

**MINUTES OF THE MEETING
DERRY TOWNSHIP MUNICIPAL AUTHORITY
670 CLEARWATER ROAD
HERSHEY, PA 17033
MONDAY, MARCH 28, 2022**

The Derry Township Municipal Authority Board held its regular meeting on Monday, March 28, 2022, 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 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	
Sarah Ryan (Stormwater Program Manager)	X	
Consultants		
Darrell Dethlefs (Dethlefs Pykosh)	X	
Colin O'Brien (Brown and Caldwell)		
Ed Ellinger (HRG)	X	
John Ross (Brown and Caldwell)		X
Steve McGuire (Brown and Caldwell)		X
Other Attendees		
Kevin Fox (Resident)	X	

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 February 28, 2022 Board meeting. B. Link seconded. The motion passed unanimously by voice vote.

APPROVAL OF TREASURER'S REPORT AND BILLS FOR PAYMENT

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

STAFF UPDATES AND REPORTS

Clearwater WWTF Phase I Facility Improvements Study

Steve McGuire and John Ross provided an update for the items that have been reviewed to date and presented BC's recommendations for Headworks improvements and biosolids management, which included a recommendation for the Ecoremedy drum dryer and gasification unit that was discussed at a previous Board meeting.

The Director noted in completion of this study, issues were detected with the existing grit screening and removal process at the Headworks, which in turn has caused excessive wear on equipment in other areas of the plant such as the centrifuge. Staff and BC are recommending to proceed with the upgrade to the existing grit system to address current grit removal deficiencies. This project was budgeted using funds from the Resource Allocation Fund.

CONSTRUCTION CONTRACTS UPDATE

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

A construction progress meeting for this project was held on March 22nd; the next meeting is scheduled for April 26th. All three Contractors continue to make progress on the remaining submittals as well as progress on construction components. The Engineering team continues to be responsive with submittal reviews and RFIs, and RPR activities are coordinated daily with the team. Eastern has submitted requests for two change orders. Change Order No. 2 is for the cleaning of the secondary digester and Change Order No. 3 is for additional underdrain piping. Staff recommends approval of both change orders.

Raw Sewage Pumps Replacement [Contract 2020-03]

A construction progress meeting was held on March 9th. Some on-site work progress occurred during this reporting period. Heisey has installed dewatering pumps and has begun assembling the associated discharge piping. The critical path for both contractor schedules is contingent upon receipt of the pump motor drives and control panel. The factory acceptance test for these items was completed in March.

Manada received the motor control centers (MCC) on site, and in late March began efforts to move the MCCs and related equipment into the Administration Building electrical room. During the completion of that work, the generator automatic transfer switch (ATS) was damaged by Manada's subcontractor while the equipment was being moved into the Administration Building. This unit will need to be replaced, causing further delays in the project schedule. Staff and RK&K are currently evaluating the best approach with the contractors to remedy this issue and to reduce impacts to the project schedule.

ESD Cladding System [COSTARS]

Work continues to progress on this project with the cladding framework and support system completely installed. The remaining work includes insulation repairs and installation of the aluminum panels. This project is estimated to be complete in April and ready for final payment.

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

Work for this contract is expected to begin over the next couple months. Once initiated, the work is expected to take approximately 4 to 6 weeks to complete.

2021 Sanitary Sewer and Storm Sewer Rehabilitation Project

Work for both contracts is underway. Farhat Excavation, LLC (Farhat) has completed both sanitary spot repairs and is in the process of completing the manhole rehabilitation work. Upon completion of this work, Farhat plans to move to Clark Road and complete the remainder of the storm sewer work. SPS is in the process of finishing the sanitary sewer CIPP lining before commencing with the storm sewer CIPP lining. SPS plans to complete all CIPP lining by the end of April.

ENGINEERING STATUS REPORT

NPDES Permit Renewal

On February 18th, PADEP issued a draft NPDES permit for review and comment for the Clearwater Road WWTP. Staff comments on the draft permit were submitted to PADEP on March 2, 2022. PADEP issued the NPDES renewal in the March 5th PA Bulletin for the 30-day public comment period. PADEP is currently reviewing the Southwest WWTP Permit Renewal and has indicated that they will be issuing the draft permit in April.

Southwest WWTP Upgrade and Expansion Project (Phase 1)

As stated previously, public bidding for this project will be scheduled upon receipt of any announcement regarding the award of the US EDA Grant. On March 23rd, Staff met with Sustainable Strategies, DTMA's grant consultant, to address comments received from US EDA regarding the application. Staff anticipates that US EDA will make an announcement in April. Staff is also coordinating with Hazen and Londonderry Township to obtain any necessary land development plan and building permit approvals prior to construction.

Spring Creek Interceptor Upgrade Project

A Water Quality Management Part II Permit Application was been submitted to PADEP. A Technical Deficiency letter was received from PADEP on March 2nd with a request for additional information. HRG responded to the Technical Deficiency letter with the requested additional information on March 11th. A Pipeline Occupancy Permit Application has been submitted through Norfolk Southern Corporation (NS). On March 2nd, HRG received a request from NS to provide DTMA's Certificates of Insurance and existing railroad agreements. This information has been provided to NS.

Three (3) easement exhibits and legal descriptions were prepared and provided for DTMA's Solicitor for use in drafting legal agreements to accommodate the placement of the new sewer pipe on other properties (e.g. Hershey Trust).

HRG is expecting issuance of the remaining permits prior to start of construction, and has proceeded with public bidding of the Project in coordination with DTMA Staff. HRG finalized the Project Manual and Drawings, has placed an Advertisement for Bids, and has uploaded the documents to PennBID. The bid period runs until 10:00 AM on Tuesday, April 19, 2022. A non-mandatory pre-bid conference will be held on April 6th.

High Meadow Pump Station Replacement

HRG has initiated their work for the design of the HMPS replacement. Topographic mapping of the area has commenced and is expected to be completed by March 30th. Once that is completed, field run survey and edits to the base mapping will commence.

Clearwater WWTF Phase 1 Facility Improvements

The Phase 1 Facility Improvements planning project is nearing completion. Brown and Caldwell (BC) submitted a draft technical memorandum of their findings and recommendations on all the project tasks on March 23rd.

South Hanover Township Line Upgrade

On March 11th, HRG submitted to Staff a final technical memorandum describing the potential impacts that could result from the capacity improvements proposed by SHT's engineer for the Swatara Creek Pump Station and associated force main. The technical memorandum was submitted to SHT and their engineer for review and comment. Staff noted a significant concern with the increased pumping capacity as proposed by SHT's engineer. The proposed pumping rate of 4.44 MGD will nearly double its current pumping capacity at the Swatara Creek Pump Station. During significant wet weather events, SHT's system is highly susceptible to inflow & infiltration (I/I). Sustained or continuous pumping during such events will cause capacity issues within the Clearwater Plant with the potential for process upsets and/or overflows. HRG and Staff plan to schedule a meeting with SHT and their engineer over the next couple months.

Standard Construction and Materials Specifications

HRG continues to work on the draft updates, including technical specifications and construction details. DTMA Staff recently requested that HRG also include with their work a review of the specification sections in DTMA's Rates, Rules and Regulations to ensure that both documents are consistent with each other and are up to date. HRG is working towards providing the draft of the document to Staff in April 2022.

Southwest WWTP Headworks Evaluation and Permitting

On March 2nd, HRG conducted a site visit with DTMA Staff to review the condition of the existing grit removal and solids screening equipment at the Southwest WWTP and to gather additional information needed to complete an evaluation. HRG has requested quotes from the existing grit system manufacturer for the cost to replace its components with new stainless steel material. These quotes will be used in the evaluation when comparing the option of replacement with new grit system technologies and components. HRG anticipates submitting a memorandum summarizing the results of this evaluation to DTMA Staff in April 2022. HRG will move forward with the preliminary design and permitting of the proposed upgrades based on the results of this evaluation and direction from Staff.

Maintenance Garage Expansion

SGS Architects-Engineers, Inc. (SGS) prepared and submitted to Staff conceptual design drawings of the various alternatives to expand the Maintenance Garage located at the Clearwater Road WWTP. Based upon review, Staff selected the design alternative with the expansion of the Maintenance Garage with a 2-bay opening to accommodate three vehicles per bay, and a finished second floor with additional offices, storage, and training/conference room. The conceptual design drawings for the selected alternative was provided to the Board. The Director reviewed the proposed layout of the second floor office/meeting room area and the additional space needed for the existing equipment. Additional equipment and staff will likely be needed as the Authority's service area expands. B. Link asked if stormwater fees could be used toward cost-sharing for this project. There are no restrictions on the use of the funds, so cost-sharing is an option. The Director also noted that the stormwater fund will be nearly depleted once the current projects are finished and suggested that the fees will need to be reviewed at budget time to make sure that the current fee structure is sufficient to continue to support future storm water projects and program initiatives.

STORMWATER PROGRAM MANAGER'S REPORT

Derry Township Parks Water Quality Improvements – Bullfrog Valley Stream Restoration

Project design is nearly 100% complete and is estimated to provide approximately 200,000 lbs/yr in sediment reduction, 77,803 lbs/yr of which will be credited to Hummelstown Borough. Permit and permit waiver application reviews are nearly complete. HRG and Staff are working to find source(s) for the required type of stone that will be used in the restoration and address DEP comments regarding the use of required stone. Some potential material has been identified and excavated from the 2021 BMP Retrofit Project at a Stoney Run Basin. A rock formation encountered while excavating for part of the sanitary sewer extension project is believed to be the correct rock type and will be tested to confirm. The estimated start of construction is Fall 2022.

Deer Run Stream Restoration

Preliminary engineering and landscape design is complete and is estimated to provide over 480,000 lbs. of sediment reduction per year. Joint Permit Waiver application is approximately 95% complete. Staff comments have been addressed and the application is expected to be submitted before April. To reduce costs, this project is planned to be bid with the Bullfrog Valley Stream Restoration. In order to ensure completion within the next 12 months, the projects will be put out to bid once the first round of technical comments for Deer Run are addressed.

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

Having received the backordered pipe material, Kinsley Construction has nearly completed both Stoney Run Basins. They will be ready for final planting and stabilization within the next few weeks. Construction on Brookside Park has progressed significantly. HRG is working on a design to address unexpected conditions encountered during construction. Despite the minor delay while the design is developed, Brookside Park is anticipated to be completed by the end of April, weather permitting. Kinsley Construction submitted Application for Payment #2 for the work completed to date in the amount of \$60,403.91. HRG and Staff reviewed the pay application and recommend that the payment be processed from the SW Operating Fund.

Forest Avenue Basin and Swale Improvements

The permit application was submitted at the beginning of January and has received a deficiency letter from DCCD. The letter is requesting a PCSM plan for the design, because basins and swales are stormwater BMPs. The deficiency is being addressed by HRG, who will re-submit the permit application next week. Easements with Penn State Health and Penn State University, now two separate but collaborative entities, must be secured prior to construction. Bidding will occur upon permit receipt and will be bundled with the Oakmont Community Basin Retrofit. Estimated start of construction is in late Summer 2022.

PRP Amendment

The initial PRP plan has evolved and changed as the target project designs began to finalize and pollutant reduction calculations became more precise. Since the PRP projects have changed since the plan was first produced, a PRP Amendment is required to update the public and DEP. HRG has been contracted to draft and lead the PRP Amendment process, which will be coordinated with Hummelstown Borough as much as possible.

Township Supervisors Update

At the March 22nd Township Board of Supervisors Meeting, the Stormwater Program Manager was introduced. Staff provided an update on stormwater projects that are currently underway or are planned

to be underway in 2022. The update was well received. Further public outreach regarding planned projects was encouraged.

Oakmont Community Basin Retrofits

Project design will be finalized upon approval of the easement with Hershey Trust. This project will be bundled with the Forest Avenue Basin and Swale Improvements project since both projects are similar types of projects and both require obtaining easements. This project will replace the failing culvert under Wood Road at Limerick Lane and will protect downstream sanitary sewer infrastructure. The estimated start of construction is late Summer 2022.

The Meadows Outlet Structure Replacement

The Meadows development's main stormwater basin, located on the south side of Nye Road near Sandhill Road, ultimately outlets 20 feet below the north side of Nye Road. The basin outlet structure is failing and requires immediate replacement. Staff has been in discussion with the HOA to provide assistance with addressing the outlet structure. The basin and drainage swale leading to it have been identified for potential PRP credit in the next permit cycle. Due to the deteriorated state of the outlet structure and the potential impacts to Nye Road, staff is coordinating with HRG and the HOA to address the immediate need of fixing the outlet structure. Construction on this structure will begin in early April.

Stoverdale Road and Shopes Church Road

The final design is 90% complete. Staff is working on easement acquisition. The location of other utilities may complicate the Stoverdale Road Culvert Replacement and are being assessed.

Clark Road and Stonecutter Circle

The design of both projects is essentially 90% complete. Easement exhibits are being prepared. The necessity of the Clark Road project is being reevaluated.

Ridge Road Drainage Improvements

PennDOT HOP has been issued and project bidding can commence. Due to the current drainage issues and project location, full time inspection of this project is recommended. The design to relocate the PA American Water 16-inch water line has been completed and the company is ready to move the waterline. They are waiting on our construction schedule, which depends on the type of pipe used for construction. The advertisement of the bid was placed on March 22. B. Link asked if this project would include work to alleviate the flooding in front of the Wells Fargo building. Ms. Ryan explained that this project as designed is meant to address the flooding in the intersection of Ridge and Chocolate in the right turn lane leading to the underpass. Mr. Link expressed concern that the whole drainage/flooding area should be addressed to eliminate the need for more disruption to the streetscape in that area under future work.

Spring Creek Watershed Implementation Plan (WIP)

Additional stakeholders have been identified. Data and report gathering is underway. The funding source for this project requires the planning to be done for non-urbanized areas.

Public Outreach

Project information will be submitted to the Township for their weekly e-newsletter to inform residents of progress reports and road closures. The Director also noted that DTMA will provide information for the e-newsletter relative to its participation in Penn State Health and Penn State University's SARS surveillance program. DTMA has been participating in this program since 2020. These samples are analyzed to detect COVID cases in areas of the population.

A **motion** was made by B. Link, seconded by J. Canavan to approve payment of the stormwater invoice from Kinsley Construction in the amount of \$60,403.91 for the Brookside Park project. The motion passed unanimously by voice vote.

ITEMS FOR ACTIONS

Resolution #2022-13 – Ratification of project payments from the 2020 Capital Project Funds: Staff reviewed the payments from the 2020 Capital Project Fund requiring Board ratification. This resolution was then approved on a motion by B. Link, seconded by R. Furlan. The motion passed unanimously by voice vote.

Resolution #2022-14 – Appointment of Designation of Agent for P/FEMA Disaster Assistance and Resolution #2022-15 – Acceptance of Disaster Assistance Application and Agreement with P/FEMA: These Resolutions were approved on a motion by R. Furlan, seconded by B. Link. The motion passed unanimously by voice vote.

Resolution #2022-16 – Approval of Change Order #2 with Eastern Environmental for the Clearwater Energy Enhancements Project and Resolution #2022-17 – Approval of Change Order #3 with Eastern Environmental for the Clearwater Energy Enhancements Project: These resolutions were approved on a motion by R. Furlan, seconded by J. Canavan. The motion passed unanimously by voice vote.

Discussion on Resolution #2022-18 MRM Insurance Trust

In preparation for the 2022 insurance renewal period (April 1, 2022), Staff solicited quotes from its current broker, Murray Securus, and HUB International Company to ensure the Authority has the most comprehensive coverage and premiums that meet its expectations for managing risk and controlling loss.

HUB International is an exclusive broker for the Municipal Risk Management (MRM) Property & Liability Trust (PLT) Program. The PLT Program includes the following coverage: Property, Inland Marine, Crime, General Liability, Automobile Liability, Automobile Physical Damage; and Excess Liability (\$10 million). The PLT Program was established in 2005 to provide risk pooling programs of group insurance coverages to political subdivisions and public agencies of the Commonwealth of PA. The PLT Program currently has 263 participating members and has declared dividends in excess of \$33 million over the cumulative fifteen years since the program was established.

HUB International provided three examples of similar sized municipal authorities in PA that have received on average \$20k per year in dividends. The first two years under the program is the initial vesting period in which no dividends will be received. In the third through sixth year in the program, there's a potential to receive 20% of the dividends per year of vesting. From the seventh year and moving forward, the Authority could receive 5 years of dividends each and every year.

In comparing the quotes for the coverages, it appears that there could be a savings of approximately \$20,000 for 2022 by splitting the placement of coverages between the MRM Trust (through HUB International) and Murray Securus.

Resolution #2022-18 – Authorization to join the MRM Insurance Trust for Property and Liability coverages: This resolution was approved on a motion by R. Furlan, seconded by J. Canavan. The motion passed by voice vote. B. Link abstained from voting due to a business conflict.

NEW BUSINESS

Dauphin County Infrastructure Bank Program – General (DCIB-G)

With the completion of recent engineering studies by HRG and BC, Staff updated the Capital Improvement Plan (CIP) to include the estimated project cost projections for calendar years 2022-2026. The project listing in the CIP includes projects that are currently in-progress and at various stages of design or construction. As detailed in the CIP and with the issuance of Sewer Revenue Bonds, Series of 2022, the construction fund balance is projected to be fully disbursed in 2023. The funding gap is, therefore, projected to be approximately \$2 million in 2023, which assumes the Authority receives \$3.5 million in grant money from US EDA to support the SW WWTP Upgrade Project.

Staff attended the DCIB Program kickoff meeting on February 17th. Beginning in 2022, the DCIB Program was expanded to fund water, wastewater, and stormwater infrastructure improvement projects that support economic development and public health and safety. The term and fixed interest rate for this Program is 10 years and 1.75%, respectfully.

Staff believes that the Spring Creek Interceptor (SCI) Upgrade Project would meet the eligibility requirements for the DCIB-G Program. The estimated project cost is \$2.2 million, including engineering, inspection, and construction. Issuance of a DCIB-G loan for the SCI Upgrade Project will likely offset the need for the Authority to proceed with any additional borrowing in 2023, assuming the successful award of the US EDA grant.

Staff is also evaluating the possibility of submitting an application to DCIB-G Program to fund stormwater improvement projects such as the Ridge Road Drainage Improvements. As presented in the 2022 Stormwater Fund Budget, the Authority is projected to spend nearly \$4.5 million to complete stormwater projects in order to meet the pollutant reduction plan (PRP) as part of the DEP MS4 permit. If eligible, the DCIB-G Program loan provides the financial stability needed to continue to implement projects such as the Ridge Road Drainage Improvement while also maintaining an adequate stormwater fund balance for other program needs.

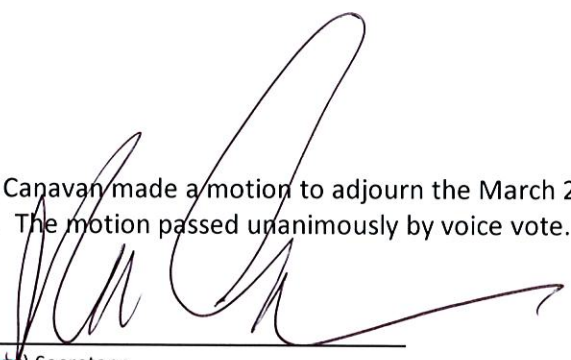
The next step for the DCIB-G Program is to attend a mandatory pre-application meeting with the County in April 2022. Funding applications are due by May 20, 2022 and a decision on the application approval by the County Commissioners is expected in July 2022. Loan settlement occurs in October 2022. At this time, Staff is seeking concurrence from the Board to proceed with the funding application process and present a resolution for adoption at the April Board meeting.

PUBLIC COMMENT

There was no public comment at this time.

ADJOURNMENT

With no further business to come before the Board, J. Canavan made a motion to adjourn the March 28, 2022 public meeting at 7:53 p.m., seconded by B. Link. The motion passed unanimously by voice vote.


(Assistant) Secretary