

CHESTER COUNTY SOLID WASTE AUTHORITY

Work Session — Lanchester

June 21, 2012

- 1. Call to Order:** Bob Schoenberger, Chairman, called the June 21, 2012 *Work Session Meeting* of the Chester County Solid Waste Authority to order at 5:30 p.m.

Authority Members Present

Bob Schoenberger
Peter Marroletti
Peter Knipe
William H. Shirk
Vince Carosella
Ramsey G. DiLibero
Carmen Battavio

Authority Members Absent

Management and Staff Present

Robert A. Watts
Owen Esterly
Gary Laird
Terry Devine
Nancy Fromnick
David Lozenski

Solicitor

Vincent M. Pompo, Esquire

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

The Chairman said the *Regular Session Meeting* for July is cancelled and there will be a *Combined Session Meeting* on July 19th

- 3. Meeting Minutes.** The Chairman said the *Combined Session Meeting* minutes from May 24, 2012 would be acted on next week.

- 4. Executive Director's Report.**

A. Monthly Activity Report: Mr. Watts said he would like to highlight a few items in his report. Mr. Watts said a municipal manager recently contacted him for prediction of Lanchester's disposal prices through 2017. Mr. Watts had replied that he was only making an educated guess in replying that the cost will probably increase \$1-\$2 per year. Mr. Watts said Mr. Gorney, Mr. Lozenski and himself had interviewed what they considered to be the five most qualified IT firms that responded to our recent RFP. Mr. Watts said he plans to have a recommendation for the Board for IT services next week. Mr. Watts said he recently sent Mr. Mocarski of Drillmore Construction a letter that states that he owes us \$3,599.20 for unpaid rent and utility bills. Mr. Watts said Mark Rupsis, Chester County's Chief Operating Officer, came to Lanchester on May 29th for an update. Mr. Rupsis said he has taken responsibility for communicating with all Chester County Authorities and it was a routine visit. Mr. Watts said all but two of the houses are currently rented with one of the unrented most likely will be rented by the end of the month. Mr. Watts said we had made \$148.62 by auctioning off some of our old phone system. Mr. Watts said we currently have our used Volvo articulated truck up for auction and other items on www.PublicSurplus.com.

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 a landfill in Iowa that purchased a \$3 million pellet machine that has not generated much revenue. There was an article in this section concerning Interstate Waste Services buying a Norristown based Evergreen Waste Solutions. Another article in this section was concerning Waste Management teaming up with Armstrong World Industries to recycle more ceiling tile at 50 recovery plants they own around the country.

D. DEPI Update: Mr. Watts said he and Mr. Schoenberger went to a demonstration of the F5 unit in Auburn, PA recently. Mr. Watts said the CEO and CFO of Granger Energy also attended the demonstration along with other interested parties. Mr. Watts showed a short video of the F5 in operation. Mr. Watts said the F5 is part of the waste preparation for their proposed pyrolysis process. The municipal solid waste is first shredded in low speed high torque machines and then F5 dries and fine shreds the material utilizing heat from pyrolysis and high pressure air. Mr. Watts said the waste processing by the F5 seemed to work as intended, but they would need a number of these units to process 350 tons of waste per day that they are proposing. Mr. Watts said he and Mr. Schoenberger are planning to visit the pilot pyrolysis plant in operation later this summer in North Carolina. Mr. Watts said he included in this section a recent article on biochar – one of the by-products of their proposed pyrolysis process. Some are testing biochar as a soil amendment and a way to sequester carbon in the soil.

E. IT Vendor Selection: Mr. Watts said he and Mr. Lozenski just finished interviewing the fifth vendor this afternoon and plan to have a recommendation next week.

F. Company Policy Update: Mr. Watts said the suggested changes to the overtime policy are outlined in this section.

5. Operations/Site Development Report:

A. Monthly Activity Report: Mr. Watts said this was a fairly routine month. We recorded 3.83" of rain for the month. The landfill gas flows had been reasonably steady in the 3,100 to 3,200 cfm range. W.D. Zwicky, our wood waste processing vendor removed over 1,200 tons of waste wood from our site during May. We have put our old Volvo off-road truck up for auction. We have applied to be re-certified with the Wildlife Habitat Council. We had our diesel tank cleaned of water and bacteria, but it is likely we will remove the tank rather than fix the piping we believe that is allowing water to enter the tank. The PADEP inspection is included in this section, with only one item noted that we fixed in less than the allowed time. The cost to cover waste was higher this month because we had less alternate daily cover received than in recent months.

6. Facility Engineer's Report:

A. Monthly Activity Report: The Monthly Engineer's Report for June 2012 was presented to the Board. The following items were discussed.

- The Monthly Engineer's Report for June 2012 was presented to the Board. The following items were discussed: A Pre-Bid Meeting for the Area E, Stage 1B construction project was conducted at 2:00 PM on Wednesday, May 30, 2012. Bids were received and publically opened at 3:00 PM on Friday, June 15, 2012. A Bid Tabulation has been prepared and is attached. The bids remain under review.
- The replacement of three 75 HP variable speed drives at the enclosed flare remains in progress. Schneider Electric was on site on Wednesday, June 8, 2012 in order to verify the dimensions of the existing control shed. The equipment has been ordered and may be delivered as early as the end of next week. Installation will occur sometime during July.
- The final payment application in the amount of \$366,849.23 has been received and remains under review. I am still waiting for the submission of final record drawings and other required close-out documentation. I expect that the close-out documents will be submitted this week. The final quantity adjustment resulted in a net decrease to the original contract sum in the amount of \$318,369. The final contract amount was \$3,668,492.
- On or about Wednesday, June 13, 2012, Granger Energy reported that they received an invoice from Drillmore Construction in the amount of \$320,290. This amount differs from the \$252,066 reported by Drillmore Construction during October 2011. In response to the Drillmore claim, I initiated a review of the current invoice. Based on my initial review it appears that the invoice lacks appropriate documentation, survey data, and verifiable evidence. As you know, Drillmore Construction has been

nonresponsive to our requests to finalize the requisite record drawings. Additional information and further evaluation will be needed.

- On May 23, 2012 Ludgate Engineering attended the meeting at PADEP's Southeast Regional Office regarding planning approval for the Authority to connect to the POTW operated by the Northwestern Chester County Municipal Authority. The meeting was also attended by representatives of PADEP's South-central Region, Northwestern Chester County Municipal Authority, and Authority staff. For details concerning the meeting, please refer to the meeting notes compiled by Ludgate Engineering. During this period Ludgate Engineering also provided surveying and other services needed to finalize the record drawings of the Area D, Cell 2 landfill gas system expansion.

B. ARM Group – Monthly Status Report: A copy of the Monthly Status Report from the ARM Group dated June 18, 2012 was presented to the Board for review.

C. SCS Engineers – Monthly Status Report: A copy of Monthly Progress Report No. 24 from SCS dated June 18, 2012 was presented to the Board for review.

D. Barton & Loguidice – Monthly Status Report: A copy of the Monthly Status Report from Barton & Loguidice dated June 18, 2012 was presented to the Board for review.

E. Area E, Stage 1B – Bid Tabulation: A copy of the June 19, 2012 letter from the ARM Group regarding the Area E, Stage 1B Bid Evaluation was presented to the Board. The apparent low bid was submitted by Kinsley Construction of York, PA in the amount of \$5,638,855. Accordingly, it was recommended that the contract be awarded to Kinsley Construction.

F. Area E, Stage 1B, RPR & CQA Services – Cost Proposal Summary: A copy of the Cost Proposal Summary Table for the Area E, Stage 1B, CQA and RPR Services was presented to the Board. The lowest cost proposal was submitted by ARM Group in the amount of \$360,175. The next lowest cost proposal was submitted by SCS Engineers in the amount of \$379,633. The Board will consider the proposals at next week's Regular Meeting.

7. Water Management's Report:

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

MAY HIGHLIGHTS:

- May 2012 landfill leachate 464,300 gallons (includes gas condensate)
Leachate by area breakdown:
 - Area C 136,105 gallons
 - Area B 116,053 gallons
 - Area D 191,823 gallons
 - Granger gas condensate 20,319 gallons
- May 2011 landfill leachate 488,593 gallons

- May 2012 Rainfall 4.16”

LEACHATE INVENTORY UPDATE: (As of June 20, 2012)

T-101 Leachate Storage Tank	-	0 gallons	capacity – 850,000 gallons
T-115 Leachate Storage Tank	-	212,500 gallons	capacity – 850,000 gallons
<u>T-100 Equalization Tank</u>	-	<u>90,000 gallons</u>	<u>capacity – 110,000 gallons</u>
Total Leachate Inventory	-	302,500 gallons	capacity –1,810,000 gallons

Total percent of storage utilized - 16 %

The Leachate Storage Tanks were recently cleaned due to the building odors coming from the tankage. T115 was cleaned during the month of May and T101 was cleaned early June.

LEACHATE COLLECTION SYSTEM:

Currently the Leachate collection system is 100% operational.

RECIRCULATION SYSTEM

- 201,000 gallons was recirculated during the month of May 2012. Recirculation for the month was into the leachate blankets.

Recirculation to date: 6/01/2012

<u>Trench #</u>	<u>Recirculated (gal)</u>	<u>Maximum (gal)</u>	
A	-----	-----	This Trench is closed
B	-----	-----	This Trench is closed
C	-----	-----	This Trench is closed
D	-----	-----	This Trench is closed
E	1,793,912	2,631,930	
F	3,130,621	3,682,875	
G	3,263,425	5,066,750	
<u>H</u>	<u>1,366,965</u>	<u>5,687,500</u>	
Total	14,283,692 (gal)	21,681,836 (gal)	

Remaining Trench Capacity – 7,472,834 gallons

<u>Blanket #</u>	<u>Recirculated (gal)</u>	<u>Maximum gallons/year</u>
1	177,544	1,250,000
2	176,697	1,250,000
3	174,860	1,250,000
<u>4</u>	<u>132,942</u>	<u>1,250,000</u>
Total	580,946 (gal)	5,000,000 (gal)

LEACHATE TREATMENT PLANT (UFRO SYSTEM)

- The UFRO Treatment System is currently operational and ran well during the month of May. The plant produced 86,496 gallons of permeate, 3,327 gpd average.

Total operational costs for May 2012 – \$6,080.04

Cost per gallon processed - \$0.07

GROUND WATER INVENTORY UPDATE: 6/20/2012

- Ground Water Storage Pond – 510,050 gallons 64 % of capacity
- The Ground Water Storage Pond maintained a manageable level during May 2012 with a managed discharge to Outfall 001.
- Total Ground Water received for May 2012 – 267,906 gallons.

NPDES PERMIT COMPLIANCE:

NPDES PERMIT DMR PA 0082791 for Outfall 001,100, and 101 CONESTOGA RIVER dated May 27, 2009 – The NPDES DMR Outfall 001, 100 and Outfall 101 for January 2011 has reported full compliance with the 2009 NPDES Permit. All Monitored Parameters were below required discharge limits. 0 gallons from the effluent equalization tank (Outfall 100) of treated permeate and 105,400 gallons of groundwater (Outfall 101) Ground Water Storage Pond, was discharged to (Outfall 001). A total of 105,400 gallons was discharged to the Conestoga River (Outfall 001) during May 2012.

8. Compliance Officer's Report:

A. Monthly Activity Report: Mr. Devine mentioned that we are awaiting the final Annual GW report for 2011 We are trying to schedule a meeting with Golder to go over the gw results.

Ms. Devine also informed the Board that the 2nd quarter 2012 ground water monitoring event was completed and the data is being prepared for submittal to DEP.

Ms. Devine stated that there were four radiation alarms since the last meeting. They originated at in West Nantmeal, West Chester, Chester Springs and East Nottingham Township. The isotope was I-131 in three loads and Tc-99m in the fourth load. All were short-lived medical isotopes and all loads were landfilled.

Ms. Devine also mentioned that storm water sample results were received and the data is being prepared for submittal to DEP.

Ms. Devine also stated that a Form 43 was submitted to DEP for approval to dispose of sludge from a lagoon cleanout at the Northwestern Chester County Municipal Authority.

Lastly Ms. Devine informed the Board that there was a flare malfunction on June 9 – 11. The flare was operated below the required temperature of 1676 deg. F. A letter of explanation had been sent to DEP and Granger Energy also provided a letter to Chester County Solid Waste Authority regarding what caused the malfunction and what steps have been implemented to prevent a future occurrence.

9. Recycling Coordinator's Report:

A. Monthly Activity Report: Ms. Fromnick provided a list of meetings and events attended during the past month. In addition to hosting pre-application grant meetings and providing annual reporting assistance, Ms. Fromnick participated in a Product Stewardship Conference call and a food waste composting call in an effort to promote food waste composting in the West Chester Borough area, Henderson High School and the Chester County Hospital. The CCSWA hosted two PROP Recycling Economics

classes at the GSC and Ms. Fromnick attended a commissioners meeting to explain the need of the commissioners signing a 2013-2016 HHW Resolution.

B. Correspondence: In - Among the items listed it was noted: A check in the amount of \$3,637.18 was received for the e-waste collected at the 4/27/12 Guthriesville e-waste event and \$1,583.16 was received for the electronics collected at the 4/14/12 CAT Pickering Event. **Out** – A list of correspondence was provided. An updated County Office Recycling policy was sent to the commissioner's office and a press release for the HHW Event at the Coatesville 9th and 10th Grade Center.

C. Projects: Ms. Fromnick provided a list of projects. The waste description, invoice and survey results of the Owen J. Roberts HHW Event were provided. An events and educational display list showed appearances of Reecie Recycle and the worm box and the many valuable volunteer hours provided.

9. Business Manager's Report.

A. May 2012 Monthly Tonnage Report: Mr. Lozenski presented the Tonnage Report for May 2012, indicating that the tonnage of 28,976.94 was 2.3% above budget and was lower than May 2011 tonnage received by 1.2%. Mr. Lozenski stated that the May 2012 Y-T-D tonnage received was 2.4% higher than the May 2012 Y-T-D budgeted tonnage.

B. May 2012 Accounts Receivable: Mr. Lozenski stated that receivable days outstanding decreased from 33.72 days in April 2012 to 30.78 days in May 2012.

C. May 2012 Financial Statement: Mr. Lozenski presented the Financials for May 2012 stating that we had a gain of \$338,971 for the month which was 9.3% above what was budgeted for the month. Retained Earnings at the end of May 2012 were at \$48,535,018. The funds invested totaled \$43,138,902.04 at month end. The interest earned in May 2012 was at a rate of 0.44% compared to 0.43% in April 2012.

D. May 2012 Vendor Check Register Report: The Vendor Check Register for May 2012 was presented to the Board. The checks totaled \$1,518,298.38.

E. Large Dollar Check Approvals: Mr. Lozenski presented the May 2012 Large Dollar invoices totaling \$194,600.74 per the attached schedule 10E. Mr. Shirk 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. Replacement Collateral Bond From July 1, 1988 – Letter Of Credit To US Treasury Note: Mr. Lozenski asked the Board for a motion to replace the existing \$586,332 LOC from 1988, which is held by DEP as Collateral for CCSWA's I.U. Site, with a \$587,000 U.S. Treasury Note. Mr. Lozenski stated that this would eliminate the LOC annual fee and enable the Authority to earn interest on the collateral bond investment. Mr. Carosella made a motion to terminate the current LOC and approve the

purchase of a \$587,000 US Treasury Note (CUSIP #912828SL5); Mr. Battavio seconded the motion. The motion was carried by a unanimous vote.

G. Defined Contribution Plan: Mr. Lozenski asked for approval of a 12% company contribution for the first half of 2012 into CCSWA's Defined Contribution Plan. Mr. Knipe made a motion for the Authority to contribute 12% into the defined contribution plan for the first half of 2012; Mr. Shirk seconded the motion. The motion was carried by a unanimous vote.

There being no further business, the meeting was adjourned at 7:06 p.m.

Prepared by,

Peggy A. Cunius