

**DELAWARE COUNTY SOLID WASTE  
AUTHORITY BOARD MEETING**

**ROSE TREE PARK**

**January 18, 2023**

**DELAWARE COUNTY SOLID WASTE AUTHORITY**  
**MEETING**  
**ROSE TREE PARK**  
**January 18, 2023**  
**3:00 PM**

1. Call to Order
2. Roll Call
3. Pledge of Allegiance
4. **Approval** of the Minutes of the Board of Directors Meeting held at Rose Tree Park on December 21st, 2022.
5. Public Comment
6. Report: Interim CEO, Jim Warner  
**Updates:** various topics including tonnage trends 2018 - 2022
7. Facility Operations  
**Review:** December 2022 Tonnage Summary and 2022 Annual Totals  
**Action Item with Issue Paper:** Purchase and Delivery of Aggregates to RHL for 2023  
**Action Item with Issue Paper:** Purchase of a 2023 Stewart-Amos Galaxy R-6 Sweeper  
**Action Item with Issue Paper:** Award Contract for Construction of Rolling Hills Landfill PAD 107 and Capping Projects  
**Action Item:** Approve contract entered into on December 20, 2022 between Delaware County Solid Waste Authority and Penn Fuels, Inc of Boyertown, PA.
8. Accounting and Finance Report  
**Review:** December and YTD Operating and Capital Budget Report  
**Review:** 2022 Operating Budget Performance by location Delco vs RHL  
**Action Item:** Approval of the Accounts Payable List for December 2022.  
**Action Item:** Approve Engagement of Barbacane Thornton & Company as Auditor for FY '22
9. Public Outreach and Communications  
**Update:** no report
10. Other Business
11. Strategic Planning, Administration and Policy
12. Solicitor Report
13. Executive Session
14. Adjournment

**DELAWARE COUNTY SOLID WASTE AUTHORITY**  
**Rose Tree Park**  
**December 21, 2022**

The meeting was called to order at 3:00 PM.

The pledge of Allegiance was said

Roll Call

Board Member Attendance:           James McLaughlin, Chairman  
  James Kelly, Vice Chairman  
  John Butler, Member  
  William Jones, Member  
  William Silverstein, Member  
  Don Vymazal, Ex-Officio

Others In attendance:               James Warner, Interim CEO  
  Michael Clarke, Solicitor  
  Samantha Newell, Solicitor  
  Wendy Marburger, CAO  
  Jeff Munster, COO  
  Angela Nash, Accounting Manager

Upon motion duly made and seconded, and by unanimous vote **Approval** of the Minutes of the Board of Directors Meeting held at Rose Tree Park on November 16, 2022. Motion made by James Kelly Seconded by John Butler; motion was passed with no dissenting votes.

Public Comment:

Andrew Saul: Global Warming will be a big concern 5 to 10 years from now. Future ways to lower greenhouse gas emissions for Delaware County should consist of creating composting sites, more education on recycling, building an MRF in Delaware County and using Ridley Creek State Park as an Ash Landfill.

Jim Warner, Interim CEO updates on:

- Covanta Letter for Regulatory Changes
- Bid Opening for Capping Project and Building Pad 107; budgeted 3.8 million lowest bidder came in at 2.64 million. Will have more details at next Board Meeting
- Leachate

November 2022 Tonnage Summary reviewed

Delaware County Household Hazardous Waste (HHW) Events Summary for 2022 reviewed

Upon motion duly made and seconded, and by unanimous vote **Approval** of the Household Hazardous Waste Service Agreement with MXI Environmental Services, LLC. Motion made by James Kelly Seconded by William Jones; motion was passed with no dissenting votes.

Upon motion duly made and seconded, and by unanimous vote **Approval** of Equipment Ordering and Subsequent Purchase in 2023. Motion made by James Kelly Seconded by William Silverstein; motion was passed with no dissenting votes.

November and Year-to-date Operating and Capital Budget Report reviewed.

Monthly Cash Flow Report reviewed.

Upon motion duly made and seconded, and by unanimous vote **Approval** of Payment of Bills For the month of November 2022. Motion made by James Kelly; Seconded by William Silverstein, motion was passed with no dissenting votes.

Public Outreach and Communications: [www.delcoswa.org](http://www.delcoswa.org) continues to be updated and the Board Meeting page is now easier to find and navigate.

Other Business:

Authority Governance: Report from the Nominating Committee

Upon motion duly made and seconded, and by unanimous vote **Approval** of Officers for 2023. Motion made by William Silverstein; Seconded by James Kelly, motion was passed with no dissenting votes.

- Chairman: James McLaughlin
- Vice-Chair: William Silverstein
- Secretary: William Jones
- Treasurer/Assistant Secretary: Steven Goldfield
- Ex-Officio Position
  - Delaware County Council Representative: Christine Reuther
  - Delaware County Consortium of Governments Representative: Donald Vymazal

Upon motion duly made and seconded, and by unanimous vote **Approval** of Agreement with Wireback Consulting, LLC for 2023 for HR Services. Motion made by James Kelly; Seconded William Silverstein, motion was passed with no dissenting votes.

Upon motion duly made and seconded, and by unanimous vote **Approval** of the Updated Employee handbook. Motion made by James Kelly; Seconded by William Jones, motion was passed with no dissenting votes.

Upon motion duly made and seconded, and by unanimous vote **Approval** of Resolution 2022-9; Approve joining the Pennsylvania Local Government Investment Trust (PLGIT). Motion made by James Kelly; Seconded by William Jones, motion was passed with no dissenting votes.

Upon motion duly made and seconded, and by unanimous vote **Approval** of Entering into Contract with Practical Waste Solutions, LLC for Consulting Services for 2023. Motion made by James Kelly; Seconded by William Jones, motion was passed with no dissenting votes.

Solicitors Report: Employee Handbook Review

The Board went into Executive Session to discuss Personnel matters.

The Board Approved Memo Dated 12/21/2022: Topic A regarding Compensation.

The Board Approved Memo Dated 12/21/2022: Topic B regarding Compensation.

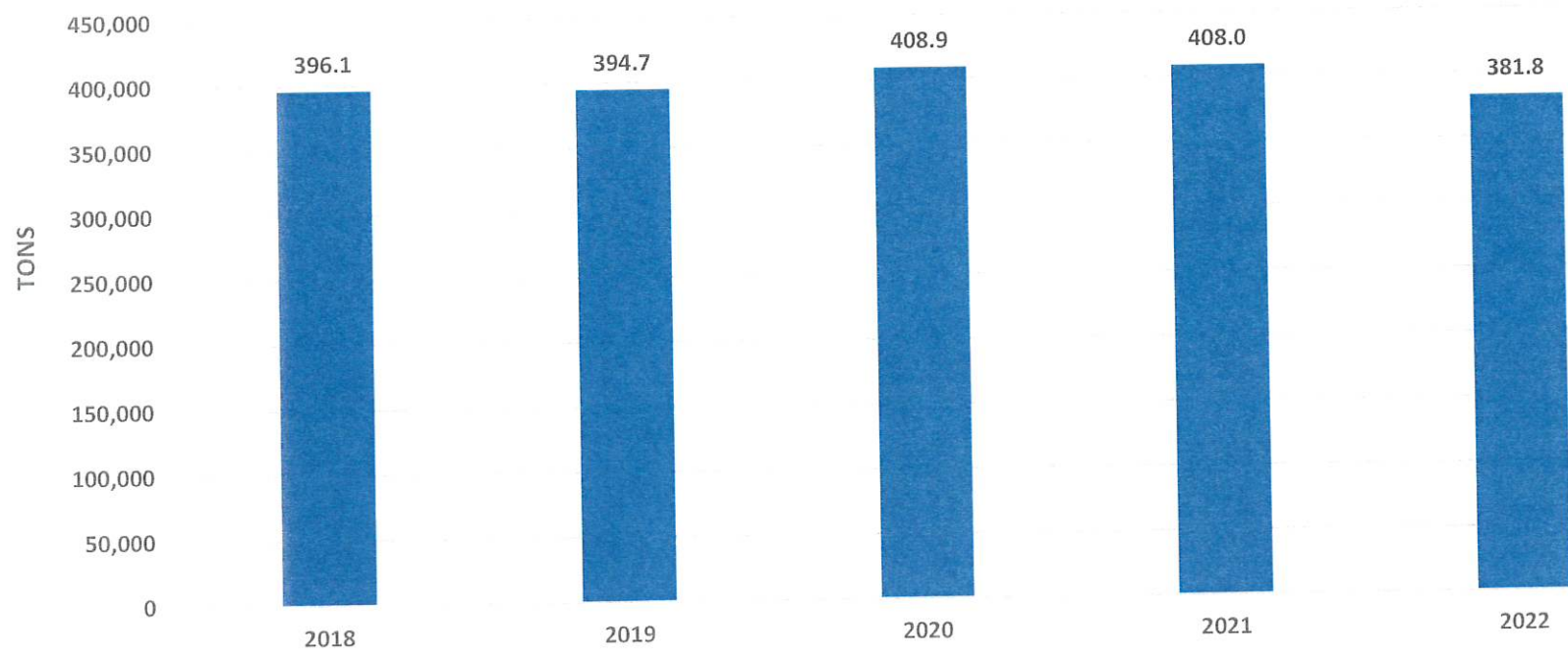
There being no further business, the meeting was adjourned at 4:45 PM.



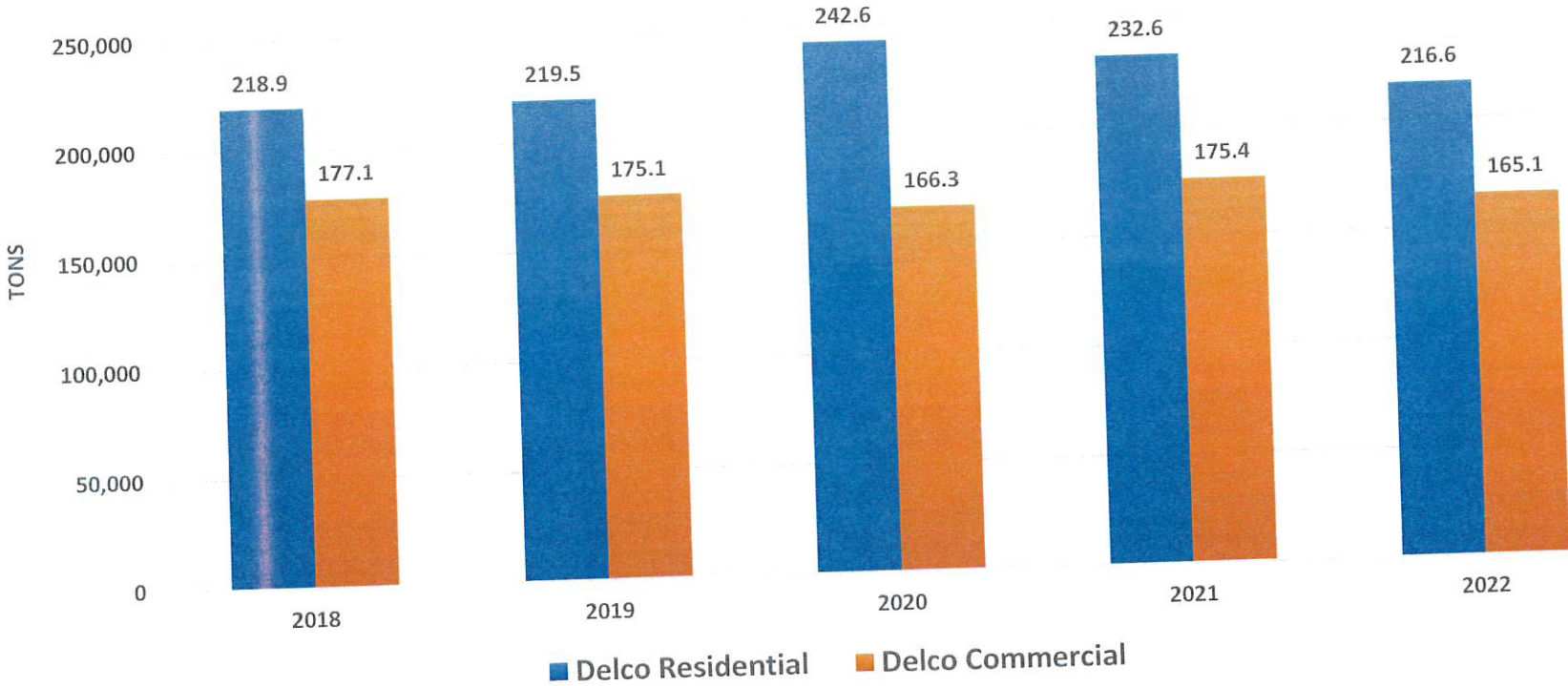
**DCSWA**  
DELAWARE COUNTY  
SOLID WASTE AUTHORITY



### DELCO WASTE TOTAL TONS

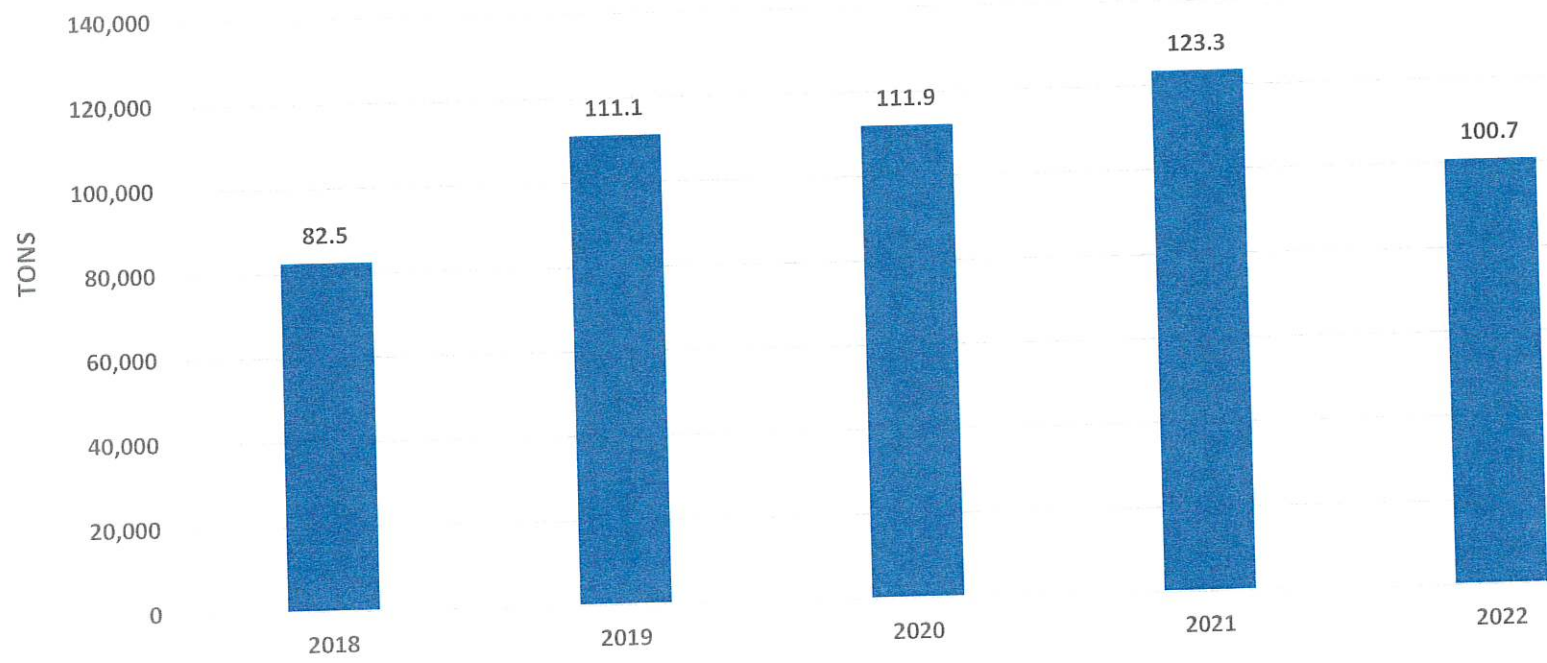


### DELCO WASTE TONS

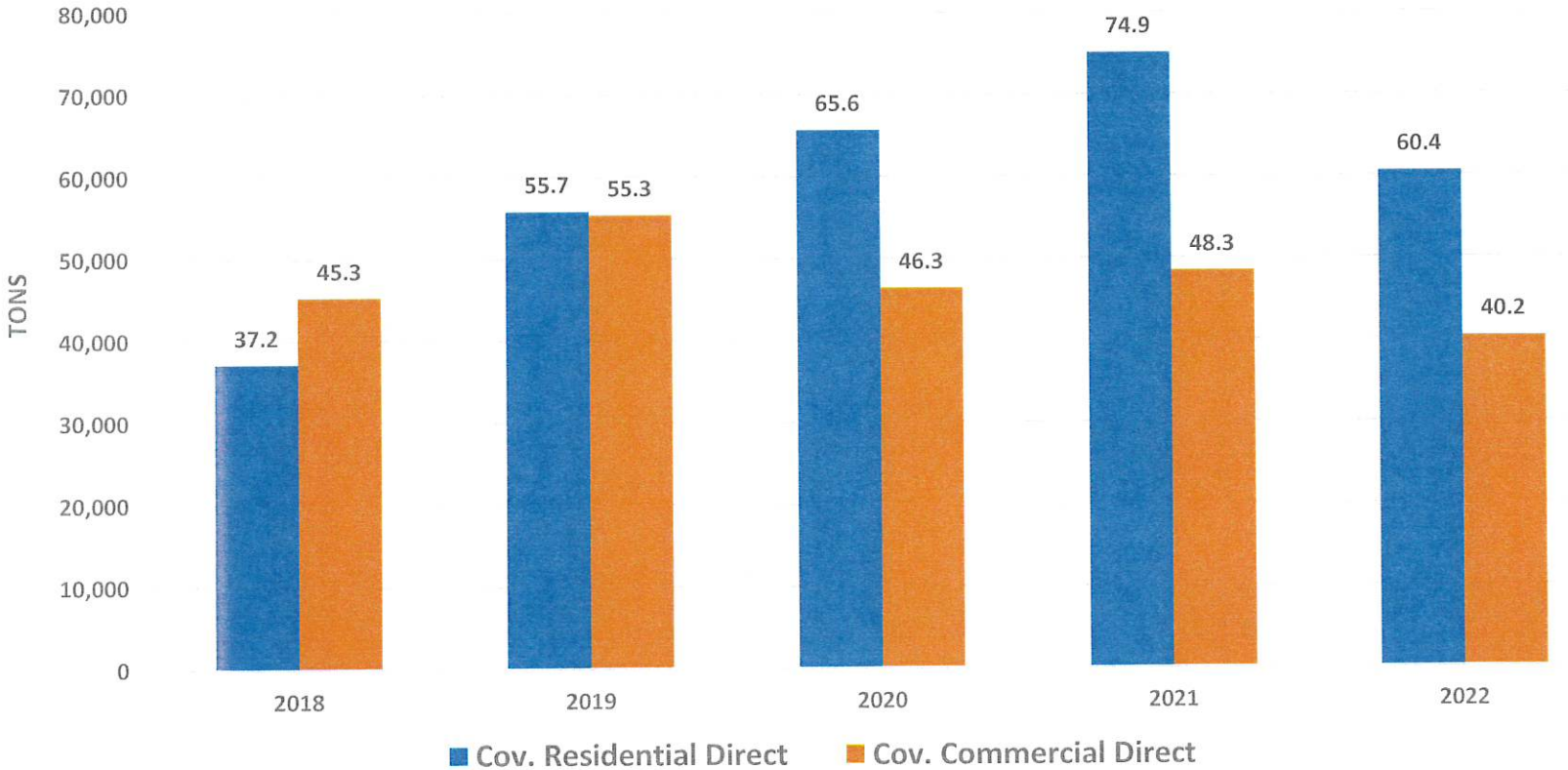




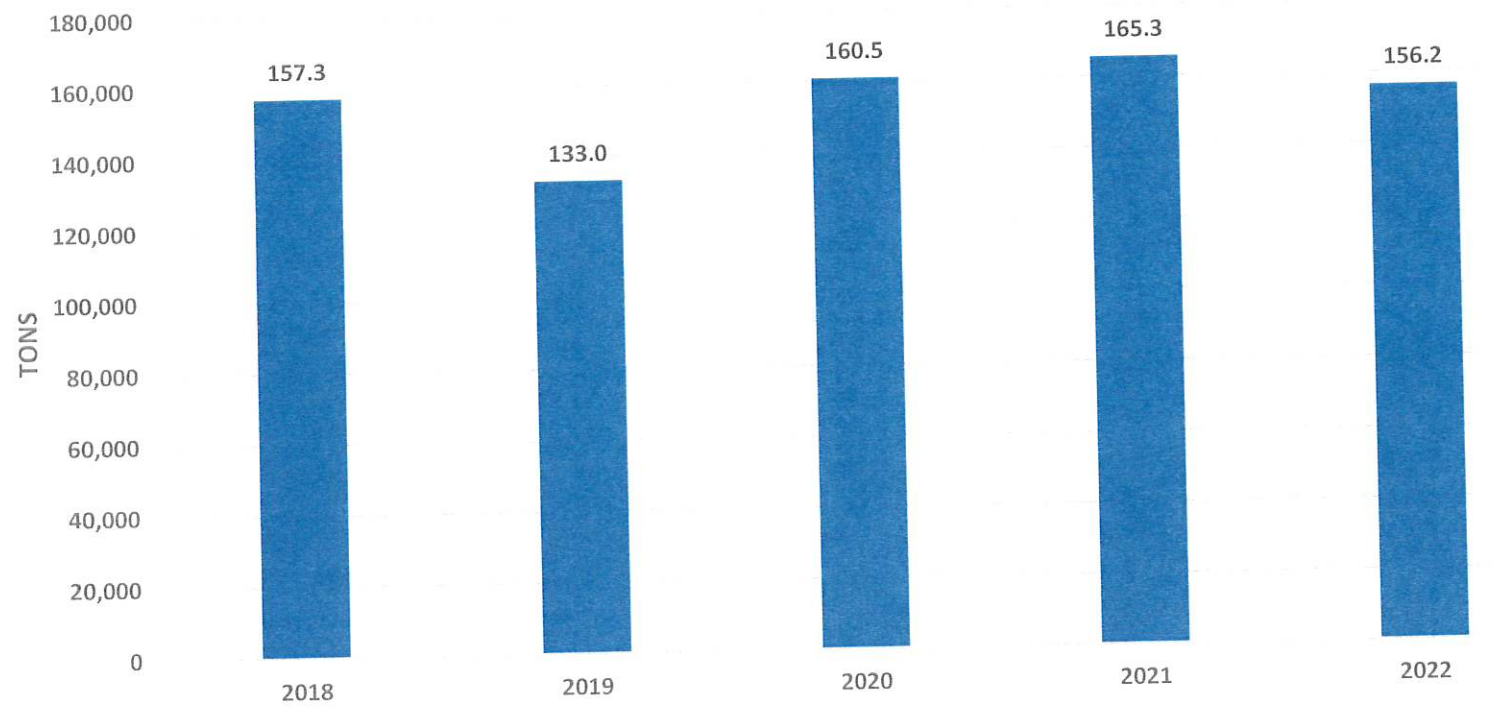
### COVANTA DIRECT TOTAL TONS



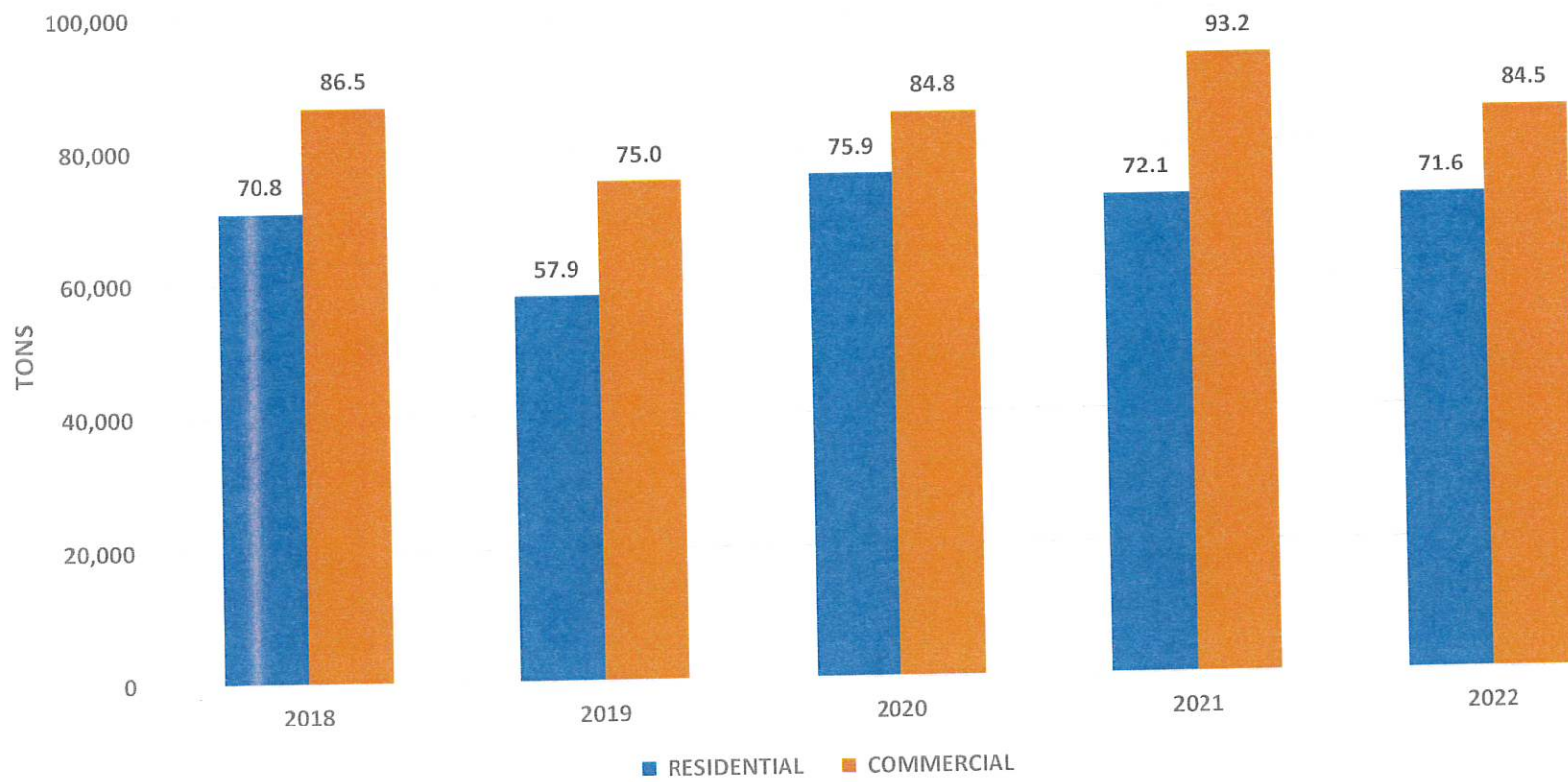
### COVANTA DIRECT TONS



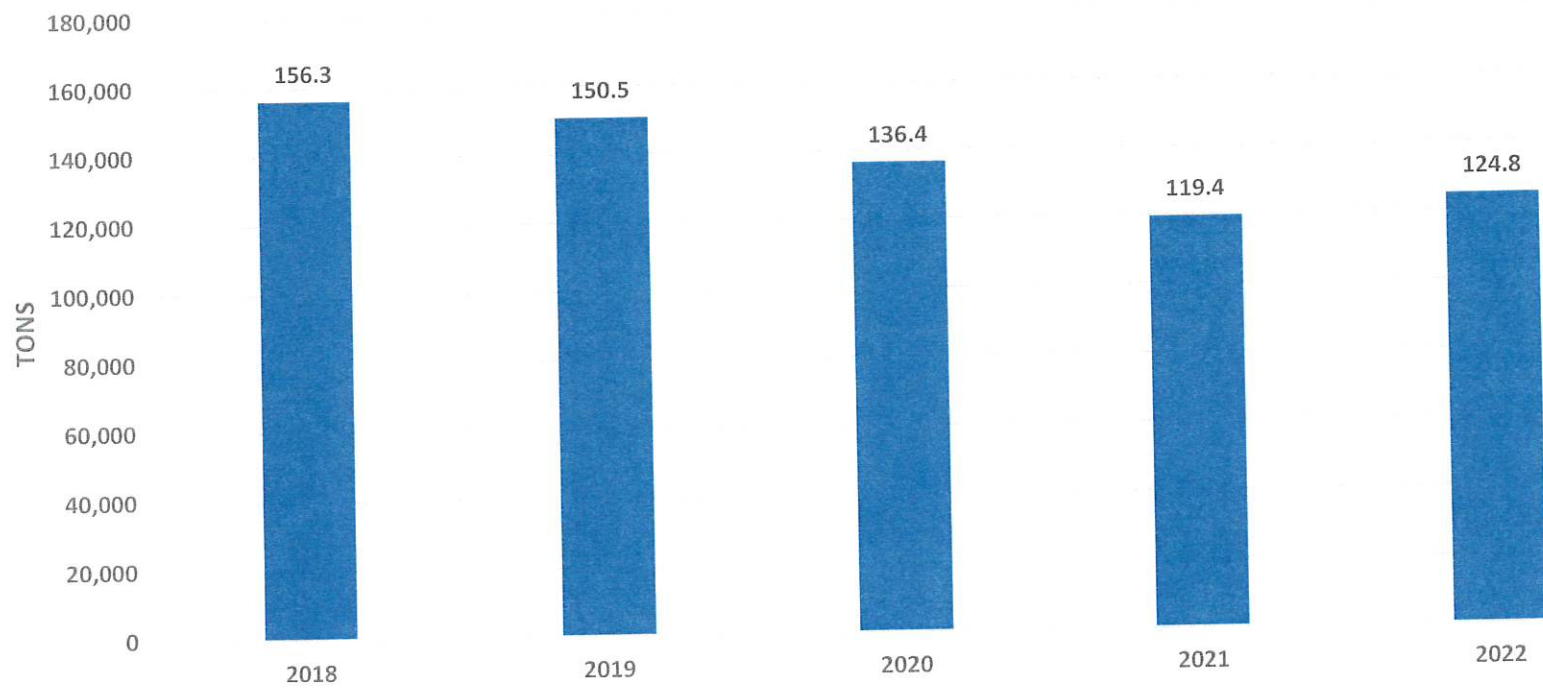
### TRANSFER STATION #1 TOTAL TONS



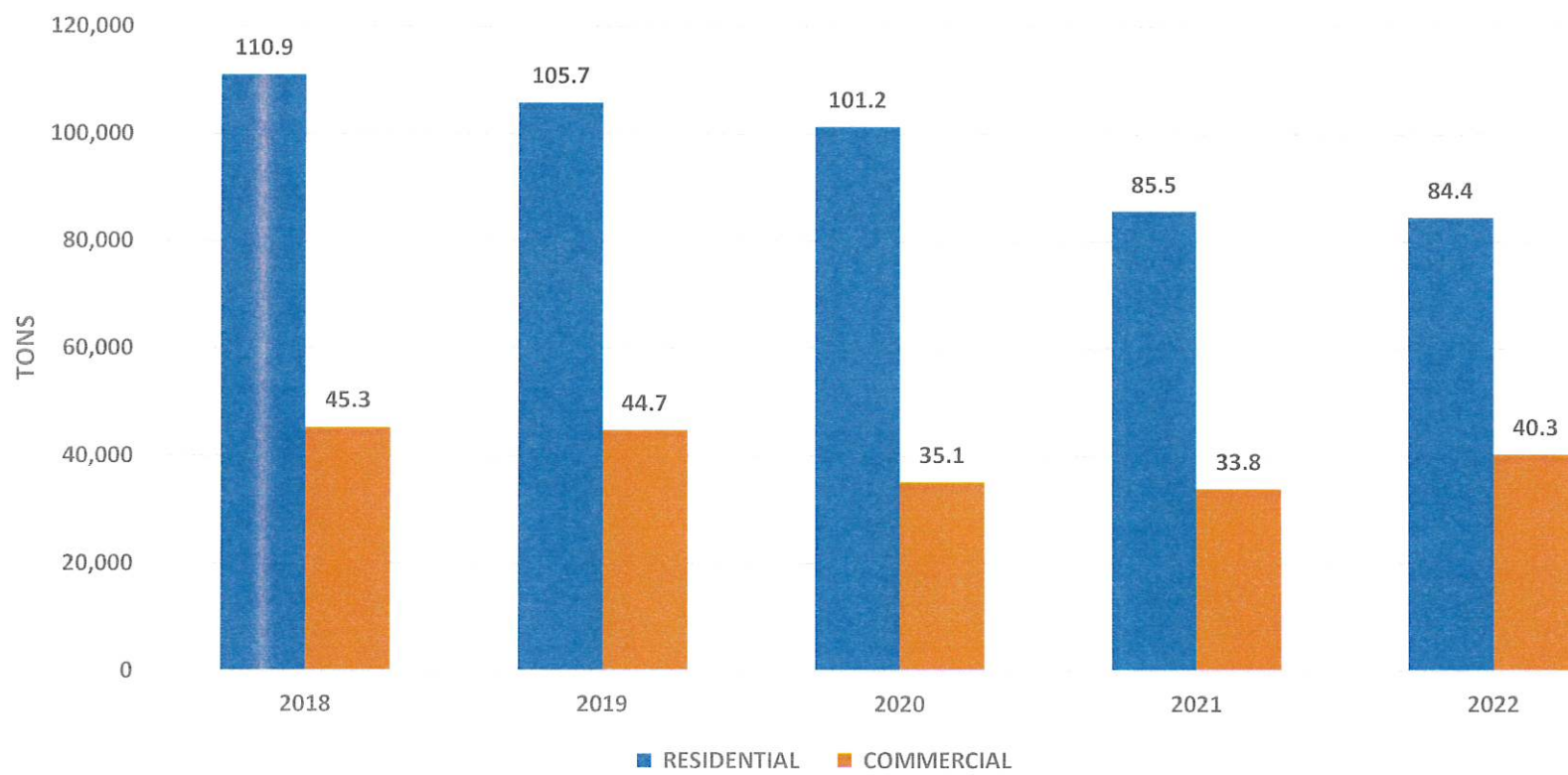
### TRANSFER STATION #1



### TRANSFER STATION #3 TOTAL TONS



### TRANSFER STATION #3



**DELAWARE COUNTY SOLID WASTE AUTHORITY  
DECEMBER, 2022  
TONNAGE SUMMARY**

	Month				YTD			
	Budget	Actual	Variance	Variance %	Budget	Actual	Variance	Variance %
Delaware County Refuse								
Delco Residential	15,471	13,375	(2,097)	-14%	179,325	156,147	(23,178)	-13%
Delco Commercial	9,008	10,905	1,897	21%	104,406	124,902	20,496	20%
Delco Direct Residential	5,245	4,352	(893)	-17%	60,800	60,465	(335)	-1%
Delco Direct Commercial	5,245	2,668	(2,577)	-49%	60,800	40,279	(20,521)	-34%
<b>Total Tons</b>	<b>34,970</b>	<b>31,300</b>	<b>(3,670)</b>	<b>-10%</b>	<b>405,331</b>	<b>381,793</b>	<b>(23,538)</b>	<b>-6%</b>
Rolling Hills Landfill								
Covanta Ash	33,475	30,502	(2,973)	-9%	388,000	363,469	(24,531)	-6%
Plymouth Ash	4,486	4,276	(210)	-5%	52,000	49,403	(2,597)	-5%
Berks County	3,606	6,773	3,166	88%	41,801	52,558	10,757	26%
Montgomery County	7,241	6,555	(685)	-9%	83,927	97,531	13,604	16%
Residual	0	152	152		0	8,918	8,918	
<b>Total Tons</b>	<b>48,808</b>	<b>48,257</b>	<b>(551)</b>	<b>-1%</b>	<b>565,728</b>	<b>571,879</b>	<b>6,151</b>	<b>1%</b>
<b>System Tons</b>	<b>83,778</b>	<b>79,557</b>	<b>(4,221)</b>	<b>-5%</b>	<b>971,059</b>	<b>953,672</b>	<b>(17,387)</b>	<b>-2%</b>

## ISSUE PAPER

**Issue:** Purchase and Delivery of Aggregate to Rolling Hills Landfill

**Background:**

Over the course of the year, the landfill uses a variety of soils and aggregates for capital construction projects, landfill road construction, road maintenance and intermediate cover. For 2023, we estimated the need to purchase a combination of 30,000 tons of this material.

**Discussion:**

A bid was advertised on Penn Bid and the Reading Eagle newspaper to supply and deliver 3 types of stone most frequently used at the RHL. These materials include 1.) Protective Cover Aggregate for Phase 1 completion, 2.) AASHTO#1 stone for new road base, and 3.) PaDOT 2A Modified stone for road surfaces. These items were in both the capital and operating budgets. While the stone in the capital budget was only \$9,000 over budget, the stone purchase in the operating budget came in \$85,400 more than the budget. Since these materials are delivered throughout the year, attempts will be made to minimize tonnage used in to make best efforts to stay within budget.

There was only one responsive bidder; Martin Stone Quarries Inc, the results are in the chart below.

Type of Aggregate	Quantity	Bid amount	Budget	Budget Category
Protective Cover Aggregate	16,000 tons	\$329,000	\$320,000	Capital
AASHTO #1	10,000 tons	\$180,000	\$150,000	Operations
PaDOT#2A Modified	4,000 tons	\$55,400		

**Recommendation:**

It is recommended the Board of Directors award the contract to Martin Stone Quarries Inc for a Total Contract Price of \$566,000.

Approved: \_\_\_\_\_

James McLaughlin, Chairman

January 18, 2023



## ISSUE PAPER

**Issue:** Purchase a 2023 Stewart -Amos Galaxy R-6 Sweeper

**Background:** To comply with PaDEP regulations, landfill staff uses a 2015 Tymco Sweeper daily on the paved landfill access roads and Shenkel Road to clean up dust/dirt and other smaller debris. This sweeper is worn out and needs replaced.

**Discussion:** Landfill Staff received a demonstration and review of the Galaxy Sweeper, and we are satisfied this sweeper will meet the needs of the facility. This COSTARS purchase is part of a cyclical replacement schedule and is available for delivery pending approval. The sweeper is assembled in Harrisburg Pa and has the following warranties.

- The drive train- 5 year/150,000-mile
- 5-year stainless steel no hopper rust though
- 1-year limited factory

<b>VENDOR</b>	<b>MANUFACTOR</b>	<b>MODEL</b>	<b>PRICE</b>	<b>BUDGET</b>	<b>BUDGET VARIANCE</b>
Hoffman Equipment	Stewart-Amos	Galaxy R-6	\$253,995.00	\$255,000	(\$1,005)

**Recommendation:** It is recommended that the Board approve the purchasing of the Stewart-Amos Galaxy R-6 Sweeper for \$253,995.

Approved: \_\_\_\_\_

Jim McLaughlin, Chairman



## ISSUE PAPER

**Issue:** Award Contract for Construction of Rolling Hills Landfill PAD 107 and Capping Project

### **Background:**

The scope of the project is generally summarized as the earthwork and geosynthetics construction for a 1.6-acre cell and 6.15-acre cap. Cell construction includes removal of overburden, installation of structural fill/subgrade/subbase soils to design elevation and grade, anchor trench construction, installation of the geosynthetic liner system, leachate collection piping, construction of protective cover layer, and installation of stormwater conveyance structures. Cap construction will include installation of select intermediate cover soil, installation of the geosynthetic cap system, installation of drainage piping, placement of final cover soil, and construction of a stormwater letdown.

The 1.6-acre cell will provide additional disposal area adjacent to Phase 1 that was completed in 2022. The cell will provide 900,000 cubic yards for waste placement and sets the eastern side slope of the landfill, allowing Phase 1 to be filled efficiently. The 6.15-acre final cap will provide an impervious layer to reduce leachate generation and aid in landfill gas collection. The bid was to supply and install 69,900 square feet of 60 mil HDPE liners for Pad 107 and 267,600 square feet of 40 mil HDPE liners for final cap and associated earthwork and material. The contractor is responsible for all materials, equipment, and labor necessary to execute the requirements of this project.

### **Discussion:**

A total of five (5) companies submitted bids. Our landfill engineering consultant BAI Group Inc. provided a comparison and analysis of the bids, including a thorough completeness review of the three lowest bids. Upon completing this review, BAI Group recommended disqualifying the bid submitted by Empire Services due to 1.) their lack of any experience in landfill projects, 2.) not submitting requested company information, and 3.) not completing the bid form correctly (please see BAI letter behind this Issue Paper). The bid from Kinsley Construction conformed to our bid specifications and exceeds the requirements for landfill construction experience.

The results of the bids submitted are summarized below. **Note:** The 2023 capital budget included \$3,800,000 for these projects.

1. Empire Services: \$2,640,836 (disqualified)
2. Kinsley Construction: \$2,921,400 (lowest qualified, responsive bid)
3. BERG Construction: \$3,067,987
4. KC Construction: \$3,141,564
5. Pierson Construction: \$3,209,673

### **Recommendation:**

Based on the comparison and analysis of the bids prepared by the BAI Group Inc., it is recommended the Board of Directors award the contract to Kinsley Construction at a Total Contract Price of \$2,921,400.

Approved: \_\_\_\_\_  
James McLaughlin, Chairman

January 18, 2023



January 5, 2023

Delaware County Solid Waste Authority  
Rolling Hills Landfill  
583 Longview Road  
Boyertown, PA 19512

**RE: Pad 107 and 2023 Cap Construction Bid Results**

To whom it may concern:

BAI Group (BAI) has been tasked with the review of the bids received for the above referenced project. BAI has completed the review of the submitted bid packages for the five (5) bidders, and offers the following summary:

Empire Services is the apparent low bidder for this project, with a bid of \$2,640,836. However, upon review of their qualifications package, Empire has not demonstrated that they have the landfill construction experience specified in the Geomembrane section of the specifications, and have shown zero projects associated with landfill construction in their bid package. This experience requirement was called out in response to bidder questions during the bidding process. Additionally, Empire did not complete the AIA Document A305; rather, only a "draft" page 1 was submitted. The AIA document addresses the bidder's general information, financial & performance information, project specific information, and past project experience. While Empire does provide information addressing many of the questions from Document A305, there are several items not addressed, such as the legal status the organization does business, the organization's financial status, and several references. The bid specifications require the AIA Document A305 to be included with the submitted bid. Further, Bidder did not complete a bid form. While bid totals were to be uploaded to the PennBid website, the bidding documents also specified that the bid form be completed. The bid form is used as notarized confirmation that the person preparing the bid has the authority to submit the bid on behalf of the organization. Since the bidder did not complete these forms in their entirety, nor provide all information required per the documents, the OWNER, at their discretion, may conclude that this bid is not complete and therefore the bid may be rejected. Considering the lack of landfill construction experience and missing documents, it is plausible that other bidders could contest this bid if the contract was awarded to Empire. Therefore, it would be my professional recommendation to reject the Empire bid for the above stated reasons.

Kinsley Construction is the next lowest bidder with a bid of \$2,921,400, a difference of \$280,564. Kinsley's bid appears to conform to the bid specifications, and their organization has landfill construction experience exceeding the requirements of the specifications.

Berg Construction was the 3<sup>rd</sup> lowest bid at \$3,067,987. Berg has similar landfill construction experience to Kinsley Construction. While Berg's bid is approximately \$146,000 higher than Kinsley's bid, Berg proposed no fuel escalation charge whereas Kinsley proposes a 2% fuel escalation charge when fuel prices change more than 10% from the price at the time of the bid. Although the potential exists that Kinsley's contract price could exceed the Berg bid price after accounting for fuel escalation,

we have estimated that this would require an increase in fuel prices from the base price of \$5.505/gallon to approximately \$7.30/gallon, a 33% increase.

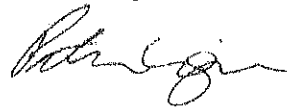
Two additional bids were received for this project from KC Construction and Richard E. Pierson Construction. In general, these bids were competitive with the other bids received, albeit higher than the others. A full evaluation of these bids is not included herein since we see no reason not to award the contract to one of the previously discussed bidders.

In conclusion, since Empire's bid did not meet the minimum requirements of the contract specifications, it is our opinion that their bid should be disqualified. Additionally, given their lack of landfill experience, it may be in the best interest of the Authority not to award the contract to Empire. With that in mind, it would be my professional recommendation to award the contract to Kinsley Construction.

If you have any questions, or require additional information, please call me at (814) 238-2060.

Sincerely,

**BAI Group**



Patrick Wozinski, P.E.  
Project Manager

**DELAWARE COUNTY SOLID WASTE AUTHORITY  
ROLLING HILLS LANDFILL**

**PAD 107 AND 2023 CAP CONSTRUCTION CONTRACT DOCUMENTS**

**INVITATION TO BID**

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You are hereby invited to bid on the Rolling Hills Landfill Pad 107 and 2023 Cap Construction project for Delaware County Solid Waste Authority (herein after referred to as OWNER). Rolling Hills Landfill is located in Earl Township, Berks County, Pennsylvania. The construction will include the activities described in the Pad 107 and 2023 Cap Construction Contract Documents.

The scope of the project is generally summarized as the earthwork and geosynthetics construction for a 1.5 acre cell and 5.8 acre cap. Cell construction includes removal of overburden, installation of structural fill/subgrade/subbase soils to design elevation and grade, anchor trench construction, installation of the geosynthetic liner system, leachate collection piping, construction of protective cover layer, and installation of stormwater conveyance structures. Cap construction will include installation of select intermediate cover soil, installation of the geosynthetic cap system, installation of drainage piping, placement of final cover soil, and construction of a stormwater letdown. The CONTRACTOR will be responsible for all materials, equipment and labor necessary to execute the requirements of this project.

The Schedule is as defined in the Contract Documents.

The OWNER reserves the right to waive any irregularities and to reject any or all bids. Bid modifications and alternatives proposed by bidder will be considered; however, bidders must supply a bid on the basis of the bid documents, with alternates submitted on a separate piece of paper clearly identifying the proposed alternate and the associated price adjustment.

A mandatory Pre-Bid Meeting will be held at 10:00 a.m., local, prevailing time, on Wednesday, November 17, 2022. Representatives of any prospective bidders shall be present.

Bids will be due at 1:00 p.m., local, prevailing time, on Wednesday, November 30, 2022. Bids shall be uploaded online to PennBid, and shall also be emailed to the OWNER at [dmoser@dcswa.net](mailto:dmoser@dcswa.net) prior to 1:00 p.m. on the due date of the bid. It is advised that bidders contact the OWNER to make sure the bid has been received.

The operation of heavy equipment and machinery may be performed between 6:00 a.m. and 8:00 p.m. Monday through Friday, and 6:00 a.m. to 2:00 p.m. on Saturdays. Other hours are subject to approval by the OWNER.

The OWNER notes that all construction activities will be regulated by the Pennsylvania Department of Environmental Protection (PaDEP). Personnel from the PaDEP will visit the site at random times to complete inspections. In addition, the quality of all work will be verified by third party construction quality assurance.

(End of Invitation to Bid)

DELAWARE COUNTY SOLID WASTE AUTHORITY  
CONTRACT BETWEEN AUTHORITY AND CONTRACTOR  
OFF-ROAD DIESEL FUEL AND UNLEADED GASOLINE

THIS CONTRACT made this 20<sup>th</sup> day of December, 2022 by and between Delaware County Solid Waste Authority, 583 Longview Road, Boyertown, PA 19512 (hereinafter "OWNER") and Penn Petroleum, Inc., T/A William R. Gift Oil Company (hereinafter "CONTRACTOR").

WITNESSETH THAT OWNER AND CONTRACTOR in consideration of the mutual covenants hereinafter set forth, agree as follows:

ARTICLE 1 – WORK

The CONTRACTOR shall provide Off-Road Diesel Fuel and Unleaded Gasoline to the OWNER per the following specifications and in accordance with this Contract:

1. Estimated Quantity of 50,000 gals. Off-Road Diesel Fuel (Grade No. 2-D S15, Summer Blend) and Estimated Quantity of 50,000 gals. Off-Road Diesel Fuel (Grade No. 2-D S15, Winter Blend) to be delivered to OWNER'S existing 500 gallon and two (2) 1,000 gallon Dual Contained Tanks – Based upon past experience, it is expected that the majority of deliveries will be required to be made on a frequency of once every week. Based upon actual equipment usage as determined by the OWNER, it may also be necessary to require deliveries on a frequency varying from deliveries once a day on consecutive days to deliveries once every five (5) days through once every approximately ten (10) days.
2. Estimated Quantity of 12,000 gals. Unleaded Conventional Gasoline (Minimum Antiknock Index = 87) to be delivered to OWNER'S existing 1,000 gallon Dual Contained Tank – Based upon past experience, it is expected that the majority of deliveries will be required to be made on a frequency of once every fifteen (15) days. Deliveries in addition to once every fifteen (15) days shall be made if requested by OWNER.
3. All deliveries to the site shall be from Pennsylvania State Route 73 via Shenkel Road to the entrance gate at 2 Shenkel Road. All delivery vehicles leaving the site shall use the same route.
4. Invoices are to be sent to Delaware County Solid Waste Authority, 583 Longview Road, Boyertown, PA 19512

ARTICLE 2 – TERM

This Contract will be effective from December 21, 2022 to December 31, 2023. OWNER has the sole right to extend this Contract for a period of ninety (90) days with notice to CONTRACTOR.

OWNER may withhold payment and/or terminate this Agreement effective immediately for lack of performance by CONTRACTOR.

OWNER may terminate this Agreement for any reason following 30-days written notice to CONTRACTOR.

### ARTICLE 3 - PRICE AND PAYMENT

The parties agree that OWNER shall pay CONTRACTOR the amount of \$0.20 per gallon over the market price on the day of delivery (documentation necessary) for Off-Road Diesel Fuel and Unleaded Gasoline in accordance with CONTRACTOR's Proposal, and the specification contained in this Contract, subject to an Escalator and/or De-escalator Clause to be determined by the market price on the day of delivery.

Invoices are to be sent on a weekly basis to Delaware County Solid Waste Authority, 583 Longview Road, Boyertown, PA 19512 or emailed to wmarburger@dcswa.net. OWNER shall pay CONTRACTOR the invoiced amount, unless disputed, within thirty (30) days of receipt thereof.

### ARTICLE 4 - CONTRACT DOCUMENTS

The CONTRACT DOCUMENTS which comprise this Contract between OWNER and CONTRACTOR are made a part hereof and consist of the following:

- 4.1 This Contract
- 4.2 Specifications
- 4.3 Performance Bond
- 4.4 Insurance Certificate
- 4.5 Anti-Collusion Affidavit

### ARTICLE 5 - PERFORMANCE BOND

CONTRACTOR shall furnish a bond guaranteeing the performance of this Contract, in the amount of \$550,000, 100% of the Contract Price based on the estimate of gallons to be provided as set forth on this Contract. Upon failure of the CONTRACTOR to furnish such bond within the time requirements, the award and this Contract shall be void, at the OWNER's election.

### ARTICLE 6 - MISCELLANEOUS

Neither OWNER nor CONTRACTOR shall, without the prior written consent of the other, assign or sublet in whole or in part its interest under any of the CONTRACT DOCUMENTS, and, specifically, CONTRACTOR shall not assign any monies due or to become due without the prior written consent of OWNER.

OWNER and CONTRACTOR each binds itself/himself, their partners, successors, assigns and legal representatives to the other party hereto in respect to all covenants, agreements and obligations contained in the CONTRACT DOCUMENTS.

The CONTRACT DOCUMENTS constitute the entire agreement between OWNER and CONTRACTOR and may only be modified by a duly executed written instrument.

CONTRACTOR agrees to indemnify and save harmless OWNER, its employees, agents, and representatives from all suits or actions of every nature and description brought against it or them.

CONTRACTOR shall comply with all local, state and federal laws and regulations in performing the Work in accordance with this Contract.



All notices hereunder shall be in writing and sent by United States certified or registered mail, postage prepaid, facsimile, or by overnight delivery service providing proof of receipt, addressed as follows:

IN WITNESS WHEREOF, the parties hereto have executed this Contract the day and year first above written.

DELAWARE COUNTY SOLID  
WASTE AUTHORITY (DCSWA):

CONTRACTOR:

By: *James D. Waver*  
(Interim CEO, DCSWA)

By: *R. J. Zimmer*  
(Signature) Controller

*James D. Waver*

*Ben Zimmer*  
(Print Name) Controller

Attest: *Michelle Campellone*

Attest: *Kara Tarcredi*

Address for giving notice  
Delaware County Solid Waste Authority  
583 Longview Road  
Boyetown, PA 19512

Address for giving notice  
Penn Petroleum, Inc.  
T/A William R. Gift Oil Company  
2314 Farmington Avenue  
P. O. Box 329  
Boyetown, PA 19512  
(If CONTRACTOR is a corporation attach  
evidence of authority to sign.)

## SPECIFICATIONS

### Diesel Fuel and Unleaded Conventional Gasoline

#### PART I      GENERAL

##### 1.01    WORK INCLUDED

- A.    Supply Diesel Fuel and Unleaded Conventional Gasoline to OWNER, according to the specifications for each presented herein.

##### 1.02    MATERIAL ORDERING AND QUANTITY VERIFICATION

- A.    Any shipments made against this Contract will be based off the Best Rack Price and must have supporting documentation with Invoice reflective of that price. Invoices without the required supporting documentation may be returned.
- B.    Quantities shall be determined by metered delivery tickets or other methods agreed to in writing by the CONTRACTOR and OWNER.
- C.    The OWNER may independently verify quantities delivered to the site. Verification can include, but is not limited to, weighing loaded and unloaded delivery vehicle.

##### 1.03    DELIVERY OF FUEL

- A.    Deliveries of fuel to the Landfill under the terms of this Contract usually shall be accepted weekdays, between the hours of 7:00 a.m. - 3:30 p.m. with the exception of the following: The Landfill shall be closed for business on New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, and Christmas Day.
- B.    The above-mentioned operating days and hours may be changed as determined by OWNER from time to time to accommodate emergency situations.
- C.    The CONTRACTOR shall deliver the fuel based upon blanket Purchase Orders issued by the OWNER with automatic delivery schedules determined as follows and approved by the OWNER:
  - 1.    Off-Road Diesel Fuel (Grade No. 2-D S15, Summer Blend) and Off-Road Diesel Fuel (Grade No. 2-D S15, Winter Blend) to be delivered to OWNER'S existing 500 gallon and two (2) 1,000 gallon Dual Contained Tanks – Based upon past experience, it is expected that the majority of deliveries will be required to be made on a frequency of once

every week. Based upon actual equipment usage as determined by the OWNER, it may also be necessary to require deliveries on a frequency varying from deliveries once a day on consecutive days to deliveries once every five (5) days through once every approximately ten (10) days.

2. Unleaded Conventional Gasoline (Minimum Antiknock Index = 87) to be delivered to OWNER'S existing 1,000 gallon Dual Contained Tank – Based upon past experience, it is expected that the majority of deliveries will be required to be made on a frequency of once every thirty (30) days. It shall be the responsibility of the CONTRACTOR to check the Gasoline Fuel Tank gauge to assure that a delivery will be made whenever the gauge indicates that the Tank is two-thirds empty. Deliveries in addition to once every thirty (30) days shall be made if required based upon these gauge readings.
- D. All deliveries to the site shall be from Pennsylvania State Route 73 via Shenkel Road to the entrance gate at 2 Shenkel Road. All delivery vehicles leaving the site shall use the same route.
- E. Spills During Delivery of Contract Items
1. The CONTRACTOR shall be fully responsible for cleanup of any spilled products resulting from CONTRACTOR'S actions of any kind or description during delivery of Contract items to the OWNER, whether occurring on or off the property of the OWNER, to the full satisfaction of the OWNER. The CONTRACTOR'S responsibilities shall include the disposal of any spilled or contaminated product, or any other material or property damaged or contaminated as a result of the incident, in full accordance with all applicable Federal, State and/or Local Legislation or Regulations.

#### 1.04 QUALITY CONTROL/QUALITY ASSURANCE

- A. The CONTRACTOR must provide certified laboratory testing results and reports or manufacturer's catalog cuts, verifying that the materials supplied to the site meet the Specifications upon request of OWNER. The data must be the most current, which the CONTRACTOR has in his possession. The OWNER will determine the acceptability of the QC data.

The CONTRACTOR must identify the source of the proposed material upon the request of the OWNER.

During the term of the Contract if the source of material changes, or the nature of the material changes, the CONTRACTOR is responsible, within five (5) days, to notify the OWNER.

- B. The OWNER or other testing agency will perform all Quality Assurance (QA) tests on material. The frequency of the tests will be determined by the OWNER.

The types of tests performed will be sufficient to confirm compliance with the material Specifications and will be determined by the OWNER. Tests may be performed on material at the CONTRACTORS source or as delivered.

If required by the OWNER, the CONTRACTOR shall supply a sufficient number of representative samples of the material supplied under the CONTRACT to the OWNER, or other testing agency for purposes of the above discussed QA testing.

- C. If the initial test of the proposed or delivered material yields a non-passing result, the OWNER will determine if additional tests are to be performed.
- D. Any reports and/or laboratory results or catalog cuts submitted by the CONTRACTOR must be of sufficient quality to be incorporated by the OWNER, if appropriate, into future reports required by the regulatory agency overseeing the facility including, but not necessarily limited to, Pennsylvania Department of Environmental Protection (PA DEP).

## PART II PRODUCTS

### 2.01 GENERAL

- A. The ASTM Standards referenced in paragraphs 2.02 and 2.03 below are the most current at the time of issuance of the Bid. No change(s) in the Contract Unit Price(s) will be allowed because of any updating of the ASTM Standard(s) which may occur during the Contract Time.
- B. No change(s) in the Contract Unit Price(s) will be allowed as a result of any modifications or adjustments that may be made to the fuel as described in paragraph 2.02 and 2.03 below.

### 2.02 DIESEL FUEL

- A. Supply Diesel Fuel meeting the requirements of ASTM D 975-06 Standard Specification for Diesel Fuel Oils, for Grade No. 2-D S15 with 15 ppm sulfur (maximum) as follows:
  - 1. Summer Blend - Meeting the applicable requirements of ASTM D 975-06 from on or about April 1 through October 31.
  - 2. Winter Blend - 60 percent Grade No. 2-D S15 with 15 ppm sulfur (maximum) meeting the applicable requirements of ASTM D 975-06 and 40 percent Kerosene from on or about November 1 through March 31.
  - 3. The actual starting and ending dates of the above periods will be as determined by the OWNER based on actual performance of equipment at the Landfill.

- B. The OWNER reserves the right to have the CONTRACTOR modify any properties of the Diesel Fuel as given in ASTM D 975-06 based on actual performance of equipment at the Landfill, such as, but not limited to, utilization of suitable biocides to destroy or inhibit the growth of fungi and bacteria which can grow at fuel-water interfaces to give high particulate concentrations in the fuel.

### 2.03 UNLEADED CONVENTIONAL GASOLINE

- A. Supply Unleaded Conventional Gasoline meeting the requirements of ASTM D 4814-06, Standard Specification for Automotive Spark-Ignition Engine Fuel, as follows:
1. Supply Unleaded Conventional Gasoline meeting a minimum antiknock index of 87 (Midgrade) unless it is recommended by CONTRACTOR and agreed to in writing by the OWNER that the index may be seasonally adjusted in accordance with appropriate section of ASTM D 4814-06.
  2. Supply Unleaded Conventional Gasoline with volatility adjusted in accordance with the appropriate section of ASTM D 4814-06, unless otherwise recommended by CONTRACTOR and agreed to in writing by OWNER.
  3. The CONTRACTOR is responsible to adjust the composition of the fuel as necessary to provide satisfactory operating properties for the OWNER'S vehicle fleet. The OWNER will notify the CONTRACTOR when unleaded gasoline is resulting in unsatisfactory vehicle operating conditions. The CONTRACTOR is responsible to adjust the fuel composition no later than the next scheduled or requested delivery.
  4. The Unleaded Conventional Gasoline supplied must comply with all U.S. Environmental Protection Agency and Commonwealth of Pennsylvania Environmental Regulations, which govern fuel delivered at Rolling Hills Landfill.



Bond No. 6178517

Supply Bond

KNOW ALL PERSONS BY THESE PRESENTS, that we PENN PETROLEUM INC T/A WILLIAM R. GIFT OIL  
2314 FARMINGTON AVE BOYERTOWN, PA 19512-0328

as Principal and FEDERATED MUTUAL INSURANCE COMPANY OF OWATONNA, MINNESOTA, a corporation,  
organized and existing under the laws of the State of Minnesota and having its principal place of business at 121 East  
Park Square, PO Box 328, Owatonna, MN 55060, as Surety, are held and firmly bound unto \_\_\_\_\_  
DELAWARE COUNTY SOLID WASTE AUTHORITY

583 LONGVIEW ROAD BOYERTOWN, PA 19512 as Oblgee,

in the sum of FIVE HUNDRED FIFTY THOUSAND AND NO/100--  
\_\_\_\_\_ Dollars (\$ 550,000.00 )

for payment of which the Principal and the Surety bind themselves, their heirs, executors, administrators, successors  
and assigns, jointly and severally, firmly by these presents.

WHEREAS, Principal has by written agreement dated 12/21/2022 entered into a contract with Oblgee for  
DIESEL FUEL - ULSD B5 - 100,000 GALLONS (50 SUMMER, 50 WINTER)  
GASOLINE - 87 OCTONE - 12,000 GALLONS

THE CONDITION OF THIS OBLIGATION is such that, if Principal shall promptly and faithfully perform said contract,  
then this obligation shall be null and void; otherwise it shall remain in full force and effect.

Signed and sealed this 21ST day of DECEMBER, 2022

PENN PETROLEUM INC  
T/A WILLIAM R. GIFT OIL  
\_\_\_\_\_  
(Principal)

By: [Signature] Controller  
(Title)  
Federated Mutual Insurance Company

By: [Signature]  
LISA ROUSHAR (attorney-in-fact)

**POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS:

That FEDERATED MUTUAL INSURANCE COMPANY, a corporation duly organized and existing under the laws of the State of Minnesota, and having its principal office in the City of Owatonna, State of Minnesota, does hereby constitute and appoint:

LISA ROUSHAR of the City of OWATONNA State of MINNESOTA its true and lawful attorney for the following purposes:

To sign its name as surety to, and to execute, affix the seal, acknowledge and deliver any and all surety bonds and penalties not exceeding:

FIVE HUNDRED FIFTY THOUSAND DOLLARS (\$550,000) EACH

PENN PETROLEUM INC T/A WILLIAM R. GIFT OIL BOYERTOWN, PA

The execution of such bonds or undertakings in pursuance of these presents shall be binding upon the Company as if they had been executed and acknowledged by the regularly elected officers of the Company.

This Power of Attorney granted by Federated Mutual Insurance Company shall terminate when the designee ceases to be:

- 1) Employed by Federated Mutual Insurance Company or
- 2) Employed by Federated Mutual Insurance Company in a job for which such Power of Attorney is required.

IN WITNESS WHEREOF, the said FEDERATED MUTUAL INSURANCE COMPANY has caused this instrument to be signed and its corporate seal to be affixed by its Executive Vice President and Assistant Secretary this the 1ST day of FEBRUARY, 2020

FEDERATED MUTUAL INSURANCE COMPANY

(SEAL)

BY James A. Thon  
Executive Vice President

and BY Jonathan R. Hanson  
Assistant Secretary

STATE OF MINNESOTA  
COUNTY OF STEELE

On this 1ST day of FEBRUARY, 2020 personally appeared before me, the undersigned notary public, James A. Thon and Jonathan R. Hanson to me personally known, who, each being duly sworn by me, did say that they are respectively the Executive Vice President and Assistant Secretary of the FEDERATED MUTUAL INSURANCE COMPANY and that the seal affixed to this instrument is the corporate seal of said Corporation and that this instrument was signed and sealed of behalf of said Corporation by authority of its Board of Directors and said James A. Thon and Jonathan R. Hanson acknowledge said instrument to be the free act and deed of said corporation.

(SEAL)



Kelly J. Hagen



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
12/05/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

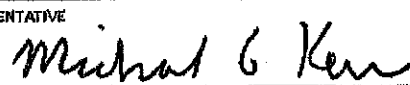
PRODUCER FEDERATED MUTUAL INSURANCE COMPANY HOME OFFICE: P.O. BOX 320 OWATONNA, MN 55060		CONTACT NAME: CLIENT CONTACT CENTER PHONE (A/G, No, Ext): 888-333-4949 FAX (A/G, No): 507-446-4664 E-MAIL ADDRESS: CLIENTCONTACTCENTER@FEDINS.COM	
		INSURER(S) AFFORDING COVERAGE	
		INSURER A: FEDERATED MUTUAL INSURANCE COMPANY	NAIC # 13936
INSURED 239-230-6		INSURER B: FEDERATED SERVICE INSURANCE COMPANY	28304
PENN PETROLEUM, INC. 2314 FARMINGTON AVE BOYERTOWN, PA 19512-8463		INSURER C:	
		INSURER D:	
		INSURER E:	
		INSURER F:	

COVERAGES CERTIFICATE NUMBER: 90 REVISION NUMBER: 0

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INBR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:	N	N	1839269	09/01/2022	09/01/2023	EACH OCCURRENCE	\$1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$100,000
							MED EXP (Any one person)	EXCLUDED
							PERSONAL & ADV INJURY	\$1,000,000
							GENERAL AGGREGATE	\$2,000,000
							PRODUCTS - COM/OP AGG	\$2,000,000
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY	N	N	1839269	09/01/2022	09/01/2023	COMBINED SINGLE LIMIT (Ea accident)	\$1,000,000
							BODILY INJURY (Per person)	
							BODILY INJURY (Per accident)	
							PROPERTY DAMAGE (Per accident)	
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION	N	N	1839270	09/01/2022	09/01/2023	EACH OCCURRENCE	\$4,000,000
							AGGREGATE	\$4,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	1839272	09/01/2022	09/01/2023	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER	
							E.L. EACH ACCIDENT	\$1,000,000
							E.L. DISEASE - EA EMPLOYEE	\$1,000,000
							E.L. DISEASE - POLICY LIMIT	\$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

<b>CERTIFICATE HOLDER</b> 239-230-6 DELAWARE COUNTY SOLID WASTE AUTHORITY (DCSWA) 583 LONGVIEW RD BOYERTOWN, PA 19512-7955	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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ANTI-COLLUSION AFFIDAVIT



County DELAWARE COUNTY SDLID

Municipality WASTE AUTHORITY

Project Number 2023 CONTRACT

State of Pennsylvania

Fed. Project No. N/A  
( If Applicable )

County of Berks

The undersigned deponent deposes and says that he is the Controller of the Penn Petroleum, Inc. T/A William R. Gift Oil Company; that he is authorized to make this affidavit on behalf of said company in compliance with section 102.06 (e) of Department Specifications, Publication 408, as amended and that the said company has not, either directly or indirectly, entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive bidding in connection with such contract.

Penn Petroleum, Inc. T/A William R. Gift Oil  
(Contractor)

BY

[Signature]

Sworn to and subscribed before me the undersigned notary public this

7TH day of December, 2022

Karen L. Benne  
Notary Public

My Commission expires \_\_\_\_\_

Commonwealth of Pennsylvania - Notary Seal  
Karen L. Benne, Notary Public  
Berks County  
My commission expires October 18, 2024  
Commission number 1010138  
Member, Pennsylvania Association of Notaries

## RIDER

### TERRORISM RISK INSURANCE ACT POLICYHOLDER DISCLOSURE NOTICE

Losses for certified acts of terrorism, as defined by the Terrorism Risk Insurance Act, would be partially reimbursed by the United States Government under a formula established by the Act. Under this formula, the United States pays 80% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage.

The portion of your premium that is attributable to coverage for certified acts of terrorism is \$0.00.

DELAWARE COUNTY WASTE AUTHORITY  
DECEMBER, 2022  
OPERATING BUDGET SUMMARY

	Month				YTD				
	Budget	Monthly	Variance	Variance %	YTD Budget	YTD	Variance	Variance %	
<b>REVENUE</b>									
Delco Residential	\$1,206,752	\$1,043,222	(\$163,530)	-14%	Delco Residential	\$13,987,350	\$12,179,401	(\$1,807,949)	-13%
Delco Commercial	720,606	872,374	151,767	21%	Delco Commercial	8,352,480	9,992,192	1,639,712	20%
Delco Direct Residential	409,148	339,479	(69,670)	-17%	Delco Direct Residential	4,742,400	4,680,875	(61,525)	-1%
Delco Direct Commercial	419,639	213,478	(206,162)	-49%	Delco Direct Commercial	4,864,000	3,215,714	(1,648,286)	-34%
Covanta Ash	669,490	620,194	(49,296)	-7%	Covanta Ash	7,835,468	7,482,016	(353,452)	-5%
Plymouth Ash	89,725	93,512	3,786	4%	Plymouth Ash	1,040,000	1,080,438	40,438	4%
Berks County	259,661	379,527	119,866	46%	Berks County	3,009,708	2,989,393	(20,315)	-1%
Montgomery County	470,652	356,679	(113,973)	-24%	Montgomery County	5,455,290	5,601,918	146,628	3%
Residual	0	7,887	7,887		Residual	0	479,701	479,701	
Grants	10,833	0	(10,833)	-100%	Grants	130,000	114,021	(15,979)	-12%
Miscellaneous	8,833	22,993	14,159	160%	Miscellaneous	106,000	235,031	129,031	122%
<b>Total Revenue</b>	<b>\$4,265,341</b>	<b>\$3,949,344</b>	<b>(\$315,998)</b>	<b>-7%</b>	<b>Total Revenue</b>	<b>\$49,522,696</b>	<b>\$48,050,700</b>	<b>(\$1,471,996)</b>	<b>-3%</b>
Discounts	109,482	68,228	(41,254)	-38%	Discounts	\$1,269,000	\$877,377	(391,623)	-31%
<b>Total Net Revenue</b>	<b>\$4,155,859</b>	<b>\$3,881,116</b>	<b>(\$274,743)</b>	<b>-7%</b>	<b>Total Net Revenue</b>	<b>\$48,253,696</b>	<b>\$47,173,324</b>	<b>(\$1,080,372)</b>	<b>-2%</b>
<b>EXPENSES</b>					<b>EXPENSES</b>				
Administration	\$168,139	\$104,430	(\$63,708)	-38%	Administration	\$2,476,107	\$2,551,594	\$75,487	3%
Operations	421,912	401,004	(20,908)	-5%	Operations	5,219,508	5,059,250	(160,258)	-3%
Contract Hauling	727,019	799,265	72,246	10%	Contract Hauling	8,426,832	8,879,514	452,682	5%
Covanta Processing	1,470,892	1,361,974	(108,917)	-7%	Covanta Processing	17,079,408	16,542,222	(537,187)	-3%
Delco Host Fees	66,949	62,120	(4,829)	-7%	Delco Host Fees	775,999	745,771	(30,228)	-4%
RHL Host Fees	333,113	337,031	3,918	1%	RHL Host Fees	3,939,373	4,062,637	123,264	3%
HHW Events/Recycling	8,750	3,075	(5,675)	-65%	HHW Events/Recycling	105,000	185,155	80,155	76%
<b>Total Expenses</b>	<b>\$3,196,774</b>	<b>\$3,068,900</b>	<b>(\$127,874)</b>	<b>-4%</b>	<b>Total Expenses</b>	<b>\$38,022,227</b>	<b>\$38,026,143</b>	<b>\$3,916</b>	<b>0%</b>
<b>Debt P &amp; I Payments</b>	<b>\$60,560</b>	<b>\$60,560</b>	<b>\$0</b>			<b>\$731,677</b>	<b>\$731,677</b>	<b>\$0</b>	
<b>Operating Surplus (Deficit)</b>	<b>\$898,525</b>	<b>\$751,656</b>	<b>(\$146,869)</b>	<b>-16%</b>	<b>Operating Surplus (Deficit)</b>	<b>\$9,499,792</b>	<b>\$8,415,504</b>	<b>(\$1,084,288)</b>	<b>-11%</b>

**DELAWARE COUNTY SOLID WASTE AUTHORITY  
BUDGET PERFORMANCE SUMMARY  
DECEMBER, 2022**

<b>Capital Budget 2022</b>	<b>\$10,807,000</b>
<b>Capital Expense YTD 2022</b>	<b><u>\$10,520,881</u></b>
<b>Capital Budget Balance 2022</b>	<b>\$286,119</b>

**Summary**

<b>Net Operating Surplus December 2022</b>	<b>\$751,656</b>
<b>Capital Expense December 2022</b>	<b>\$386,404</b>
<b>Capital Reserve Contribution</b>	<b>\$0</b>
<b>Operating Account Contribution from Operating Surplus</b>	<b>\$365,252</b>
<b>Capital Reserve Account Beginning Balance as of 12/01/22</b>	<b>\$5,692,799</b>
<b>Capital Reserve Account Interest</b>	<b>\$7,252</b>
<b>Capital Reserve Account Ending Balance as of 12/31/22</b>	<b>\$5,700,051</b>
<b>Operating Account (9162) Balance as of 12/31/22</b>	<b>\$1,481,892</b>
<b>Operating Account (9138) Balance as of 12/31/22</b>	<b>\$2,038,689</b>
<b>Closure Collateral Reserve Deposit</b>	<b>\$0.00</b>
<b>Total Account Balances</b>	<b><u>\$9,220,633</u></b>

**2022 BUDGET SUMMARY BY LOCATION  
(JAN - DEC)**

	<b>DELCO</b>	<b>%</b>	<b>\$/T</b>	<b>ROLLING HILLS</b>	<b>%</b>	<b>\$/T</b>	<b>TOTAL</b>	<b>\$/T</b>
<b>TONNAGE</b>	<b>381,793</b>			<b>571,879</b>			<b>953,672</b>	
<b>OPS REVENUE</b>	\$ 29,515,634	64%	\$ 77.31	\$ 16,828,937	36%	\$ 29.43	\$ 46,344,571	\$ 48.60
<b>OTHER &amp; NON-OPS</b>	\$ 248,626	30%	\$ 0.65	\$ 580,127	70%	\$ 1.01	\$ 828,753	\$ 0.87
	<b>\$ 29,764,260</b>	<b>63%</b>	<b>\$ 77.96</b>	<b>\$ 17,409,064</b>	<b>37%</b>	<b>\$ 30.44</b>	<b>\$ 47,173,324</b>	<b>\$ 49.46</b>
<b>OPERATIONS</b>	\$ 25,896,421	73%	\$ 67.83	\$ 9,578,128	27%	\$ 16.75	\$ 35,474,549	\$ 37.20
<b>ADMIN</b>	\$ 637,898	25%	\$ 1.67	\$ 1,913,696	75%	\$ 3.35	\$ 2,551,594	\$ 2.68
<b>TOTAL EXPENSES</b>	<b>\$ 26,534,319</b>	<b>70%</b>	<b>\$ 69.50</b>	<b>\$ 11,491,824</b>	<b>30%</b>	<b>\$ 20.09</b>	<b>\$ 38,026,143</b>	<b>\$ 39.87</b>
<b>NET OPERATING INCOME</b>	<b>\$ 3,229,941</b>	<b>35%</b>	<b>\$ 8.46</b>	<b>\$ 5,917,240</b>	<b>65%</b>	<b>\$ 10.35</b>	<b>\$ 9,147,181</b>	<b>\$ 9.59</b>
<b>CONTRIBUTION MARGIN</b>	<b>10.9%</b>			<b>34.0%</b>				
<b>DEBT P&amp;I</b>							<b>\$ (731,677)</b>	
<b>NET OPERATING SURPLUS</b>							<b>\$ 8,415,504</b>	

**Delaware County Solid Waste Authority**  
Invoices Selected for Payment

Invoice Number	Vendor ID	Vendor Name	Invoice Description	Invoice Amount
1891192	A ROYAL FL...	A Royal Flush Environmental	1/5-2/1/23 Portable Restroom Rental-Plt.#3	<u>126.52</u>
	Total A ROYA...	A Royal Flush Environmental		126.52
9133312...	AIRGAS EAST	Airgas USA, LLC	Gray(36)/Clear(12)Safety Glasses&Cowhide(48)...	<u>625.11</u>
	Total AIRGAS...	Airgas USA, LLC		625.11
49647	ALEX-S_TIRE	Alex's Tire Center	Dismount/Mount 26.5R25 L/R Front(2) JD 744...	1,130.00
49648	ALEX-S_TIRE	Alex's Tire Center	Dismount/Mount 26.5R25 L/R Rear(2) JD 744...	1,345.00
49646	ALEX-S_TIRE	Alex's Tire Center	Goodyear G622 RSD G 225/7019.5 (4)	<u>1,280.00</u>
	Total ALEX-S...	Alex's Tire Center		3,755.00
079853	AMERICAN_...	American Crane & Equipment Cor	2022 OSHA Complaint Crane/Hoist Inspection	<u>1,575.92</u>
	Total AMERL...	American Crane & Equipment Cor		1,575.92
102422G	AQUA	AQUA Pennsylvania	Acct. #000247306 0247306	93.44
102422H	AQUA	AQUA Pennsylvania	Acct. #000243285 0243285	<u>110.50</u>
	Total AQUA	AQUA Pennsylvania		203.94
123122	BLAZOSKY_...	Blazosky Associates, Inc.	Southern Expansion Assistance	658.80
123122A	BLAZOSKY_...	Blazosky Associates, Inc.	Misc. Engineering Services (10/30-11/30/22)	<u>237.50</u>
	Total BLAZO...	Blazosky Associates, Inc.		896.30
009	CHENANGO ...	Chenango Contracting, Inc.	Furnish & Install Geosynthetic Liner & Piping S...	<u>9,352.99</u>
	Total CHENA...	Chenango Contracting, Inc.		9,352.99
5136830...	Cintas	Cintas First Aid & Supplies	Acct. #10511656 Misc. First Aid Supplies - RT	<u>81.63</u>
	Total Cintas	Cintas First Aid & Supplies		81.63
181063	CLARK_IND...	Clark Industrial Supply	ASSY C-SS/E-SS X 20/24ft. 150 PSI EPDM Su...	<u>688.60</u>
	Total CLARK...	Clark Industrial Supply		688.60
1222_D...	Covanta Dela...	Covanta Delaware Valley	December, 2022 Waste Disposal	<u>803,899.93</u>
	Total Covanta ...	Covanta Delaware Valley		803,899.93
19888157 122222	CRYSTAL SP...	Crystal Springs	Spring Water Supply & Mthly. Rental (Site/Offi...	127.91
	Total CRYST...	Crystal Springs		127.91
595046	E_O_HABH...	E. O. Habegger Company, Inc.	4ft.x10ft.9in. 10 Gauge 1000 gal. D/W Skid Tan...	<u>12,392.00</u>
	Total E_O_H...	E. O. Habegger Company, Inc.		12,392.00
1A96342	HRB_&_HEN...	Erb & Henry Equipment, Inc.	Wiring Harness Connector & Pins - CAT Snowb...	<u>89.21</u>
	Total ERB_&_...	Erb & Henry Equipment, Inc.		89.21
7-989-63...	FEDERAL_E...	Federal Express Corporation	Fedex Pak & Fedex Envelope - LF	18.70
7-996-13...	FEDERAL_E...	Federal Express Corporation	Fedex Pak & Fedex Envelope - LF	<u>16.59</u>
	Total FEDER...	Federal Express Corporation		35.29
25614	Foster & Foster	Foster & Foster, Inc.	Aot 44 Disclosure,2023 MMO&Benefit Calcula...	<u>8,606.00</u>

Delaware County Solid Waste Authority  
Invoices Selected for Payment

Invoice Number	Vendor ID	Vendor Name	Invoice Description	Invoice Amount
	Total Foster & ...	Foster & Foster, Inc.		8,606.00
1193765	GasTec Enterpri	GasTec Enterprises	Propane (1437.1 gals.) Maintenance Bldg.	2,872.76
	Total GasTec ...	GasTec Enterprises		2,872.76
122422	GILBERTSVI...	Gilbertsville Auto Supply	Battery-Welder & Diesel Antigel-December, 202..	121.19
164524	GILBERTSVI...	Gilbertsville Auto Supply	Antifreeze #1DEX (6) & Snow Scraper #2610X...	142.09
163390	GILBERTSVI...	Gilbertsville Auto Supply	Outer Tie Rod End #269-5600 - 2010 F350 Stea...	101.02
165745	GILBERTSVI...	Gilbertsville Auto Supply	Left Outer Tie Rod End & End Tie Rod Sleeve - ..	248.39
166989	GILBERTSVI...	Gilbertsville Auto Supply	Relay #AR272 (4) & Electrical Connector #EC2...	130.68
	Total GILBER...	Gilbertsville Auto Supply		743.37
PS10019...	GILES_ & RA...	Foley, Inc.	Tip-Pen Plus #475-5470(5) & Retainer #220-90...	410.70
WO6000...	GILES_ & RA...	Foley, Inc.	Travel To/From LF Install Quik Evac Tube & Br...	2,531.57
PS10019...	GILES_ & RA...	Foley, Inc.	GP-LB Fuel Sensor #423-6434 - CAT D-6N Doze	157.62
PS10019...	GILES_ & RA...	Foley, Inc.	Fuel #570-1623(6)/436-7077(2) & AS-LU Filter...	432.74
PS10019...	GILES_ & RA...	Foley, Inc.	Tip AS-PEN #505-4113 (7) 349FL Excavator	1,069.60
	Total GILES_...	Foley, Inc.		4,602.23
1010455	GRANNETIN...	Grannetino Trucking Co.	Leachate Hauling 12/27-30/22 (848,115 gals.)	50,191.17
1010453	GRANNETIN...	Grannetino Trucking Co.	Leachate Hauling 12/12-14,12/17/22 (682,067 g...	42,424.51
1010454	GRANNETIN...	Grannetino Trucking Co.	Leachate Hauling 12/19-23/22 (953,708 gals.)	57,288.85
	Total GRANN...	Grannetino Trucking Co.		149,904.53
2212090...	Highmark Blu...	Highmark Blue Shield	Vision Insurance 1/1-31/23	386.21
	Total Highmar...	Highmark Blue Shield		386.21
U51291	HIGHWAY E...	Highway Equip. & Supply Co.	Supply & Install 6,000 gal. Water Tank on Existi..	138,781.00
	Total HIGHW...	Highway Equip. & Supply Co.		138,781.00
2212-08...	HOLLENBAC...	Hollenbach Home Center	Misc. Paint & Supplies - 1,000 gal. Fuel Tank(2)	109.87
2212-08...	HOLLENBAC...	Hollenbach Home Center	80 lb. Sakrete Mortar Mix (12) & 6in. Saw Wall...	97.71
	Total HOLLE...	Hollenbach Home Center		207.58
82087620	Interstate Batt	Interstate Battery System of R	Battery 31P-MHD - Godwin Pump	131.95
82087394	Interstate Batt	Interstate Battery System of R	Battery MTP-78DT - #3 Light Plant	128.95
8208739...	Interstate Batt	Interstate Battery System of R	Battery MTP-78DT - IR Air Compressor	128.95
	Total Interstate...	Interstate Battery System of R		389.85
PH0123...	JANI-KING	Jani-King of Phila., Inc.	1/23 Cleaning Service (RT)	403.33
	Total JANI-KL...	Jani-King of Phila., Inc.		403.33
A122446	jgenvironmental	jg Environmental	12/16/22 Jetting Truck/TurboVac w/Operator Le...	2,800.00
	Total jgenviro...	jg Environmental		2,800.00
39120	Judge Mobile	Judge Mobile Wash	Hot Water Pressure Wash Scales & Asphalt - Plt...	900.00
39121	Judge Mobile	Judge Mobile Wash	Pressure Wash Scales, Concrete & Entry/Exit Ra...	900.00
	Total Judge M...	Judge Mobile Wash		1,800.00
337643	Keystone Fire	Keystone Fire Protection Co.	Perform Annual Sprinkler Inspection - Plt.#1	502.00
337618	Keystone Fire	Keystone Fire Protection Co.	Annual Sprinkler System & Backflow Inspectio...	648.00

**Delaware County Solid Waste Authority**  
Invoices Selected for Payment

Invoice Number	Vendor ID	Vendor Name	Invoice Description	Invoice Amount
	Total Keystone...	Keystone Fire Protection Co.		1,150.00
CICH35...	LEE_SUPPLY...	Lee Supply Co., Inc.	3/4in. SS F11 Full Port Ball Valve #X34F11BV ...	236.65
CICH35...	LEE_SUPPLY...	Lee Supply Co., Inc.	Various 4in. HDPE DR11 Fittings & HDPE Valv.	<u>1,272.02</u>
	Total LEE_SU...	Lee Supply Co., Inc.		1,508.67
23A0796	M._J._REIDER	M. J. Reider Associates, Inc.	Private Well Testing - M. Miller	959.95
23A0797	M._J._REIDER	M. J. Reider Associates, Inc.	Private Well Testing - L. Davis	<u>959.95</u>
	Total M._J._R...	M. J. Reider Associates, Inc.		1,919.90
231967	MARTIN_ST...	Martin Stone Quarries, Inc.	#57 Stone (94.66 tons)	1,987.64
232086	MARTIN_ST...	Martin Stone Quarries, Inc.	PADOT 2A Modified (71.36 tons)	<u>913.96</u>
	Total MARTL...	Martin Stone Quarries, Inc.		2,901.60
S-2214927	McGovern Inc.	Wm. P. McGovern, Inc.	Pump Out Disposal Tank (4200 gals.) Plt.#3	632.20
S-2214926	McGovern Inc.	Wm. P. McGovern, Inc.	Pump Out Disposal Tank (3932 gals.) Plt.#1	381.50
S-2214406	McGovern Inc.	Wm. P. McGovern, Inc.	Pump Out Disposal Tank (4200 gals.) Plt.#1	<u>436.00</u>
	Total McGover..	Wm. P. McGovern, Inc.		1,449.70
122122	MET-ED	Met-Ed	Acct. #100 151 808 878	129.70
122622	MET-ED	Met-Ed	Acct. #100 046 342 471	20.12
122622A	MET-ED	Met-Ed	Acct. #100 113 896 912	65.27
122622B	MET-ED	Met-Ed	Acct. #100 014 830 556	764.66
102422C	MET-ED	Met-Ed	Acct. #200 000 051 835	<u>2,450.49</u>
	Total MET-ED	Met-Ed		3,430.24
187243-12	Moyer Indoor/...	Moyer Indoor/Outdoor	12/22 Pest Control Service - Plt.#3	297.75
181284-12	Moyer Indoor/...	Moyer Indoor/Outdoor	12/22 Pest Control Service - LF	<u>275.71</u>
	Total Moyer In...	Moyer Indoor/Outdoor		573.46
122922	OLEY VALLE...	Oley Fire Company Ambulance	2023 Donation	<u>500.00</u>
	Total OLEY V...	Oley Fire Company Ambulance		500.00
23374	Ott's Lawn Serv	Ott's Lawn Service & Landscapi	Labor & Equip. to Clear Field & Fence @ Trans...	<u>3,800.00</u>
	Total Ott's La...	Ott's Lawn Service & Landscapi		3,800.00
51095075	PetroChoice	PetroChoice LLC	Transmission/Drive Train Oil, SAE 30 TO-4 (17...	<u>1,930.28</u>
	Total PetroCh...	PetroChoice LLC		1,930.28
W23661	Plasterer Equip	Plasterer Equipment Co., Inc.	Provide & Replace Push Switch - JD 744K-II Lo...	<u>1,381.59</u>
	Total Plasterer ...	Plasterer Equipment Co., Inc.		1,381.59
013	Practical Waste	Practical Waste Solutions, LLC	CEO Consulting Services (12/1-31/22) J. Warner	<u>24,465.24</u>
	Total Practical...	Practical Waste Solutions, LLC		24,465.24
118413	QUIGLEY_C...	Quigley Chevrolet	Transmission Oil Cooler Line #85525392 - 202...	<u>72.08</u>
	Total QUIGLE...	Quigley Chevrolet		72.08
876	R GOTWALS	R GOTWALS	Tirewash (20), Septic (5) & Pumping (3 hrs.)	<u>5,450.00</u>



Delaware County Solid Waste Authority  
Invoices Selected for Payment

Invoice Number	Vendor ID	Vendor Name	Invoice Description	Invoice Amount
	Total R GOT...	R GOTWALS		5,450.00
224934	READING_S...	Reading Sanitary Wiper Co.	Washed Polo Wiper #191 (300 lbs.)	255.00
	Total READIN...	Reading Sanitary Wiper Co.		255.00
220063	Sir Speedy	Sir Speedy	C-Commercial Permits (50 sets of 4 ea.) Black o...	1,435.00
	Total Sir Speedy	Sir Speedy		1,435.00
Jan23	Standard Insura	Standard Insurance Co.	Life/AD&D, Long Term-January, 2023	1,529.34
	Total Standard...	Standard Insurance Co.		1,529.34
P3000026	SUBURBAN_...	Suburban Testing Labs, Inc.	Outfall 006, Weekly Outfall 007/T-002, Mthly.SP...	2,271.50
	Total SUBUR...	Suburban Testing Labs, Inc.		2,271.50
54906528	Tally Petroleum	Diesel Direct Mid Atlantic	Off Road Diesel Fuel (954.3 gals.)	3,872.84
	Total Tally Pet...	Diesel Direct Mid Atlantic		3,872.84
111285-0	The Benecon ...	PA Municipal Health Insurance	Medical/RX Insurance 1/1-31/23	37,877.06
	Total The Ben...	PA Municipal Health Insurance		37,877.06
16936	TSI	The Standard Group	Residential Waste Manifest (16,500) RT	1,681.38
	Total TSI	The Standard Group		1,681.38
1819878...	UNITED CO...	United Concordia Co., Inc.	Dental Ins. #005450001123D (1/1-31/23)	2,277.64
	Total UNITED...	United Concordia Co., Inc.		2,277.64
9558119...	W_ W_ GRAL...	W. W. Grainger, Inc.	Grease Gun Pistol Grip Handle #15F212 (5)	292.95
9553419...	W_ W_ GRAL...	W. W. Grainger, Inc.	12in. 7000 PSI Gray Grease Gun #45CT47 (4) ...	262.24
9553724...	W_ W_ GRAL...	W. W. Grainger, Inc.	3/4in. Thread Tap#15K038 & 57/64in.Reduced ...	175.00
	Total W_ W_ ...	W. W. Grainger, Inc.		730.19
Dec2022	WASTE_MA...	Waste Management	December, 2022 Contract Hauling-Pit.#1	415,921.08
Dec2022...	WASTE_MA...	Waste Management	December, 2022 Fairless Hills Landfill-Pit.#1	9,037.69
Dec22	WASTE_MA...	Waste Management	December, 2022 Contract Hauling-Pit.#3	373,457.82
Dec22PH	WASTE_MA...	Waste Management	December, 2022 Fairless Hills Landfill-Pit.#3	848.42
	Total WASTE...	Waste Management		799,265.01
86240	William R. Gift	William R. Gift	Unleaded Gasoline (23.1 gals.)	84.78
86157	William R. Gift	William R. Gift	Off Road Diesel Fuel (187.3 gals.)	640.57
86156	William R. Gift	William R. Gift	Off Road Diesel Fuel (1911.6 gals.)	6,537.67
	Total William ...	William R. Gift		7,263.02
681754	Winzer	Winzer	Misc. Shop Supplies	818.60
678042	Winzer	Winzer	22-18 GA Heat Seal Butt Connector #549.50.22...	99.79
	Total Winzer	Winzer		918.39
1143	Wireback Con...	Wireback Works	12/1-12/31/22 HR Consulting Services	3,622.66
	Total Wirebac...	Wireback Works		3,622.66

Delaware County Solid Waste Authority  
Invoices Selected for Payment

<u>Invoice Number</u>	<u>Vendor ID</u>	<u>Vendor Name</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
Report Total				<u>2,058,879.00</u>



January 5, 2023

Mr. James D. Warner  
Interim CEO  
Delaware County Solid Waste Authority  
Rose Tree Park - Hunt Club  
1521 North Providence Road  
Media, PA 19063

Dear Mr. Warner:

The following represents our understanding of the services we will provide Delaware County Solid Waste Authority.

You have requested that we audit the business-type activities and fiduciary fund of Delaware County Solid Waste Authority, as of December 31, 2022, and for the year then ended and the related notes, which collectively comprise Delaware County Solid Waste Authority's basic financial statements as listed in the table of contents.

We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Accounting principles generally accepted in the United States of America (U.S. GAAP), as promulgated by the Governmental Accounting Standards Board (GASB) require that management's discussion and analysis and information on the Authority's net pension liability be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS). These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by U.S. GAAP. This RSI will be subjected to certain limited procedures but will not be audited:

- Management's Discussion and Analysis
- Schedule of Changes in the Authority's Net Pension Liability and Related Ratios
- Schedule of Authority Contributions

Also, the document we submit to you will include the following other additional information that will not be subjected to the auditing procedures applied in our audit of the basic financial statements:

- Schedule of Expenses – Budget to Actual
- Capital Projects Fund – Budget to Actual

#### **Auditor Responsibilities**

We will conduct our audit in accordance with GAAS and *Government Auditing Standards*. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Delaware County Solid Waste Authority's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and in accordance with *Government Auditing Standards*.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

#### **Compliance with Laws and Regulations**

As previously discussed, as part of obtaining reasonable assurance about whether the basic financial statements are free from material misstatement, we will perform tests of Delaware County Solid Waste Authority's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance, and we will not express such an opinion.

#### **Management Responsibilities**

Our audit will be conducted on the basis that management acknowledge and understand that they have responsibility:

- a. For the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America;
- b. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the basic financial statements that are free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements;

- c. To provide us with:
  - i. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the basic financial statements such as records, documentation, and other matters;
  - ii. Additional information that we may request from management for the purpose of the audit;
  - iii. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence;
- d. For including the auditor's report in any document containing the basic financial statements that indicates that such basic financial statements have been audited by the entity's auditor;
- e. For identifying and ensuring that the entity complies with the laws and regulations applicable to its activities;
- f. For adjusting the basic financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the basic financial statements as a whole;
- g. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
- h. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
- i. For informing us of any unknown or suspected fraud affecting the entity involving management, employees with significant role in internal control, and others where fraud could have a material effect on the financials; and
- j. For the accuracy and completeness of all information provided.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility: (a) for the preparation of the supplementary information in accordance with the applicable criteria; (b) to provide us with the appropriate written representations regarding supplementary information; (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and (d) to present the supplementary information with the audited basic financial statements, or if the supplementary information will not be presented with the audited basic financial statements, to make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management written confirmation concerning representations made to us in connection with the audit.

#### **Nonattest Services**

With respect to any nonattest services we perform, we will also assist in preparing the basic financial statements in accordance with accounting principles generally accepted in the United States of America.

We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure to take any action that could be construed as assuming management responsibilities.

We will not assume management responsibilities on behalf of Delaware County Solid Waste Authority. However, we will provide advice and recommendations to assist management of Delaware County Solid Waste Authority in performing its responsibilities.

Delaware County Solid Waste Authority's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities. *Government Auditing Standards* require that we document an assessment of the skills, knowledge, and experience of management, should we participate in any form of preparation of the basic financial statements and related schedules or disclosures as these actions are deemed a nonaudit service.

Our responsibilities and limitations of the engagement are as follows:

- We will perform the services in accordance with applicable professional standards.
- This engagement is limited to the assistance with the preparation of the financial statements previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries.

As part of our audit process, we will request from management written confirmation concerning representations made to us in connection with the audit. You agree that we shall not be responsible for any claim that may arise out of or relate to any of the written or oral representations relied upon by us in issuing our report to you.

You agree that any claim, dispute, or cause of action that may arise out of this engagement or relate, in any way, to this engagement, prior to any claim or cause of action being brought in any court or in any other proceeding, must first be brought to the attention of our Managing Partner by written notice ("Informal Dispute Notice"), and you agree to give the Managing Partner at least twenty (20) days after receipt of your Informal Dispute Notice to resolve any such claim or dispute ("Informal Dispute Procedure").

After the expiration of the Informal Dispute Procedure, you agree that any dispute not resolved must be submitted to mandatory mediation and that the parties will engage in the mediation process in good faith. The mandatory mediation process shall be initiated by a written demand given by either party to the other party in the engagement which describes the nature and basis of the dispute or disputes to be mediated and what relief and/or damages are sought. A mediation demand must be made within one hundred eighty (180) days after the date of the Informal Dispute Notice. Mediation shall be conducted in accordance with the Commercial Mediation Rules of the American Arbitration Association existing as of the date of the mediation demand ("Mediation Rules"). The parties may agree to the selection of a mediator. However, if the parties are unable to agree to the selection of a mediator within twenty (20) days of the mediation demand (or such later time as the parties may mutually agree), such mediator shall be selected in accordance with the Mediation Rules. The Mediator selected must have a minimum of ten (10) years related experience. You shall advance the costs of the mediation, and we agree to reimburse you for one-half of such costs at the conclusion of the mediation process or as may otherwise be mutually agreed during the mediation process. The mediation shall be confidential.

Any court action or other litigation shall be conducted only within the County of New Castle, Delaware. Delaware law shall apply irrespective of any conflicts of laws rules. You agree and consent to personal jurisdiction in the federal and state courts located in New Castle County, Delaware. The parties both agree to waive any right to a trial by jury in any dispute.

Any claim or litigation arising out of this engagement, except solely for any claims by us for payment of amounts due to us under our invoices, must be commenced within the earlier of (i) one (1) year from the accrual of such claim or cause of action; or (ii) one (1) year from the completion of the engagement, notwithstanding any statute of limitations or other statutory provision to the contrary. It is expressly understood that the completion of the engagement contemplated herein shall be deemed to have occurred upon delivery of our audit report to you. However, this period shall be deemed extended for ninety (90) days after the conclusion of the mediation process if the parties were engaged in the mediation process on the date that the period to commence any claim or litigation expires.

We shall not be liable for any incidental, consequential, punitive, exemplary, or noneconomic damages of any sort. In addition, any damages shall be limited to the amount of professional fees paid by you to us in connection

with this engagement and shall not exceed such amount. Additionally, such damages shall only be required to be paid once; and upon paying such damages, we shall have no further or other liability for any damages. Further, we may refund to you the amount you paid for our services in connection with this engagement and fully discharge any and all liability to you for damages whatsoever without admitting any fault or liability.

An auditor is required to be "independent" under applicable professional guidelines. If, at any time, our independence is questioned, challenged, or otherwise at risk, we reserve the right to immediately discontinue any further services until such time as such independence issue is resolved to our satisfaction. You agree that you shall have no claim against us for any breach of this agreement if we, in good faith, cease performing work under this engagement due to any issue of independence.

You agree, during the term of this engagement and for a period of six (6) months following the conclusion of this engagement, not to discuss with or otherwise solicit for employment, hire, and/or appoint any person employed by us without our prior written consent. This prohibition shall apply to each and all entities controlled by you or any of your management team. If we give permission for you to engage in any act that you would otherwise be in violation of this prohibition, you agree to pay for all additional services that we reasonably deem to be necessary in order to maintain our independence. If you engage in any act that would be in violation of this prohibition, any reports issued by us shall be automatically deemed withdrawn and void.

The parties agree that no third-party beneficiaries are intended to be created by this engagement or by the work performed by us in connection with this engagement. However, without limiting the applicability of the foregoing, it is expressly understood that any person or entity claiming to be a third-party beneficiary of our services under this engagement shall be bound by all of the provisions of this engagement.

In the event we are required to respond to any subpoena, court order, or other legal process directing us to produce documents and/or testimony (deposition, grand jury, trial, or otherwise) related to knowledge or information we obtained and/or prepared related to, out of, or during the course of this engagement, you agree to compensate us for all time expended by us, in the same manner as set forth above in connection with such response and to reimburse us all costs incurred in connection with such response at our usual rates in effect at such time. We will notify you of the receipt of any such subpoena, court order, or other legal process, unless prohibited by law, by forwarding same to your last known address in our billing records. Unless we receive from you, at least a week before the response deadline in any such subpoena, court order, or other legal process, a court order quashing or other evidence satisfactory to us in our sole discretion that such response deadline is extended, we will respond to such subpoena, court order, or other legal process.

### Reporting

We will issue a written report upon completion of our audit of Delaware County Solid Waste Authority's basic financial statements. Our report will be addressed to the governing body of Delaware County Solid Waste Authority. Circumstances may arise in which our report may differ from its expected content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express opinions or to issue a report as a result of this engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However providing an opinion on internal control and compliance will not be an objective of the audit and, therefore, no such opinion will be expressed.

### Other

We understand that your employees will prepare all confirmations we request and will locate any documents or support for any other transactions we select for testing.

If you intend to publish or otherwise reproduce the basic financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Regarding the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records, and we cannot be responsible to maintain such original information. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

#### **Provisions of Engagement Administration, Timing, and Price**

During the course of the engagement, we may communicate with you or your personnel via e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

Steven N. Kutsuflakis, CPA is the engagement partner for the audit services specified in this letter. His responsibilities include supervising Barbacane, Thornton & Company LLP's services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report. To ensure that Barbacane, Thornton & Company LLP's independence is not impaired under the AICPA Code of Professional Conduct, you agree to inform the engagement partner before entering into any substantive employment discussion with any of our personnel.

Our price for these services will be at our standard hourly rates plus out-of-pocket expenses. We estimate that our price for the above services will be \$21,000 (please see attached our schedule of standard billings). Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these services will be rendered each month as work progresses and are payable on presentation. Interest is charged at the rate of 1½ percent per month on past due invoices. In accordance with our firm policies, work may be suspended if your account becomes 90 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination. The suspension or termination of our work may result in adverse consequences to you including your failure to meet deadlines imposed by governments, lenders, or other third parties. You agree that we will not be responsible for your failure to meet such deadlines, or for penalties or interest that may be assessed against you resulting from such failure. The above price is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If additional time is necessary, we will discuss it with you and arrive at a new price estimate.

You may request that we perform additional services not contemplated by this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated price. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

Our audit engagement ends on delivery of our audit report. Any follow-up services that might be required will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service.

During the course of the audit, we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.



You agree to inform us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

We agree to retain our audit documentation or work papers for a period of at least seven years from the date of our report.

At the conclusion of our audit engagement, we will communicate to the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

The audit documentation for this engagement is the property of Barbacane, Thornton & Company LLP and constitutes confidential information. However, we may be requested to make certain audit documentation available to a regulator or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Barbacane, Thornton & Company LLP's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the basic financial statements including our respective responsibilities.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Very truly yours,

*Barbacane, Thornton & Company LLP*

BARBACANE, THORNTON & COMPANY LLP

/odl

RESPONSE:

This letter correctly sets forth the understanding of Delaware County Solid Waste Authority.

Approved by \_\_\_\_\_  
James D. Warner, Interim CEO

Date \_\_\_\_\_



CERTIFIED PUBLIC ACCOUNTANTS  
INTEGRITY □ QUALITY □ RESPONSIVENESS

## SCHEDULE OF STANDARD BILLINGS

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Our billings for the services set forth in your engagement letter for the December fiscal year end tax filing, which are payable upon receipt, will be rendered as follows:

<u>Billing Date</u>	
January	20%
February	25%
March	25%
April	20%
On delivery of report	10%

Additional time and services are billed at our standard hourly rates or at an agreed-upon fixed fee. Our standard billing rates are as follows:

Partner	\$ 305 - 395	Senior	\$ 130 - 140
Manager	210 - 225	Semi-Senior	120
Supervisor	170 - 180	Staff	80 - 110