

**MINUTES OF THE MEETING
DERRY TOWNSHIP MUNICIPAL AUTHORITY
670 CLEARWATER ROAD
HERSHEY PA 17033
MONDAY, JULY 27, 2020**

The Derry Township Municipal Authority Board held its regular monthly meeting on Monday, July 27, 2020, in the Conference Room of the Authority's Administration Building, 670 Clearwater Road, Hershey, Pennsylvania. Due to the COVID-19 Pandemic, the meeting was also available to Board members, Consultants and Advisors, and the general public virtually through GoToMeeting. Chairman Feidt called the meeting to order at 6:00 p.m.

ROLL CALL

Attendees	In-Person	Virtually
Board Members		
Charles Duncan		X
David Feidt	X	
Ronald Furlan (arrived at 6:02 p.m.)	X	
Michael Postick		X
Matthew Weir	X	
Carter Wyckoff		X
Brian Link		X
Staff		
Wayne Schutz (Executive Director)	X	
William Rehkop (Facilities Director)	X	
Kimberly Bloom (HR & Benefits Administrator)	X	
Michael Callahan (Stormwater Program Manager)	X	
Michael Shambaugh (Network Systems Manager)	X	
Pearl Comarnitsky (Finance Director)		X
Consultants		
Michael Pykosh (Dethlefs Pykosh)	X	
Paul Gross (Buchart Horn)	X	
Colin O'Brien (Brown & Caldwell)	X	

ANNOUNCEMENT OF PREVIOUS EXECUTIVE SESSION

The Chairman announced that the Board had held an Executive Session on July 14, 2020 to discuss a pending litigation matter.

PUBLIC COMMENT

There was no public comment at this time.

APPROVAL OF PREVIOUS MINUTES

C. Duncan made a motion to approve the Minutes of the June 15, 2020 Board meeting. B. Link seconded. The motion passed by voice vote. M. Weir abstained from voting since he was not present at the meeting.

APPROVAL OF TREASURER'S REPORTS AND BILLS FOR PAYMENT

Staff presented the June Bills for Payment and Treasurer's Reports for approval. C. Duncan made a motion to approve the reports, seconded by M. Postick. The motion passed unanimously by voice vote.

STAFF UPDATES AND REPORTS

EXECUTIVE DIRECTOR'S REPORT – WAYNE SCHUTZ

PANDEMIC POLICIES: In light of the Governor's recent travel guidance on return from designated "hot spot" states and with the assistance from the Solicitor and DTMA's HR Attorney, Staff developed a travel plan policy including the necessary forms and required quarantine protocol for employees taking PTO and vacationing to designated areas.

EXECUTED CONTRACT CHANGE ORDERS:

The Director executed Contract Change Order #2 with Garden Spot Electric (Contract #2019-01 – Power Improvements Project) for a credit of \$8,513.46. He also executed Change Order #3 with Custer Excavating (Contract #2019-09 – 2019 Sewer Rehab Project) for \$5,732.41.

South Hanover Township has completed all the work required under the Corrective Action Plan.

FINANCIAL SUMMARY FOR 2020

2020A BOND ISSUE: The 2020A Bond Issue closed on July 15th. The bonds have a fixed rate at 1.67%. The proceeds have been invested with Pennsylvania Local Government Investment Trust (PLGIT), a subsidiary of PFM Asset Management LLC.

2019 AUDIT: The BSSF auditor team has completed the draft 2019 Financial Report and Audit; however, due to the additional time required for the Staff review, preparation of the Management Discussion and Analysis (MD&A), and the BSSF in house QC check and GASB compliance review, the final Form of the Financial Statements and Audit could not be completed to allow the final report to be ready for presentation at this meeting. The 2019 Financial Statements and Audit will be presented at the August meeting.

LANDLORD-TENANT BILLING TRANSITION: DTMA continues to transition away from billing residential rental tenants. There have been a few complaints and staff has addressed them as they are received. Generally the comments reflect the realization that the convenience DTMA provided in the past is no longer available and that as a landlord they will have to handle an additional administrative duty associated with their rental property. Bill stuffers providing this information to the landlords will continue for the next several months.

FINANCIAL UPDATE: The Director provided an updated summary of the monthly and year-to-date (YTD) revenue for the Board. The information presented a comparison of the Billable Water using the most recent three (3) year average compared to the 2020 volume. The amount of revenue attributable to the lower billable water shows a YTD deficit of approximately \$211,500. Total revenue (excluding Stormwater) and all the other revenue streams are included which shows a YTD deficit of a little more than \$66,600. It is difficult to project what will happen for the remainder of the year; however if the billable water stays flat and other revenues remain at a similar level, the EOY deficit will likely be approximately \$700,000. Any modest resumption of restaurant, lodging, and park activity will certainly reduce that number. C. Duncan and B. Link asked if they could see a month to month comparison for the previous year.

On the expense side, Staff has been instructed to reduce expenses wherever possible. Obviously any critical asset maintenance and/or replacement will not be sacrificed, and any non-critical work will be deferred. All major capital projects funded by bond money will continue to be undertaken and

implemented. Stormwater projects will also continue to be undertaken. In general, as presented in the Treasurer's Report, expenses are running well below the 2020 budget and below 2019 actual.

FACILITIES DIRECTOR'S REPORT – BILL REHKOP

Mr. Rehkop reviewed the current construction projects.

SANITARY SEWER AND STORM SEWER REPAIRS [CONTRACTS 2019-09 AND 2019-10]

Custer Excavating (Contract No. 2019-09) and Insituform Technologies (Contract No. 2019-10) both continue to perform the contract work with no minimal setbacks or major issues reported to date. Custer Excavating submitted change order request (COR) #3 for an increase in contract price in the amount of \$5,732.41 to resolve the storm water pipe conflict on Princeton Drive with the existing PAWC water main. They also submitted AFP #2 for the work completed to date in the amount of \$27,505.74. M. Callahan explained the additional work needed for the Princeton Drive area. Insituform did not submit an application for payment prior to this month's cut off period.

CLEARWATER ENERGY ENHANCEMENTS PROJECT

A pre-bid meeting was held on June 29th at the Clearwater WWTP and was well attended by prospective bidders for all three construction contracts. Mr. Rehkop reviewed the items in progress and those completed to date by Brown and Caldwell (BC). Due to significant questions on the project and the delay of some shop drawings, the bid opening was extended to August 11.

Colin O'Brien of BC was present at the meeting to provide progress updates and review information pertaining to the gas flare questions raised by DEP. Mr. O'Brien also noted that a meeting was held with staff that utilized virtual reality software that enabled staff to experience the project as if already constructed. Staff was able to ask questions and provide insight that was helpful with finalizing project details.

Mr. O'Brien also presented BC's construction phase services proposal for approval for this project. The BC project team will include RK&K and Bassett Engineering for any contract support relating to their project discipline. HRG will provide full-time inspection services as the Resident Project Representative (RPR) and special inspections for the structural foundation of the CHP building. The total estimated fee for construction phase services is \$904,500 which includes \$261,300 for full-time RPR services.

CLEARWATER WWTP ORGANICS-TO-ENERGY PROGRAM VISION PLANNING

BC submitted the draft version of the vision planning report on July 15th for final review by Staff. Mr. O'Brien presented to the Board the key takeaways and recommendations from the report to include a phased approach to implement the identified projects. He further explained that this plan is intended to be an evolving document that will be updated and revised as necessary.

CLEARWATER RAW SEWAGE PUMP REPLACEMENT PROJECT

RK&K is completing the final design submittal to address Staff comments and is preparing the project for bid in Fall 2020.

CLEARWATER ROAD FLOOD MITIGATION PROJECT

No progress update to report.

CLEARWATER ORGANIC LOADING RE-RATE STUDY

DEP issued the Water Quality Management (WQM) Part II permit amendment to DTMA on June 16th approving the design organic loading capacity re-rate to 27,300 lbs/day as BOD. This organic loading

capacity re-rate aligns more appropriately with the proven treatment performance of the plant processes and will also provide operational flexibility while maintaining a high level of plant effluent quality within the requirements of the Clearwater WWTP NPDES discharge permit.

SOUTHWEST WWTP UPGRADE AND EXPANSION PROJECT (PHASE 1) – Site survey and geotechnical subsurface investigation should begin the first week of August. The project kick-off meeting with the design team and DTMA Staff is also scheduled for the week of August 3rd.

CLEARWATER PRIMARY SLUDGE PUMPING IMPROVEMENTS

HRG is completing a technical memorandum summarizing their preliminary design recommendations and is in the process of drafting preliminary piping layout drawings of the primary sludge pumping system for Staff review.

NPDES PERMIT RENEWALS FOR CLEARWATER AND SOUTHWEST WWTPs

BC has proceeded with the preparation of both NPDES permit renewal applications. The project remains on schedule with no delays or issues anticipated to date.

CLEARWATER ROAD WWTF POWER IMPROVEMENTS [CONTRACT 2019-01]

The work is continuing to progress on schedule with no reported setbacks or known issues to date. GSE submitted AFP #3 in the amount of \$129,645 for the work completed prior to this month's cut off period. In coordination with RK&K, GSE submitted COR#2 for a net decrease in contract price in the amount of \$8,513.46.

ITEMS FOR ACTIONS

Discussion on Resolution #2020-35

At the April Board meeting, the Board approved Resolution 2020-26 which formalized the cessation of all sewer customer shut-offs, suspended all sewer customer DJ enforcement filings, suspended the placement of liens on all sewer customers, and waived late penalty charges. The Board's consensus was that they would prefer to wait until later in the year to reinstate penalties and collection activity. B. Link asked if staff could check to see what other Authorities are doing regarding this.

Resolution #2020-36 – Ratification of project payments from the 2019 Capital Project Fund and authorization for payments to be made from the 2018 Construction Fund: Staff reviewed the payments from the 2019 Capital Project Fund requiring Board ratification and payments from the 2018 Construction Fund requiring Board authorization. This resolution was then approved on a motion by B. Link, seconded by M. Postick. The motion passed unanimously by voice vote.

Resolution #2020-37 – Approval of Brown and Caldwell Construction Phase Engineering Services Agreement to provide post bid and construction phase engineering services for the Clearwater Road WWTF Energy Enhancements Project: This resolution was approved on a motion by R. Furlan, seconded by B. Link. The motion passed by voice vote. D. Feidt abstained from voting due to his business affiliation with one of the subcontractors in this agreement.

EXECUTIVE SESSION


At 7:04 p.m., the Chairman recessed the meeting into Executive Session to discuss matters of litigation. The meeting was reconvened at 7:20 p.m. Chairman Feidt announced that he was appointing a committee to draft and develop a policy on internal board communication with staff. The committee will consist of Ron Furlan, Charles Duncan, and Dave Feidt.

PUBLIC COMMENT

There was no public comment at this time.

ADJOURNMENT

With no further business to come before the Board, R. Furlan made a motion to adjourn the July 27, 2020 public meeting at 7:21 p.m., seconded by B. Link. The motion passed unanimously by voice vote.


(Assistant) Secretary