MINUTES OF THE MEETING
DERRY TOWNSHIP MUNICIPAL AUTHORITY
670 CLEARWATER ROAD
HERSHEY, PA 17033
MONDAY, AUGUST 24, 2026

The Derry Township Municipal Authority Board held its regular monthly meeting on Monday, August 24, 2026, in the Conference Room of the Authority's Administration Building, 670 Clearwater Road, Hershey, Pennsylvania. The meeting was also made 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		
Kelly Heffner-Means	X	
Carter Wyckoff		V
Staff		
William Rehkop (Executive Director)	X	
Kimberly Bloom (Deputy Director)	X	
Michael Postick (Stormwater Program Manager)	X	
Dennis Beck (Comptroller)	X	
Elijah Sells (Stormwater Technician)		X
Consultants		
Michael Pykosh (Dethlefs Pykosh)	X	
Justin Bates (HRG)	X	
Mike Hess (HRG)	X	
Colin O'Brien (Brown and Caldwell)	X	
Other Attendees		
Timothy Horstmann (Eckert Seamans)		X
Brett Flowers (Eckert Seamans)		X
Dan Clearfield (Eckert Seamans)		X

PUBLIC COMMENT
There was no public comment at this time.

APPROVAL OF PREVIOUS MINUTES

K. Heffner-Means made a motion to approve the Minutes of the July 27, 2026 Board meeting, seconded by M. Corado. The motion passed unanimously by voice vote.

APPROVAL OF TREASURER'S REPORT AND BILLS FOR PAYMENT

Staff presented the July Treasurer's Report and Bills for Payment for approval. K. Heffner-Means made a motion to approve the report, seconded by R. Cerminara. The motion passed unanimously by voice vote.

EXECUTIVE SESSION

The Board adjourned into Executive Session at 6:01 p.m. to discuss a legal issue related to stormwater. The meeting was reconvened at 6:42 p.m.

STAFF UPDATES AND REPORTS

2026 MID-YEAR BUDGET TRACKING & FINANCIAL OUTLOOK

Overall Budget Status

DTMA remains on track for both wastewater and stormwater operations. Revenue is within 0.1% percent of projected budget amounts, and expenditure is approximately 5% below budget. Overall, DTMA is projecting a surplus of approximately $3.5 million, which is consistent with the budgeted amount and approximately 1% above projection.

Wastewater Fund Outlook

- Bond interest expense remains in line with projections.
- Government grants and capacity fee revenue are slightly below anticipated levels, reducing the projected operating margin.
- Schedule C indicates that operating fund balances are projected to decrease by several hundred thousand dollars by year-end.
- Restricted funds reflect the use of capital improvement funding, including a significant decrease in the Wastewater Resource Allocation Fund, which is being used to pay for most non-PENNVEST capital improvements.

Stormwater Fund Outlook

- Stormwater revenue is projected to remain on budget.
- Project expenditures are expected to be approximately $500,000 under budget.
- Operating revenue is projected to decrease slightly by year-end, by approximately $155,000.
- DCIB funds for the Ridge Road project have been fully expended, and the remaining related project funds are nearly depleted.

Staff reported that DTMA remains financially on track for the year and is expected to finish close to budget projections.

CONSTRUCTION CONTRACTS UPDATE

The Executive Director provided the following updates for current contracts.

IDIQ SANITARY SEWER AND STORM SEWER REPAIRS [EXCAVATION CONTRACT 2023-01]

Rogele began the sewer repairs identified in Work Order No. 2026-09, which was approved in July. The repairs are expected to be completed within one to two months. As part of this work, Rogele also plans to reinstall the sewer manhole on Buttercup Circle and complete the final paving associated with Work Order No. 2026-06.

IDIQ SANITARY SEWER AND STORM SEWER REPAIRS [TRENCHLESS CONTRACT 2023-02]

During the week of August 3rd, Mobile Dredging & Video Pipe (MDVP) began the manhole rehabilitation identified under Work Order No. 2026-01. MDVP has noted difficulties with removing several of the failed liners in existing manholes and are working with Staff and HRG to resolve the issue.

CLEARWATER PLANT DRAIN LINING PROJECT [COSTARS]

Snyder Environmental anticipates starting work within the next couple of weeks. DTMA will initiate drain line cleaning efforts prior to their mobilization to the site.

SOUTHWEST WWTP UPGRADE AND EXPANSION PROJECT [CONTRACT 2024-01 through 2024-04]

The Southwest WWTP Upgrade and Expansion Project continues to progress on schedule. The UV equipment and chemical feed systems have been installed. Electrical work has increased substantially, with wire pulls and new motor control center terminations currently underway. Three major electrical shutdowns and changeovers are scheduled over the next several weeks.

With the project nearing 80% completion, approximately $424,938 remains available in the General Contract bid allowance. Staff also noted that an additional $300,000 to $400,000 may be available within bid quantities allocated for surface repairs to the modified oxidation ditches and approximately $37,000 remains available in the electrical contract with Garden Spot.

As part of the Southwest Plant Upgrade Concept Study, Hazen evaluated the potential installation of a fourth clarifier as a future phase when average daily flow exceeds 1.33 million gallons per day. The study estimated the cost of the future phase at approximately $6.7 million, including the additional clarifier, modifications to the existing return activated sludge (RAS) building, and construction of a new headworks building. Hazen and staff subsequently requested that Pact Two prepare an estimate for constructing the fourth clarifier under the current project. Pact Two provided a 90% estimate of approximately $1.33 million. The estimate excludes electrical work and assumes that the existing RAS building can accommodate the additional pumps.

Staff advised the Board that the remaining contract allowances could be credited back at contract closeout; however, Staff are also evaluating whether a portion of the allowances may be used to advance future plant capacity needs. Staff noted that completing related work while Pact Two remains mobilized on site may provide a cost-saving opportunity, particularly given the likelihood of increased construction costs if the work is deferred. Staff are coordinating with Hazen to

determine the applicable design, permitting, and DEP Part II permit amendment requirements. Staff further noted that the planning components are generally in place through the Act 537 Plan, the existing RAS building may be able to accommodate additional pumps, and majority of the Headworks improvements recommended in the study have already been completed. Staff indicated that the addition of a fourth clarifier would add approximately 200,000 gallons per day of capacity bringing the plant to 1.5 mgd for treatment.

The Board consensus was to have staff proceed with getting cost estimates from the contractors and engineers for this proposed work.

BIOSOLIDS FACILITY IMPROVEMENTS [CONTRACTS 2022-06PP, 2024-06G, 2024-06E, 2024-06H]
Director Rehkop reported that start-up and commissioning activities continue to progress. Contracts 2024-06E, 2024-06H, and 2024-06G have all requested final completion inspections. Ecoremedy continues to focus primarily on drum dryer operation only mode with the goal of producing a high-quality, uniform pellet with sufficient durability to maintain its integrity throughout the conveyance systems. The dryer system is currently producing a Class A product with higher dust content than what is optimal for blending with Class B Biosolids to feed the gasification system. Staff expect Ecoremedy to make the necessary operational improvements to lower the dust content and produce a higher quality Class A Biosolids material.

Mr. O'Brien reported that Ecoremedy's official commissioning period began on June 15th. The project is approximately 70 days into the 180-day commissioning period. In late June and early July, Ecoremedy produced both char product and Class A product; however, they have since experienced difficulty producing a consistent Class A product. Over the past three weeks, including the current week, Ecoremedy has focused on improving the Class A product. Producing the product in pellet form is expected to improve the gasification process. These types of adjustments are considered typical during startup and commissioning of an advanced thermal treatment process, and the team remains fully engaged in resolving the issue. The current 180-day commissioning period is scheduled to end on December 12th. If the performance criteria are not met by that date, Ecoremedy will be responsible for an additional 120-day commissioning period, or until the performance criteria are achieved. It appears likely that the commissioning period may extend beyond December 12th. This update is being provided to keep the Authority informed and to help ensure the system ultimately performs as intended. Progress will continue to be monitored, and additional information will be shared with the team as it becomes available. As a reminder, DTMA is holding approximately $100,000 for the construction punch list and about $2.2M for the final installation and commissioning payment.

Staff received notice that the Township Building Permit, which was reviewed by the Township's third-party reviewer, will be issued shortly. Staff and BC also prepared and submitted a response to DEP's comment letter dated July 7th for the Municipal Waste General Permit application (WMGM065).

As the project transitions from construction to operations, BC has approximately $96k remaining under the construction and inspection services agreement. The operational phase includes

Ecoremedy's initial 180-day facility commissioning period and, if necessary, an additional 120-day remedy period to satisfy the contract's commissioning performance requirements.

Staff have requested that BC continue providing support throughout the operational phase. The proposed services include supporting the startup and operation of the new biosolids drying and gasification systems; providing on-site commissioning observation; advancing the air quality, solid waste, and Class A biosolids permits; and assisting with the management of dried biosolids and char/ash products. BC prepared a proposal to provide these services for an estimated fee not to exceed $488,907.

HIGH MEADOW PUMP STATION (HMPS) UPGRADE [CONTRACTS 2025-02, 2025-03, 2025-04]
The new concrete slab for the wet well was determined to be approximately one foot larger than required. HRG prepared an engineered solution to address the slab issue, which Sippel will complete at no cost to DTMA. No issues are anticipated as a result of the modification. Final completion date is now set for March 2027 and is well before the substantial date of September 2027.

ENGINEERING STATUS REPORT
The Executive Director provided the following report on current contracts.

SOUTH HANOVER TOWNSHIP (SHT) SWATARA CREEK PUMP STATION FORCE MAIN UPGRADE
During the past month, Pact One LLC completed installation of the gravity sewer lines, manholes, and force main beneath Swatara Creek. All newly installed sewer facilities passed the required testing, and Authority staff completed televising the gravity sewer lines. Remaining work includes abandoning the existing force main and completing piping modifications within the pump station.

STORMWATER PROGRAM MANAGER'S REPORT
Mr. Postick provided the following report on current contracts.

DEER RUN AND BULLFROG VALLEY RUN STREAM RESTORATIONS (DERRY TOWNSHIP PARKS WATER QUALITY IMPROVEMENTS, CONTRACT 2022-03)
Staff, the Deer Run HOA landscaper, and Herbert, Rowland & Grubic, Inc. (HRG) continue to advance improvements to the Deer Run Stream as well as Bullfrog Valley Stream Restoration areas, particularly with respect to storm damage. These improvements are to be made this season. Staff also provided a tour of the Deer Run Stream Restoration project to representatives of Milton Hershey School on August 20th, as they are planning a similar project on their campus and expressed interest in DTMA's similar project.

FOREST AVENUE SWALE, OAKMONT COMMUNITY BASIN RETROFITS AND SHANK PARK CULVERT REPLACEMENT (CONTRACT 2022-05)
Staff continue to investigate general maintenance improvements to the Forest Avenue Swale project area (e.g. debris removal from influent structure and upstream channel) as well as to the Oakmont Community Basin, which was also damaged during the recent storm. Staff participated in a meeting of the Oakmont community HOAs on August 18th to discuss the above.

RIDGE ROAD DRAINAGE IMPROVEMENTS

Ankiewicz Enterprises, Inc. (Ankiewicz) has completed all Substantial Completion work as identified in the June 30th Punchlist. All pavement restoration, crosswalk installation and pavement painting work is also now fully complete. Some minor grass restoration and growth in a few areas remain.

There has been no progress or update with respect to the attempt to reach an agreement between Ankiewicz and Turn-Key Tunneling, Inc. regarding contract claims associated with additional work and time delays incurred during the boring/jacking operation beneath the Norfolk Southern railroad. Mr. Postick reported that Ankiewicz is amenable to the adjustments to the final pay application discussed at a previous Board meeting.

IDIQ SANITARY SEWER AND STORM SEWER REPAIRS

Staff continue to advance additional storm sewer and inlet rehabilitation projects in 2026 under Contract 2023-01 with Rogele, Inc. Mr. Postick reviewed the status of some of the previously approved projects.

STONECUTTER CIRCLE DRAINAGE IMPROVEMENTS

Staff continued to contact the owners of the remaining property that requires an easement and related agreement to be finalized before proceeding with site work. A follow-up response from them was received, and a related meeting will be held with them on August 25th to finalize the easement. The contractor has been agreeable with respect to delaying the project Notice to Proceed date as this occurs.

HARVEY ROAD STORM SEWER REPLACEMENT

HRG continues to progress with project design.

BROOKSIDE PARK

HRG performed preliminary work to investigate the permitting needed to perform modifications to the Brookside Park basin influent weir structure and is in the process of developing a proposal to complete a PADEP Chapter 105 permit application and related design of the modifications. The modifications will essentially involve weir structure dredging and downstream channel dredging and minor reshaping. Stream flow is currently being entirely bypassed into the flood control basin rather than remaining in the stream channel around it; the modifications will reverse this situation. Overflow into the basin is only to occur during significant wet weather events.

GENERAL STORMWATER MANAGEMENT PROGRAM

The severe storms that occurred on July 4th and July 5th damaged a considerable amount of stormwater management infrastructure and private property. A report of damage was given to the Township of Derry to include in their submission to FEMA for possible assistance with restoration costs. Staff also participated in the Derry Township National Night Out on August 4.

Chairman Feidt asked if DTMA has any pending applications for a Local Share grant for upcoming projects. Currently no projects have been submitted for this round of funding; however, Staff will review upcoming projects to see if they can be submitted for the November 2026 deadline.

The Chairman also asked if any progress had been made on the Bullfrog Valley pond project with the Township of Derry. No determination has been made yet by DEP on the next steps the Township needs to take regarding the dam.

ITEMS FOR ACTION

Resolution #2026-33 – Ratification of project payments from the 2026 PENNVEST Project Funds Payments for July: Staff reviewed the payments from these funds for Board ratification. This resolution was then approved on a motion by M. Corado, seconded by R. Cerminara. The motion passed unanimously by voice vote.

Resolution #2026-34 – Approval of Brown and Caldwell Operational Phase Services Agreement for the Biosolids Facility Improvements Project: This resolution was approved on a motion by R. Cerminara, seconded by R. Furlan. The motion passed unanimously by voice vote.

OTHER BUSINESS

There was no further 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, K. Heffner-Means made a motion to adjourn the August 24, 2026, public at 7:50 p.m., seconded by M. Corado. The motion passed unanimously by voice vote.

~~(Assistant)~~ Secretary