MINUTES OF THE MEETING
DERRY TOWNSHIP MUNICIPAL AUTHORITY
670 CLEARWATER ROAD
HERSHEY, PA 17033
MONDAY, SEPTEMBER 21, 2026

The Derry Township Municipal Authority Board held its regular monthly meeting on Monday, September 21, 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		
David Feidt	X	
Ronald Furlan	X	
Randy Goss		
Kelly Heffner-Means	X	
Carter Wyckoff		
Staff		
William Rehkop (Executive Director)	X	
Kimberly Bloom (Deputy Director)	X	
Michael Postick (Stormwater Program Manager)	X	
Dennis Beck (Comptroller)	X	
Kaitlyn Malatestinic (Comptroller)	X	
Consultants		
Michael Pykosh (Dethlefs Pykosh)	X	
Justin Bates (HRG)	X	
Mike Hess (HRG)	X	
Colin O'Brien (Brown and Caldwell)		X
Scott Adams (HRG)	X	
Other Attendees		
Timothy Horstmann (Eckert Seamans)		X
Lauren Burge (Eckert Seamans)		X
		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 August 24, 2026 Board meeting, seconded by R. Furlan. The motion passed unanimously by voice vote.

APPROVAL OF TREASURER'S REPORT AND BILLS FOR PAYMENT

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

EXECUTIVE SESSION

The Board recessed into Executive Session at 6:01 p.m. to discuss matters of potential litigation. The meeting was reconvened at 6:43 p.m.

APPOINTMENT OF SPECIAL COUNSEL FOR STORMWATER PROGRAM

Recently, DTMA had engaged with Eckert Seamans to prepare for the possibility of litigation that may arise related to a recent PA Supreme Court case concerning the validity of stormwater fees imposed by the Borough of West Chester. Staff requested Eckert evaluate and recommend any changes to the DTMA Stormwater Program and/or Fee which may improve the likelihood of success in any future legal challenges. Eckert reviewed their findings and offered suggestions on the current program. The Board and Staff agreed that further review of these suggestions is needed.

Eckert Seamans has prepared an engagement letter to provide special counsel representation in connection with any potential litigation related to DTMA's Stormwater Program.

Resolution #2026-39 – Appointment of Eckert Seamans Cherin & Mellott LLC as special counsel for the stormwater program: This resolution was approved on a motion by R. Furlan, seconded by R. Cerminara. The motion passed unanimously by voice vote.

STAFF UPDATES AND REPORTS

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 continued completion of the sewer repairs identified in Work Order No. 2026-09. The repairs are expected to be completed within one to two months as well as the reinstallation of the sewer manhole on Buttercup Circle under 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 is progressing with the existing manhole liner removal and is awaiting materials to be delivered associated with the spray-on epoxy liner.

CLEARWATER PLANT DRAIN LINING PROJECT [COSTARS]

Preliminary flushing and televising are complete. Based on the post-cleaning television inspection, the contractor remains confident that the pipe is in suitable condition for lining. HRG is awaiting submittals and the project schedule from Snyder Environmental.

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 commissioned. Startup activities will continue for all new equipment as power is supplied to the remaining devices. The systems integrator, Trijay, is onsite testing I/O, and Garden Spot Electric continues to install conduit and pull wire.

As reported last month, Hazen is preparing a proposal for design and permitting services associated with adding a fourth clarifier under the current contract. The proposal will be presented to the Board for consideration at an upcoming Board meeting.

BIOSOLIDS FACILITY IMPROVEMENTS [CONTRACTS 2022-06PP, 2024-06G, 2024-06E, 2024-06H]

Startup and commissioning continue as the remaining punch-list items under each contract are addressed. Ecoremedy's primary focus remains operating the drum dryer independently to produce high-quality, uniform pellets durable enough to withstand conveyance and feeding to the gasifier. The dryer currently produces Class A biosolids, but dust levels remain too high for optimal blending with Class B biosolids before gasification. Ecoremedy is piloting a pelletizer/extruder onsite this week to evaluate whether it improves gasification of the blended material. Regardless of the pilot's results, the Authority will continue to enforce the contract's performance requirements for the drum dryer product, including reduced dust content. Ecoremedy is expected to make the operational adjustments needed to meet those requirements. The Authority seeks optimal drum dryer material without excessive dust and will hold Ecoremedy accountable for meeting this contractual requirement, regardless of the pelletizer/extruder process's success. It will be provided at no cost to DTMA. It is Ecoremedy's responsibility to provide a working unit as part of this project.

Mr. O'Brien reported that subject to successful trials, a meeting is planned for October 5th to review the proposal and establish a path forward. Ecoremedy identifies June 15th as the start of the 180-day startup and commissioning period, placing the project just over 90 days into that period, which ends December 12th. If contractual performance requirements are not met, the contract provides an additional 120-day corrective action period. Mr. O'Brien noted that his discussions with Mr. Rehkop have acknowledged the likely need for this additional time. Staff and BC will continue to monitor Ecoremedy's progress and require thorough documentation and information to support further discussions and compliance with contractual obligations.

Mr. Rehkop explained that the project's performance guarantee requires complete gasification of the material into an ash or sand-like product. Achieving this result depends on the combined performance of the facility's interdependent processes. Ecoremedy proposes adding a pelletizer

to compensate for the drum dryer's current output by forming the blended material into noodle-like strands that improve airflow through the gasifier belt. The dryer's dusty Class A material contains excessive fines that form a paste when mixed with Class B biosolids, restricting airflow and reducing gasification performance. Staff continue to urge Ecoremedy to optimize the dryer's operating settings rather than rely on an additional mechanical process. Adjustments, improvements, or upgrades may involve additional costs to Ecoremedy. Mr. Rehkop suggested that the material is being overdried to 97–99% solids, compared with the industry standard of 90–92% he cited. Retaining moisture helps bind the solids and minimize dust, while excessive drying increases combustible dust and associated fire and explosion risks, raising concerns related to NFPA requirements. Staff reiterated these concerns in correspondence and emphasized that the drum dryer must meet its contractual requirements regardless of the pelletizer's success.

Ecoremedy purchased the drum dryer from Uzelac and requested an onsite technician more than 90 days ago to address a mechanical issue. The technician is now scheduled to arrive within the next few days. Mr. Rehkop questioned whether the technician's expertise includes dryer operations or is limited to mechanical matters. Ecoremedy has not yet responded to the email requesting clarification. Staff hope to consult with the technician about Ecoremedy's operating practices and potential adjustments, including control settings. Authority staff are not making operational or control changes; responsibility remains with Ecoremedy until the equipment is turned over at the end of the performance contract.

The Township building permit application has been approved. BC and DTMA staff are working with Manada to finalize their change order request for an alternative fire detection and alarm system that complies with the permit requirements.

Mr. Rehkop received an email from DEP regarding the Authority's Municipal Waste General Permit application (WMGM065), following a conference call late last week. DEP's Clean Water program and the Waste Bureau are coordinating their review. Revisions to the PAG-07 and PAG-08 permits may occur in spring 2027. In the interim, the Clean Water Program has recommended that the Authority obtain coverage under those permits. Mr. Rehkop explained that PAG-07 and PAG-08 would limit use of the material to land application, while WMGM065 would allow distribution of the sand-like product for other potential markets, including construction aggregate and concrete. The Authority's goal remains to obtain WMGM065, subject to meeting the requirements and DEP approval, to authorize use of the material, with PAG-07 and PAG-08 addressing treatment and equipment operation.

<u>CLEARWATER WWTF HEADWORKS FACILITY IMPROVEMENTS [CONTRACTS 2024-07G, 2024-07E]</u>
Final cleanup and site restoration activities are underway. Closeout documentation and inspections will continue through next month.

<u>HIGH MEADOW PUMP STATION (HMPS) UPGRADE [CONTRACTS 2025-02, 2025-03, 2025-04]</u>
Sippel Construction has completed the first wall pour for the wet well structure. The contractor will continue placing the rebar and constructing forms in preparation for the next concrete pour.

Change Order (CO) No. 1 is prepared for Contract 2025-04 to reconcile the actual quantities installed vs. bid quantities for each item at the prices stated in the Bid. Staff recommend approval of CO No. 1 for a decrease in contract price of $49,139.48 per Resolution No. 2026-36.

At last week's construction meeting, the contractors proposed placing the building and generator pad at a common site elevation to eliminate several stairways and improve operator access between the wet well, generator, and building. Operators viewed the proposed change as a potential improvement. The proposal remains preliminary, and its feasibility will depend on costs and the engineering required to revise the drawings.

LONDONDERRY MOBILE HOME PARK CONNECTIONS

Mr. Furlan asked for an update on the Pine Manor and Cedar Manor Mobile Home Park connections. Mr. Rehkop reported that Pine Manor has completed the sewer line work and is now working on the water line. Remaining work includes modifications at the metering station, connection to the sewer line, and decommissioning of the private wastewater plant. Cedar Manor was able to connect after the sewer lines along SR 230 were completed but has not yet done so.

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.

MAINTENANCE GARAGE EXPANSION PROJECT

DTMA was granted by the Derry Township Board of Supervisors on September 8th an additional time extension of the conditional approval of the Preliminary/Final Land Development Plan for the Maintenance Garage Addition and Expansion project. DTMA is required to address the few remaining plan conditions by December 2026 per the conditional approval and extension. The few remaining conditions are administrative and primarily involve posting a financial security and signing/recording required legal agreements. Preferred versions of the agreements were received from Derry Township on September 14th, and the documents and effort needed to address the remaining comments are essentially complete. Staff will meet these conditions well before the December 2026 deadline.

STORMWATER PROGRAM MANAGER'S REPORT

Mr. Postick provided the following report on recent projects and current contracts.

DEER RUN AND BULLFROG VALLEY RUN STREAM RESTORATIONS

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. Staff and HRG will be teaming with Flyway Excavating, Inc., the contractor for the Stonecutter Circle Drainage Improvements project, to develop a change order for that project to enact repairs and restoration along Bullfrog Valley Stream.

FOREST AVENUE SWALE, OAKMONT COMMUNITY BASIN RETROFITS

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 summer storm. HRG and Staff have developed an IDIQ Work Order to repair the damage to the Oakmont Basin and its associated tributary swale and forebays.

RIDGE ROAD DRAINAGE IMPROVEMENTS

Staff and HRG have commenced Final Completion and Contract Closeout procedures with Ankiewicz Enterprises, Inc. (Ankiewicz), which consist of the following:

1. The Consent of Surety and the Affidavit of Release of Liens documents were received today from Ankiewicz. These documents must be finalized prior to final payment and contract closeout.
2. Confirmation and approval of a final bid item quantity adjustment change order, Change Order No. 21, in the amount of $66,479.00. Change Order No. 21 accounts primarily for additional curb ramp certifications, brick crosswalks, and the correction of an error on Change Order No. 20. With this final change order, the contract final quantity adjustments will result in a reduction of $96,628.82 from the contract price. Total change orders for the contract and project amount to $244,317.87.
3. Approval of the Final Application for Payment No. 23 in the amount of $410,168.75, which includes the adjustment under Change Order No. 21 and is contingent upon item 1 above.

Staff and the DTMA Solicitor are developing a separate legal agreement with Ankiewicz to resolve DTMA's claim and document the mutually agreed-upon payment. Staff recommended approval of Ankiewicz's Final Application for Payment No. 23 in the amount of $410,168.75, which would close out the contract. Mr. Postick noted that the claim settlement is a separate legal matter and that Ankiewicz has agreed to share the associated cost. Because DTMA will have less leverage after the contract closes out, the legal agreement must clearly protect the Authority's right to receive the agreed-upon payment. Staff expect to finalize the agreement by the end of the week.

Lastly, given the additional length of time needed in recent months to address contract claims, determine quantity adjustments, and manage the remaining closeout documents. Note that the management of contract claims near the end of the project work required significant effort by Staff, HRG and DTMA's Solicitor. Staff recommends approval of Supplement No. 7 to HRG in the amount of $15,750.00.

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 mentioned a project on Lamppost Lane and another repair or possible replacement of a deteriorated section of 36" CMP pipe on Northeast Drive behind Tanger Outlets where a possible significant sinkhole related to storm sewer has recently been discovered.

There are four payment applications for approval:

1. Staff recommended approval of Application for Payment No. 1 to Rogele in the amount of $8,203.39 for Work Order No. 2026-S11 for the completion of the repair of a section of 15-inch storm sewer and a sinkhole near 570 Indian Run Drive.
2. Staff recommended approval of Application for Payment No. 1 in the amount of $10,534.86 for Work Order No. 2026-S1 for the replacement of a deteriorated section of storm sewer in an open space right-of-way on Duesenberg Drive in the Stone Creek development.
3. Staff recommended approval of Application for Payment No. 1 in the amount of $17,280.57 for Work Order No. 2026-S5 for the replacement of a deteriorated section of storm sewer and two inlets on Hillview Lane.
4. Completion of the replacement of a deteriorated and collapsed storm sewer that crossed Lamp Post Lane, including two associated inlet replacements, under Work Order No. 2026-S7. Staff recommends approval of Application for Payment No. 1 for this Work Order in the amount of $37,570.30 conditional upon Staff review.

MOTION: R. Furlan made a motion to approve the four payment applications mentioned above, seconded by R. Cerminara. The motion passed unanimously by voice vote.

STONECUTTER CIRCLE DRAINAGE IMPROVEMENTS

Staff, with Solicitor's help, appear to have reached a determination on the ownership of the remaining property that requires an easement for the enaction of this project work. Staff will work towards obtaining a final signature from the Quarries at Brownstone HOA.

As stated above, Staff and HRG will be teaming with Flyway Excavating, Inc., the contractor for the Stonecutter Circle Drainage Improvements project, to develop a change order to this contract to enact Bullfrog Valley Stream repairs. The change order will be finalized for approval at the October Board meeting.

HARVEY ROAD STORM SEWER REPLACEMENT

HRG continues to progress with project design, with the intent being for construction in early 2027.

BROOKSIDE PARK

In order to advance the modifications needed to the Brookside Park stormwater management facility, HRG has provided a proposal in the amount of $24,000.00, for which Staff recommends approval. Stream flow is currently being entirely bypassed into this 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. The project will essentially involve weir structure modifications (if warranted and permissible), weir structure sediment and debris dredging, and reshaping and dredging of the downstream channel. A PADEP Chapter 105 General Permit (GP11) permit must also be obtained. HRG's efforts will include surveying, field inspections, design, permitting, etc. HRG's proposal is included with this month's Board packet.

GENERAL STORMWATER MANAGEMENT PROGRAM

As discussed during previous Board meetings, the severe storms that occurred on July 4th and July 5th damaged a considerable amount of stormwater management infrastructure and private property. Staff continue to receive and address related ratepayer concerns and advance corresponding repairs.

DTMA will host another Rain Barrel Workshop on October 8th. Any Derry Township residents are welcome to attend.

ITEMS FOR ACTION

Resolution #2026-35 – Ratification of project payments from the 2026 PENNVEST Project Funds Payments for August: Staff reviewed the payments from these funds for 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 #2026-36 – Approval of Change Order #1 with Sippel Development Co. for the High Meadow Pump Station Upgrade Project: This resolution was approved on a motion by K. Heffner-Means, seconded by R. Cerminara. The motion passed unanimously by voice vote.

Resolution #2026-37 – Approval of Change Order #21 with Ankiewicz Enterprises Inc. for the Ridge Road Drainage Improvements Project: This resolution was approved on a motion by K. Heffner-Means, seconded by R. Furlan. The motion passed unanimously by voice vote.

Resolution #2026-38 – Approval of HRG proposal for Brookside Park weir structure maintenance permit work: This resolution was approved on a motion by K. Heffner-Means, seconded by R. Furlan. The motion passed unanimously by voice vote.

Resolution #2026-40 – Approval of updated Certificate of Incumbency with Wilmington Trust: This resolution was approved on a motion by K. Heffner-Means, seconded by R. Furlan. The motion passed unanimously by voice vote.

OTHER BUSINESS

Mr. Rehkop reminded the Board that the Budget work for 2027 has begun. Wage and salary budget recommendations will be presented to the Board at the October meeting. November will be approval of the wastewater budget. The Stormwater Budget will be presented for approval at the December meeting.

PUBLIC COMMENT

There was no public comment at this time.

ADJOURNMENT

There being no further business before the Board, R. Furlan made a motion to adjourn the September 21, 2026, public at 7:45 p.m., seconded by R. Cerminara. The motion passed unanimously by voice vote.

~~(Assistant)~~ Secretary