

**MINUTES OF THE MEETING  
DERRY TOWNSHIP MUNICIPAL AUTHORITY  
670 CLEARWATER ROAD  
HERSHEY PA 17033  
MONDAY, JANUARY 25, 2021**

The Derry Township Municipal Authority Board held its reorganization meeting on Monday, January 25, 2021, 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		
John Canavan (arrived at 6:10 p.m.)	X	
Charles Duncan		X
David Feidt	X	
Ronald Furlan	X	
Brian Link		X
Michael Postick		X
Carter Wyckoff		X
Staff		
William Rehkop (Executive Director)	X	
Kimberly Bloom (Administrative Services Manager)	X	
Michael Callahan (Stormwater Program Manager)		X
Michael Shambaugh (Network Systems Manager)	X	
Laura Power (Accountant)		X
Consultants		
Michael Pykosh (Dethlefs Pykosh)	X	
Paul Gross (Buchart Horn)		X
Colin O'Brien (Brown and Caldwell)		X
Adrian D'Orlando (Brown and Caldwell)		X
Lou Verdelli (RBC Capital)		X
Scott Shearer (PFM)		X
Timothy Horstmann (McNees Wallace)		X
Other Attendees		
Dennis Beck (Resident)		X

**ELECTION OF AUTHORITY OFFICERS**

Solicitor Pykosh called for nominations for each of the 2021 Board officer positions. B. Link made a motion to have the officer positions remain the same as 2020 with the new Board member, John Canavan, fulfilling the position of Secretary vacated by Matthew Weir. R. Furlan seconded. The motion passed unanimously by voice vote. The Personnel Committee members will also remain the same with Charles Duncan, Brian Link, and John Canavan filling the position vacated by Matthew Weir.

**PUBLIC COMMENT**

There was no public comment at this time.

### **APPROVAL OF PREVIOUS MINUTES**

M. Postick noted that the last page of the minutes as presented needed to have a correction to the Resolution number for the resolution pertaining to 2021 meeting dates. The correct resolution number should be #2020-61. With this correction, R. Furlan made a motion to approve the Minutes of the December 28, 2020 Board meeting. M. Postick seconded. The motion passed unanimously by voice vote.

### **APPROVAL OF TREASURER'S REPORT AND BILLS FOR PAYMENT**

Staff presented the December Bills for Payment and Treasurer's Report for approval. R. Furlan made a motion to approve the reports, seconded by B. Link. The motion passed unanimously by voice vote.

### **STAFF UPDATES AND REPORTS**

#### ***EXECUTIVE DIRECTOR'S REPORT – BILL REHKOP***

#### **TRUST INDENTURE AND DTMA CREDIT RATING DISCUSSION**

As directed by the Board at the December meeting, the Finance Team of RBC Capital Markets and McNees Wallace & Nurick prepared all appropriate and required documentation to move forward with a new Trust Indenture. As such, the Authority will need to authorize the issuance of Sewer Revenue Bonds (Series A and B of 2021) in which the proceeds will be applied to the refunding of the outstanding bonds under the 1998 Trust Indenture and therefore nullifying the 1998 Trust Indenture. Lou Verdelli reviewed the timing for the new issuance. He also noted that the call with S&P Global that provides information to establish DTMA's credit rating will take place on January 27. The credit rating should be issued by early February. It is anticipated that the team will access the bond market mid-February to lock in interest rates. The sale of the bonds will occur in mid-March. Tim Horstmann then discussed the preparation of the new Trust Indenture and the resolution being presented that would authorize the issuance of Series A and B of 2021 Sewer Revenue Bonds totaling approximately \$22M.

#### **CONSTRUCTION CONTRACTS UPDATE**

Clearwater Road WWTF Power Improvements [Contract 2019-01] - This past month, GSE proceeded with the remainder of the contract work to include pulling of the wire in the newly-installed duct banks. GSE indicated that all work will be complete and ready for final inspection by the substantial completion date of March 24<sup>th</sup>.

Clearwater Energy Enhancements Project [Contracts 2020-02g, 2020-02e, 2020-02h] - The next construction progress meeting is scheduled for Tuesday, January 26<sup>th</sup>. The contractors are currently ramping up their submission of submittals. Staff anticipates that the project will progress on schedule and is expecting contractor mobilization to the site in early March. Coordination continues with PP&L and UGI regarding the interconnect agreement and the natural gas system improvements, respectively. BC and the Staff are providing overall project schedule information to both entities to ensure utility improvements are established prior to scheduled startup and commissioning of the new systems.

PP&L recently submitted a draft Method of Accommodation (MOA) Letter in response to DTMA's interconnection and net metering application for operation of the new CHP facility. In general, their letter summarizes the operational and equipment specifications required of the Authority for constructing the CHP facility. As presented to the Board at the August 2020 meeting, the Authority will be required to reimburse PP&L for the electrical equipment reinforcements that would be required on their power distribution to our point of connection. On page 3 of their MOA Letter, PP&L listed the required reinforcements (including installation) for an order of magnitude estimate of \$259,500. Staff budgeted



\$350,000 for this work which covers PP&L's current estimate as well as the upper variance of 20% contingency in their estimate accuracy. The Board concurred with sending the sample Letter of Authorization provided by PP&L in order for PP&L to initiate their final design process.

Raw Sewage Pumps Replacement [Contract 2020-03] - Notice of Intent to Award letters were provided to Heisey Mechanical and Manada Electric. Upon receipt of the executed Agreement, Bonds, and COI for both contracts, the Notices to Proceed will be issued.

#### ENGINEERING STATUS REPORT

Clearwater Road Flood Mitigation Project – RK&K continues design efforts for the electrical equipment relocation plans for the Primary Sludge Pump Room, Sludge Transfer Pump Room, Waste Sludge Pump Room and Sludge Building Basement.

Southwest WWTP Upgrade and Expansion Project (Phase 1) – Hazen remains on schedule and progress continues towards the 60% design submittal in February.

Clearwater Primary Sludge Pumping Improvements - HRG is preparing the final design and contract bid documents to be ready for bid by April.

NPDES Permit Renewals For Clearwater And Southwest WWTPs – Both WWTP NPDES permit renewals were submitted and we are awaiting any official comments from DEP in their review of the submissions.

Anaerobic Digester (ESD) Exterior Coatings Improvement Project – In December Brown and Caldwell (BC) provided the two (2) prospective bidders a copy of the design drawings and specifications for review and comment prior to finalizing and soliciting bid pricing through COSTARS. The project remains on schedule for the contract drawings and specifications to be formally submitted to the prospective bidders by the end of January. Bids are currently set to be due on March 5<sup>th</sup> with BC's bid recommendation to follow on March 18<sup>th</sup> in preparation for the March Board meeting.

Spring Creek Interceptor Upgrade Evaluation – The HRG design team completed a field review of the sewer alignment and over the next several months HRG will begin physically collecting existing manhole location data by using survey grade GPS equipment.

SW WWTP Service Area Tapping Fee And Sewer Rate Surcharge Study - Gannett Fleming Valuation and Rate Consultants held a kick-off meeting with Staff on January 12<sup>th</sup>. Staff anticipates the first submission of their study by the end of February.

Clearwater WWTF Phase 1 Facility Improvements – As presented at the July 2020 Board meeting, the BC design team and Staff have developed a decision-based roadmap to identify and prioritize facility upgrades to various solids treatment systems, energy recovery systems, and wastewater treatment systems at the Clearwater Road WWTP. This roadmap outlines anticipated future work in a phased approach with Phase 1 improvements being identified as "high priority" upgrades with regards to the Authority's mission and goals. Phase 2 improvements are defined as those that have been established for further evaluation following the Phase 1 implementation. The scope of work planned in 2021 as part of the Phase 1 Improvements includes the facility planning and preliminary design evaluation for each of the following areas: Headworks Screening, Solids Dewatering and Handling, Class A Biosolids Drying and Business Case Evaluation, and Sidestream Treatment for Nutrient Reduction.



As identified in the 2021 Budget, Staff planned to complete preliminary design efforts for this project in 2021. With the completion of this work, the Authority will have a comprehensive alternative analysis, preliminary design drawings, and opinions of probable construction costs to make informed decisions for capital planning purposes. Colin O'Brien provided an update on the status of work described in the roadmap. He also described the work planned in their proposal to complete the Phase 1 Facility Improvements planning and preliminary design. He noted that any of this work that may have been previously started during the consideration of the GESA project will be reviewed, used, and/or expanded upon by BC when appropriate in order to not duplicate previous efforts. B. Link also commented that staff should consider having aerial photographs of the plant taken periodically to capture the updates being done to the plant.

#### **ITEMS FOR ACTIONS**

**Resolution #2021-01 – Approval of New Indenture and Sewer Revenue Bonds Series A & B of 2021:** This resolution was passed on a motion by R. Furlan, seconded by B. Link. The motion passed unanimously by voice vote.

**Resolution #2021-02 – 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 C. Duncan, seconded by M. Postick. The motion passed unanimously by voice vote.

**Resolution #2021-03 – Annual authorization for destruction of Authority records; Resolution #2021-04 – Annual authorization for execution of PA Department of Transportation documents; Resolution #2021-05 – Annual authorization for staff execution of certain legal documents; and Resolution #2021-06 – Annual authorization for staff execution of grant documents:** These resolutions were approved on a motion by R. Furlan, seconded by J. Canavan. The motion passed unanimously by voice vote.

**Resolution #2021-07 – Annual authorization for Executive Director to execute minor construction contract change orders:** B. Link made a motion to amend the resolution as presented to increase the change order limit to \$17,500. The motion was seconded by C. Duncan. The motion passed unanimously by voice vote.

**Resolution #2021-08 – Acceptance of Brown and Caldwell Proposal for Clearwater Road WWTF Facilities Planning Project:** These resolutions were approved on a motion by B. Link, seconded by R. Furlan. The motion passed unanimously by voice vote.

#### **EXECUTIVE SESSION**

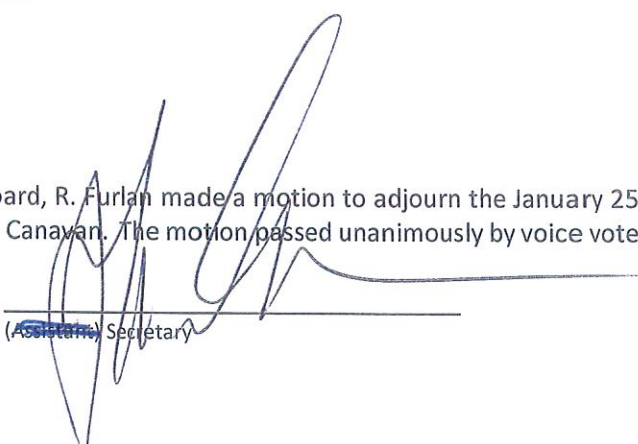
At 7:11 p.m., the Chairman recessed the meeting into Executive Session to discuss a pending litigation matter. The meeting was reconvened at 7:22 p.m.

#### **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 January 25, 2021 public meeting at 7:22 p.m., seconded by J. Canavan. The motion passed unanimously by voice vote.



(Assistant) Secretary