

THE HARRISBURG AUTHORITY

STAFF REPORTS

Interim Executive Director – Shannon Williams
Engineering Director – Shannon Williams
Facility Director – Jack Lausch
Interim Finance Director – Chris Feese
Document Manager/Right to Know Officer – Karen McKillip

JANUARY 2012

**EXECUTIVE DIRECTOR /
ENGINEERING DIRECTOR
COMBINED
REPORT**

**SHANNON G. WILLIAMS, P.E.
JANUARY 2012**

Administrative/General:

- Participated in numerous meetings and conference calls with the State Appointed Receiver team. Specific discussion regarding THA assets - RRF, Water, Wastewater – opportunities for use in overall debt and structural deficit solution, operational efficiencies, and compliance requirements.
- Fielded requests from press, public and investors
- Worked with City and HRG to further the GIS project
- Provided public information via website and twitter account
- Workload and task allocation to evaluate staffing needs
- Coordinated with General Counsel to discuss 2012 needs
- Development of External Messaging strategies
- Development of Standard Operating Procedures
- Attended Executive Sessions
- Attended meeting of Harrisburg Chamber Envi. Sub Committee with John Hines of DEP

Financial

- Discussions with COH regarding Sewer Admin Fee to THA – not included in approved 2012 Budget. Will have huge impacts to THA projects and planning if not remedied.
- Finalized 2009 Financial Audit and posted on THA website.
- Coordinated with Finance Director on securing Financial Advisors and Bond Counsel for 2012 projects.

Wastewater

- Prepared for and attended meeting with EPA regarding CSO and nine minimum controls.

Water

- Participated in Pre-Construction conference with Contractors working on PSECU waterline extension project

Solid Waste

- Work with RRF Transaction team to issue an RFQ in conjunction with the Receiver's team and plan.

**FACILITY DIRECTOR
REPORT**

**JACK D. LAUSCH
JANUARY 2012**

Resource Recovery Facility (HRRF):

Waste Deliveries and HRRF Performance:

Total tons received at the HRRF in December were 24,826 tons and tons processed were 24,297. As a result, tons processed in 2011 were 298,247 or 50,047 tons more than the processing guarantee of 248,200 tons. Average boiler availability for December was 91.3% making availability for the year 89.3%. Turbine availability in December was 100.0% and net electric exported was 8,863 MWs.

	December 2011	YTD
Waste Received:	24,826 tons	308,610 tons
Waste Processed:	24,297 tons	298,247 tons
Non-Processible Waste Transferred:	969 tons	9,678 tons

Post Combustion Ferrous:

Revenue for post-combustion ferrous marketed in December was \$82,270. THA's net price per ton was \$150.30 which was just over \$4 per ton more than November pricing.

	December 2011	YTD
Post-Combustion Ferrous Marketed:	547 tons	6,722 tons

Turbine Repair:

THA continues to work toward a solution and settlement regarding repair of the eighth-stage turbine blading. It is now anticipated work would occur during the Fall outages.

Effluent Water Reuse System (EWRS):

Acceptance testing continues to be on hold until the break in the water line from the AWTF to the D&D Building is repaired.

Air Pre-Heaters:

On December 15th, THA deposited \$600,000 with Covanta toward the Unit #2 air pre-heater tubes project. Parts are being procured and work is scheduled to occur during the Spring outage scheduled for late February/early March.

DEP Inspection HRRF:

Reports on the December 15 and January 5 inspections were received. No violations were noted. The report recommended that both the volume of ash in the basement and the volume of waste on the tipping floor be closely monitored.

Ash Landfill (LF):

Ash Management Operations:

	December 2011	YTD
Ash Hauled Out of Landfill:	13,333 tons	90,282 tons
Ash Deposited in Landfill:	7,852 tons	95,167 tons

As indicated in the tons removed and tons deposited numbers, the ash management contractor made significant progress on getting additional tons off-site during December. Based on the end of year survey by Rettew, the remaining capacity at the LF is four months. The contractor has been directed to continue to move more ash out than ash coming in.

LF Engineering:

Rettew received DEP's comments on the regrade/intermediate cover project drawings and plans. Agreed upon revisions to the plans are being made. Drawings and bid documents are being finalized. The project schedule is now being extended by two weeks therefore it appears bidding the project will now occur early in February.

Rettew is also in the process of completing a memorandum updating cost opinions for closure of the LF under the approved design, closure under the alternative design, and the expansion of the LF. These cost opinions were last updated by Rettew in 2008.

ARM Group continues their evaluation of the configuration and condition of the leachate system and pumps. THA expects final recommendations on necessary upgrades and repairs soon.

DEP is requesting that an application for an individual NPDES permit be submitted for the HRRF and that a submission for a general permit be made for the rest of the site. Covanta will be preparing the application for the HRRF and ARM will be preparing the general permit.

DEP Inspections: Reports were received for the December 15 and January 5 inspections of the LF. The inspection reports noted the progress made in removing additional ash out of the LF. No new violations were noted. Prior violations will stand until the grading/intermediate cover project and the leachate system upgrades are completed.

Administrative:

- Continued to work with the Receiver's team on the RFQ for the HRRF. It is anticipated that the RFQ will be released on January 27.
- The December report to stakeholders on HRRF waste deliveries and financial information was provided to Dauphin County, the Mayor, City Council, and AGM.

INTERIM FINANCE DIRECTOR'S REPORT

CHRIS FEESE
January 2012

Finance:

Treasurer's & Monthly Reports: Preparation of the Treasurer's Report (bank reconciliations); for the Water, Sewer, Solid Waste Facility and the Administration were compiled. The Monthly Financial Statements including Balance Sheet and Budget Report for all four funds were compiled and analyzed. A one page Summary Report was created for all end of the month bank balances. All Monthly Financial Reports for the month of December 2011 are now on the Board's FTP site.

Vendor Check Register: Check register for the month of December 2011 is now on the Board's FTP site.

Daily Accounting Functions: The Finance Department continues to maintain the timely recording and reconciliation of all accounting transactions for all accounts receivables, accounts payable, payroll, and budget related items.

Cash Flows: The Resource Recovery Facility cash flow projections were updated for December 31, 2011.

Audit: Engagement letter for the 2010 audit is ready for the Board's approval. Audit field work is expected to begin end of February/beginning of March.

Financial Advisor: Engagement letter for Water and Sewer is ready for the Board's approval.

Bond Counsel: Engagement letter is ready for the Board's approval.

**END OF MONTH BANK BALANCES
December 31, 2011**

ADMINISTRATION

	<u>Balance</u>	<u>Req. Interest</u>	<u>APY</u>	<u>Bank</u>	
Business Checking (QB#1575)/(6908)	\$957,012.97	0.75%	0.50%	Metro	
Project Fund (QB#1574)/(6990)	\$246,997.70	0.75%	0.50%	Metro	
National Civil War Museum (QB#1596)	CD \$250,000.00	0.90%	0.90%	Metro	Restricted \$250,000 min. / \$500,000 max.

WATER

Water Revenue Fund (QB#1530)/(6833)	\$4,160,204.66	0.75%	0.50%	Metro	
Water Contingency Subacct (QB#1519)/(0328)	\$1,733,215.99	0.75%	0.50%	Metro	
Water Operation Reserve (QB#1540)/(6841)	\$713,670.22	0.75%	0.50%	Metro	Req'd Balance 685,132.00 (adjusts)
Water Contingency Account (QB#1518)/(6866)	\$3,459,028.09	0.75%	0.50%	Metro	

SEWER

1998 Pennvest Construction (QB#1594)	15,954.29	non -interest bearing	n/a	Fulton	
2009 Pennvest Construction (QB#1596)/(2686)	87,122.40	non -interest bearing	n/a	Metro	
2009 Construction / H2O PA (QB#1597)/(0890)	922,002.33	non -interest bearing	n/a	Metro	

RESOURCE RECOVERY FACILITY

Solid Waste Revenue Fund (QB#1580)/(6924)	(1 & 2) \$3,783,701.49	0.75%	0.50%	Metro	(1 & 2) 3,783,701.49 Bank Balance
Solid Waste Operation Reserve (QB#1585)/(6932)	\$2,937,025.09	0.75%	0.50%	Metro	Restricted (713,482.02) Dresser-Rand (Insur.)
RRF Construction Completion (QB#1581)/(7526)	\$65,524.95	0.75%	0.50%	Metro	Restricted (19,130.45) Barlow
RRF-1109 Trust Closure Fund (QB#1625)/(4000)	\$3,382,827.13	0.75%	0.50%	Metro	Unrestricted 3,051,089.02 Adjusted

Bank Statements (reconciled accounts). 1/4/2012

Notes:

- (1) Includes \$713,482.02 of Restricted Insurance Proceeds for Dresser-Rand litigation.
 (2) Includes \$19,130.45 of Restricted Funds under Barlow Settlement (December 2011).

**DOCUMENT MANAGER/RIGHT TO KNOW OFFICER
REPORT**

**KAREN M. MCKILLIP
JANUARY 2012**

Right to Know Officer:

- THA had 1 Right to Know Inquiry for the period 12-23-11 through 1-20-12.
- THA also had one appeal to a RTK inquiry regarding a request for a copy of the Forensic Audit which was not available at the time of the inquiry.

Document Management:

- Working towards preparation and adoption of SOP for a Document Retention and Destruction policy to be implemented in accordance with the Commonwealth of Pennsylvania's Records Retention Schedule.
- Obtained Certificate of Destruction for eight (8) prior network server tape backups no longer utilized by THA under anticipated Document Retention and Destruction Policy.
- Met with Facility Site Manager and inspection of D&D facility area (2nd Floor) on 1-18-12 for current storage of THA's archived files to determine amount of boxes currently stored. There are currently 321 boxes (letter size) marked THA#, 8 boxes (letter size) marked Finance/O&M Manuals and 7 boxes (banker size) marked File Room, not including maps and blueprints. Note maps and blueprints were never scanned.
- Toured area in D&D Facility (1st Floor) currently housing archived scalehouse tickets and other various materials (not inventoried).
- Met with Facility Site Manager to assess work required to enable THA to access files for scanning scalehouse tickets through the Commonwealth of Pennsylvania's Records Retention Schedule and anticipated Document Retention and Destruction Policy. Facility Site Manager will begin pulling boxes for 2010 and 2011 to an area to be easily accessed.
- Retrieval of and began scanning of scalehouse tickets for calendar year 2010 to assist with auditing purposes. (48 banker boxes)
- Inspected area for clean up (D&D – 1st floor rear) for documents that need to be moved to appropriate archived storage facilities for proper storage. The area in question has not been cleaned out in many years and will require a large amount of time to physically move boxes and discard unused and old computer equipment stored in the area. Electronic equipment in the area needs to be physically taken to the Dauphin County Recycling Center. Equipment in question is old, dirty and would not be able to be put back in service, i.e. computer monitors, printers, etc. An inventory of equipment to be disposed will be taken once the boxes are physically moved into an area to access the equipment to be disposed of. The area has been used as an storage area and is detrimental to accessing any type of item in the area due to the deterioration of the boxes.
- An affidavit regarding maintenance of scalehouse tickets for years prior to 2007 that were maintained by the City of Harrisburg as operator will need to be obtained from Covanta personnel.
- Attended meeting at Phillips Office Products on 1-18-12 with Julie Gibson and Tom Warren regarding alternative storage facilities for archived files. Viewed presentation of on-line file retrieval software (Infokeeper) available at no cost via Phillips Office Products. Phillips Office Products has the ability to scan maps and blueprints for materials not previously scanned by ImageNet.

- Attended meeting at Phillips Office Products on 1-18-12 with Bill Shuey and Tom Warren to view On Base Document Management Software's ability to work with THA's current and future growth software needs. Mr. Warren to provide an estimate to Ms. Feese for On Base software.
- Established Extranet portal with ShareFile for data sharing and linked to THA website to discontinue use of THA's FTP site to be more user friendly. Extranet portal will also assist bidders who will respond to upcoming RFQ inquiries relative to RRF, Water and Wastewater issues.
- Work with IT Consultant to correct issues encountered with Docstar server, software problems, and FTP accessibility and coordination for outside consultants,
- Moved files to external hard drive to free additional space on THA Network server to accommodate daily off-site backup.
- Obtained information relative to converting micro cassettes tapes to MP3 files for THA meeting tapes.
- Work with IT Consultant for computer problem accessibility for engineering tech, temporary personnel, printer set up, etc.
- Perform uploads and various changes to THA website as needed.
- Handled inquiries for requests for additional information relative to Forensic Audit and burning of CD's for requests of footnotes. Total of 17 CD's burned during the period 1-18-12 to 1-20-12.
- Uploaded 2009 Financial Statement to Pennvest in compliance with loan documentation requirements specifically required by Pennvest. This is in addition to 2009 information being provided on THA's website.

Administrative:

- Attend THA Monthly Meeting.
- Advertise 2012 meeting dates in Patriot News.
- Processed all materials after monthly meeting and upload documents to FTP site as required for audit purposes.
- Gathering, coordination and preparation of agenda material and hyperlink items to FTP site.
- Preparation of Minutes of THA Regular Meeting held 12-21-11.
- Distributed agenda and meeting minutes to Mayor and City Clerk on the day of the meeting and after in advance of posting to THA website.
- Assist with Letters of Default relative to stakeholders.
- Assist Executive Director and various staff with projects relating to inquiries from engineering firms and contractors regarding return of documents, i.e. letters of credit and water service inquiries and bank signature cards, as needed
- Attend and take notes at RRF meeting regarding RFQ for RRF. Assist with various requests by clients and City personnel regarding deliveries to facilities.
- Coordinated return of Toshiba Copier currently on lease through 1-31-12 and utilized by Facility Site Manager @ RRF. Coordination of switch of Brother color copier to RRF Facility Site Manager after termination of lease.
- Backup for incoming calls when receptionist is not available.
- Assist with information relative to Ethics Commission investigation.
- Assist with information relative to Forensic Audit investigation .
- Deliver telephone equipment for disposal to Dauphin County Recycling Center on 1-13-12.