

**MINUTES OF THE MEETING
DERRY TOWNSHIP MUNICIPAL AUTHORITY
670 CLEARWATER ROAD
HERSHEY PA 17033
MONDAY, AUGUST 23, 2021**

The Derry Township Municipal Authority Board held its regular monthly meeting on Monday, August 23, 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	
Laura Power (Accountant)		
Consultants		
Michael Pykosh (Dethlefs Pykosh)	X	
Colin O'Brien (Brown and Caldwell)		X
Ed Ellinger (HRG)	X	
Mike O'Connor (Dethlefs Pykosh)	X	
Other Attendees		
None		

PUBLIC COMMENT

There was no public comment at this time.

APPROVAL OF PREVIOUS MINUTES

R. Furlan made a motion to approve the Minutes of the July 26, 2021 Board meeting. J. Canavan seconded. The motion passed unanimously by voice vote.

APPROVAL OF TREASURER'S REPORT AND BILLS FOR PAYMENT

Staff presented the July Bills for Payment and Treasurer's Report for approval. R. Furlan 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

LONDONDERRY ESTATES DEVELOPMENT LOW PRESSURE SEWER PROJECT

A Notice to Proceed was granted to the project contractor, Kinsley Construction, on August 2, 2021. Actual field work is tentatively anticipated for the beginning of October 2021. HRG will be providing construction administration and inspection services.

In order to provide clarification and guidance to property owners regarding the project, public meetings were held on Tuesday, August 10th and Wednesday, August 11th. HRG and DTMA staff were in attendance to present project information and answer questions. DTMA Staff have been receiving and addressing general telephone and email inquiries from Londonderry Estates property owners with respect to connection procedures, finalizing lateral locations, etc. DTMA Staff have been keeping a log of all calls and email responses.

S.R. 230 WATER AND SEWER EXTENSION PROJECT

Wexcon continues construction of the water and sewer installations along S.R. 230. DTMA Staff has been assisting representatives of Londonderry Township and HRG in the coordination of the lateral connection locations at each property. Similar to Londonderry Estates, DTMA Staff have also been receiving and addressing inquiries from property owners for this project with respect to connection procedures, finalizing lateral locations, etc. and have been keeping a log of all inquiries. Calls are also being received from residents outside of the 150' mandatory connection area inquiring about possibly connecting to the public sewer or at least having a lateral installed for future use. Staff is working with HRG to see what can be done to facilitate helping these residents since this project is being paid for by private developers and they would incur additional expenses to provide the additional laterals. DTMA Staff has asked the Solicitor to see if DTMA or Londonderry would be permitted to pay for this additional work since this is a developer project and not a Londonderry Township project. Staff will provide an update to the Board once additional information is received. A public meeting for the property owners within the SR230 project area will be held on September 1st and September 2nd to provide an update on the contractor's schedule for construction, procedures for locating laterals, and for review of DTMA requirements for connection to the sewer system.

Submission of the grant application to the U.S. EDA Nuclear Closure Communities (NCC) funding program continues to be delayed as Londonderry is awaiting appropriate signatures from the S.R. 230 site developers indicating their willingness to fulfill the reporting requirements of the EDA grant to include job creation and private investment results.

Staff continue to coordinate with Gannett Fleming (GF) regarding the completion of the Southwest WWTP service area tapping fee study. A meeting was held between GF and DTMA Staff on Tuesday, August 17th to further discuss project specifics and various strategies for the Authority to recover project costs relating to the infrastructure needs to serve Londonderry Township customers. R. Furlan and D. Feidt agreed to meet with Staff to review the draft study from GF when it is received and prepare comments for discussion at a future Board meeting.

CONSTRUCTION CONTRACTS UPDATE

Clearwater Energy Enhancements Project [Contracts 2020-02G, 2020-02E, 2020-02H]

AFPs were received this month from all three Contractors. However, it is important to note that on-site construction work still remains approximately two to three months behind schedule. The project started later than anticipated but the contractors felt they could make up that time during construction. Contractors have sent a revised construction schedule so Staff can make sure that the contractors are meeting the contract requirements. They have pushed back the Substantial Completion date from the last schedule update. Additional information has been requested from the Contractors as formal justification for the delays incurred to date. At this time, there have only been two weeks of the six-month delay that seem to be justified. The contractors have been put on notice that bi-monthly coordination meetings will be requested if schedule delays continue. These items will be discussed at the next construction progress meeting scheduled for Tuesday, August 24. However, Staff is concerned with the logistics of equipment that will be delivered soon. If the equipment that is being stored at the manufacturer in New Jersey is not delivered by the end of September, then DTMA will start to incur storage costs at their facility. DTMA could have the equipment delivered and stored here, but storage of the equipment would be in the flood plain. R. Furlan noted that delivery of the equipment may trigger the beginning of the warranty and should be considered if taking this option.

Raw Sewage Pumps Replacement [Contract 2020-03]

Progress Meeting No. 2 was held on August 11th. The next construction Progress Meeting is scheduled for Wednesday, September 8th. Based on the current construction schedule projection provided by Heisey Mechanical, the on-site work will begin in October 2021 with equipment final testing occurring in May 2022.

ESD Cladding System [COSTARS]

The Kappe Associates and Matrix project team continue to work on the design submittal for BC and Staff to review. The design submittal is taking longer than expected which will likely push the final completion to January or February of 2022. A progress meeting has been scheduled for Monday, August 30th to review the contractor's project deliverables, schedule, and milestones.

Primary Sludge Pump Replacement Project [Contracts 2021-01G, 2021-01E]

Contractor mobilization will be delayed by at least a month and is now anticipated to be in early October due to extended lead times for materials. Staff have received deliveries of all the COSTARS pre-purchased equipment. Over this past month, RFIs and submittals have been received and reviewed by HRG. Staff and HRG have requested an expanded and updated schedule from JP Environmental. We are still waiting on their submission of a final construction schedule that addresses HRG and Staff comments and includes the tasks and durations for the electrical contractor. A progress meeting date will be set upon receipt of the updated schedule.

ENGINEERING STATUS REPORT

Southwest WWTP Upgrade and Expansion Project (Phase 1)

Hazen and Sawyer (Hazen) has recently completed the 90% design submittal for Staff review. A review workshop meeting with Hazen and Staff was held on July 27th to discuss the design submittal and overall project schedule. The status of the remaining tasks are as follows: Act 537 Special Study approval received July 29, 2021; WQM Part II Permit Draft Application has been completed and is under Staff review. The application will be submitted to PADEP after Hazen has addressed Staff comments;

Ultraviolet (UV) Disinfection System Request for Proposals (RFP) was released to potential manufacturers by Hazen with a deadline with an August 23, 2021 deadline; Design completion is slated for September 2021; Bidding and Construction Contract Execution anticipated for December 2021; and Construction Complete and WWTP Operational by August 2023. A follow-up design review meeting with Hazen has been scheduled for Thursday, September 2nd.

Spring Creek Interceptor Upgrade Project

HRG has prepared and submitted the Corrective Action Plan (CAP) to PADEP for compliance with the planning requirements necessary to submit a Water Quality Management Part II Permit Application for the Project. Approval of the CAP from DEP was received on August 23, 2021. Staff also assisted HRG with inclusion of easement data on the plans. The 30% Drawing Review meeting is tentatively scheduled for the week of August 23rd. HRG will proceed with the preparation of all permit applications upon completion of the 30% design submittal.

Mike Postick and Bill Rehkop met with representatives of Troegs on August 3rd to confirm that the proposed interceptor upgrades will accommodate any future growth and expansions anticipated at their current facility.

2021 Sanitary Sewer and Stormwater Repairs Project

The bid opening for Contract Nos. 2021-03A and 2021-03B occurred on Thursday, August 19th. Six bidders submitted bids for Contract 2021-03B, which includes sanitary sewer and stormwater CIPP lining. The low bid for Contract 2021-03B (CIPP lining) was received from Standard Pipe Services, LLC in the amount of \$157,409.00, which is below the engineer's estimate of \$206,400.00. No bids were received for Contract No. 2021-03A, which includes sanitary sewer and stormwater dig-up repairs. HRG followed up with a number of interested bidders and they indicated precast concrete structures and piping is not readily available and therefore had concerns with completing the project within the Contract Times. The interested bidders also indicated they plan to submit a bid if the Contract Times were extended.

HRG and Staff are evaluating options for both contracts and therefore is not recommending the award of Contract No. 2021-03B until the most practical approach is determined. Bids for Contract No. 2021-03B remain valid and irrevocable for 60 days. Mr. Ellinger suggested that Contract 2021-03A be rebid with an extended completion date. If favorable bids are received, then the contract time can be extended for Contract 2021-03B. The Board agreed with this approach.

Clearwater WWTF Phase 1 Facility Improvements

Progress continues on the Phase 1 Facility Planning project. Staff and BC met on July 27th to review progress of the Facility Planning efforts. Preliminary layouts for drying and dewatering technologies were reviewed and discussed to solicit Staff feedback on working clearances, technology evaluations, and other layout considerations. The project remains within budget and on schedule, with completion of all tasks anticipated by Fall 2021. Colin O'Brien provided an update on the status of each Task. Tasks 1, 2, 4, and 7 have been completed. Tasks 3, 5, 6, and 8 are in progress. Task 9 will be kicked off at the August review meeting. Two (2) project workshops will be held on Tuesday, August 31st to discuss updates on Tasks 4, 5, 6, and 8 of the Phase 1 Facility Plan.

The Director noted that Staff visited another facility that recently installed a Koline-Sanderson biosolids dryer which is a newer version than what DTMA owns. However, it appears that even the newer model is found to have continued operating issues causing frequent shutdowns for an extended period of time.

STORMWATER PROGRAM MANAGER'S REPORT – MIKE CALLAHAN

Derry Township Parks Water Quality Improvements – Bullfrog Valley Stream Restoration

Permit waiver was submitted. Awaiting permit approval and Growing Greener award decision. Will go to construction in 2022.

Deer Run Stream Restoration

Preliminary Design is about 100% complete, and landscape design is in process. Permit submission is scheduled for September 10, 2021. We are anticipating design and permits will be ready for bid in early 2022, and will also await decision on Growing Greener grant application.

Stoney Run Basins 1 and 2 Retrofit

Project awarded to Kinsley Siteworks. Pending start date.

Forest Avenue Basins Improvements

Design is nearly complete. Submission for permits is pending. Staff are working to secure easements with the Med Center. Bidding can occur upon permit receipt.

Ridge Road Drainage Improvements

Design complete and HOP was submitted to PennDOT. In addition, PA American is experiencing a 3-4 month delay acquiring ductile iron. Will be ready to go to bid once those items are finalized.

Stoverdale Road and Shopes Church Road

Design complete and bid package is being prepared.

Clark Road and Stonecutter Circle

Easements are being acquired and design finalized. Bid package is being prepared and will be bid with the Stoverdale project.

2021 Sewer Rehabilitation Project (Shared project with wastewater)

Bids received August 19, 2021 and discussed in board memo.

Mr. Callahan also reported that he has been working with the Dauphin County Stormwater Cooperative. Solicitor Pykosh received documents from the Cooperative for his review. R. Furlan asked if fees had been discussed. For the first year or two, the fee is proposed to be about \$50,000 per year. In subsequent years the fee would be approximately \$245,000 per year. Derry Township is considered to be the most expensive in the Dauphin County, with Lower Paxton as second. He is suggesting that before DTMA makes any commitment to joining the Cooperative the plan should be reviewed to make sure there is a significant benefit to Derry Township residents. Staff needs to review the savings DTMA would receive in joining the Cooperative or pursuing things on its own and is also waiting to see what the new regulations will be and what credits may be available. Participation by the larger municipalities would certainly help the smaller communities that may not yet have an MS4 plan.

Mid-Year Financial Review

Dennis Beck, DTMA Comptroller, provided to the Board a financial report for January through July 2021. He pointed out that even without a rate increase this year, revenues and expenses are in line with the Budget and are trending similar to last year with a few exceptions. Sludge received from The Hershey Company is down a bit due to their utilizing another facility for disposal. Stormwater is showing a slight decrease in revenue due to a large credit that was negotiated with Milton Hershey School (MHS), but

without the credit it would also be trending with the Budget too. Mr. Callahan explained that the credit spanned over a few years so it worked out to be an approximate 22% credit of their charges. Mr. Rehkop noted that MHS has also reached out to DTMA to see if the Authority would be interested in assessing the condition of their sanitary sewer lines with the possibility of taking ownership of them.

B. Link asked why The Hershey Company (HC) was not disposing of all of their sludge at DTMA. He questioned the status of the agreement that they have with DTMA that said they are required to use DTMA for sludge disposal. Mr. Rehkop explained that the discussions with HC regarding this agreement have stalled in the last few years and that current Staff is working to revisit this and try to improve the relationship with HC. At the time the agreement was being considered by both parties, HC felt that their effluent quality from their new pretreatment plant would be suitable for direct discharge into the creek. They were intending to get their own NPDES permit from DEP for this action. However, the effluent from their pretreatment plant does not currently meet effluent quality standards on a consistent basis, so they realize that they still need to utilize DTMA's plant for the near future. Staff at HC has been in discussions with DTMA staff to implement a bypass for their pretreatment plant to be able to direct untreated liquid waste to DTMA for emergency purposes should the need arise.

ITEMS FOR ACTIONS

Resolution #2021-41 – 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. These payments from the 2018 Construction Fund will deplete the funds in this account and the account will be closed. This resolution was then approved on a motion by J. Canavan, seconded by B. Link. The motion passed unanimously by voice vote.

NEW BUSINESS

Third-Party Collections of Delinquent Sewer Accounts

The Director noted that the Authority Board in April of 2020 elected to temporarily suspend the collection of delinquent accounts because of the Pandemic and the hardship it was placing on township residents. In January of 2021, late notices and collection procedures were resumed. Currently the delinquent accounts are about three times what they typically had been prior to the Pandemic. Bill Rehkop and Kim Bloom attended a PMAA Conference where Portnoff Law Associates made a presentation. This firm specializes in the collection of delinquent accounts for municipalities and school districts. R. Furlan was also in attendance at this conference. Portnoff Law has been working with municipalities and school districts in Pennsylvania and surrounding states for many years. They contract with municipalities to collect delinquent taxes and sewer and water fees. The municipalities receive the entire delinquent fee. Customers pay all fees necessary for collecting the debt, filing liens, or any other collection effort. The Solicitor was present at the DTMA meeting when the Portnoff representative met with Staff to discuss their program. He has requested copies of their contract document and the resolution that the Board would need to adopt. More information will be presented at the September Board meeting. R. Furlan commented that DTMA should notify customers prior to accounts being turned over for collections that there will be more legal fees involved once the account is turned over to collections.

Staff Updates

The Director noted that DTMA's Operations Supervisor, Mike Snyder, announced his retirement effective October 1, 2021. Mike Callahan, Stormwater Program Manager, also provided his letter of resignation effective September 16, 2021. Mike has decided to pursue growing with his personal business of creating continuing education courses. Mike Callahan stated that he was very appreciative of his time with DTMA.

and commented that the Board and Staff were a pleasure to work with and would be available if Staff needed his assistance with current projects.

PUBLIC COMMENT

There was no public comment at this time.

EXECUTIVE SESSION

The Board recessed into Executive Session at 7:15 p.m. to discuss a legal matter. They reconvened at 7:29 p.m.

D. Feidt made a motion to waive the penalties fees that were generated in 2020 for Milton S. Hershey Medical Center sewer rental accounts in the amounts of \$3,854.74 and \$4,139.09. J. Canavan seconded. The motion passed unanimously by voice vote.

ADJOURNMENT

With no further business to come before the Board, B. Link made a motion to adjourn the August 23, 2021 public meeting at 7:30 p.m., seconded by J. Canavan. The motion passed unanimously by voice vote.



(Assistant) Secretary