

**MINUTES OF THE MEETING
DERRY TOWNSHIP MUNICIPAL AUTHORITY
670 CLEARWATER ROAD
HERSHEY PA 17033
MONDAY, APRIL 26, 2021**

The Derry Township Municipal Authority Board held its regular monthly meeting on Monday, April 26, 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	X	
Christopher Christman		X
Charles Duncan		X
David Feidt	X	
Ronald Furlan	X	
Brian Link		X
Carter Wyckoff		X
Staff		
William Rehkop (Executive Director)	X	
Kimberly Bloom (Administrative Services Manager)	X	
Michael Postick (Staff Engineer)	X	
Michael Shambaugh (Network Systems Manager)	X	
Dennis Beck (Comptroller)		X
Michael Callahan (Stormwater Program Manager)		X
Consultants		
Michael Pykosh (Dethlefs Pykosh)	X	
Colin O'Brien (Brown and Caldwell)		X
Adrian D'Orlando (Brown and Caldwell)		X
Lou Verdelli (RBC Capital)		X
Scott Shearer (PFM)		X
Tim Horstmann (McNees Wallace Nurick)		
Other Attendees		
None		

PUBLIC COMMENT

There was no public comment at this time.

APPROVAL OF PREVIOUS MINUTES

B. Link made a motion to approve the Minutes of the March 22, 2021 Board meeting. R. Furlan seconded. The motion passed unanimously by voice vote.

APPROVAL OF TREASURER'S REPORT AND BILLS FOR PAYMENT

Staff presented the March Bills for Payment and Treasurer's Report for approval. C. Christman made a motion to approve the reports, seconded by J. Canavan. The motion passed unanimously by voice vote.

STAFF UPDATES AND REPORTS

EXECUTIVE DIRECTOR'S REPORT – BILL REHKOP

ENGINEERING RETAINER SERVICES RFQ

The Executive Director stated that the advertisement for engineering retainer services was published in March with the RFQ proposals due by May 5. The Review Committee will meet the week of May 14 so that a recommendation can be presented to the Board at the May Board meeting.

BOND REFINANCING

The bond market continues to be stable as interest rates are remaining near all-time lows. The debt service projections, as presented at last month's meeting, remain similar indicating that the new bond issuance will likely fill-in the annual savings generated by the refunding transaction. On April 16th, the Authority was re-assigned a rating of AA- with a stable outlook for the new bond issuance. This strong credit rating continues to provide the Authority with a significant savings opportunity to lock-in lower interest rates.

As directed by the Board at last month's meeting, the Finance Team has prepared all appropriate and required documentation to move forward with the issuance of the Sewer Revenue Bonds (Series C of 2021). Lou Verdelli of RBC Capital Markets presented an overview of this financing and presented Resolution #2021-20 for Board approval. Mr. Verdelli stated that rates have even come down slightly from last month so DTMA should receive a very favorable rate for this issue.

Resolution #2021-20 –Approval of the Issuance of Sewer Revenue Bonds Series 2021C: This resolution was passed on a motion by R. Furlan, seconded by B. Link. The motion passed by voice vote.

CONSTRUCTION CONTRACTS UPDATE

Clearwater Road WWTF Power Improvements [Contract 2019-01] – The work for this contract is substantially complete as of March 30th. Staff training with the equipment manufacturer remains on schedule for April 27th. GSE did not submit an AFP by this month's cut off period.

During this past month, GSE submitted proposed change order #5 to reconcile three (3) contract modifications that occurred over the last few months. CO #5 increases the contract price in the amount of \$1,360.25 and was executed per the Executive Director's authorization limit. The Director reviewed the items contained in the change order.

Prior to contract closeout, RK&K and staff discussed options to consider for demolishing the old concrete pad and electrical conduits associated with the former PC#2 location. Currently, the concrete pad demolition is included under the electrical contract (Pagoda Electric) for the Energy Enhancements project. After further evaluation, RK&K recommends maintaining access to the conduits at the former PC#2 location for future use. As such, GSE submitted proposed change order #6 to include demolition of the former PC#2 concrete pad, installation of a concrete manhole, and electrical conduits for a total amount of \$24,259.17. RK&K will also coordinate with Pagoda Electric for a credit to the contract price for deletion of the concrete pad under Contract 2020-02E.

Clearwater Energy Enhancements Project [Contracts 2020-02G, 2020-02E, 2020-02H] - The March Construction progress meeting was held virtually and in-person on March 23rd and the April Construction progress meeting is scheduled for April 27th. All three (3) Contractors continue to make progress on the

shop drawings process. The General Contractor continues installation of drain and stormwater piping on the CHP campus. The Electrical and HVAC Contractors are mobilizing to the site to begin the underground piping work at the CHP building. Monthly coordination continues with PPL and UGI. PPL submitted an invoice for the distribution reinforcements in the amount of \$99,760. UGI is ready to mobilize to the site and perform their work upon notification from the General Contractor. Colin O'Brien of Brown and Caldwell reiterated that the coordination of work with UGI and the contractors continues. Equipment deliveries are a little behind schedule, but are being monitored.

Raw Sewage Pumps Replacement [Contract 2020-03] – Heisey Mechanical and Manada Electric are making progress with the shop drawing submittal process. No AFPs were received prior to this month's cut off period. RK&K and Staff continue to coordinate with both Contractors for implementation of the alternate approach for this contract with the deletion of the 18" diameter discharge pipe replacement and bypass pumping. The Contractors are finalizing their revised construction sequence and pricing changes for their respective modifications to the contract which will be prepared as a change order request for approval by the Authority.

ESD Cladding System [COSTARS]

Representatives from BC, Kappe Associates, Matrix Applied Technologies, and DTMA held a kick-off meeting for this contract on April 5th to review project timeline and milestones. The Contractor is preparing their submittal package for review. On April 20th, HRG (subcontractor) conducted a 3D visual scanning of the ESD exterior to determine the accuracy of the as-builts with the current conditions of the ESD. This project remains on schedule and is anticipated to be completed before the end of the year.

Clearwater UV Disinfection System Replacement [COSTARS]

The UV disinfection system installation began on March 15th with the demolition of the old system. Installation and start-up was completed on April 8th. With the entire construction duration of less than 4 weeks, this project was a complete success with no major issues encountered while the plant maintained permit compliance. The Director stated that Staff is very pleased with the end product and commended Kappe Associates, JP Environmental, and Manada Electric for their efforts in making this project a success.

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 with their design progress. Staff provided comments to Hazen in review of the 60% design submittal. During the upcoming months, Hazen will progress towards the 90% design submittal. The 30-day public comment period as required for the Act 537 Special Study ended on April 18th. There were no comments received. The next step in the planning process is for Londonderry Township to adopt this plan revision at their Board of Supervisor meeting in May. The plan will then be submitted to DEP for their review (120 days). The remaining schedule for the project is as follows: submit WQM Part II Permit to DEP following submission of the Act 537 Special Study; design work to be completed by September 2021; bidding and construction contract execution by December 2021; and construction completed and WWTP operational by June 2023.

Since DTMA is expanding their service area into Londonderry Township, Mr. Furlan asked if DTMA would get DEP/Chesapeake Bay credits for taking on-lot systems out of service when public sewer service is

extended to existing residents. Mr. Rehkop explained that DTMA is providing service in accordance with areas identified in Londonderry's Act 537 Plan. DTMA would be able to get those credits and also the credits for any of the package plants that are taken out of service.

Spring Creek Interceptor Upgrade Evaluation – HRG completed an evaluation report of the Spring Creek Interceptor (SCI) sewer capacity from manhole HMO-1B downstream to manhole SCI-41B. The recommended alternative, as provided in HRG's report, includes a combination of replacement in-kind with a revised alignment to significantly improve the hydraulic carrying capacity and constructability in this section of the interceptor. The design will also include a more comprehensive evaluation of the crossing of Spring Creek both as part of a new pedestrian bridge structure as well as a separate crossing. Based on the results of the evaluation, Staff had requested HRG to provide a scope of work to replace the SCI from manhole HMO-1 to SCI-41B. HRG submitted a proposal to complete survey, design, and permitting phase services for a total lump sum fee of \$187,150. Staff has reviewed HRG's proposal in detail and believes the scope of work is very comprehensive and meets the objectives for this project.

Clearwater WWTF Phase 1 Facility Improvements – The Project Team held multiple workshops to further progress on this project. The project is on schedule, with several tasks scheduled for completion in May 2021. Colin O'Brien provided an update on each of the Tasks that were addressed to date.

2021 Sanitary Sewer & Stormwater Repairs Project – As part of the Authority's preventative maintenance program, this biennial repair (dig-up) and rehabilitation (CIPP liner) project continues its efforts to maintain and rehabilitate the sanitary sewer and stormwater piping and manholes and extend the life and reliability of its underground assets. HRG prepared a proposal to perform the design, bid, and construction phase services for this project. The scope of work for the 2021 Repairs was developed based on the data collected from Staff's routine maintenance and closed-circuit televisual (CCTV) inspections. A listing of the sanitary sewer and stormwater pipe sections in need of repair or rehabilitation is detailed in HRG's proposal. This project is a planned capital expenditure in the 2021 Budget.

ADMINISTRATIVE SERVICE MANAGER'S REPORT - KIMBERLY BLOOM

Time and Attendance Software Purchase

Mrs. Bloom reported to the Board that Staff has reviewed software that would automate the payroll functions of timesheet preparation and review, scheduling, and attendance tracking. Currently these functions are processed and reviewed manually. The program is called NOVAtime and the cost for the program and implementation for the first year is approximately \$4,800 and \$3,500 annually thereafter, but estimated time savings for department supervisors and the Administrative Service Manager could be well over \$10,000 per year. At this time, timeclocks to log start and end times are not used, but can be added at a later time if it is decided it would be beneficial. There would be an additional monthly charge for leasing that equipment. The project is slated to start by June 1.

ITEMS FOR ACTIONS

Resolution #2021-21 – 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 R. Furlan, seconded by J. Canavan. The motion passed unanimously by voice vote.

Resolution #2021-22 – Acceptance of HRG Proposal for Survey, Design and Permitting Services for the Spring Creek Interceptor Upgrade Evaluation Project: This resolution was approved on a motion by B. Link, seconded by R. Furlan. The motion passed by voice vote. D. Feidt abstained from voting due to a business association with HRG.

Resolution #2021-23 – Acceptance of HRG Proposal for Design, Bid and Construction Phase Services for the 2021 Sanitary Sewer and Stormwater Repairs Project: This resolution was approved on a motion by J. Canavan, seconded by R. Furlan. The motion passed by voice vote. D. Feidt abstained from voting due to a business association with HRG.

Discussion on Resolutions #2021-24 and 2021-25

The Sludge Thickener Skimmer Assembly Replacement and Pump Station Communications Upgrade Projects were planned and budgeted as capital expenditures in the 2021 Budget. Both project costs are planned to be paid from the Wastewater Resource Allocation Fund (WWRA). The Director detailed the specific project details and equipment procurement and installation costs that would be contracted through COSTARS.

The Sludge Thickener Skimmer Assembly Replacement project includes the replacement of the scum box, skimmer assembly and support arm in the existing primary sludge thickener tank at the Clearwater WWTF. The condition of the existing skimmer assembly is worn beyond repair and is in need of replacement. Staff received a proposal from Geiger Pump & Equipment, Co. as the COSTARS Vendor that represents the equipment manufacturer, WesTech Engineering, LLC. The selected sub-contractor for performing the installation is JP Environmental. The total price for the direct COSTARS contracting is in the amount of \$57,550. The total project cost is within Staff's budget estimate (\$80k) and planned for in the 2021 Budget.

The Pump Station Communications Upgrade Project includes replacement of the antiquated dial-up communication hardware at eleven (11) of the existing Pump Stations and Metering Chambers, upgrade of existing communication radios at nine (9) sites, and updated processors and power supplies at fifteen (15) sites. Staff have experienced increased after-hour communication failure alarms, and as a result, Staff are required to report on-site to respond to the alarm. The conversion of the pump station sites from dial-up to cellular communication with improved PLC configuration and programming provides a modernized and reliable system with the capability in the near future to monitor and control the pump stations remotely in "real time" similar to the WWTF's monitoring. Staff received a proposal and equipment listing from Control Systems 21 (CS21). The COSTARS proposal includes the procurement of the listed equipment, installation, and configuration and programming of the pump station PLCs for a complete and operable system. CS21 is currently our preferred instrumentation, controls, and systems integrator and Staff believes they are highly qualified to perform the work. The total price for the direct COSTARS contracting is in the amount of \$143,289.54. The total project cost is within Staff's budget estimate (\$150k) and was planned for in the 2021 Budget.

Resolution #2021-24 – Approval of COSTARS Contract to Purchase and Install Thickener Scum Skinner Replacement System and Resolution #2021-25 – Approval of COSTARS Contract to Purchase and Install Pump Station Communications Equipment Upgrades: These resolutions were approved on a motion by B. Link, seconded by R. Furlan. The motion passed unanimously by voice vote.

Discussion on Resolution #2021-26 – Primary Sludge Pump Replacement Project

On Thursday, April 22nd, the Authority received bids through the online PennBid Program for Contract No. 2021-01 Primary Sludge Pump Replacement - General & Electrical Construction. This project generally consists of the replacement of an existing rotary lube type pump with a double disc style pump. The

project will also include modifications to the suction and discharge piping to include a mechanical flushing system for ease of flushing and cleaning of the conveyance piping. At the February Board meeting, the Board approved the purchase of the four (4) major pieces of equipment for this project through COSTARS.

The apparent low bidders for the respective contracts listed above are JP Environmental LLC and Manada Electric with a total combined contract amount of \$115,740. The engineer's opinion of probable construction cost was \$350,000, which was included in the 2021 Budget. With the inclusion of the major equipment costs, the combined contract amount is nearly \$180k below the engineer's opinion of probable construction cost for this project.

Resolution #2021-26 – Award bids for Contract 2021-01 Primary Sludge Pump Replacement to JP Environmental and Manada Electric: This resolution was approved on a motion by R. Furlan, seconded by J. Canavan. The motion passed unanimously by voice vote.

Resolution #2021-27 – Approval of Change Order #6 with Garden Spot Electric for the Clearwater Road WWTF Power Improvements Project [Contract 2019-01]: This resolution was approved on a motion by R. Furlan, seconded by J. Canavan. The motion passed unanimously by voice vote.

NEW BUSINESS

2021 Financial Audit Update

D. Beck reported that representatives from the audit firm, Brown Schultz Sheridan & Fritz, were onsite April 5-8. At this time, the auditors are comfortable with their review and will be prepared to make their presentation of the audit reports at the June Board meeting. A few items to note were the ESG Settlement will be expensed in 2020 as will the payments authorized in the Separation Agreement for the former Executive Director.

Emergency Pandemic Declaration by PA

The Executive Director and Solicitor will review the requirements for public meetings and opening the building lobby when the declaration is lifted for the State. Board members agree that there should be a virtual option for meeting attendance if possible for Board members and the public.

Pool Credits for Customers

Mrs. Bloom apprised the Board of a process that DTMA has done in the past whereby residents could fill or top off their pools with water that flowed through their water meter but not be charged for this water usage since the water did not flow through the sewer system. The residents were required to take the beginning and ending readings from their water meter at the time that they used the water and then give that info to our billing department prior to their next billing. This courtesy credit was never documented in the Rates, Rules, and Regulations. Many of the newer homes are not supplied with a meter inside of their house; they only have a remote meter outside that can only be accessed by the water company. The residents that don't have access to their meter are "guessing" at the amount of gallons that are being put in the pool based on the pool size, etc. Since the accuracy of the information for the credits and the time involved for staff to try to verify the creditable gallons, the Board decided to discontinue this courtesy credit. At present, there are only about 10 residents that utilize the credit, so the Customer Service Representative will inform them of this decision.

PUBLIC COMMENT

There was no public comment at this time.

ADJOURNMENT

With no further business to come before the Board, B. Link made a motion to adjourn the April 26, 2021 public meeting at 7:15 p.m., seconded by J. Canavan. The motion passed unanimously by voice vote.



(Assistant) Secretary