

CHESTER COUNTY SOLID WASTE AUTHORITY

Combined Work Session & Regular Meeting — Lanchester

March 26, 2015

1. **Call to Order:** Bob Schoenberger, Chairman, called the March 26, 2015 *Combined Work Session & Regular Meeting* of the Chester County Solid Waste Authority to order at 5:30 p.m.

Authority Members Present

Bob Schoenberger
Ramsey G. DiLibero
Peter Marroletti
E. Joel Martin
Vince Carosella
Kim Venzie

Authority Members Absent

Peter Knipe

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. DiLibero moved and Mr. Marroletti seconded approving the *Work Session Meeting* minutes of February 19, 2015 and the *Regular Session Meeting* minutes of February 26, 2015. The vote was unanimous.

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

A. Monthly Activity Report: Mr. Watts said he had two meetings this month with a gasification developer. He said he visited one of their proposed sites in Chester County and informed them that he did not think it was a good location for a waste processing facility. Mr. Watts said that school tours continue and that he had one in February that was for a group of 25 home schooled children.

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 expansion of the landfill in Bethlehem. There were two articles in this section concerning gasification projects in other parts of the country. The next article was from *Lancaster Online* concerning mercury found in two private wells near the Lanchester Landfill. Mr. Watts also showed a segment of the March 11, 2015 broadcast by Blue Ridge Cable-11 News on the same subject. There were two articles in this section concerning leachate treatment plants at other landfills in PA. The last article in this section was concerning that the City of Lancaster might need \$100 to \$400 million to comply with the US EPA's requirement for upgrades to their stormwater and waste water systems.

D. Correspondence: Mr. Watts said the first correspondence in this section was between one of Chester County's Commissioners and a representative of Organic Energy Corporation. Part of this correspondence was a survey on waste disposal and recycling practices in Chester County that Mr. Watts completed. This company has offered an unsolicited proposal to divert 70-90% of Chester County's waste from being landfilled. The Chester County Commissioner said he wanted to discuss this with CCSWA. There were copies of thank you letters from the Honey Brook Community Library and the Lancaster Farmland Trust in this section. The last item in this section was a copy of the correspondence Mr. Watts gave to Caernarvon Township on the mercury that was found in two of the ten private wells tested.

E. Groundwater & Stormwater Memo: The first item in this section was twelve graphs of quarterly leachate data we have collected from 2004 through 2014. This data was plotted against the maximum concentration expected as published by SWANA. Mr. Watts said all of the Lanchester Leachate data falls within the range except for ammonia nitrogen. Mr. Watts said he has also plotted on the ammonia graph the maximum range for ammonia found in other studies and the Lanchester Landfill ammonia levels fall significantly below these levels. Next in this section is a copy of budgetary estimate for taking landfill gas samples from two location in all of the major landfill units and testing them for mercury. The next estimate is for taking 20 soil samples from around the property and testing the samples for mercury. The last item in the section is an updated spreadsheet for mercury testing that includes the non-detect result for 318 Bootjack Road in Narvon.

H. Caterpillar Safety Notice Landfill Generator Sets: Mr. Watts said he had noticed Caterpillar service trucks at the Granger Energy facility recently and asked the operator why they were there. Mr. Watts said he was told there was an "Important : Safety Notice" from Caterpillar that was included in this section. This is a no charge safety improvement to the turbo. Some type of turbo failure was the expected cause of the December 2013 fire at their building.

I. Environmental Legislation: Mr. Watts said he tracks PA environmental legislation for two state wide organization he is a member of, and he included a copy here. Mr. Watts said there are currently two bills of interest to CCSWA and they are SB513 and HB398. Both of these bills are identical to a bill that passed the senate almost unanimously last session. These bills, if signed into law, would limit the power of PADEP to restrict leachate trucking.

The Board went into Executive Session to discuss litigation and property purchase at 6:11 pm and returned to Regular Session at 6:36 pm.

5. Operations/Site Development Report.

A. Monthly Activity Report: Mr. Watts said we recorded 0.58” of rain in February. CDS processed almost 100 tons of wood during this period. We did not use any water for dust control in February and we did not run any of the odor neutralizers during the month. In this section is the inspection report from Vision Engineering for Caernarvon Township. The inspection report had no violations or concerns. Mr. Watts said included in this section were graphs of cost of daily cover, diesel fuel use, landfill gas production, contracted labor and average overtime hours by month per operation’s employee. Mr. Watts said the cost of cover was reduced this month by a small quantity of alternate daily cover and no soil purchases in February.

6. Facility Engineer’s Report. (ORE)

A. Monthly Activity Report: The Monthly Engineer’s Report for March 2015 Board Meeting was presented to the Board. The following items were discussed.

- Severson Environmental Services (SES) has not yet completed the final Record Drawings for the Area E Stage 2 Construction. These drawings were scheduled for completion on January 31, 2015. The lack of final record drawings continues to delay the completion of the CQA Certification, PADEP approval, and the Authority’s utilization of the Work for the purposes intended.
- The 2015 LFG Collection System Modifications were completed by SCS Field Services (SCS-FS) on or about February 20, 2015.
- The Construction Certification Report and the PADEP Form 37 for the Cell D3 Alternative Final Cover Construction remain under PADEP’s review. Monthly monitoring of the demonstration facility remains in progress.
- This week Ludgate Engineering Corporation (LEC) was asked to perform a quality assurance survey of the above ground portion of the LFG pipes constructed by SES. The QA survey results demonstrate that the slopes of these above ground LFG pipes do not conform to contract requirements.
- On or about March 3, 2015 the ARM Group delivered draft text for the Area E Stage 2 Construction Certification Report. ARM’s review of claim letters from SES was also ongoing. Additional details concerning ARM’s activities and assignments can be found in are found in ARM’s Monthly Status Report dated March 12, 2015.

- Sanborn Head and Associates (SHA) began work on the Annual Leachate Recirculation Report on about March 6, 2015. A data request was received and a response is being compiled.

B. Area E, Stage 2 – Monthly Construction Progress Report: ARM’s Monthly Construction Progress Report dated March 12, 2015 concerning Area E; Stage 2 was presented to the Board. The report indicates that work remaining totals about \$10,085. There was no partial payment application submitted by SES for February 2015. As of the most recent payment application, the retainage held remains \$1,404,040. Several photographs of the non-conforming LFG pipes were attached to the Report.

C. ARM Group – Monthly Status Report: ARM’s Monthly Status Report dated March 12, 2015 was presented to the Board. The Report listed ARM’s invoicing for the period. Engineering fees that are considered recoverable due to contractor delay and non-conforming work are also listed in the Report.

D. SCS Engineers – Monthly Status Report: The Monthly Progress Report from SCS Engineers (SCS) dated March 11, 2015 was presented to the Board.

E. Sevenson – Letter Dated February 26, 2015: The following documents were presented to the Board regarding Sevenson’s February 26, 2015 claim concerning alleged “Geogrid, Channel, Forcemain Conflict”:

- CCSWA memorandum dated March 11, 2015;
- ARM’s memorandum dated March 12, 2015;
- Sevenson’s claim letter dated February 26, 2015 requesting a \$547,282 increase in the contract price and a contract time extension until April 15, 2015.

Both memoranda concluded that the claim letter lacks merit.

F. Sevenson – Letter Dated March 2, 2015: The following documents were presented to the Board regarding Sevenson’s March 5, 2015 claim concerning “Changes in Contract time Request Summary - Milestone #2”:

- CCSWA memorandum dated March 11, 2015;
- List of Examples of Contractor Delays to Milestone #2 dated November 20, 2014;
- ARM’s memorandum dated March 12, 2015;
- Sevenson’s claim letter dated March 5, 2015.

Both memoranda concluded that the claim letter lacks merit.

G. Jeffrey L. Pettit, Esq. – Letter Dated March 2, 2015: The letter dated March 2, 2015 from Attorney Jeffrey L. Pettit to Attorney Vincent M. Pompo was presented to the Board.

H. James C. Sargent, Jr., Esq. – Letter Dated March 13, 2015: The letter dated March 13, 2015 from Attorney James C. Sargent, Jr. to Attorney Jeffrey L. Pettit was presented to the Board.

7. Water Management’s Report. (GAL)

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

FEBRUARY HIGHLIGHTS:

- February 2015 landfill leachate 671,830 gallons (includes gas condensate)
Granger Energy Condensate 4,200 gallons
- February 2014 landfill leachate 1,165,774 gallons
- February 2014 Rainfall 4.0”
- February 2015 Rainfall 0.57” (4 days of measurable rainfall)

LEACHATE STORAGE UPDATE: (As of March 13, 2015)

T-101 Leachate Storage Tank	-232,500 gallons	capacity – 850,000 gallons
T-115 Leachate Storage Tank	-225,500 gallons	capacity – 850,000 gallons
T-100 Equalization Tank	-110,000 gallons	capacity – 110,000 gallons
Total Leachate Storage	-565,000 gallons	capacity –1,810,000 gallons

Total percent of storage utilized - 31 %

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.

RECIRCULATION SYSTEM

- 241,730 estimated gallons was recirculated into the Area C recirculation blankets during the month of February 2015.

Recirculation to date: 2/28/2015

<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>Area C Blankets</u>	<u>Recirculated (gal)</u>	<u>Maximum gallons/year</u>
2	117,777	1,250,000
3	116,087	1,250,000
4	118,867	1,250,000
Total	352,730(gal)	3,750,000 (gal)

<u>Area D Blankets</u>	<u>Recirculated(gal)</u>	<u>Maximum gallons/year</u>
1	10,200	1,250,000
2	21,000	950,000
3	0	825,000
Total	31,200	1,900,000

LEACHATE TREATMENT PLANT (UFRO SYSTEM)

The UFRO ran 20 days during February. The plant processed 52,400 gallons during this month. This was an average of 2,620 gpd.

LEACHATE HAULING to off-site POTW

A total of 479,000 gallons were hauled off site for disposal during the month of February 2015.

GROUND WATER INFLOW/STORAGE UPDATE: 3/1/2015

- Ground Water Holding Pond – 692,000 gallons 86.5 % of capacity.
- The Ground Water Holding Pond Outfall 101 maintained a manageable level during February 2015 with a discharge of 93,600 gallons. Water from this Groundwater Holding Pond is available for Contractors as well as CCSWA staff for dust control.
- Total Ground Water received for February 2015 – 42,042 gallons.

NPDES PERMIT COMPLIANCE:

NPDES PERMIT DMR PA 0082791 for Outfall 001,100, and 101 CONESTOGA RIVER dated February 27, 2009 – The NPDES DMR Outfall 001, 100 and Outfall 101 for February 2015 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 93,600 gallons of groundwater (Outfall 101) Ground Water Holding Pond, was discharged to (Outfall 001). A total of 93,600 gallons was discharged to the Conestoga River (Outfall 001) during February 2015.

8. Compliance Officer's Report. (TAD)

A. Monthly Activity Report: Mr. Watts said Ms. Devine was off tonight and he would give her report. The 1st quarter groundwater monitoring results have been received and will be sent to the PADEP shortly. The owners of the two wells that had mercury detections have been supplied bottled water. Ms. Nichols received an odor complaint the evening of March 8th from one of her neighbors. She contacted Mr. Watts and he contacted Granger Energy. Granger Energy investigated and determined one of their new employees mistakenly reduced the vacuum on the well field. Mr. Watts said once the vacuum was returned to normal the odors subsided. Mr. Watts said he informed Granger Energy that he was not pleased with another mistake by one of their new employees. Granger Energy promised to redouble their training efforts.

9. Recycling Coordinator's Report (NJF)

A. Monthly Activity Report: Mr. Watts said Ms. Fromnick had the night off and he would give her report. Mr. Watts said the Board could read through her report but he wanted to point out that the PADEP Grant has been signed and we have posted a Pay-as-You-Throw video on our website for municipal officials.

10. Business Manager's Report. (JMG)

A. February 2015 Financial Statement: Mr. Magrann presented the Financials for February 2015 stating that Net Income was \$180,557, which was 37.4% (\$108,098) below the Budgeted amount for the month, and 22.0% (\$143,333) below Budget for the year. Retained Earnings at the end of February 2015 were at \$64,129,496. The funds invested totaled \$41,136,119 at year end. Mr. Marroletti made a motion to accept the Financial Statements as presented; Mr. DiLibero seconded the motion. The motion was carried by a unanimous vote.

B. February 2015 Accounts Receivable: Mr. Magrann stated that receivable days outstanding increased from 40.19 days in January 2015 to 41.02 days in February 2015. In addition, Rental Property Collections was higher than Expected Net Rentals Due by \$2814 in February 2015.

C. February 2015 Tonnage/Customer Information: Mr. Magrann presented the Tonnage Report for February 2015 of 19,270 tons which was 6.71% below budget for the month and was 0.41% lower than the February 2014 tonnage received. The February 2015 Y-T-D tonnage received was 8.08% lower than the February 2015 Y-T-D budgeted tonnage and 3.89% lower than the February 2014 Y-T-D actual tonnage.

D. February 2015 Check Register Report: The Vendor Check Register for February 2015 was presented to the Board by Mr. Magrann. The checks totaled \$1,117,646.20. Mr. Carosella made a motion to accept the Check Register as presented; Mr. Martin seconded the motion. The motion was carried by a unanimous vote.

E. Large Dollar Check Approvals (2/27/2015 to 3/26/2015): Mr. Magrann presented the Large Dollar Invoices (from February 27, 2015 to March 26, 2015) totaling \$126,722.84. Mr. Martin made a motion to accept the Large Dollar Invoices as presented; Mr. DiLibero seconded the motion. The motion was carried by a unanimous vote.

F. Severson Payment Issue Snapshot: Mr. Magrann presented an informational snapshot review on the current status of payments made / potential damages which could be assessed under the Severson Contract. This review reflected paid Severson Billings thru January 2015.

G. Audit 2014: The Audit Firm BDO represented by James Doyle – Partner, Keith Hammond – Manager, and Andrew Quynn - Senior presented the Audit Wrap-Up to the Board. The Auditors reported that revenues, capital and landfill assets and related depreciation, the closure and post closure liability estimates and expenses, payroll and related costs and receivables appeared reasonable as stated. The auditors had no material balance sheet or income statement reclassifications recommendations to the year-end Financial Statements. There was one recommendation to reduce the reserve for doubtful accounts, which was considered non-material and was not recorded. BDO noted no material weaknesses in internal control over financial reporting, but recommended that the general ledger system be enhanced, and that the present sharing of user ID be eliminated, whereby each user would sign in under their own ID. There were no disagreements with management on financial accounting, reporting matters and auditing procedures. There were no discussions with other auditors and no major accounting or other issues with management, and there were no other audit issues. It was stated that the completion of the presentation of the Management Representation Letter still must be provided. The Auditor's stated that subject to their review of the Management Representation Letter, they will be issuing a clean opinion on the December 31, 2014 Financial Statements. Mr. Marroletti made a motion to accept the 2014 Auditor's Draft Report as presented; Mr. Carosella seconded the motion. The motion was carried by a unanimous vote.

11. Board Member Initiative's

Suggestions for Changes – 2015 – Mr. Martin

1. **Uniform reporting periods** – after much discussion it was agreed that statistical data from staff should be limited to the previous month. Items on non-statistical data that staff thought the Board should be aware of should be included in Staff's Monthly Reports to the Board

2. **Special Committee** – was not established at this time.
 - a. **PA Clean Streams Act** – it was agreed to discuss this issue at another time.
 - b. **Sedimentation Pond Reporting** - staff will report on Sedimentation Ponds sediment levels on a regular basis.
 - c. **Leachate Seeps** – staff plans enhanced reporting, including reporting from consultants – no seeps currently.
 - d. **Hazardous Materials** – request for greater inspections withdrawn.
 - e. **Perimeter Monitoring Wells** – it was agreed if parameters in perimeter monitoring wells have exceedences of the federal drinking water standards then down gradient homeowner wells that are currently being monitored on a quarterly basis will also be sampled for the same parameters.
3. **Annual Board Review** – staff agrees that formalizing the process that they normally complete after major projects is good practice.
4. **Best Practices Reporting** – Mr. Watts and Mr. Magrann said they have experience trying to benchmark landfill performance against industry standards and they have never seen useful information come out of this task. The Board did not direct staff to pursue benchmarking against other landfills.
5. **Mission Statement** – the Board directed Mr. Martin and Mr. Watts to submit a draft of the mission statement for review by the Board.

The meeting was adjourned at 7:58.

Prepared by,
Peggy A. Cunius