

**ANNUAL
REPORT**

DECEMBER 31

2011



Introduction

This Annual Report provides an annual update of the achievements of the Berks County Solid Waste Authority (Authority). In this report you will find an update on the objectives of the Authority and the end of year results as of December 31, 2011.

2011 Highlights

- ❖ Held eight collection events and operated the full-time electronic recycling center servicing nearly 9,873 residents and collecting approximately 644,666 pounds of special wastes for proper disposal. Since 2007, 40,398 residents have participated in our spring and fall special event collections properly disposing of over three million pounds of waste. Below is a breakdown from our 2011 events:
 - Household Hazardous Waste Collection (program began in 1994)
 - 2,500 residents participated in 2 events collecting 133,848 pounds
 - Electronic Waste Collection (program began in April of 2007)
 - Full-time center opened July 1, 2010
 - ✓ 3,676 residents visited the full-time center in 2011 collecting 372,934 pounds.
 - Tire Collection (program began in October of 2007)
 - 1,157 residents participated in 2 events collecting 61,740 pounds
 - Pharmaceutical Waste Collection
 - 950 residents participated in 2 events collecting 2,374 pounds
 - Paper Shredding (Fall 2009 – Present)
 - 1,590 residents participated in two events shredding 73,770 pounds of confidential papers.
- ❖ Improvements to Recycling Center on Hilltop Road
 - Installed baler for mixed paper and cardboard
 - Installed water and sewer at Center
 - Installed new floor and support system to e-waste site
- ❖ Provided assistance to Berks County municipalities and school districts.
 - Funding opportunities - 904 Performance Grants – PADEP
 - \$7.06 million awarded from 2002 – 2009
 - ✓ (15 of 42, 2009 applications currently awarded)
 - Assisted with bid specifications
 - Expansion of composting programs
 - Yard Waste Composting – (two new sites operating in 2011)
 - Food Waste Composting – (April 2011)

Authority Responsibilities:

The Authority is responsible for the development and implementation of the County Solid Waste Management Plan. The County Solid Waste Management Plan is required to be revised every 10 years and meet the following requirements:

- Ensure adequate disposal capacity for county-generated waste for a period of ten years.
- Evaluate the county's recycling program and achieve the statewide goal of 35% recycling.
- Develop and administer collection programs for special wastes.
- Provide assistance to municipalities.

The first Solid Waste Management Plan (Plan) for Berks County was developed in 1990, and was entirely paid for through a twenty million dollar bond issue. In September of 2009, these bonds were refinanced with \$ 6,290,000 in new bonds which resulted in a net savings of \$277,000. In December of 2005, the original Solid Waste Management Plan of 1990 was revised at a cost of \$119,000 of which \$95,285 was paid for through a Pa. Department of Environmental Protection (PADEP) grant. Since the major Plan revision of December 2005, the Authority has conducted two additional non-substantial revisions to the Plan. The first revision was approved by the PADEP on November 16, 2007 and allowed for the inclusion of the Western Berks Community Landfill and Recycling Center, LLC, to be added to the Plan. The Agreement to allow Western Berks Community Landfill and Recycling Center, LLC, to be added to the Plan required the payment of host fees on all out of County waste being disposed of at their facility.

The second non-substantial revision to this Plan was approved by PADEP on October 30, 2008, and allowed for the inclusion of the following disposal facilities: Community Refuse Services, WSI Sandy Run Landfill, Mostoller Landfill, Grows North Landfill, Tullytown Resource Recovery Facility and Grows Landfill. In addition, the revision to the Plan included the removal of the Dauphin Meadows landfill. Since all of the landfills added to the Plan on October 30, 2008 are located outside of Berks County, no host fees are required to be paid to Berks County.

These facilities were added as nonexclusive disposal facilities for the disposal of municipal waste of the County of Berks.

Waste Generation:

Berks County is expected to generate 4.5 million tons of waste during the current ten-year planning period (December 2005-December 2015). The next Plan revision will begin in 2012 to ensure completion before the expiration of the current Plan in December 2015.

The following facilities have agreed to provide disposal capacity over the next ten years:

- Conestoga Landfill (Berks County)
- Rolling Hill Landfill (Berks County)
- Western Berks Landfill (Berks County)
- Lanchester Landfill (Lancaster/Chester Counties)
- Keystone Sanitary Landfill (Lackawanna County)
- CES Landfill (Schuylkill County)
- Grand Central Sanitary Landfill (Northampton County)
- Pine Grove Landfill (Schuylkill County)
- Alliance Sanitary Landfill (Lackawanna County)
- Phoenix Resources (Tioga County) – C & D Landfill
- Community Refuse Services
- WSI Sandy Run Landfill
- Mostoller Landfill
- Grows North Landfill
- Tullytown Resource Recovery Facility
- Grows Landfill

It is estimated that Berks County will generate approximately 1,200 tons per day of municipal waste. Based on this evaluation, the County has sufficient capacity available for the ten-year planning period.

In 2011, twenty-five percent of Berks County waste was disposed of at the Conestoga Landfill, twenty-five percent at the Colebrookdale Landfill; sixteen percent was disposed of at the Pioneer Crossing Landfill, and sixteen percent at the Western Berks Landfill. The balance, eighteen percent, was disposed of in out of County facilities. The amount of County waste going to the Conestoga Landfill dropped from 30% to 25%, in 2011. That waste was diverted to the Colebrookdale Landfill and the Pioneer Crossing Landfills in 2011. Pioneer Crossing Landfill is the only landfill located in Berks County that is not currently included in the County Plan and therefore does not pay host fees to the County.

Host Fees:

Berks County currently receives host fees from three landfills located in Berks County, those being the Conestoga, Colebrookdale and the Western Berks Landfills. Conestoga and Western Berks Landfills pays the County \$3.00 per ton for all waste generated outside of Berks County with Colebrookdale paying \$2.00 per ton for all waste generated outside of Berks County.

The following is a table showing the actual and budgeted yearly host fees for 2008 through 2011:

	2009	2010	2011
Host Fees Received by the County *	\$ 4,110,402	\$2,714,610	\$2,500,000
Debt Service Payment (Paid from Host Fees) (1990 Solid Waste Plan)	- \$ 893,571	- \$ 930,000	- \$ 930,000
County Recycling Programs (Paid from Host Fees)	- \$220,000	- \$220,000	- \$210,000
Received by the Berks County Solid Waste Authority (Landfill Settlement Fees from Conestoga Landfill)	\$ 100,000	\$ 100,000	\$ 100,000

* The Pioneer Crossing is not in the County Solid Waste Management Plan and therefore is not required to pay host fees.

County Recycling Rate:

The objective of the Berks County Solid Waste Management Plan that was approved in December of 2005 was to meet the State goal of 35% recycling by 2012. At the time the Plan was approved the County recycling rate was 22% up from 16.7% in 2004. Of our seventy-four municipalities only fourteen are mandated under Act 101 to implement curbside recycling programs for their residents. As of December 31, 2011, thirty-three of our municipalities provide curbside recycling collection; twenty-six provide drop-off programs for their residents, of which ten are operated by the Authority, with twenty-seven municipalities in Berks providing no recycling services to their residents.

In 2011, the Authority continued to work with our non-mandated municipalities to gather recycling data from their haulers who were providing recycling services to their residents and businesses, through private subscriptions. The County recycling rate rose from 22% in 2005 to 56% in 2008 simply by evaluating the County's non-mandated municipalities and including all of their recyclable materials in our year end reports. The County recycling rate has remained steady at 56% since 2008.

In January of 2008 the Authority assumed all recycling operations for the County, which included the operation of both the rural recycling program, which currently services ten municipalities on a rotating basis, as well as the full time recycling center on Hilltop Road in Bern Township. During the first four year of operation the Authority invested much needed funds into the appearance of the recycling centers, and has installed equipment which greatly reduced operating costs, and saved the Authority approximately \$86,000 over the past three years. In 2010, the Authority hired a full-time employee to oversee the operation of the drop-off location and full-time electronic recycling center on Hilltop Rd. This was required do to the increase in participation at the Center, which is requiring additional hours that were not originally contemplated under the original Agreement, with Easy Does It, Inc., who oversaw the Center in 2008 and early 2009.

By improving the economics of operating the recycling centers for the County, the Authority is able to reallocate those funds and provide new programming for County residents.

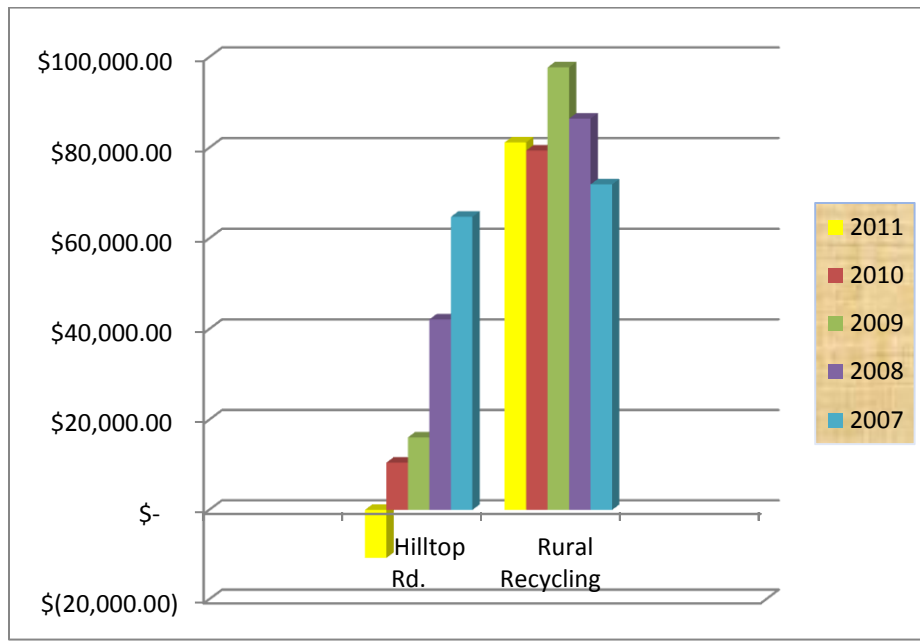
In 2010 the Authority opened a full-time recycling center for electronics. In addition, the Authority invested approximately \$180,000 in 2010 and 2011 completing the following projects at the recycling center:

- Paved the parking lot at the recycling center
- Installed restroom facilities including the installation of a well and septic
- Installed a baler for our cardboard and mixed paper
- Completed structural repairs to the floor in the electronic recycling center

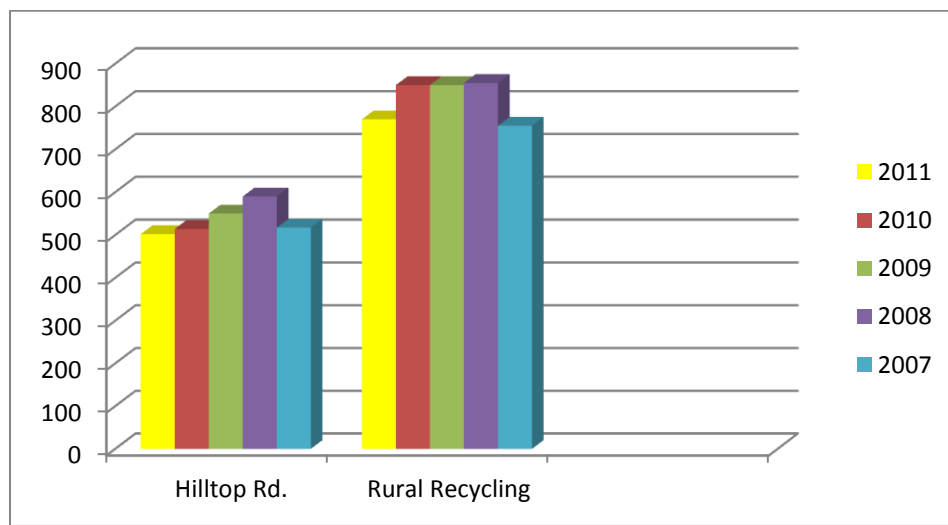
With the completion of these projects it has both improved the appearance of the center as well as the economics of our center, by increasing the value of our cardboard and

mixed paper with the installation of the baler. Ninety percent of the costs for these improvements have been reimbursed to the Authority through our 902 Equipment Grant from PADEP. In 2011, the Authority baled mixed paper and cardboard at the recycling center on Hilltop Rd. thereby saving on transportation costs and increasing the value of our materials. Approximately 500 tons of recyclables (cardboard, newspaper and commingled bottles and cans) were recycled at our center in both 2010 and 2011. The cost of processing that material in 2010 was \$21,300. In 2011 that same amount of material was processed using the baler for all mixed paper and cardboard at a profit of \$24,200. The installation of the baler had a net effect of \$45,500 savings in the first year of operation.

TOTAL COST PER YEAR



TONS COLLECTED PER YEAR



Special Waste:

The Authority operated eight collection events and a full-time electronic recycling center in 2011 for the collection and recycling of the following special wastes:

Household Hazardous Waste:

The Authority operates a spring and fall collection program for household hazardous waste from Berks County residents. Since 2007, 14,032 residents have disposed of approximately 794,000 pounds of hazardous waste at our collection events. In 2011, 2,500 residents disposed of 133,848 pounds of hazardous waste. Participation and the amount of wastes collected during these six hour events continues to grow each year, as residents become educated about the programs and have begun to rely on the semi-annual events, as the proper disposal method.

The following is a table outlining the costs and revenues sources associated with the operation of the Authority's hazardous waste collections since 2008:

	2008	2009	2010	2011
Collection Costs	\$ 146,090	\$ 121,293	\$ 71,024	\$ 99,502
PADEP	\$ 73,045	\$ 60,647	\$ 35,512	\$ 49,751
Sponsorships **	\$ 10,075	\$ 13,350	\$ 12,350	\$ 14,400
Solid Waste Authority *	\$ 62,970	\$ 47,299	\$ 23,162	\$ 35,351

* The funds received by the Authority from Conestoga Landfill under a lawsuit settlement are used to fund our collection events.

** The funds received from sponsors who have made financial contributions towards our programs.

Below is a list of Authority sponsors who have made financial contributions to ensure the success of our yearly collection events in 2011

Alsace Township	ENTECH Engineering	MJ Reider	South Heidelberg Township
American Water	Exeter Township	Maidencreek Township	Spring Township
Automotive Services	Greenwich	Maxatawny Township	St. Lawrence Borough
Bern Township	Hamburg Borough	Metro Bank	Tulpehocken Township
Bernville Borough	Heidelberg Township	Muhlenberg Township	United Document Destruction
Brecknock Township	Hereford Township	Pike Township	Upper Bern Township
Brentwood	Jefferson Township	Quaker Maid Meats	Waste Management, Inc.
Centerport Borough	Kutztown Borough	Reading Eagle	Wernersville Borough
City of Reading	Lamar Advertising	Reading Phillies	West Reading Borough
Cogle's Recycling	Laureldale Borough	Redner's Market, Inc.	Western Berks Landfill
Cumru Township	Leesport Borough	Reinsel Kuntz Leshner	Womelsdorf Borough
Douglass Township	Longswamp Township	SAMS Club	Yuasa Battery
East Penn	Lower Heidelberg	Shillington Borough	Sinking Spring
FirstEnergy	Carpenter Technology Corp.	Kenhorst Borough	

Electronic Waste:

The Authority held its first electronic waste collection event in 2007, with approximately 3,000 residents dropping off over 200,000 pounds of electronic waste, for recycling. That number increased to nearly 3,000 residents disposing of over 228,000 pounds of electronics in 2008 and 3,900 residents disposing of 478,060 pounds in 2009 and 2,200 residents disposing of 254,000 in the spring of 2010.

Full-time Electronic Recycling Center

On July 1, 2010 the Authority opened a full-time electronic recycling site at 1316 Hilltop Road, in Bern Township. Since opening in July of 2010, 5,176 residents participated in our collections and brought 522,934 pounds of electronic for recycling. Residents are charged a \$1 disposal fee per item, except for television sets which range between \$5 and \$10 each, with batteries and Freon containing items being accepted free of charge. These rates will change in 2012 in compliance with the Covered Device Act, which prohibits charging residents for recycling center types of electronics.

Pharmaceutical Collection:

The Authority held its first pharmaceutical collection events in 2009. Since that time 2,107 residents have properly disposed of 5,619 pounds of medications, through our events. The Authority expects this program to continue to grow as residents become educated about the importance of proper medication disposal. This event is held free of charge with the following sponsors assisting with the operation and funding of this program: Pa American Water, Berks County District Attorney, Exeter Police Department, City of Reading Police Department, Lancaster County Solid Waste Authority and PSC Environmental.

Tire Waste:

The Authority held its first tire collection event in November of 2007. Since the start of our program 3,387 residents have recycled nearly 400,000 pounds of tires. Residents are charged a disposal fee of \$2 per tire without rims and \$3 per tire with rims, which covers the entire cost of program. The Authority will open a fulltime tire collection center in April of 2012 at the site of our electronic recycling center on Hilltop Rd. The center will operate on the same hours as the electronic center.

Paper Shredding:

The Authority held its first paper shredding event in October of 2009. From the fall of 2009 through the fall of 2011 3,720 residents disposed of 149,545 pounds of confidential documents for shredding. The participation and the amount of material collected at our two events in 2011, was nearly the same as the prior three collections. The Authority expects this program to continue to grow as residents become educated about the importance of protecting yourself from identity theft and properly shredding your confidential documents. This event is currently being held free of charge with United Document Destruction and Storage providing their services free of charge.

Funding:

The Authority spent a significant amount of time from 2009 through 2011 evaluating the existing recycling programs throughout the County and also looking at possible funding opportunities to assist with those programs. Three types of grants are available through the PADEP Act 101 recycling programs to assist municipalities with the implementation of their recycling programs.

902 Equipment Grants:

902 Equipment Grants are available to both municipalities and counties and reimburse 90% of the cost of eligible equipment needed to improve the efficiencies of existing recycling programs or the development of new programming. From 2003 through 2005, Berks County Municipalities received only 2.9% of the total 902 grants awarded for the State and only 10% of the total awarded in our region. In the last two grant application periods (2006 and 2008), the Authority has work diligently to educate our municipalities about the importance of these grants and has drastically increased both the number of applications from Berks, as well as the dollar amount of those grants.

Below is a listing of 902 grants awarded to Berks County municipalities since 2003.

2003 - \$ 16,200

2004 - \$ 660,677

2005 - \$ 279,772

2006 - \$ 546,933

2007-2009 – No 902 grants were awarded by PADEP.

2010 – \$ 1.4 million (Authority received \$297,507 of this award)

903 Recycling Coordinator:

903 Grants are only available to counties and covers 50% of the salary, benefits and expenses of the County Recycling Coordinator. Below is a breakdown of the grants received over the past eight years.

2003 - \$ 2,802

2004 - \$ 33,685

2005 - \$ 16,736

2006 - \$ 30,405

2008 - \$ 20,513

2009 - \$ 43,383

2010 - \$ 45,866

An application for reimbursement was not submitted for the 2007 calendar year since those expenses were reimbursed under the 901 Planning Grant that was awarded in October of 2006 to the County.

904 Performance Grants:

904 Performance Grants are available to both municipalities and counties. Since 2006, the Authority has drastically increased the amount of time spent educating our non-mandated municipalities about their eligibility for these grants for recycling programs that are currently being operated by their businesses. In 2006, Berks County Municipalities received nearly \$90,000 in additional funding then was received in 2005. Below is a breakdown of the grants received over the past nine years.

2001 - \$	792,416	(28 applicants)
2002 - \$	750,720	(31 applicants)
2003 - \$	792,235	(32 applicants)
2004 - \$	752,995	(33 applicants)
2005 - \$	840,619	(37 applicants)
2006 - \$	1,120,912	(38 applicants)
2007 - \$	1,081,343	(40 applicants)
2008 - \$	1,107,147	(42 applicants)
2009 - \$	401,692	(42 applicants) - Only 15 of the 42 have been awarded to date.

Act 140 of 2006 requires any Municipality receiving in excess of \$10,000 in Performance Grants to meet the following requirements:

- Implement residential and commercial recycling programs or participate in a county or multi-municipal program.
- Require, through ordinance, that all residents have waste and recycling service.
- Have a residential and commercial educational program.
- Have an enforcement program that periodically monitors participation.
- Participate in a county or multi-municipal program for recycling of special materials.
- Facilitate a program or support an organization to address illegal dumping.
- Have a person designated as recycling coordinator.

Both Tilden and Heidelberg Townships fell under this category in 2008. The Authority worked with both of these municipalities in 2008 and 2009 in the development of comprehensive plans to enable them to come into compliance with the Law. Heidelberg Township implemented their curbside trash and recycling program on January 1, 2009, for all residents of their Township and also required all commercial establishments to develop recycling programs. In addition, Tilden Township will develop a drop-off recycling program for their residents once funding is awarded by PADEP and will also require their commercial establishments to develop recycling programs. Tilden Township will continue to see a large increase in their commercial recycling program as new businesses open within their community.

Composting:

Yard Waste:

In 2011 the Authority assisted Cumru Township and Birdsboro Borough in securing permits from the PADEP for the implementation of their yard waste drop-off sites for residents of their municipalities. Both of these sites opening in the spring of 2011 and are available to all residents of their municipalities to complement their curbside collection programs, as required by Act. 101.

Food Waste:

The Authority worked closely with PADEP and the Conrad Weiser School District in the development of a post-consumer food waste composting project, which was implemented throughout the School District in 2009. In 2010, PADEP awarded \$ 74,000 towards the development of a food waste collection program, EPA awarded \$11,000 towards the 2011 collection costs and the Authority dedicated \$10,000 towards the success of this program for 2011. The Authority awarded the collection contract to Cougles Recycling in November of 2010 and moved forward with the purchase of our collection equipment, with the program kicking off in April of 2011. This project will serve as a model for school districts, grocery store, commercial and institutional establishments throughout the Commonwealth.

We are currently servicing two schools (one high school and one Technical school), three grocery stores and the County prison with weekly food waste collection, with little to no problems. This material for the most part is free of contamination and is being processed by Rodale Farms at their Maxatawny facility, free of charge. Over 200,000 pounds of food waste has been successfully removed from the waste stream and properly composted through our program, over the past eight months of operation.

In January of 2012, we expect one new grocery store chain to join our program and the current grocery store chains to continue to expand to new stores, within the County. Over the past eight months of operation we have seen new accounts coming on board every month or two, as the word spreads of the success of the program. Participants are seeing the reduction in their waste stream and also experiencing economic savings through avoided waste costs. We believe that our Hospitals, Schools, Universities, Banquet facilities, Restaurants and others can experience great benefits by participating in this program.

Compliance Issues:

During 2011, the Authority assisted Berks County Municipalities with the following issues:

- Assist Municipalities with PADEP reporting and communication including:
 - DEP Grants
 - Reporting Forms
 - Ordinances
 - Educational programs
 - Contract language
 - Act 101 and Act 140 requirements
 - Discussion with two newly mandated municipalities regarding their responsibilities and the development of their new programs.
- Development of new programming
 - Yard Waste collection / composting
 - Food Waste composting
 - School recycling
- Speaking Engagements
 - Civic Organizations
 - Schools
 - Environmental Groups
 - Municipalities
 - Environmental Advisory Committees

The Authority will continue to offer assistance to Berks County Municipalities as new programming is developed.

Finance:

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Expenditures	\$ 459,126	\$ 488,500	\$ 431,658
Revenues	\$ 669,790	\$ 558,727	\$ 423,144
Surplus/Deficit	\$ 210,664	\$ 70,227	- \$ 8,514

Copies of the audit report are on file in the office of the Authority. Audited financial statements of the Authority for fiscal year 2011 have not been completed as of the date of this report.

In 2010 and 2011, the Authority spent approximately \$195,000 purchasing equipment and making improvements to the Recycling Center on Hill Top Road in Bern Township, of which ninety percent has been reimbursed by PADEP.

The Year Ahead

The following collections are scheduled for 2012:

Household Hazardous Waste

- April 21, 2012 – Exeter Township Municipal Building
- October 20, 2012 – FirstEnergy Stadium

Paper Shredding & Pharmaceutical Collections

- April 28, 2012 – Exeter Township Municipal Building
- October 13, 2012 – FirstEnergy Stadium

New Projects for 2012:

- Open a full-time collection center for Tires at the Electronic Recycling center.
- Improve existing County recycling programs.
 - Improve efficiency of programs while better managing costs
 - Develop relationships with host municipalities and increase their participation in the operation of the sites
 - Increase materials accepted for recycling
- Expansion of yard waste collection programs throughout Berks County
- Expansion of food waste composting program within Berks
- Continue to improve website format and continuously update information
- Expand special waste collection programs
- Expand our sponsorship program to help offset the costs of our special waste collection programs
- Organize volunteers for cleanups and collection events
- Educate our municipalities on available grants and data management
- Begin working on the revision to our Solid Waste Management Plan which will expire in 2015.