

**MINUTES OF THE MEETING
DERRY TOWNSHIP MUNICIPAL AUTHORITY
670 CLEARWATER ROAD
HERSHEY, PA 17033
MONDAY, MARCH 25, 2024**

The Derry Township Municipal Authority Board held its regular meeting on Monday, March 25, 2024, 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 Public virtually through Microsoft Teams. Chairman Feidt called meeting to order at 6:00 p.m.

ROLL CALL

Attendees	In-Person	Virtually
Board Members		
Robert Cerminara	X	
Michael Corado		X
David Feidt	X	
Ronald Furlan	X	
Randy Goss	X	
Kelly Heffner-Means	X	
Carter Wyckoff (arrived at 6:02 pm)		X
Staff		
William Rehkop (Executive Director)	X	
Kimberly Bloom (Deputy Director)	X	
Michael Postick (Stormwater Program Manager)	X	
Dennis Beck (Comptroller)	X	
Consultants		
Daryl Dethlefs (Dethlefs Pykosh)	X	
Josh Fox (HRG)	X	
Colin O'Brien (Brown and Caldwell)		X
Mike Hess (HRG)	X	
Other Attendees		
David Shaffer		X

PUBLIC COMMENT

There was no public comment at this time.

APPROVAL OF PREVIOUS MINUTES

M. Corado made a motion to approve the Minutes of the February 26, 2024 Board meeting. R. Furlan seconded. The motion passed unanimously by voice vote.

APPROVAL OF TREASURER'S REPORT AND BILLS FOR PAYMENT

Staff presented the February 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

CONSTRUCTION CONTRACTS UPDATE

The Executive Director provided the following updates for current contracts.

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

Since receiving the permission to operate (PTO) from PPL, Staff has successfully and continuously operated the gensets since early February without any major issues. This month's electric bill totaled \$0.78. Genset No. 1 reached the first service interval this past month based on engine runtime hours and has been successfully serviced by Cummins per the service agreement. Staff are very satisfied with Cummins service team as they routinely monitor the CHP facility remotely and continue to coordinate with operations staff for scheduled genset maintenance.

Since last month's update, the contractor and the equipment manufacturers have resolved many of the outstanding punch list items in relation to the biogas conditioning system. All minor remaining punch list items are expected to be completed in the next two months. Upon completion of all work, Staff will work with the engineer and contractors to complete the contract close-out procedures. Mr. Rehkop and Mr. O'Brien met with Eastern Environmental regarding the liquidated damages. Staff should see an offer from Eastern within the next month or so.

Progress continues with the demolition and foundation work in the Filter Building. Over the past month, Eastern Environmental Contractors (EEC) has encountered several underground piping conflicts within the footprint of the proposed foundation pads, which need to be resolved in order to move forward with the helical pile installation. During a recent inspection by the geotechnical engineer, unsuitable soil was observed around the foundation pads that required further excavation and placement of screened fill and compacted stone. It was also noted that the UV system effluent water chamber near one of the foundation pads is leaking and causing the nearby soils to slump, thereby creating void spaces under the existing concrete slab. EEC was able to repair the leak in a timely manner. The void spaces will require pressure grout once the concrete pads have been poured. BC and EEC prepared WCD No. 3 to quantify and track the additional unforeseen work (labor and materials) that has been identified to date. Even with the conflicts and schedule delays, Staff still anticipates completing the work ahead of the gasifier and drum dryer facility construction.

Pagoda submitted Change Order No. 5 which encompasses pricing for investigative work and labor, materials for the temporary wiring in the Filter Building associated with effluent pumps, UV system, hydronic heating loop and biosolids storage pad as noted under Work Change Directive (WCD) No. 12 as previously submitted by Pagoda and documented by Staff. This Change Order increases the Contract Price by \$37,213.43.

BC, RK&K, and Pagoda prepared WCD No. 13 to include estimated labor and materials to complete the permanent wiring in the Filter Building. Upon completion of the work, a change order will be prepared for the Board's approval to include the actual costs incurred for the work.

Raw Sewage Pumps Replacement [Contract 2020-03]

Pump testing procedures were completed on March 6th by Riordan Materials Corp., Heisey, and RKK with Staff facilitation. Staff awaits the testing data from Riordan for the work completed on site. We expect to receive the testing data by next month.

Spring Creek Interceptor Upgrade Project [Contract 2022-01]

Mr. Fox reported that AEI is nearing completion of the utility work at the Spring Creek crossing behind Hershey Building No. 45. In addition to the crossing, AEI is currently working on installation of the remaining manholes and sewer main connections at the West Mansion and East Derry Rd. intersection. Temporary detours on West Mansion continue as this work progresses. Staff and AEI have worked with the Township to communicate daily updates regarding the detour.

AEI provided a final, updated schedule for all remaining work in late February. The updated schedule indicates two more months of work on-site to complete all the remaining utility work and restoration associated with this Contract. Paving is scheduled for the week of May 13. Substantial completion should be reached by May 31 with final close out in June.

HRG submitted a request and justification for additional construction administration (CA) phase services resulting from previously reported unforeseen conflicts, which has caused construction delays throughout the duration of the project. The unforeseen conflicts, such as management of numerous unmarked utilities, have required additional contractor coordination. As the work continues to progress onsite, HRG has been performing the CA phase services to ensure the work meets our expectations.

IDIQ Sanitary Sewer and Storm Sewer Repairs (Excavation Contract 2023-01)

Rogele has completed all work associated with Work Order No. 2, Clearwater Road CHP Embankment Riprap Installation.

Rogele submitted Application for Payment No. 1 for the work completed under Contract 2023-01 Work Order 1 (all work outside of Shank Park Sewer Replacement). Rogele has since provided an update to Staff on the final surface restoration schedule for the Shank Park Sewer

Replacement worksite. They anticipate completion of all surface restoration in the mid-April timeframe at the park and temporary equipment staging areas.

IDIQ Sanitary Sewer and Storm Sewer Repairs (Trenchless Contract 2023-02)

MDVP completed all work associated with Work Order No. 1 (Trenchless Rehabilitation) in early March. Both the Milton Hershey baseball field and West Governor Road locations have been restored to their original conditions. Staff anticipates receipt of an application for payment associated with this work from MDVP in the coming weeks. Once received, Staff will review the AFP with HRG and provide recommendation for the AFP.

Southwest WWTP Headworks Upgrade (Contract 2023-05)

Staff continue to work with HRG to review and approve submittal packages for both Contracts (2023-04 – General Construction and 2023-05 - Electrical Construction). A final updated Construction Schedule remains outstanding for both Contractors (JPE and GSE).

The Duperon screening equipment is being stored at our CwR facility until JPE is ready to start construction. Recent communication from the HRG construction team indicates that JPE will be delaying their original late April start by a few weeks until all equipment is received. A more detailed update will be provided once final construction schedules are received from the respective Contractors.

ENGINEERING STATUS REPORT

The Executive Director provided the following report on current contracts.

Southwest WWTP Upgrade and Expansion Project (Phase 1)

Bids for the Project were received and opened on March 15th. Hazen has since reviewed, tabulated, and certified the bids after communicating the results with Staff. Hazen has prepared award recommendations for the Board's consideration and approval based on the following bid results:

- Contract No. 2024-01 to Pact Two, LLC for \$13,600,000
- Contract No. 2024-02 to Garden Spot Electric Electrical for \$2,965,000
- Contract No. 2024-03 to AH Moyer, Inc. for \$135,000
- Contract No. 2024-04 to Garden Spot Mechanical Ltd. For \$144,000

The total of all contracts is \$16,844,000. This total does include approximately \$1,200,000 of alternate items that may or may not be necessary. It was noted that DTMA did receive a grant approval of approximately \$3.5 million for this project. If additional financing is needed for this project, PENNVEST has very favorable rates so Staff will pursue that option if necessary.

High Meadow Pump Station Upgrade

This project is still on hold pending the receipt of further input and information from the West End developer. On March 19th, Staff and the Authority's solicitor held a meeting with the

Hershey Trust and their legal counsel to review the draft Pump Station Upgrade Contribution and Reimbursement Agreement. We anticipate the agreement to be finalized and ready for the Board's approval at an upcoming meeting.

High Strength Organic Waste (HSOW) Offloading Station Improvements

All applicable submittals have been submitted by CF Maier and reviewed by JPE and Staff concurrently. CF Maier anticipates installation of the thickener tank cover in June.

Biosolids Drying and Gasification Project

Staff and Brown and Caldwell (BC) continue to move forward with the planning and design of the biosolids drying and gasification project. The PENNVEST funding award decision will be announced at the PENNVEST Board meeting scheduled for April 24th. Based on recent discussions with DEP and PENNVEST, the Authority's project has a high probability of being awarded grant money based on the low volume of applications submitted.

BC, KAI, and Staff plan to tour the Ecoremedy (ECR) facility located in Edmonds, Washington the week of April 15th to further our understanding of the operations and maintenance involved with the ECR facility.

Mr. Rehkop noted that Staff has been in discussions with PADEP regarding the type of permit necessary for its facility. DEP's Clean Water program is looking to have facilities such as DTMA, who receive off-site high strength or food processing waste, obtain a separate permit for the digester under the Waste Management program. DTMA's acceptance of biosolids from other municipalities would also need to be considered in the permit decision.

STORMWATER PROGRAM MANAGER'S REPORT

Mr. Postick provided the following report for current contracts.

Forest Avenue Swale and Oakmont Community Basin Retrofits and Shank Park Culvert Replacement

The Shank Park Culvert has been fully installed and is complete. Work on the Forest Avenue swale and basin site remains scheduled for the spring of 2024. Final, revised versions of the easement agreements with Penn State Hershey and Penn State Medical have been received. After a final check by Staff, they can be executed.

Bullfrog Valley and Deer Run Stream Restorations (Derry Township Parks Water Quality Improvements)

DTMA Staff and HRG are also looking towards a follow-up inspection in early spring to determine how well the placed vegetation has established and if any vegetation replacements or improvements are needed prior to contract closeout. There are locations along Deer Run Stream where vegetation will likely have to be restored.

Ridge Road Drainage Improvements

The construction contract is currently open for bids, as of March 14th with bid award at the April Board meeting. Construction is anticipated to commence late May or early June. Norfolk Southern has requested a fee of \$52,900 to grant their permit and associated license. Similarly, PPL has requested a fee of \$56,000 to relocate a duct bank to accommodate this project. Payment of these fees will be on hold until received bids are reviewed. DTMA Staff continues to coordinate with the affected property owners to obtain temporary and permanent easements.

DTMA and HRG are coordinating with PAWC regarding confirmation of the precise location of their water utilities on Park Blvd to ensure there are no adverse conflicts during construction. PAWC also needs to provide a timeline for the relocation of a water line in Ridge Road between W. Chocolate Avenue and the railroad. PADOT is also requiring that work in West Chocolate Avenue be performed at night.

Stoverdale Road and Shopes Church Road Culvert Replacements

Bidding and construction specification documents for the replacement of seven (7) storm sewer culverts that cross the noted roads are 95% complete. We anticipate bidding the project in Summer 2024.

Stonecutter Circle Drainage Improvements

Design plans and bid documents shall be finalized upon obtaining an access easement agreement with local property owner(s) who will be affected by the construction.

Cambridge Commons Development

HRG has completed a stormwater runoff hydraulic analysis of the project area. Although preliminary, there is some indication that minor modifications to the Brookside Park basin structures could benefit the downstream development.

Stormwater Program Management Fee

DTMA Staff continue to reach out to significant stakeholders within the Township to discuss the recent SMP fee adjustment. A related meeting with The Hershey Company was held on March 7th. Staff continues to review existing accounts to determine the status of credits and any opportunities for ratepayers to apply for credits.

IDIQ Sanitary Sewer and Storm Sewer Repairs

Having identified several locations for small-scope stormwater infrastructure repairs and/or replacement, Staff and HRG are advancing multiple Work Orders. Staff also met with the Hershey Company on March 7th to discuss the impact and scheduling of a sewer replacement on Reese Avenue.

Route 230 Connections in Londonderry Township

Mr. Fox reported that HRG is working with DTMA Staff on sizing of the flow metering manhole for the Pine Manor Mobile Home Park in Londonderry Township. This information will help with the bulk usage agreements for the mobile home parks.

ITEMS FOR ACTION

Resolution #2024-13 – Ratification of project payments from the 2021C and 2022A Capital Project Funds for March: 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.

Resolution #2024-14 – Bid Awards for the Southwest Wastewater Treatment Plant Upgrade Project: The resolution to award the General, Electrical, HVAC, and Plumbing contracts was approved on a motion by K. Heffner-Means, seconded by M. Corado. The motion passed unanimously by voice vote.

Resolution #2024-15 – Approval of Change Order #5 with Pagoda Electric for the Clearwater Energy Enhancements Project Electrical Contract: This resolution was approved on a motion by R. Furlan, seconded by R. Cerminara. The motion passed unanimously by voice vote.

Resolution #2024-16 – Approval of HRG Supplement #1 for Spring Creek Interceptor Upgrade Project Construction Phase Services: This resolution was passed on a motion by K. Heffner-Means, seconded by M. Corado. The motion passed by voice vote. D. Feidt abstained from voting due to a professional business association with HRG.

Discussion on Resolution #2024-17

Mr. Beck explained that DTMA had previously entered into an Investment Management and Depository Agreement with Dauphin Deposit Bank for the management of its accounts. Dauphin Deposit Bank was subsequently acquired by M&T Bank. Wilmington Trust has now become the successor of this agreement and determined that three of the DTMA funds had been opened under the Investment Management agreement when they should have had Custody Agreements. Therefore, they have presented Custody Agreements for the Operating Reserve, Flood, and Operating Investment Funds for approval.

Resolution #2024-17 – Approval of Custody Agreements with Wilmington Trust for the Operating Reserve, Flood Fund, and Operating Investment Accounts: This resolution was approved on a motion by R. Furlan, seconded by R. Cerminara. The motion passed unanimously by voice vote.

OTHER BUSINESS

Mr. Postick noted that DTMA has received a Dauphin County Premier Project Award for the Bullfrog Valley Road stormwater project in partnership with Hummelstown Borough.

PUBLIC COMMENT

There was no public comment at this time.

ADJOURNMENT

With no further business to come before the Board, R. Goss made a motion to adjourn the March 25, 2024 public meeting at 6:55 p.m., seconded by R. Cerminara. The motion passed unanimously by voice vote.

A handwritten signature in black ink, appearing to read 'R. Goss', written over a horizontal line.

(Assistant) Secretary