

**MINUTES OF THE MEETING
DERRY TOWNSHIP MUNICIPAL AUTHORITY
670 CLEARWATER ROAD
HERSHEY, PA 17033
MONDAY, OCTOBER 23, 2023**

The Derry Township Municipal Authority Board held its regular monthly meeting on Monday, October 23, 2023, 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		
Robert Cerminara	X	
Michael Corado (arrived at 6:04 p.m.)		X
Charles Duncan		
David Feidt	X	
Ronald Furlan	X	
Kelly Heffner-Means	X	
Carter Wyckoff		X
Staff		
William Rehkop (Executive Director)	X	
Kimberly Bloom (Deputy Director)	X	
Michael Postick (Stormwater Program Manager)	X	
Dennis Beck (Comptroller)		
Consultants		
Michael Pykosh (Dethlefs Pykosh)	X	
Josh Fox (HRG)	X	
Colin O'Brien (Brown and Caldwell)		
Other Attendees		
Lou Verdelli (Raymond James)	X	
Erica Wible (McNees Wallace & Nurick)	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 September 25, 2023 Board meeting. R. Cerminara seconded. The motion passed unanimously by voice vote.

APPROVAL OF TREASURER’S REPORT AND BILLS FOR PAYMENT

Staff presented the September Treasurer’s Report and Bills for Payment for approval. K. Heffner-Means made a motion to approve the reports, seconded by R. Furlan. The motion passed unanimously by voice vote.

STAFF UPDATES AND REPORTS

DCIB-G LOANS UPDATE

Lou Verdelli of Raymond James provided the loan update and reviewed the loan parameters. DTMA had applied for a loan for the Ridge Road Stormwater Improvements Project totaling approximately \$3,275,100. The Financing Team has been working with Dauphin County to assist with the details for the infrastructure pool supported by gaming revenues. The funding request was sent to several banks with four of them responding with varying rate options. Webster Bank was awarded the bid with a 20-year fixed rate of 4.86%, resulting in a net rate of 3.11% for the loan participants after the County loan subsidy of 1.75%. Dauphin County will issue a tax-exempt general obligation note for the entire financing amount for all projects. DTMA will then enter into a loan agreement with the County whereby DTMA will pledge stormwater receipts for repayment of the DCIB-G Note. To further secure repayment, The Township of Derry will enter into a Guaranty Agreement with the Authority and the County to guarantee proceeds for the loan repayment should it become necessary. Chairman Feidt noted that the County has requested the Township guarantee since there is pending litigation regarding the legality of stormwater fees being issued by municipal entities. The loan will have an annual debt service of approximately \$230,000. Closing on the loan will be by year end.

Erica Wible presented Resolution #2023-48 for approval authorizing the issuance of the Guarantee Revenue Note Series 2023 with Dauphin County.

Resolution #2023-48 – Approval of DCIB-G Loan Revenue Note with Dauphin County: This resolution was approved on a motion by R. Furlan, seconded by M. Corado. The motion passed unanimously by voice vote.

CONSTRUCTION CONTRACTS UPDATE

The Executive Director provided the following updates for current contracts.

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

A progress meeting and substantial completion walkthrough was held on October 19th by Brown and Caldwell (BC) to discuss the progress of remaining work and associated punch list items with Authority Staff as well as the Contractors.

PPL, Scott Testing and RK&K have completed the testing associated with the intertie protection relay as of September 15th. RK&K has provided the requested primary switchgear modification drawings to PPL which were subsequently approved by PPL. At this point, all items are completed that were required for the PPL interconnect agreement. RK&K has requested that PPL issue DTMA the certificate of Final Acceptance to Interconnect with the PPL grid. Staff awaits the agreement documentation from PPL. Once DTMA receives authorization from PPL, Cummins team will schedule the final system testing and training with Staff.

The Director noted that Staff met with representatives from Eastern Environmental regarding project close out and determined that liquidated damages are estimated to be approximately \$580,000. Staff will work with Eastern on ways to resolve the liquidated damages claim.

Raw Sewage Pumps Replacement [Contract 2020-03]

All four (4) Flygt Raw Sewage Pumps have now been installed and tested. Staff continues to work with RK&K, Heisey and Manada with respect to commissioning and training of the pump hoist system which is scheduled for October 26th. The contractors are continuing to address the outstanding punch list items, which are expected to be completed in the coming weeks.

Spring Creek Interceptor Upgrade Project [Contract 2022-01]

Josh Fox of HRG reported that work on East Derry Road, behind the Hershey Company Building on Mansion Road, and across Spring Creek continues. Ankiewicz (AEI) has completed the work to remove the asbestos piping behind Hershey Company Building 45. There were some issues discovered regarding pipe that had been embedded into the concrete footer for the building, which have been resolved. Work has resumed for the construction of the pipe bridge over Spring Creek. Ankiewicz has indicated that this work should be completed by the end of November. Also, the paving on Northeast Drive was reviewed with Derry Township and has been completed.

ENGINEERING STATUS REPORT

The Executive Director provided the following report on current contracts.

Southwest WWTP Upgrade and Expansion Project (Phase 1)

DTMA Staff continues to await US EDA's approval of the project plans and specifications. Once this process is approved, Hazen will proceed with the contract bid advertisement.

High Meadow Pump Station Upgrade

Mr. Fox reported that a meeting was held with HRG and Staff on October 16th to review the 90% design drawings and bid documents. Staff has provided HRG comments that will be addressed by HRG and a final 90% drawing and bid document set will be provided to Staff for final review before bidding, which is anticipated by the end of the calendar year.

On September 21st, HRG and the IDIQ excavation contractor (Rogele, Inc.) completed infiltration testing as required by the Dauphin County Conservation District as a conditional requirement of the NPDES permit application. HRG resubmitted the NPDES permit on October 23, 2024.

Coordination continues with Hershey Trust and their engineer in completion of the PADEP planning module for the Hershey West End development project. To date, the planning module remains to be completed by Hershey Trust. The WQM Part II permit is ready for submission to PADEP once the planning module is complete. Mr. Rehkop reported that the Trust's counsel continues to work on the Memorandum of Understanding with DTMA for the Trust's capital contribution for this upgrade project. The MOU needs to be addressed before DTMA can sign off on their planning module.

Maintenance Garage Expansion

Staff and SGS continue to work on the final design. It is anticipated that review of this project will resume in early 2024.

Southwest WWTP Headworks Project

A pre-bid meeting was held at the Southwest Wastewater Treatment Plant facility on Tuesday October 10th. All prospective bidders were welcomed on site to review the proposed work and facility. The pre-bid meeting was a success, as multiple general and electrical contractors were present for the meeting.

The bid opening date was Thursday, October 19th at 1:00 pm. There were five bids received for the General contract and three bids for the Electrical contract. Bids received were reviewed and certified via the certified bid tabulation. JP Environmental LLC was the lowest qualified bidder for the General Contract and Garden Spot Electric was the lowest qualified bidder for the Electrical Contract.

High Meadow Pump Station Drainage Basin Flow Monitoring Plan

All flow meters have been removed from their respective locations as of August 21st by Northeast Technical Sales (NTS). HRG is actively working to compile all flow metering data to be included in a draft report to be presented to Staff for review. The draft report will include prioritization rankings as well as a Capital Improvements Plan recommending investigation, design, and rehab/replacement schedules based on the findings from the study. HRG expects to present the final report to Staff in the coming weeks.

High Strength Organic Waste (HSOW) Offloading Station Improvements

HRG is finalizing the study based on discussions with Staff. Staff is investigating an alternate approach by utilizing the existing primary sludge thickener tank for equalization of the HSOW. This alternative would include installing a fiberglass cover on the tank for odor control and freeze protection in the winter months. Staff has requested and received cost estimates from various tank cover manufacturers. Staff is currently reviewing all options for the fiberglass cover and plans to make a decision in the coming months regarding the cover manufacturer.

Biosolids Drying and Gasification Project

Staff and Brown and Caldwell (BC) continue to move forward with planning and design of the biosolids drying and gasification project. Efforts remain concentrated upon prioritizing and reviewing numerous equipment and process submittals submitted by Ecoremedy. BC and Staff have evaluated the most feasible and cost-effective options for cake receiving, conveyance, and storage equipment.

Dustcon's NFPA and OSHA compliance study has progressed since the July 20th kick-off meeting with all parties. Dustcon held a final review meeting on October 13th. Dustcon submitted the final risk assessment matrix report on October 19th for Staff review.

Clearwater WWTF Headworks Upgrade Project

BC and Staff met on October 9th to further discuss the progress of the equipment evaluation. BC intends to move the design forward based on the meeting discussion with Staff, to include replacement of the headwork's screen equipment in kind as previously discussed and reviewed with Staff. This proposed in-kind replacement will eliminate the need for headwork's channel modifications, and ultimately provide a more cost-effective approach both in the short and long term.

IDIQ Sanitary Sewer and Storm Sewer Repairs

HRG issued the notice to proceed to both Contractors and has reviewed approved submittals for Contract 2023-01 – Excavation. HRG is currently in the process of reviewing and finalizing submittals for Contract 2023-02- Trenchless.

Staff has received and reviewed preliminary construction schedules and cost estimates from Rogele, Inc. for all proposed Work Order sites to be included in Contract 2023-01 - Excavation. Work Orders 1-3 will be issued pending Board approval.

MOTION by K. Heffner-Means, seconded by R. Furlan to issue work orders to Rogele as follows: Work Order 1 for Shank Park sewer line repairs, Work Order 2 for the installation of rip rap stone at the Clearwater Road plant site, and Work Order #3 for the replacement of a plant water pipe. The motion passed unanimously by voice vote.

STORMWATER PROGRAM MANAGER'S REPORT

Mr. Postick provided the following report for current contracts.

Forest Avenue Swale and Oakmont Community Basin Retrofits

The project contractor, Kinsley Construction, Inc. (Kinsley) has remobilized to the Oakmont site and is now continuing the work. The replacement of the storm sewer culvert across Wood Road is scheduled to begin on October 24, 2023 and will require an associated closure of Wood Road. The Township and public have been notified of the road closure.

Work on the replacement of the Shank Park entrance culvert will commence in late November. Work on the Forest Avenue swale will commence in the spring of 2024. Associated permanent easements and agreements with Penn State Health (PSH) and Penn State University (PSU) for the project work at the Forest Avenue site have been finalized and are in the process of board approval by PSH and PSU.

Bullfrog Valley and Deer Run Stream Restorations

On October 9th, DTMA Staff, HRG, Township personnel and the project contractor, Aquatic Resource Restoration Company (ARRC) conducted Substantial Completion inspections at both project sites. A Certificate of Substantial Completion and associated remaining punch list items were completed and provided to ARRC. Project final completion remains scheduled for mid-December 2023.

Stormwater Ordinance

The Township is looking to finalize the updated Ordinance, with a potential discussion at the Township Supervisors meeting on October 24th. Final adoption of the Ordinance is anticipated by year's end.

Ridge Road Drainage Improvements

DTMA Staff and HRG continue to advance project scheduling, final design, and permitting. Most of the required permits have been submitted. On October 13th, a field meeting was held with a qualified boring/jacking contractor to discuss specific approaches to install the storm sewer beneath the railroad. Feedback from the meeting is being used to refine the sewer alignment, improve boring setup design, and finalize the construction documents and the Railway Occupancy Permit Application.

On September 1st, DTMA Staff received written approval from the Dauphin County Industrial Development Authority for a Dauphin County Infrastructure Bank-General (DCIB-G) Loan in the amount of \$3,370,000.00 to complete funding of the project.

Stoverdale Road and Shopes Church Road Culvert Replacements

HRG is currently preparing bidding and construction specification documents for the replacement of seven (7) storm sewer culverts that cross the noted roads, with the intent to complete the work before planned Township repavement work on Stoverdale Road in 2024.

Stonecutter Circle Drainage Improvements

HRG is currently preparing final stormwater drainage modification design and associated plans for improvements to areas of failing open space drainage behind private residences on Stonecutter Circle.

Cambridge Commons Development

HRG has initiated their work on the hydraulic analyses of the project area.

Water Resource Enhancement Program (WREP)

A monthly meeting of the WREP advisory committee was held on September 27th to discuss potential modifications to levels of service offered by the program and their associated costs which were developed in response to participant comments and concerns. Voting on participation in the program has been postponed until the modified program options are made available and reviewed by the participants.

After much discussion among the Board, it was decided that DTMA would not commit to participation until further clarification on the proposed service levels is received. The Board is concerned that the cost for DTMA to participate may exceed the benefit since DTMA already has a plan in place for meeting the requirements of its MS4 Permit.

The next WREP meeting is scheduled for October 25th, at which time voting may occur regarding the decision to recommend WREP to the Dauphin County Commissioners. Staff is planning to attend this meeting and will express the Board's concerns for DTMA participation.

Stormwater Capital Improvement Plan (CIP) and Stormwater Program Fee Rate Study

The CIP and Rate Study will continue to be evaluated by DTMA Staff and HRG in conjunction with a determination of future stormwater program fees. Information was presented showing the need for a rate increase in 2024 since the aggregate funds received over the past 6 years have been used for projects that were needed for the MS4 Permit renewal. Staff will also meet with the larger commercial entities to let them know that an increase is planned so they can prepare their budgets accordingly. A recommendation for the proposed rate increase will be presented at the November 2023 Board meeting.

ITEMS FOR ACTIONS

Resolution #2023-46 – Ratification of project payments from the 2021C and 2022A Capital Project Funds for October: Staff reviewed the payments from the Capital Project Funds requiring Board ratification. This resolution was then approved on a motion by R. Furlan, seconded by R. Cerminara. The motion passed unanimously by voice vote.

Discussion on Resolution #2023-47

In preparation for the 2024 Wastewater and Stormwater Fund Budgets, Staff has prepared an employee compensation budget based on input from the Personnel Committee as well as national salary survey data projections such as the WorldatWork and Mercer's survey, SHRM, and the US Department of Labor Consumer Price Index (CPI). The reported survey results indicate a cost-of-living adjustment range of 3.9%

to 4.1% for 2024. Staff recommends for Board consideration an increase of 4% to non-exempt and exempt employee pay ranges which results in an overall compensation budget increase of \$111,618.

Resolution #2023-47 – Approval of the 2024 Wage and Salary Budget: This resolution was approved on a motion by K. Heffner-Means, seconded by R. Furlan. The motion passed unanimously by voice vote.

Resolution #2023-49 – Bid Award for the General Contract 2023-05 for the Southwest WWTP Headworks Improvements Project and Resolution #2023-50 – Bid Award for the Electrical Contract 2023-05: These resolutions were approved on a motion by R. Furlan, seconded by K. Heffner-Means. The motion passed unanimously by voice vote.

OTHER BUSINESS

PENNVEST – CWSRF Emerging Contaminant Fund


Staff had a meeting with representatives from PENNVEST to discuss future projects to see if they would qualify for PENNVEST funding. Staff has identified that the Biosolids Gasification Project could qualify for grant money under the “PFAS Remediation Program”, as one of the primary goals of this project is PFAS removal. Staff is actively seeking PENNVEST grant funding for this project; however, WQM and AQM permitting must be approved before PENNVEST funding can be pursued. Staff hopes to be able to meet the February 7, 2024 application cutoff date for the April 2024 PENNVEST Board award meeting.

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 23, 2023 public meeting at 7:45 p.m., seconded by R. Cerminara. The motion passed unanimously by voice vote.



(Assistant) Secretary