

CHESTER COUNTY SOLID WASTE AUTHORITY

Combined Work Session & Regular Meeting — Lanchester

June 26, 2014

- 1. Call to Order:** Bob Schoenberger, Chairman, called the June 26, 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
Kim Venzie
Peter Knipe
Ramsey G. DiLibero
E. Joel Martin

Authority Members Absent

Management and Staff Present

Robert A. Watts
Gary Laird
Terry Devine
Mike Magrann
Owen Esterly
Nancy Fromnick

Solicitor

Vincent M. Pompo, Esquire

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

The Chairman had no announcements.

- 3. Meeting Minutes:** Mr. Martin moved and Mr. DiLibero seconded approving the minutes of the May 22, 2014 *Combined Session Meeting*. The vote was unanimous.

4. **Executive Director's Report. (RAW)**

A. Monthly Activity Report: Mr. Watts said we have been contacted recently by three construction and demolition debris recycling facilities to determine our interest in taking their "fines" for alternate daily cover. Mr. Watts said so far all testing results indicate the sulfur content in the materials are higher than we would like. Mr. Watts said he and the Chairman have continued to meet with people that would like to site a conversion technology plant in Chester County to process the waste. Mr. Watts said he has another company scheduled for a visit next month that wants to take all the county waste for processing. Mr. Watts said he did meet with representatives from a European company who would like to construct a building on our property to process waste to energy ash for metal recovery. Mr. Watts said this could be a good source of alternate daily cover, but we currently do not have any waste to energy ash customers.

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 there were two articles in this section whose authors are trying to predict the future trends of the waste industry. There are a couple of articles concerning reducing waste going to landfills. There is an article on a company whose conversion technology is expanding on the east coast. Recycling robots are helping with sorting C&D in England. Indianapolis is working with Covanta on an advanced waste recycling system. The last article was concerning a large solar farm being installed on the Fresh Kills Landfill in New York.

D. Correspondence: Mr. Watts said this section contained a copy of a letter from the New Holland YMCA discussing their capital campaign.

E. Charter Change: Resolution 32 – 14 of Chester County amended the charter of CCSWA to allow CCSWA to support services and projects to improve the regional environment, health, economy, and community well-being... Mr. Carosella moved and Mr. Marroletti seconded approving and signing the agreement

F. First Amendment to Delegation Agreement: This delegates the planning update to Chester County's 2017 plan to CCSWA. Mr. Martin moved and Mr. Carosella seconded approving and signing this agreement. The vote was unanimous.

5. Operations/Site Development Report.

A. Monthly Activity Report: Mr. Watts said this was a good end of spring month. We recorded 3.39" of rain. The landfill gas flows had been around 2,800 cfm. We did use 168,340 gallons of water for dust control last month. Odors have been minimal during this period – we used 275 gallons of odor neutralizer last month. 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 included in this section were graphs of cost of daily cover, contracted labor, fuel usage 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 June 2014 was presented to the Board. The following items were discussed.

- On or about May 30, 2014, a claim letter was received from Severson Environmental Services (SES) in the amount of \$934,054 on Milestone #1, the Cell D3 Alternative Final Cover. A letter dated June 2, 2014 was issued in response. All claims were rejected. Please refer to the original correspondence for details.
- The Board was briefed concerning about the weekly Construction Progress Meeting conducted on June 4, 2014. During that meeting, Mr. Alan Elia, President of SES, inquired about the status of SES's claim for additional time due to winter weather conditions and payment for SES's defective work, such as those items identified in Nonconforming Work Notices 7, 8 and 9. Mr. Elia was advised time extension request remains under review and the final decision concerning payment for defective work requires the involvement of others within the Authority's organization. During the June 4 meeting Mr. Elia expressed frustration with the project and demanded the Authority's direction of SES's personnel and work. In follow-up to the an email was sent to Mr. Elia to remind him that the direction of the work under this contract form belongs entirely to the CONTRACTOR as set forth in Article 6 of the General Conditions.
- On June 17, 2014 a letter from SES was received requesting that an ARM representative direct the work needed to repair and mitigate erosion damage to the Area C redirection terrace channel. This channel was damaged due to rainfall on June 10, 2014. An email response was sent to SES to inform SES that no further action will be taken in response SES's requests for others to direct SES's work or personnel.
- On or about June 4, 2014 SES submitted an updated completion schedule. This schedule indicates that the SES will not complete the work until October 31, 2014. The contractual date for final completion remains September 28, 2014.

- On May 30, 2014, SES was advised that the Authority prefers that no excavation or other actions be taken by SES or subcontractors along the toe of the MSE berm to correct Nonconforming Work Notice No. 7. The Authority is concerned that excavation and correction of this nonconforming work may result in a collapse of the excavation, failure of the MSE berm foundation soils. Other options that may be available under Article 13 of the General Conditions are being considered.
- On May 28, 2014, correspondence was sent to advise SES that out-of scope engineering costs are being incurred by the Authority as a result of the events described in Nonconforming Work Notice 9.
- On May 16, 2014, correspondence was sent to advise SES that out-of scope engineering costs are being incurred by the Authority as a result of the events described in Nonconforming Work Notices Nos. 5 and 8.
- On May 26, 2014 a Notice of Award letter was sent to the American Environmental Group, Ltd. (AEGL) for the 2014 Landfill Gas Collection System Expansion. The required performance and payment bonds and evidence of insurance were received from AEGL on or about June 4, 2014. A Preconstruction Meeting was conducted on Wednesday, June 25, 2014. Construction is scheduled to begin on Monday, July 7, 2014.
- During this period, Ludgate Engineering Corporation (LEC) assisted with the finalization of the survey portion of the 2013 Annual PADEP Report. LEC also provided survey control assistance needed for the 2014 LFG Collection System Expansion. During the period, I asked that LEC provide an update of their construction cost estimate for the public water supply extension. This task remains in progress.
- During this period, SCS Engineers provided construction phase engineering services regarding the 2014 LFG Collection System Expansion. Additional details concerning SCS's current activities and assignments can be found in their Monthly Status Report dated June 18, 2014.
- On Monday June 6, 2014, SHA delivered the final version of the Annual Leachate Recirculation Report for 2013.
- The remainder of the report was presented for the Board's review at their convenience.

B. Alternative Final Cover – Letter Dated June 2, 2014: A copy of the June 2, 2014 letter to Mr. Dave Santarosa regarding SES's claim for additional compensation was presented to the Board.

C. Forensic Engineering Services: A copy of the letter proposal from Martin and Martin, Incorporated dated June 12, 2014 regarding the forensic engineering investigation concerning SES's claim for additional compensation was presented to the Board and discussed. It was agreed that Attorney Pompo would continue to review the proposal and explore the potential selection of Martin and Martin.

D. MSE Berm – ARM Memorandum Dated June 16, 2014: A copy of ARM’s memorandum dated June 16, 2014 regarding the MSE Berm Construction Nonconformance Recommendations was presented to the Board. Mr. Daniel Fellon, P.E. of the ARM Group reviewed the memorandum and recommendations such as: the need for an extended warranty on the MSE berm facing; non-payment of Bid Item #27 due to improper construction of Drop Inlet A; and non-payment of Bid Item #19, due to the improper slope on the 12-inch landfill gas header.

E. Area E, Stage 2 – Monthly Status Report: ARM’s Monthly Construction Progress Report dated June 19, 2014 concerning Area E, Stage 2 was presented to the Board. Mr. Daniel Fellon, P.E. of the ARM Group reviewed the memorandum with the Board. The Contractor’s difficulty providing suitable sub-base soil was introduced. Various options for moving the project forward were suggested and discussed. In conclusion it was agreed that a list be compiled of the Authority’s primary complaints with SES’s poor performance, including the anticipated financial damages. A meeting with SES to explore a cooperative termination of the agreement will be suggested.

F. ARM Group – Monthly Status Report: The Monthly Status Report from the ARM Group dated June 19, 2014 was presented to the Board for review. A benchmark graph was attached to the report. The graph indicates that the completion of the work within contract time appears unlikely.

G. SCS Engineers – Monthly Status Report: The Monthly Progress Report from SCS Engineers dated June 18, 2014 was presented to the Board for review. Services during this period included construction phase engineering services on the 2014 LFG Collection System Expansion.

H. Kinsley Construction – Correspondence Dated June 13, 2014: A copy of the expression of interest letter dated June 13, 2014 from Kinsley Construction was presented to the Board.

7. Water Management’s Report. (GAL)

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

MAY HIGHLIGHTS:

- May 2014 landfill leachate 1,002,478 gallons (includes gas condensate)

Leachate by area breakdown:

Area C 216,904 gallons

Area B 394,692 gallons

Area D 390,882 gallons

Granger Energy Condensate 5,375 gallons

- May 2013 landfill leachate 306,415 gallons
- May 2013 Rainfall 4.16”
- May 2014 Rainfall 3.24” (10 days of measurable rainfall)

LEACHATE STORAGE UPDATE: (As of June 11, 2014)

T-101 Leachate Storage Tank	-192,500 gallons	capacity – 850,000 gallons
T-115 Leachate Storage Tank	-172,500 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	- 475,000 gallons	capacity –1,810,000 gallons
Total percent of storage utilized - 26 %		

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. We are noticing faster sludge build up around the pumps in both the slope risers and wet wells. This is most likely due to recirculation.
- 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

- 174,267 gallons was recirculated into the recirculation blankets during the month of May 2014.

Recirculation to date: 6/1/2014

<u>Trench #</u>	<u>Recirculated (gal)</u>	<u>Maximum (gal)</u>
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		

<u>Blanket #</u>	<u>Recirculated (gal)</u>	<u>Maximum gallons/year</u>
1	208,975	1,250,000
2	218,350	1,250,000
3	217,690	1,250,000
4	223,343	1,250,000
Total	868,358 (gal)	5,000,000 (gal)

LEACHATE TREATMENT PLANT (UFRO SYSTEM)

The UFRO ran 22 days during May. The plant processed 63,990 gallons during this month. This was an average of 2,909gpd.

LEACHATE HAULING to off-site POTW

A total of 718,974 gallons were hauled off site for disposal during the month of May 2014.

GROUND WATER INFLOW/STORAGE UPDATE: 6/11/2014

- Ground Water Storage Pond – 725,000 gallons 91 % of capacity.
- The Ground Water Storage Pond Outfall 101 maintained a manageable level during May 2014 with a discharge of 235,900 gallons.
- Total Ground Water received for May 2014 – 396,500 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 May 2014 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 235,900 gallons of groundwater (Outfall 101) Ground Water Storage Pond, was discharged to (Outfall 001). A total of 235,900 gallons was discharged to the Conestoga River (Outfall 001) during May 2014.

8. Compliance Officer's Report. (TAD)

A. Monthly Activity Report: Ms. Devine reported that the 2013 Annual Ground Water Report had been submitted to the DEP and Caernarvon and Honey brook Townships. Ms. Devine also informed the Board that the 2nd quarter results were under review.

Ms. Devine reported that there were six radiation alarms in the past month. Three were sludge loads and three were household waste. All were I-131 and all were landfilled.

Ms. Devine reported that storm water samples were collected on Friday May 16th and results were received and DMR's were filed with the DEP.

Ms. Devine reported there were no complaints received since the last meeting.

Ms. Devine also reported the flare was operated for 34.5 hours over the Memorial Day Holiday and for .5 hour on May 30.

Ms. Devine reported that she conducted a tour for a group from Owen J. Roberts on May 20th. That was her last tour group for the school year.

Ms. Devine also mentioned that she took the Caernarvon Township HMI and the DEP inspector around the site for inspections on May 28th and May 30th respectively.

Ms. Devine discussed some of the attachments that were related to the annual ground water report and she also provided a report of the storm water results.

9. Recycling Coordinator's Report (NJF)

A. Monthly Activity Report: A list of meetings and events attended during the past month was provided. Of the items listed Ms. Fromnick commented that she attended two meetings related to the CC Sustainable Workplace Program. Upon hearing the Sustainable Workplace presentation, Recycling Committee members commented that goals of the Sustainable Workplace are being addressed by the Recycling Committee. A meeting with Mark Rupsis successfully produced replacement members lost through attrition. The Thornbury Farm food waste compost site is moving forward. Longwood Gardens will accept food waste until the farm receives their permit. Ms. Fromnick, through CC Procurement, released the Process and Marketing Contract for Recyclables for bid.

B. Correspondence: In – Ms. Fromnick provided a list of major pieces received. A DEP 904 Grant check for \$8,036 was received for recyclables collected in 2012. Octorara and Owen J. Roberts HHW Records of Operations and Invoices were received for review. **Out** – A list of major items was provided: A contamination of recyclables letter was sent to a local resident and composting information was sent to Downingtown to help address vector issues.

C. Projects: Ms. Fromnick provided a list of projects. Of those listed Ms. Fromnick comments on the scheduling of pre-application grant meetings, preparation of the new P & M Contract and the reorganization of the County Office Recycling Committee.

D. Attachments: Coatesville Awarded Contract to Eagle Disposal, Octorara and Owen J. Roberts HHW Records of Operations Summaries and Invoices.

Volunteer Master Composters manned information tables at the Spring Manor Elementary Wellness Day and East Goshen Township Community Fair.

10. Business Manager's Report. (MPM)

A. May 2014 Monthly Tonnage Report: Mr. Magrann presented the Tonnage Report for May 2014, indicating that the tonnage of 28,728.89 was 1.5% over budget and was higher than May 2013 tonnage received by 3.3%. Mr. Magrann stated that the May 2014 Y-T-D tonnage received was 0.7% lower than the May 2014 Y-T-D budgeted tonnage and 0.9% lower than the May 2013 Y-T-D actual tonnage.

B. May 2014 Accounts Receivable: Mr. Magrann stated that receivable days outstanding increased from 30.21 days in April 2014 to 37.05 days in May 2014. In addition, Expected Net Rentals Due exceeded Rental Property Collections by \$14,090 in May 2014. The hiring of Stout Associates to replace Weaver Group as the rental property manager was discussed. Mr. Marroletti made a motion to accept Stout Associates as the new property manager of the rental properties; Mr. Knipe seconded the motion. The motion was carried by a unanimous vote, with the understanding that the Rental Agreement would be reviewed by Vince Pompo, Esq. (Solicitor) and he determines that the agreement is reasonable, which has occurred.

C. May 2014 Financial Statement: Mr. Magrann presented the Financials for May 2014 stating that Net Income was \$654,731 for the month, which was 3.7% above the budgeted amount for the month. Retained Earnings at the end of May 2014 were at \$59,859,731. The funds invested totaled \$41,327,219.39 at month end. The interest earned in May 2014 was at a rate of 0.21% compared to 0.21% in April 2014. Mr. DiLibero made a motion to accept the Financial Statements as presented; Mr. Martin seconded the motion. The motion was carried by a unanimous vote.

D. May 2014 Vendor Check Register Report: The Vendor Check Register for May 2014 was presented to the Board. The checks totaled \$1,853,229.81. Mr. Carosella made a motion to accept the Check Register as presented; Mr. DiLibero seconded the motion. The motion was carried by a unanimous vote.

E. Large Dollar Check Approvals: Mr. Magrann presented the June 2014 Large Dollar Invoices (thru June 26, 2014) totaling \$868,333.68 per the attached schedule 10 E. Mr. Marroletti made a motion to accept the Large Dollar Invoices as presented; Mr. Carosella seconded the motion. The motion was carried by a unanimous vote, with the understanding that the Severson check in the amount of \$239,062.49 would not be released until the current issues with the Severson Contract are reviewed by Vince Pompo, Esq. (Solicitor) and he determines if the release of the funds is appropriate and / or a statement of position letter is sent.

F. Review Of Closure/Post Closure Costs/Investments: Mr. Magrann presented an informational snapshot review on the current status of closure / post closure investments held primarily by the State of Pennsylvania to collateralize the annual worksheets presented to the PA DEP. In addition, a work-up of the Closure / Post Closure costs to be used in the 2013 Annual PA DEP report, as well as a summary of proposals received to have an outside firm to manage the Investment Funds was presented. Mr. Carosella made a motion to continue pursuing information gathering regarding outside firms managing the investment funds, that the individual closure / post closure funds could be consolidated into one fund, and that the existing amounts shown in the 2012 PA DEP Annual Report be used for the 2013 Annual Report. Mr. Marroletti seconded the motion, and the motion was carried by a unanimous vote.

G. Proposed Deferred Profit Sharing Plan Contribution: Mr. Magrann presented a request to contribute 12% of employees' earnings for the first six months of 2014 to the Deferred Profit Sharing Plan. Mr. Marroletti made a motion to accept the Profit Sharing Plan Contribution as presented; Mr. Carosella seconded the motion. The motion was carried by a unanimous vote

H. Request For Bond Purchase: Mr. Magrann presented a request to approve a DEP Collateral Bond Replacement in the amount of \$2,325,000. Mr. Marroletti made a motion to accept the DEP Collateral Bond Replacement as presented; Mr. Carosella seconded the motion. The motion was carried by a unanimous vote.

The meeting was adjourned at 8:28 PM.

Prepared by,
Peggy A. Cunius