

**MINUTES OF THE MEETING
DERRY TOWNSHIP MUNICIPAL AUTHORITY
670 CLEARWATER ROAD
HERSHEY, PA 17033
MONDAY, MAY 20, 2024**

The Derry Township Municipal Authority Board held its regular meeting on Monday, May 20, 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		
David Feidt	X	
Ronald Furlan	X	
Randy Goss		
Kelly Heffner-Means	X	
Carter Wyckoff (arrived at 6:04 pm)		X
Staff		
William Rehkop (Executive Director)	X	
Kimberly Bloom (Deputy Director)	X	
Michael Postick (Stormwater Program Manager)	X	
Dennis Beck (Comptroller)	X	
Consultants		
Darrell Dethlefs (Dethlefs Pykosh)	X	
Josh Fox (HRG)		
Colin O'Brien (Brown and Caldwell)		
Mike Hess (HRG)	X	
Other Attendees		

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 April 22, 2024 Board meeting and the May 6, 2024 Special Board Meeting. K. Heffner-Means seconded. The motion passed unanimously by voice vote.

APPROVAL OF TREASURER'S REPORT AND BILLS FOR PAYMENT

Staff presented the April 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]

All minor remaining punch list items are expected to be completed over the next month. Upon completion of all work, Staff will work with the engineer and contractors to complete the contract close-out procedures.

Work in the Filter Building should be completed by the next Board meeting. Goliath has successfully installed all 32 originally designed helical piles, as well as 3 additional helical piles as required by the geotechnical engineer. EEC, BC, and Staff continue to quantify and track the additional unforeseen work (labor and materials) that has been identified to date under WCD No. 3.

Pagoda has since completed all investigative, temporary, and permanent electrical wiring work as identified and tracked under WCD No. 13 and has submitted Change Order #6 for approval.

Spring Creek Interceptor Upgrade Project [Contract 2022-01]

AEI has completed all utility installation work associated with this project. Staff and HRG held a meeting on site May 7th to confirm restoration limits with the Township Public Works Staff. AEI will continue their daily coordination efforts with the Township to communicate any updates regarding the detours associated with the remaining pavement restoration work along East Derry Road near the intersection of West Mansion.

HRG has submitted Change Order No. 7 which encompasses pricing for additional labor, material, and equipment as a result of unforeseen utility conflicts encountered as part of the project to include: a custom manhole due to utility conflicts, relocation of a proposed manhole, and installation of a lamp hole riser for access. The additional work was tracked by the engineer under Work Change Directive No. 3. This change order increases the Contract price by \$113,646.39.

HRG has also shared a draft of the Final Adjusting Change Order (FACO), which includes a breakdown of the line-item quantity overrun/underrun excluding the final pavement restoration

work, which will be completed in the coming weeks. The FACO notes a credit of approximately \$150,000 for this project.

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

Rogele has successfully completed all final pavement and surface restoration work within the Shank Park Work Order limits as of May 1st. This final restoration work closes out Work Order No. 1.

Staff received and reviewed all applicable information including construction schedule, cost estimate from Rogele for Work Order No 6. This Work Order includes manhole frame and cover replacement along Rhue Haus Lane, Innsbruck Drive, and along Alpine Drive, just east of Bullfrog Valley Rd.

A motion was made by K. Heffner-Means, seconded by R. Furlan to approve IDIQ Contract 2023-01 Work Order No. 6 with Rogele Inc. The motion passed unanimously by voice vote.

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

MDVP has completed all work associated with Contract 2023-02, Work Order No. 1. Staff closed out this Work Order as of last month after payment was received by MDVP. Staff have been working with HRG and MDVP to establish construction cost estimates for the trenchless, CIPP lining efforts associated with rehabilitating a 400 linear foot section of deteriorated sewer main along Chocolate Avenue. Staff anticipates preparing a work order for approval at next month's board meeting once all backup information is received, reviewed, and finalized with HRG.

Southwest WWTP Headworks Upgrade (Contract 2023-05)

JPE has started the equipment demo work within the Southwest Plant headworks building. Staff continue to inspect all work progress on-site. A final updated construction schedule from the Electrical Construction Contractor (GSE) remains outstanding and is expected to be provided in the coming weeks.

ENGINEERING STATUS REPORT

The Executive Director provided the following report on current contracts.

Southwest WWTP Upgrade and Expansion Project (Phase 1)

Staff received US EDA's approval on May 2nd to award the bids. Each respective Contractor has completed all administrative and Contractual requirements per the Notice of Intent to Award. All hard copies of the Contract Documents were received, reviewed by Hazen, and executed and recorded by Staff as of May 9th. Hazen has since distributed the Notice to Proceed to each Contractor on May 14th.

Staff and Hazen held the preconstruction conference remotely on Tuesday May 14th and all prime contractors attended the meeting remotely. A follow-up preconstruction conference will be held by Staff and Hazen on June 11th with the Dauphin County Conservation District (DCCD) to review

all applicable Erosion and Sedimentation (E&S) control and Post Construction Stormwater Management (PCSM) requirements with the General Contractor.

High Meadow Pump Station (HMPS) Upgrade

The developer for the West End Development (Hershey Trust Company) has submitted the PADEP Sewage Facilities Planning - Component for staff review and approval.

Mr. Rehkop thanked everyone for their input and assistance with preparing the Pump Station Upgrade Contribution and Reimbursement Agreement with Hershey Trust Company. The Agreement was reviewed by the Authority's solicitor, Chairman Feidt, and Secretary Furlan and was provided to the Board prior to the meeting. Highlights of the Agreement include the following:

- Contribution percentage (35.72%) of the total project costs of approximately \$8.1 million
- Payment terms: 4 equal installments, Letter of Credit, paid in full by December 2026
- Guaranty of Capacity to serve the West End Development, at the current tapping fee rate of \$10.50 per gallon per day through buildout of the project
- Developer Reimbursement Component of the Tapping Fee (to be adopted by the Board at a later date).

Biosolids Drying and Gasification Project

The PENNVEST funding award decision was announced at the PENNVEST Board meeting on April 24th. DTMA's Executive Director and Deputy Director attended the meeting and provided a brief presentation to further explain the project goals and objectives prior to announcement of the funding allocation decision by PENNVEST.

The Director was pleased to report that DTMA was offered \$4,200,000 in grant money for this Biosolids Facility Improvements Project. PENNVEST also offered the Authority a \$10 million loan at a very low interest (1.74% interest only period for 5 years and a 2.1% interest rate for year 6 and beyond) for funding this project. The Letter of No Prejudice preclosing document was received which permits DTMA to move forward with the project prior to the closing of the funding offer in September. Ecoremedy should be onsite by July to begin their work on this project.

In September of 2022, it was determined as part of the project design that additional structural steel supports would be required in order to elevate some of the equipment above the 100-year flood level. Ecoremedy provided DTMA with a quote for this work; DTMA also requested a quote from AIS (formerly Heisey Mechanical). It turned out the Ecoremedy's quote was also provided by AIS. Both quotes were within \$50,000 of each other. Staff will also reach out to PENNVEST to make sure that this change is handled in accordance with their requirements. A change order is being prepared for the total cost of this additional work for presentation at the June Board meeting.

Clearwater WWTF Headworks Upgrade Project

Staff met with Brown and Caldwell (BC) on May 2nd to review progress of the design and drawings. BC also discussed with Staff that an engineering services amendment #1 was forthcoming to include additional electrical and integration and controls (I&C), bid phase services, construction phase services. This additional work is required to prepare traditional bidding documents, as the project was originally planned to be bid through the CoStars procurement program. BC has provided a breakdown of the scope of work and fees associated with the BC and RKK engineering services for this project in the attached Amendment in the amount of \$42,733.00.

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

Kinsley Construction, Inc. is actively working at the Forest Avenue site and will continue into June. Due to some delays to the start of the work at the Forest Avenue site while awaiting final temporary and permanent construction easements from Penn State University and Penn State Health, Staff has authorized Contract Change Order No. 5, which will extend the Substantial Completion and Final Payment dates to June 7, 2024 and June 28, 2024, respectively, at no additional cost to DTMA.

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

The project contractor, Aquatic Resource Restoration Company (ARRC), has begun the delivery and installation of replacement/supplemental plantings at the two project sites and will continue to do so in tandem with Staff and HRG's assessment and recommendations for improving and rectifying those portions of the site work where vegetation did not establish per contract requirements. This will include the potential use of alternative but native vegetation species. Mr. Postick met with members of the Deer Run Homeowners Association to update them on what work remains in the replacement plantings for this site.

IDIQ Sanitary Sewer and Storm Sewer Repairs

DTMA Staff and HRG are working to finalize two more Work Orders for storm sewer infrastructure projects, namely Work Order Nos. 2024-S8 and 2024-S9.

Work Order No. 2024-S8 will involve the replacement of approximately 80 linear feet of existing corrugated metal storm sewers and potentially one storm sewer inlet on Bittersweet Drive in the Meadows at Hershey development. Mr. Postick will work with the Township on repaving this area.

Work Order No. 2024-S9 will involve the excavation and removal of approximately 35 linear feet of the previously abandoned 18 to 20-inch concrete storm sewer that was left in place within a private property at 38 Locust Avenue. The Solicitor remarked that DTMA should have the

homeowner sign a release stating that they understand that the removal of this pipe may not completely alleviate their water issues within their basement. The Director also suggested that a temporary right-of-way easement for this work should be included with the release.

Rogele, Inc. has been directed to provide final cost estimates for their work associated with these two Work Orders. DTMA estimates that Work Order No. 2024-S8 will have a construction cost of approximately \$45,000 to \$50,000, while Work Order No. 2024-S9 will have a construction cost under \$10,000. DTMA Staff hereby recommends a motion to approve the execution of these Work Orders once Rogele provides final cost estimates and schedules which meet with Staff and DTMA concurrence and approval.

A motion was made by K. Heffner-Means, seconded by R. Furlan to approve IDIQ Contract 2023-01 Work Orders No. S8 and No. S9 with Rogele Inc. once final cost estimates and schedules are approved by Staff. The motion passed unanimously by voice vote.

Ridge Road Drainage Improvements

DTMA is awaiting receipt of the required Highway Occupancy (for work within West Chocolate Avenue right-of-way) project permit approval. The PAG-02 NPDES General Permit for Stormwater from Construction, Norfolk Southern Railway Occupancy/License Agreement, and Pennsylvania PASPGP-6 State Water Obstruction and Encroachment Permit (Joint Permit) have all been received.

Regarding the construction contract, a written notice was sent to MDX Site on May 13th indicating the Board's intent to award the contract to them and to request submission of the required bonds and insurance documents. Prior to their submission, MDX was questioning whether the railroad right-of-way work needs to be completed under a 24-hour work schedule once the work begins. It was explained to them that this is a requirement of the Occupancy/License Agreement with Norfolk Southern and is nonnegotiable. MDX has indicated that the subcontractor who would be performing this work for them may not be able to fulfill this obligation based on their current staffing. Mr. Hess noted that MDX has until May 22, 2024 to submit the required bonds and insurance documents. If the documents are not received by then, DTMA could issue a Notice of Default and make the award to the second lowest responsive, responsible bidder, Ankiewicz Enterprises.

Since the 24-hour work requirement is unusual, HRG checked with Ankiewicz to make sure that they would be able to meet Norfolk's requirements in case they are awarded the bid. It seems that Ankiewicz submitted their bid using an estimate for the work from the same subcontractor that MDX was planning to use. The difference being though that Ankiewicz was aware of the 24-hour construction requirement and agreed to provide labor assistance to the subcontractor, so this requirement will not be an issue for Ankiewicz. HRG also confirmed with Ankiewicz that they could still perform the work this year even though there has been a delay of 30-60 days in the award of this project. Ankiewicz noted that they felt confident that the project could be started and the bulk of it completed this year but may request a time extension near the end of the project if it looks like they cannot complete all the work according to schedule.

A motion was made by D. Feidt, seconded by R. Furlan to authorize the Executive Director to award the project to the second lowest bidder, Ankiewicz Enterprises, if the low bidder is unable to provide the required bidding documents. The motion passed unanimously by voice vote.

Mr. Hess noted that DTMA has 30 days after DTMA provides the low bidder and their bonding company with a Notice of Default stating that DTMA will be holding MDX's bid bond. A statement of amount due to recover costs associated with project delays and expenses for defaulting on their bid would need to accompany this Notice. The Solicitor will look into this and can provide more information to the Board at their June 24, 2024 Board meeting.

ITEMS FOR ACTION

Resolution #2024-22 – Ratification of project payments from the 2021C and 2022A Capital Project Funds for May: 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 K. Heffner-Means. The motion passed unanimously by voice vote.

Resolution #2024-23 – Approval of Brown and Caldwell Design Amendment #1 for the Clearwater WWTF Headworks Upgrade Project: This resolution was passed on a motion by K. Heffner-Means, seconded by R. Furlan. The motion passed unanimously by voice vote.

Resolution #2024-24 – Approval of the May 20, 2024 Revision of the Employee Handbook: The Personnel Committee worked with Staff and labor counsel on the revisions and updates to the Employee Handbook. R. Furlan made a motion to approve the revised Handbook upon recommendation from the Personnel Committee, seconded by R. Cerminara. The motion passed unanimously by voice vote.

Resolution #2024-25 – Approval of Change Order #6 with Pagoda Electric for the Clearwater Road Energy Enhancements Project: This resolution was passed on a motion by R. Furlan, seconded by K. Hefner-Means. The motion passed unanimously by voice vote.

Resolution #2024-26 – Approval of Change Order #7 with Ankiewicz Enterprises for the Spring Creek Upgrade Project: This resolution was passed on a motion by R. Furlan, seconded by K. Heffner-Means. The motion passed unanimously by voice vote.

Resolution #2024-27 – Approval of the High Meadow Pump Station Contribution and Reimbursement Agreement with Hershey Trust Company: This resolution was passed on a motion by R. Furlan, seconded by R. Cerminara. The motion passed unanimously by voice vote.

OTHER BUSINESS

There was no other business to come before the Board at this time.

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 May 20, 2024 public meeting at 6:56 p.m., seconded by R. Cerminara. The motion passed unanimously by voice vote.

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

(Assistant) Secretary