

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

The Derry Township Municipal Authority Board held its regular monthly meeting on Monday, October 25, 2021, in the Conference Room of the Authority's Administration Building, 670 Clearwater Road, Hershey, Pennsylvania. 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 (Deputy Director)	X	
Michael Postick (Staff Engineer)	X	
Michael Shambaugh (Network Systems Manager)	X	
Dennis Beck (Comptroller)		X
Laura Power (Accountant)		
Consultants		
Mike Pykosh (Dethlefs Pykosh)	X	
Colin O'Brien (Brown and Caldwell)		
Ed Ellinger (HRG)	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 September 27, 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 September Bills for Payment and Treasurer's Report for approval. C. Duncan made a motion to approve the reports, seconded by R. Furlan. The motion passed unanimously by voice vote.

STAFF UPDATES AND REPORTS

EXECUTIVE DIRECTOR'S REPORT – BILL REHKOP

CONSTRUCTION CONTRACTS UPDATE

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

A construction progress meeting was held virtually and in-person with limited in-person attendees on September 28th. The October construction progress meeting is scheduled for October 26th. All three Contractors continue to make progress on submittal and shop drawings as well as progress on construction components. The Engineering team continues to be responsive in submittal reviews and RFIs and RPR activities are coordinated daily with the team. The project is still about six months behind schedule, but work is being performed consistently so no further delays are anticipated at this time.

On Tuesday, September 28th, the two Cummins CHP generators, switchgear, and remaining ancillary components were received by EEC. The generators have been installed within the partially constructed CHP building on their respective concrete equipment pad.

Raw Sewage Pumps Replacement [Contract 2020-03]

A construction progress meeting was held on October 13th. The next progress meeting is scheduled for November 10th. Heisey Mechanical, Manada Electric, and RK&K are currently working on shop drawing and RFI submissions and reviews. Manada Electric has continued preliminary preparation work on the intermediate floor level.

Heisey Mechanical continues to develop and finalize the proposed change orders to modify the pump removal access hatch for future removal of the pumps from the dry well and eliminate the replacement of the large pump discharge header piping, which in turn eliminates the need for bypass pumping. RK&K and DTMA Staff have also authorized Heisey Mechanical to proceed with the design modification to one of the pump access hatch locations to include structural reinforcements to the existing monorail beam in the intermediate floor of the dry well. All of these contract changes will provide an overall savings to the contract. Heisey Mechanical submitted a proposed change order for the discharge header piping modification and bypass pumping deletion for contract credit in the amount of \$537,590.12. This change order is currently under review.

R. Furlan made a **motion** to authorize the Executive Director to execute the Heisey Change Order for this credit without further Board approval. C. Duncan seconded. The motion passed unanimously by voice vote.

ESD Cladding System [COSTARS]

DTMA and BC are awaiting a resubmittal of required submittal information to address previous comments. On October 13th, personnel from Matrix inspected the insulation and underlying tank surface condition at several locations around the ESD. DTMA is awaiting the completion of some additional inspection points and a determination from BC; however, it initially appears that the ESD tank surface is in good condition. The project schedule is currently delayed by 4 months with an anticipated completion in April 2022. Contingent upon materials delivery, on-site mobilization is currently scheduled for February 2022.

2021 Sanitary Sewer and Storm Sewer Rehabilitation Project

As discussed during the previous Board meeting, Contracts 2021-03A and 2021-03B were awarded to Farhat Excavating, LLC and Standard Pipe Services, LLC, respectively, for a total project construction cost of \$379,234. As authorized by DTMA, HRG issued the Notice of Intent to Award (NOIA) letters to Standard Pipe Services, LLC and Farhat Excavating, LLC on October 1st. The Notice to Proceed letters will be issued to the contractors upon receipt of the required Contract Documents.

Emergency Repair Contracts

During Hurricane Ida, a section of the 18-inch Clearwater Road WWTP plant drain pipe underwent a complete failure. The repair work has been completed by Rogele, Inc., under DTMA's emergency repair contract with them, at a total cost of \$77,113.50. A damage claim has been submitted to our insurance provider and we are currently awaiting their response. Staff have been working with the Township's EMA officer to see if funding for this repair through F/PEMA is available.

ENGINEERING STATUS REPORT

Southwest WWTP Upgrade and Expansion Project (Phase 1)

Hazen and Sawyer (Hazen) recently completed the 90% complete design submittal, and DTMA Staff provided comments to Hazen during a review workshop meeting with Hazen and Staff on October 1st.

The status of the remaining tasks are as follows: Act 537 Special Study approval received July 29, 2021; WQM Part II Permit Draft Application was submitted on October 4; and Trojan System UV 3000 Plus selected by Staff for the Ultraviolet (UV) Disinfection System for the project. Design completion and commencement of bidding is slated for the November 2021; construction contract execution anticipated for January 2022; and construction completed and WWTP operational by fall 2023.

Spring Creek Interceptor Upgrade Project

With the completion of the 30% Design Drawings last month, HRG is nearing completion of the 60% Design Drawings which includes refining and finalizing the sewer interceptor alignment based on comments received relative to our 30% design submission. HRG is also in the process of preparing permit applications for the Water Quality Management Part II Permit, the NPDES Permit (Erosion and Sedimentation Pollution Control), and the General Permit for the stream crossing. HRG anticipates that permit applications will be ready for DTMA review by the end of this month. Permit applications will be submitted to PADEP upon Staff review and approval.

HRG and DTMA Staff continue to work towards scheduling meetings with the Hershey Company and Tanger Outlets to discuss access and rights-of-way as well as the coordination of abandoned utilities.

High Meadow Pump Station Evaluation

HRG has reviewed as-built drawings, existing pump station capacity data, current and future tributary flow estimates, and completed an on-site condition assessment of the existing pump station building and equipment. HRG has also completed pumping capacity and wet well sizing calculations based on the current condition of the pump station and is in the process of developing a summary report of the preliminary findings. The results of this evaluation will be utilized for preliminary equipment and structural alternative evaluations.

Clearwater WWTF Phase 1 Facility Improvements

Progress continues on the Phase 1 Facility Planning project. No project workshops were planned or held in October. The project team made site visits to tour facilities to drying equipment in operation that is

being considered for this project. The Business Evaluation Report for this project is anticipated to be completed in December.

Southwest WWTF Service Area Tapping Fee Study

A draft of the Tapping Fee Study was received from Gannett Fleming (GF) on October 12th. A meeting with GF, Staff, and the Board's Review Committee is scheduled for November 4th. The Director noted some features of the report, but the full report has not been completely reviewed.

STORMWATER PROGRAM MANAGER'S REPORT – MIKE POSTICK

Mr. Postick provided a list to the Board members of projects that are in various stages of progress. Since the former Stormwater Program Manager's (SPM) recent departure, he has taken oversight of these projects and is providing assistance to HRG where necessary to keep the projects moving forward.

2021 BMP Retrofits (Stoney Run Basins 1 and 2 and Brookside Park)

Project awarded to Kinsley Siteworks. Contract documents and the Agreement have been finalized. A pre-construction meeting was held on October 20th. Project construction may potentially start in late 2021. DTMA Staff also began notification/coordination of the project with Derry Township on October 21st since the pedestrian path will require closure at times during the work.

Ridge Road Drainage Improvements

Design is 95% complete. The PennDOT HOP application was submitted, comments have been received and a resubmission was made in October. In addition, PA American continues to experience a 3-4 month delay acquiring ductile iron pipe, which is delaying their 16-inch water line relocation which is integral to this project. The project will be ready to go to bid once the above items are finalized.

Miscellaneous Projects

DTMA Staff is also currently working on, or has completed, other additional minor stormwater infrastructure improvement projects and program management tasks such:

- Replacement of a short section (approximately 60 feet) of corrugated metal storm sewer, endwall repair/replacement, and erosion stabilization at the Meadows of Hershey development, within a drainage easement
- Submission of the MS4 Annual Report to PADEP
- Improvements to the swale behind residential homes on Clark Road (10 Clark Road to 40 Clark Road)
- Investigation of ponding problem at Brownstone AACA stormwater retention/infiltration basin (West Governor Road).
- Discussions with Milton Hershey School regarding potential takeover of their stormwater management infrastructure. MHS will be undertaking a facilities assessment to verify the condition of their existing systems prior to further discussions with DTMA.

Mr. Postick noted that many of the stormwater projects require easements. He will work with the Solicitor to prepare the necessary easements and will provide them to the appropriate parties.

DEPUTY DIRECTOR'S REPORT – KIMBERLY BLOOM

Mrs. Bloom provided an update on the status on the implementation of the new employee attendance software (NOVAtime). The programming continues. Employees will start to train on the new system in November, with payroll processing starting in the first quarter of 2022.

She also reported to the Board that the three-year contract with Diversified Technology Corporation (DTC) for the outsourcing of the invoicing and payments for the monthly sanitary and stormwater bills expired on August 31, 2021. The contract now continues on a month-to-month basis. Over the years, Customer Service Staff and the Authority customers have reported issues with the handling of the DTMA accounts and the lack of customer service provided by DTC. Plus many of the features that DTMA had in its original customized program have not become available on the DTC system as was promised when the Authority signed on with them.

In light of that, staff found two other municipal billing packages that can provide the same billing service as DTC. Staff has agreed that they would like to bring the billing function, customer service, and processing of the payments back in-house. Both of these companies provided a demonstration of their system to staff and outlined the levels of service they can provide. At this time it appears that there could be a significant savings from the monthly cost of over \$11,000 per month currently being paid to DTC. The proposals are being reviewed, and staff will check references for each of the systems. The proposals will be forwarded to the Solicitor for review as well. Staff will make its recommendation to the Board at the November or December Board meeting. It is anticipated that if there is a change in the handling of the utility billing process that it will occur in the first and second quarters of 2022.

B. Link questioned if DTMA would consider billing quarterly instead of monthly. Mrs. Bloom stated that many years ago DTMA customers received quarterly bills, but it was accomplished by DTMA staff billing one third of the customers each month. Previous Boards felt that billing monthly would provide a better cash flow; and many customers stated that they would rather receive a monthly bill to assist with budgeting.

ITEMS FOR ACTIONS

Resolution #2021-47 – Ratification of project payments from the 2019 Capital Project Fund: Staff reviewed the payments from the 2019 Capital Project Fund requiring Board ratification. This resolution was then approved on a motion by R. Furlan, seconded by J. Canavan. The motion passed unanimously by voice vote.

Presentation of 2022 Wage and Salary Recommendations

In preparation for the 2022 Wastewater and Stormwater Fund Budgets, Staff prepared an employee compensation budget based on input from the Personnel Committee as well as national salary survey data projections such as WorldatWork and SHRM. Each survey was consistent in reporting that the overall 2022 median salary budget increase is expected to be 2.9% across all employment categories (non-exempt and exempt). The annual wage and salary adjustment helps to ensure that the Authority maintains a competitive compensation package within our industry as well as the current labor market.

Resolution #2021-48 – Approval of 2022 Compensation Budget: This resolution was approved on a motion by B. Link seconded by R. Furlan. The motion passed unanimously by voice vote.

Discussion on Purchase of 2022 Cargo Van

With the recent hiring of a Controls Technician in the Maintenance Department, Staff are requesting to add a Ford Transit Cargo Van to the vehicle fleet in preparation of the 2022 Budget. Attached to this memorandum is a quote received from Maguire's Ford for the new cargo van utilizing COSTARS pricing. The new cargo van has a long lead time for delivery and is estimated at 6-8 months after the sales agreement is signed. The vendor does not require any payment until the new cargo van is delivered. Therefore, the purchase of the new cargo van will fall within the 2022 Budget Year.

B. Link suggested that the Board and Staff consider electric vehicles when adding to the Authority's fleet of vehicles. Cost comparisons and life-cycle parameters should also be reviewed. Currently the e-vehicles are sometimes cost prohibitive, but he would like to see Staff include this in their review for vehicle purchases as pricing for these vehicles is sure to come down in the future.

Resolution #2021-49 – Approval to purchase 2022 Cargo Van from the COSTARS purchasing program:
This resolution was approved on a motion by B. Link, seconded by R. Furlan. The motion passed unanimously by voice vote.

NEW BUSINESS

Professional Auditing Services RFP

The Township of Derry is currently asking for proposals from certified auditing firms for the preparation of their audited financial statements for 2021. The Director noted that DTMA has not solicited for proposals for several years and auditing costs have increased by approximately 30% over the last few years.

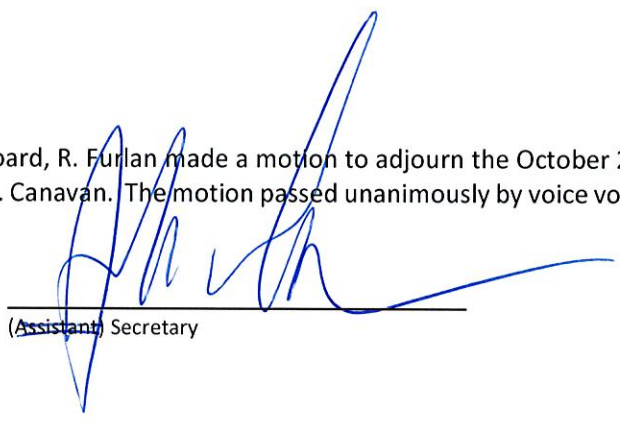
C. Christman made a motion to have Staff prepare an RFP for Auditing Services of the Authority's financial records. J. Canavan seconded. The motion passed unanimously by voice vote.

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 October 25, 2021 public meeting at 7:28 p.m., seconded by J. Canavan. The motion passed unanimously by voice vote.



(Assistant) Secretary