erosion control). An additional $125,000 DCED grant application remains pending, with a decision expected by early December 2026.

WATER SYSTEM –Matthew Hauck

Matt Hauck (Water System Operations) presented the September Monthly Maintenance Report, including:

- A service line leak repair at 550 Friedensburg Road requiring coordination around gas lines and installation of an insert valve
- A curb stop replacement at 2447 Grandview
- A garage ceiling insulation repair at the shop
- A completion of the Wexcon creek crossing at Oley Turnpike
- The one-million-gallon storage tank is now online
- Completed Penn Power annual generator inspections.

Asphalt Repairs - Various Main Break Locations

Mr. Hauck presented two quotes for mill-and-overlay repairs at five locations (2300 block Endlich, 2400 block Endlich, Hilbert Avenue intersection, and two Penndale Avenue main break locations): Alan Myers at $58,700 (inclusive of asphalt), and Folk Paving at $24,500 (Authority to purchase asphalt separately)

MOTION: To approve Folk Paving to perform asphalt repairs at the identified locations, with the Authority purchasing asphalt separately, for a total estimated cost of $24,500.

Moved by: Mr. Goodman, Seconded by: Mr. Boyle **VOTE:** Motion carried unanimously.

Keystone - Grandview Security

Mr. Hauck reported that intrusion, smoke, fire, and temperature sensors were omitted from the Grandview building during the Keystone project and obtained a quote of $5,100 to add this equipment, potentially coordinated with ongoing tank work to reduce cost.

MOTION: To approve expenditure of $5,100 to Keystone for security/monitoring additions at the Grandview building.

Moved by: Mr. Boyle, Seconded by: Mr. Goodman VOTE**:** Motion carried unanimously

Roof Estimate

Mr. Hauck reported roof deterioration at the Sylvan Dell pump station, the Fluoride Building, and the Carsonia Park pump station, and presented quotes for repair. The Board determined to proceed with repairs this year at Sylvan Dell/Fluoride and Carsonia, deferring the shop roof (assessed as less urgent) to a future year.

MOTION: Not to exceed $14,400 for roof repairs to the Sylvan Dell and Fluoride buildings.

Moved by: Mr. Boyle, Seconded by: Mr. Goodman **VOTE:** Motion carried unanimously

MOTION: Not to exceed $10,500 for roof repair/replacement at the Carsonia Park pump station. Moved by: Mr. Boyle, Seconded by: Mr. Goodman **VOTE:** Motion carried unanimously

SOLICITOR- Mark Merolla

2518 Perkiomen Avenue

Mr. Merolla explained that a property had been billed for two Equivalent Dwelling Units (EDUs) for approximately eight years, following an administrative error after a water/sewer line separation performed in 2018. The current owners (estate beneficiaries) requested reimbursement in the form of a check. The Solicitor and Board concurred the credit was warranted and that no additional year of credit beyond the Authority's calculation was owed.

MOTION: To issue payment/credit of $1,851.42, by check, to the property owner of record at 2510 Perkiomen Avenue, in full satisfaction of the billing discrepancy.

Moved by: Mr. Boyle, Seconded by: Mr. Worrall **VOTE**: Motion carried unanimously

BUSINESS OFFICE- Christeena Hauck

Ms. Hauck reported that third-quarter bills were mailed (delayed one day due to a holiday) and should be arriving the following day. Staff completed the administrative setup for a new customer billing/portal platform; the first staff training session is scheduled for October 19, 2026. An informational flyer with a QR code and portal link will be distributed to residents, and both the current and new billing portals will run in parallel through approximately January 2027 to transition all customers.

SOURCE WATER PROTECTION- Joe Boyle

Crystal Lake Update

Phase 2 (Flyway): Spillway demolition and the first concrete pour are complete; installation of a vegetated swale to redirect storm flow into the constructed wetland is underway. Completion is anticipated by December 15, 2026.

Phase 3 (Design/Bid Preparation): Entech Engineering has assumed the responsibility for bid preparation from Liberty Environmental, with bid advertisement anticipated by year-end.

The Board also discussed ongoing requests for recreational metal-detecting access near the site and directed that such activity not be permitted within the lake, active construction areas, or the pollinator field, citing liability and ongoing construction concerns.

BOROUGH OF MOUNT PENN

No Report.

UNFINISHED BUSINESS

No Report

NEW BUSINESS

The Board discussed a pay increase for Water System employee Brandon Trout in recognition of passing his distribution license certification.

MOTION: To increase Brandon Trout's pay by $2.00 per hour, effective the next pay period, in recognition of passing his distribution license examination.

Moved by: Mr. Boyle, Seconded by: Mr. Goodman VOTE**:** Motion carried unanimously

The motion was made by Mr. Goodman, seconded by Mr. Worrall, to adjourn the meeting at 9:07 p.m. All were in favor.

The next meeting will be held on Wednesday, November 11, 2026, at 7:00 p.m.

Respectfully submitted,

Christeena Hauck
Christeena Hauck
Business Office Manager