

CHESTER COUNTY SOLID WASTE AUTHORITY

Combined Work Session & Regular Meeting — Lanchester

November 20, 2014

1. **Call to Order:** Bob Schoenberger, Chairman, called the November 20, 2014 Combined *Work Session & Regular Meeting* of the Chester County Solid Waste Authority to order at 5:30 p.m.

Authority Members Present

Bob Schoenberger
Vince Carosella
Peter Marroletti
Peter Knipe
E. Joel Martin

Authority Members Absent

Kim Venzie
Ramsey G. DiLibero

Management and Staff Present

Robert A. Watts
Gary Laird
Mike Magrann
Owen Esterly

Solicitor

Vincent M. Pompo, Esquire

2. **Chairman's Announcements/Public Comments:**

The Chairman had no announcements.

3. **Meeting Minutes:** Mr. Carosella moved and Mr. Martin seconded approving the minutes of the October 23, 2014 *Work Session Meeting* and the October 30, 2014 *Regular Session Meeting*. The vote was unanimous.
4. **Executive Director's Report. (RAW)**

Mr. Watts said he wanted to inform the Board that just this morning he received a telephone call from the PADEP South Central Regional Office confirming that we could apply for a Demonstration Permit for the alternate final cap design we presented to them in October. The design is a phased approach that was a result of about two years of meetings with a Citizens Committee. Phase I will include natural succession on portions of the north slope of the Area C landfill. Also in this phase will be some evergreen plantings north of the maintenance building and some Christmas trees on the North Slope.

A. Monthly Activity Report: Mr. Watts said the first item he wanted to highlight was a November 4th meeting. There was an early morning hit and run accident that resulted in a death of a local woman who was riding her bicycle. There were no witnesses, but the State Police asked for our records on trucks and video of trucks. They also interviewed our Weighmaster. The State Police thanked us for the quick response in providing them the information, but as it turned out she was hit by a tractor pulling farm wagons. Mr. Watts said he was contacted by a property owner covered by the Area D Property Value Guarantee Agreement to determine when this agreement would expire. Mr. Watts sent him a letter confirming the agreement will remain valid at least through 2015. Mr. Watts said he and Ms. Fromnick attended the first Chester County Solid Waste Advisory Committee Meeting recently. This meeting was convened as an organizational meeting for Chester County's 2017 Solid Waste Plan update. Mr. Watts said he met again last month with Harteland Resources at their request to comment on proposed sites for their gasification plant in Chester County. Mr. Watts said he and Mr. Magrann had two meetings recently with our former home rental agent to try and resolve his outstanding payments to the Authority. Mr. Watts said he and Mr. Magrann meet with representatives of Granger and Custom Energy Solutions on November 5th. Mr. Watts said Custom Energy Solutions is interested in teaming up with CCSWA and Granger to site a 1MW battery on site to help with smoothing out electrical demands in the regional grid. This would be an overseas shipping container and the only moving part would be an air conditioner. Mr. Watts said he attended the Caernarvon Board of Supervisors Workshop meeting on the 17th to discuss issues raised in Mr. Martin's 3rd Quarter Report to them and his response. Mr. Watts said to Caernarvon Township that he was confident that by following the recommendations by Golder Associates on MW-7A well we should be able to reduce arsenic and lead levels from the water that goes to the Conestoga River. Mr. Watts said we should have the results of the Golder study on lead and arsenic in some of the sedimentation ponds after Thanksgiving. Mr. Watts said we recently sold our old Cat D7R2 dozer for \$131,200 which was slightly more than it was on the books for.

B. Senior Staff Memos: Mr. Watts said the Board members could read the Senior Staff Meeting Minutes contained in Section 4B at their leisure.

C. Solid Waste News: Mr. Watts said the first article in this section was concerning the Keystone Sanitary Landfill's efforts to have a host agreement with Dunmore Borough. IESI Bethlehem Landfill has offered some citizens of Lower Saucon Township a Property Guarantee Agreement. Also in this section was an article about the Lancaster County Solid Waste Management Authority taking the lead in a building a 6.5 mile addition to the Northwest Lancaster County River Trail.

D. Correspondence: Mr. Watts said the first item in this section was a November 10, 2014 letter from the Executive Director of the Brandywine Valley Association giving us an update and asking for a donation. The second item in this section was an email from Cleveland Research. They are a firm that follows trends in the Solid Waste Industry. They mostly follow the large companies in the business, but usually call Mr. Watts every month for a municipal perspective, hence they share their monthly report with us. The last item in this section was a draft copy of one of the letters that are going out to customers tomorrow on our 2015 price increase and credit policy changes.

G. Chester County Waste Destinations 3rd Quarter: This section included PADEP data from the 3rd quarters of 2013 and 2014. Mr. Watts said the main difference between the years was about 12,000 additional tons of waste disposed at Lanchester. Most of the increase was an additional 9,000 tons of alternate daily cover and about 1,000 tons of C&D waste.

5. Operations/Site Development Report.

A. Monthly Activity Report: Mr. Watts said we recorded 3.31” of rain in October. The landfill gas flows had been around 3,100 cfm. In this section are the inspection reports from PADEP and Vision Engineering for Caernarvon Township. Both inspection reports had no violations or concerns. Mr. Watts said our wood processor removed about 34 tons of wood for the month. The tonnage of wood shipped out this month was down because the wood burning outlet was off line for planned maintenance. Mr. Watts said included in this section were graphs of cost of daily cover, contracted labor and average overtime hours by month per operation’s employee.

6. Facility Engineer’s Report. (ORE)

A. Monthly Activity Report: The Monthly Engineer’s Report for October 2014 was presented to the Board. Regarding Area E, Stage 2, Construction, it was reported that repairs to the liner system damage caused by Severson Environmental Services (SES) were performed during this report period. Replacement of the sump riser pipes and the protective cover stone still needs to be completed. Construction of the remaining features to be installed on the top of the MSE berm remains in progress. SES has not yet satisfied the contract requirements necessary for substantial completion.

B. Area E, Stage 2 – Severson Correspondence: The following five letters were presented to the Board for review:

- October 29, 2014 – SES’s notification letter regarding changes in contract price and time for geogrid placement. Again, SES’s letter does not identify any changes in the work that would justify the notification.
- November 6, 2014 – SES’s letter regarding Request for Information (RFI) 54.
- November 10, 2014 – The Authority’s response to the above letter.
- November 11, 2014 – ARM’s response to SES’s claim notifications dated October 20, 2014 and October 29, 2014.
- November 19, 2014- SES’s letter regarding asphalt paving.
- November 20, 2014 – The Authority’s DRAFT response letter to SES regarding asphalt paving and completion. The DRAFT letter included the following three attachments: list of Milestone 2 Work Items Remaining; Summary of Financial Damages; Examples of Contractor Delays to Milestone 2.

There was discussion concerning SES’s October 29, 2014 letter. Several Board members suggested that the Facility Engineer and ARM should have exercised more control over the work being performed by SES in order to prevent SES from placing geogrid in conflict with the horizontal and vertical locations of the yet to be constructed leachate force main pipe and the precast concrete channel. Mr. Owen Esterly responded that at times SES employees performed the surveying layout tasks, not a Pennsylvania Professional Licensed Surveyor as required. Mr. Esterly offered his opinion that the ongoing troubles with SES are unprecedented. Extra efforts on the part of the Staff and ARM have been exercised in attempts to prevent SES from failing. Attorney Vince Pompo suggested that the Board read ARM’s letter to SES dated November 11, 2014.

The Authority’s DRAFT letter dated November 20, 2014 and the three attachments were discussed by Board. Several minor edits to the DRAFT were suggested. The Board agreed that the letter be sent to SES.

C. Area E, Stage 2 – Monthly Construction Progress Report: ARM’s Monthly Construction Progress Report dated November 14, 2014 concerning Area E, Stage 2 was presented to the Board. The report included: a list of the work performed during the period; the monthly budget status; status of the October partial payment application; and construction photographs.

D. Area E, Stage 2 – Benchmark Graph: An updated benchmark graph showing the Construction and CQA expenditures was presented to the Board. The graph indicates that the contract completion dates have passed and that SES’s billings to date are approximately 90% of the original contract price. This percentage is actually closer to 93% when a downward final quantity adjustment in the amount of about \$440,000 is considered.

E. ARM Group – Monthly Status Report: ARM’s Monthly Status Report dated November 14, 2014 was presented to the Board. The Report listed ARM’s invoicing for the report period. Engineering fees that are considered recoverable due to contractor delay and non-conforming work are also listed in the Report. It is anticipated that ARM will reach their budget limit by the end of November. An appropriate budget amendment will need to be considered in December.

F. SCS Engineers – Monthly Status Report: SCS’s Monthly Progress Report for November was presented to the Board. During this period SCS assisted with the development of plans for a by-pass header near the Area E condensate pumping station.

7. Water Management’s Report. (GAL)

A. Monthly Activity Report: The following is the report for Water Management.

OCTOBER HIGHLIGHTS:

- October 2014 landfill leachate 642,600 gallons (includes gas condensate)
Granger Energy Condensate 10,693 gallons
- October 2013 landfill leachate 627,342 gallons
- October 2013 Rainfall 4.82”
- October 2014 Rainfall 3.28” (11 days of measurable rainfall)

LEACHATE STORAGE UPDATE: (As of October 1, 2014)

T-101 Leachate Storage Tank	-152,500 gallons	capacity – 850,000 gallons
T-115 Leachate Storage Tank	-140,000 gallons	capacity – 850,000 gallons
<u>T-100 Equalization Tank</u>	<u>-110,000 gallons</u>	<u>capacity – 110,000 gallons</u>
Total Leachate Storage	-402,500 gallons	capacity –1,810,000 gallons

Total percent of storage utilized - 22 %

LEACHATE COLLECTION SYSTEM:

- Currently the Leachate collection system is 100% operational. Monthly maintenance is being performed, cleaning strainers and impellers on pumps and paddle wheels on flow meters.
- Data including leachate levels, pumping rates, and flow totalizer numbers are collected Daily Monday through Friday.
- Bi-annual Preventative Maintenance is performed by Lee Supply Company Field Technician. All pumps are pulled, cleaned and reinstalled. Readings are taken such as volts and amperage under load. A report of findings is supplied.

RECIRCULATION SYSTEM

- 96,400 gallons was recirculated into the recirculation blankets during the month of October 2014.

Recirculation to date: 10/1/2014

Trench #	Recirculated (gal)	Maximum (gal)
E	1,793,912	2,631,930
F	3,130,621	3,682,875
G	3,263,425	5,066,750
H	1,366,965	5,687,500
Total	14,283,692 (gal)	21,681,836 (gal)

Remaining Trench Capacity – 7,472,834 gallons

Blanket #	Recirculated (gal)	Maximum gallons/year
1	373,697	1,250,000 valve problem
2	412,180	1,250,000
3	409,900	1,250,000
4	392,431	1,250,000
Total	1,588,718(gal)	5,000,000 (gal)

LEACHATE TREATMENT PLANT (UFRO SYSTEM)

The UFRO ran 16 days during October. The plant processed 29,500 gallons during this month. This was an average of 1,844 gpd. The low processed number was due to the pilot study taking place in October.

LEACHATE HAULING to off-site POTW

A total of 561,000 gallons were hauled off site for disposal during the month of October 2014.

GROUND WATER INFLOW/STORAGE UPDATE: 9/16/2014

- Ground Water Storage Pond (Holding Pond) – 625,000 gallons 78 % of capacity.
- The Ground Water Storage Pond Outfall 101 maintained a manageable level during October 2014 with no discharge 0 gallons. Water from this Groundwater Holding Pond is available for Contractors as well as CCSWA staff for dust control.
- Samples were collected October 30, 2014 for Total Lead and Total Arsenic. The results for both were non-detect.
- Total Ground Water received for October 2014 – 114,200 gallons.

NPDES PERMIT COMPLIANCE:

NPDES PERMIT DMR PA 0082791 for Outfall 001,100, and 101 CONESTOGA RIVER dated November 27, 2009 – The NPDES DMR Outfall 001, 100 and Outfall 101 for October 2014 has reported full compliance with the 2009 NPDES Permit. All Monitored Parameters were below required discharge limits. 27,900 gallons from the effluent equalization tank (Outfall 100) of treated permeate and 0gallons of groundwater (Outfall

101) Ground Water Storage Pond, was discharged to (Outfall 001). A total of 27,900 gallons was discharged to the Conestoga River (Outfall 001) during October 2014.

8. Compliance Officer's Report. (TAD)

A. Monthly Activity Report: Mr. Watts said there were one radiation alarm since the last meeting and it was medical waste TC-99 from Paoli Hospital. Ms. Devine contacted Paoli Hospital and they said they would retrain employees so this does not happen again. Included in this section were the sampling results from stormwater collected October 15, 2014. The last item in this section was the Exceedance Report for homeowner wells we sample under Act 101. All the exceedances were either total manganese or total iron – both of which are naturally occurring in local groundwater.

9. Recycling Coordinator's Report (NJF)

A. Monthly Activity Report: Mr. Watts said he wanted to point out on the spreadsheet in this section that was a summary of the six household hazardous waste and electronic collection events that Ms. Fromnick held in 2014. At the six events we collected 619,914 pound of material at a cost of \$108,497. CCSWA typically pays 25% of the Lanchester Service Area municipal portion of this bill.

10. Business Manager's Report. (MPM)

A. October 2014 Financial Statement: Mr. Magrann presented the Financials for October 2014 stating that Net Income was \$502,003 for the month, which was 3.4% below the budgeted amount for the month. Retained Earnings at the end of October 2014 were at \$62,611,166. The funds invested totaled \$39,825,619 at month end. Mr. Knipe made a motion to accept the Financial Statements as presented; Mr. Carosella seconded the motion. The motion was carried by a unanimous vote.

B. October 2014 Accounts Receivable: Mr. Magrann stated that receivable days outstanding increased from 34.05 days in September 2014 to 37.75 days in October 2014. In addition, Rental Property Collections was higher than Expected Net Rentals Due by \$2,175 in October 2014. A discussion of the pursuit of funds owed to the Authority by the former property manager stated that \$7000 of Security Deposits was received from three meetings with the Former Property Manager in November 2014. The Board agreed with an option / recommendation that heightened legal action will be pursued, with a meeting with the Board's Solicitor - Vince Pompo and the Former Property Manager and his attorney is to be arranged.

C. October 2014 Tonnage / Customer Information: Mr. Magrann presented the Tonnage Report for October 2014 of 26,892 tons which was 4.11% above budget for the month and was 1.85% higher than the October 2013 tonnage received. The October 2014 Y-T-D tonnage received was 0.92% higher than the October 2014 Y-T-D budgeted tonnage and 1.06% higher than the October 2013 Y-T-D actual tonnage.

D. October 2014 Vendor Check Register Report: The Vendor Check Register for October 2014 was presented to the Board by Mr. Magrann. The checks totaled \$2,602,304.48. Mr. Knipe made a motion to accept the Check Register as presented; Mr. Carosella seconded the motion. The motion was carried by a unanimous vote.

E. Large Dollar Check Approvals (Until 11/20/2014): Mr. Magrann presented the Large Dollar Invoices (from November 1, 2014 to November 20, 2014) totaling \$488,208.42. Mr. Knipe made a motion to accept the Large Dollar Invoices as presented; Mr. Carosella seconded the motion. The motion was carried by a unanimous vote.

F. Resolution For 2014 Record Destruction: Mr. Magrann presented the listing of records to be disposed in 2015 under the Municipal Records Recovery Act of January 18, 1998 (P.L. 961, No. 428). A Resolution was presented for approval of the destruction of the records as listed. Mr. Marroletti made a motion to adopt the Resolution as presented, Mr. Martin seconded the motion. The motion was carried by a unanimous vote.

G. Request For Bond Purchase: Mr. Magrann presented a request to approve a DEP Collateral Bond Replacement in the amount of \$1,412,000. Mr. Carosella made a motion to accept the DEP Collateral Bond Replacement as presented; Mr. Marroletti. The motion was carried by a unanimous vote.

H. 2015 Budget: Mr. Magrann presented the 2015 Budget. The highlights of the Budget were:

- The reduction of Net Income from the 2014 Projection of \$6,073,186 to a 2015 Budget of \$5,824,338.
- A 2015 Positive Cash Flow of \$167,000, with a 2015 Capital Budget of \$7,633,324 and a \$1,400,000 return of Retainage to Severson.
- Tonnage comparable to 2014 levels, with a \$2 rate increase for most volume types.

Mr. Knipe made a motion to accept the 2015 Budget with a \$100,000 increase in the 2015 Net Income and Cash Flow. Mr. Marroletti seconded the motion. The motion was carried by a unanimous vote.

I. Request To Consolidate Funds: Mr. Magrann presented a request to reduce the number of Funds at the site from seven to three. Mr. Marroletti made a motion to accept the request to Reduce the Number of Funds as presented; Mr. Knipe seconded the motion. The motion was carried by a unanimous vote.

The meeting was adjourned at 8:12.

Prepared by,
Peggy A. Cunius