



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
LANSING



KEITH CREAGH  
DIRECTOR

VIA E-MAIL

TO: Governor Rick Snyder  
Members of the Michigan Legislature

FROM: Keith Creagh, Director

DATE: March 8, 2016

SUBJECT: Report on Activities Funded by the Staff Account of the Solid Waste Management Fund

In accordance with Subsection 11550(6) of Part 115, Solid Waste Management, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, attached is the Department of Environmental Quality's (DEQ) Report on Activities Funded by the Staff Account of the Solid Waste Management Fund for fiscal year 2015.

If you need further information, please contact Bryce Feighner, Chief, Office of Waste Management and Radiological Protection, at 517-284-6551; or you may contact me at 517-284-6700.

Attachment

cc/att: Ellen Jeffries, Director, Senate Fiscal Agency  
Mary Ann Cleary, Director, House Fiscal Agency  
John Roberts, Director, State Budget Office  
Jarrod Agen, Governor's Office  
Dick Posthumus, Governor's Office  
Angela Ayers, Governor's Office  
Josh Sefton, Senate Fiscal Agency  
Austin Scott, House Fiscal Agency  
Jacques McNeely, State Budget Office  
Jennifer Harrison, State Budget Office  
Jim Sygo, Chief Deputy Director, DEQ  
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Amy Epkey, Deputy Director, DEQ  
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Steve Sliver, DEQ  
John Craig, DEQ  
Kathy Tetzlaff, DEQ  
Lonnie Lee, DEQ  
Becky Kocsis, DEQ  
Christina Miller, DEQ



REPORT ON ACTIVITIES  
FUNDED BY THE  
STAFF ACCOUNT OF THE  
SOLID WASTE MANAGEMENT FUND

OCTOBER 1, 2014 – SEPTEMBER 30, 2015

Keith Creagh, Director

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March 8, 2016

Subsection 11550(6) of Part 115, Solid Waste Management, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA), states in part:

By March 1 annually, the department shall prepare and submit to the governor, the legislature, the chairs of the standing committees of the senate and house of representatives with primary responsibility for issues related to natural resources and the environment, and the chairs of the subcommittees of the senate and house appropriations committees with primary responsibility for appropriations to the department a report that details the activities of the previous fiscal year funded by the staff account of the solid waste management fund....

Following is the information as outlined in Subsections 11550(6)(a) through (i):

**(a) Full-Time Equivalent (FTE) Positions**

Solid waste activities carried out by the Department of Environmental Quality (DEQ), Office of Waste Management and Radiological Protection (OWMRP), in fiscal year (FY) 2015, were conducted by 35 FTEs. These positions included permitting, licensing, compliance, and enforcement staff, such as geologists, engineers, and environmental quality analysts; district supervisors; and OWMRP management and administrative support staff.

**(b) Construction Permit Application Decisions**

Two construction permit applications were pending at the beginning of FY 2015.

- (1) During FY 2015, ten applications for permits to establish or expand solid waste disposal facilities were received.
- (2) A total of nine applications were determined to be administratively complete. There was one application determined to be administratively incomplete, however, it was resubmitted as complete during FY 2015. Eight applications were approved, and zero applicants withdrew an application. There were zero applications denied. At the end of FY 2015, there were four applications pending a decision.
- (3) Of the applications that were determined to be administratively complete, 100 percent were decided upon within 120 days of being determined to be administratively complete, as required by Section 11511 of Part 115.<sup>1</sup>

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<sup>1</sup> The processing deadline is specified in Subsection 1307(1) of Part 13, Permits, of the NREPA, which requires that the DEQ approve or deny an application for a construction permit under Section 11509 by the 120-day processing deadline, unless a deadline extension is requested by the applicant.

CONSTRUCTION PERMIT APPLICATIONS	
Pending Applications as of October 1, 2014	2
Number of New Applications Received	10
Number of Applications Administratively Incomplete	1
Number of Applications Withdrawn	0
Number of Permits Issued	8
Number of Applications Denied	0
Number of Pending Applications as of September 30, 2015	4
Percent of Decisions Made on Time	100%

**(c) Operating License Applications Received Under Section 11512 of Part 115**

At the beginning of FY 2015, sixteen operating license applications were pending a decision.

- (1) During FY 2015, 40 applications for new or renewal licenses to operate solid waste disposal facilities were received.
- (2) A total of 44 applications were determined to be administratively complete. There was one application determined to be administratively incomplete, however, it was resubmitted as complete during FY 2015. A total of 45 applications were approved, two applicants withdrew their application, and zero license applications were denied. At the end of FY 2015, there were 9 applications pending a decision.
- (3) Of the license applications that were determined to be administratively complete in FY 2015, 100 percent were decided upon within 90 days of being determined to be administratively complete, as required by Section 11516 of Part 115.<sup>2</sup>

OPERATING LICENSE APPLICATIONS	
Pending Applications as of October 1, 2014	16
Number of New Applications Received	40
Number of Applications Administratively Incomplete	1
Number of Applications Withdrawn	2
Number of Licenses Issued	45
Number of Applications Denied	0
Number of Pending Applications as of September 30, 2015	9
Percent of Decisions Made on Time	100%

<sup>2</sup> The processing deadline is specified in Subsection 1307(1) of Part 13, Permits, of the NREPA, which requires that the DEQ approve or deny an application for an operating license under Section 11512 by the 90-day processing deadline, unless a deadline extension is requested by the applicant.

**(d) Number of Inspections of Licensed Disposal Areas as Required by Section 11519 of Part 115**

During FY 2015, 681 inspections of licensed disposal areas were conducted.<sup>3</sup>

**(e) Number of Letters of Warning (LOWs)<sup>4</sup> Sent to Licensed Disposal Areas**

During FY 2015, 28 LOWs were sent to licensed disposal areas.<sup>5</sup>

**(f) Number of Contested Case Hearings Initiated in FY 2015: Zero**

**Number of Contested Case Hearings Completed in FY 2015: Zero**

**Number of Civil Actions Initiated in FY 2015: Zero**

**Number of Civil Actions Completed in FY 2015: Zero**

**Number of Voluntary Consent Orders and Administrative Orders Entered or Issued in FY 2015: Five**

**Amount of Fines and Penalties Collected in FY 2015 Through Such Actions or Orders: \$100,800**

**(g) Description of Corrective Actions Required by Enforcement Actions**

**(1) Great American Environmental Services, Inc.**

On December 12, 2014, Great American Environmental Services, Inc. (GAES), voluntarily entered into an administrative consent order (Consent Order) with the DEQ to resolve an alleged violation of Part 115 at the GAES solid waste transfer facility in Breitung Township, Dickinson County. The Consent Order was based on the Enforcement Notice issued to GAES on December 2, 2014. Specifically, the DEQ alleged that GAES operated the disposal area after its operating license had

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<sup>3</sup> A total of 908 inspections were conducted in FY 2015. However, 681 are reported here because Subsection 11550(6)(d) only requires the number of inspections at licensed disposal areas. The remaining 227 inspections were conducted either at sites of illegal operations or at Type B solid waste transfer facilities that are authorized to operate by the statute, but are not required to have an operating license.

<sup>4</sup> LOW includes written communications from the DEQ that give notice of noncompliance with Part 115, such as Compliance Communications and Violation Notices.

<sup>5</sup> A total of 39 LOWs were issued in FY 2015. However, 28 are reported here because Subsection 11550(6)(e) only requires the number of LOWs sent to licensed disposal areas. The remaining 11 LOWs were sent either to owners or to operators of disposal areas that are not required to have an operating license or to owners or operators of sites determined to be illegal operations. A Type B solid waste transfer facility is an example of a solid waste disposal area that is not required to have a license to legally operate. Although these disposal areas are not licensed, they are inspected for compliance with the operational requirements of Part 115 and the Part 115 Rules. The number of LOWs sent in FY 2015 may encompass some inspections made in the last quarter of FY 2014.

expired without having made a timely renewal application. GAES responded by submitting an application for an operating license and limiting waste acceptance at the transfer facility to less than 200 uncompacted cubic yards of solid waste in order to meet the exemption of Section 11529 of Part 115. The Consent Order required GAES to continue to limit disposal to less than 200 uncompacted cubic yards of waste per day until the DEQ reviewed the application and issued a new solid waste disposal area operating license. The Consent Order also required GAES to keep daily records of the amount of solid waste received and transferred from the site and report those records to the DEQ via daily e-mail until the operating license was issued. Under the terms of the Consent Order, GAES agreed to a \$2,500 payment to the State of Michigan in settlement of the DEQ's claim for a civil fine for the alleged violation.

(2) Landfill Management Co.

On April 13 2015, Landfill Management Co. voluntarily entered an administrative consent order (Consent Order) with the DEQ to resolve alleged violations of Part 115 at the Orchard Hills Sanitary Landfill (Landfill) in Coloma Township, Berrien County. The Consent Order was entered into based on a Compliance Communication and Violation Notice issued to Landfill Management Co. alleging that the company had failed to cover disposed solid waste with six inches of earthen material or an approved alternate material (i.e., daily cover) at the end of each operating day or at more frequent intervals, if necessary, to control disease vectors, fires, odors, blowing litter, and scavenging as required by the Part 115 administrative rules. The Consent Order required that Landfill Management Co. ensure that all solid waste was compacted and daily cover applied at the end of each operating day. The Consent Order also required Landfill Management Co. to submit daily photographs and a report to the DEQ to ensure that daily cover was being properly applied. The reporting period was for a minimum of three months. Under the terms of the Consent Order, Landfill Management Co. agreed to a \$4,500 payment to the State of Michigan in settlement of the DEQ's claim for a civil fine for the alleged violation.

(3) People's Landfill, Inc.

On April 21, 2015, People's Landfill, Inc. (PLI), voluntarily entered into an administrative consent order (Consent Order) with the DEQ to resolve alleged violations of Part 115 and Part 31, Water Resources Protection, of the NREPA, at the PLI landfill in Taymouth Township, Saginaw County. The Consent Order was based on the Violation Notice issued to PLI on November 24, 2014. Specifically, the DEQ alleged that PLI had a leachate management system failure and release of leachate to the environment in the Cell 6 area that required an investigation and cleanup by PLI. The Consent Order required PLI to submit to the DEQ, for review and approval, a remedial action plan to conduct an investigation and undertake response activities in the area of the leachate release. The Consent Order further required PLI to submit a final report demonstrating that PLI had identified, removed,

and properly disposed of all leachate-contaminated soils and liquids from the area of the leachate release. Under the terms of the Consent Order, PLI agreed to a \$15,000 payment to the State of Michigan in settlement of the DEQ's claim for a civil fine for the alleged violation.

(4) Huron Landfill Corp.

On May 19, 2015, the Huron Landfill Corp. (HLC) voluntarily entered into an administrative consent order (Consent Order) with the DEQ to resolve alleged violations of Part 115 at the HLC Huron Landfill (Landfill) in Sheridan Township, Huron County. The Consent Order was based on the Construction Certification Denial issued on December 3, 2014; Violation Notice issued on October 24, 2014; and Compliance Communications issued on October 2, 2013, and October 17, 2013. Specifically, the DEQ alleged that HLC constructed a portion of the solid waste disposal area, Cell H of the Landfill, using engineering plans that had not been approved by the DEQ and were contrary to Solid Waste Disposal Area Construction Permit No. 4111 (Construction Permit) for the Landfill. The DEQ further alleged that HLC failed to construct Cell H in compliance with the Construction Quality Assurance Plan approved under the Construction Permit. The Consent Order required enhanced monitoring of Cell H to ensure the integrity of the liner and leak detection system. HLC provided the DEQ with a Cell H Primary and Secondary Pumping Log plan to monitor the head on the Cell H liner and measure the daily volume of leachate removed from the leak detection system. The Consent Order required HLC to monitor and submit the Cell H Primary and Secondary Pumping Log records monthly to the DEQ for a period of 12 months. Under the terms of the Consent Order, HLC agreed to a \$64,400 payment to the State of Michigan in settlement of the DEQ's claim for a civil fine for the alleged violations. HLC also agreed to a \$9,178 payment for the cost of surveillance and enforcement arising from the alleged violations.

(5) Rizzo Environmental Services, Inc.

On August 11, 2015, Rizzo Environmental Services (Rizzo) voluntarily entered into an administrative consent order (Consent Order) with the DEQ to resolve alleged violations of Part 115 at the Rizzo solid waste transfer and processing facility in the city of Pontiac, Oakland County. The Consent Order was based on a Violation Notice issued on March 14, 2015. Specifically the DEQ alleged that Rizzo established and operated a solid waste transfer and processing facility without obtaining a solid waste disposal area construction permit and a solid waste disposal area operating license. The Consent Order required and Rizzo agreed to not store solid waste at the facility overnight until a solid waste disposal area construction permit and a solid waste disposal area operating license were obtained from the DEQ. Under the terms of the Consent Order, Rizzo agreed to a \$14,400 payment to the State of Michigan in settlement of the DEQ's claim of a civil fine for the alleged violations.

**(h) Number of Solid Waste Complaints Received, Investigated, Resolved, and Not Resolved by the DEQ**

During FY 2015, the DEQ received 109 solid waste complaints, 52 of which were investigated via inspections. The remaining 57 complaints were resolved by contact with the parties involved, were appropriately referred to other DEQ program divisions/offices or other agencies, or are still under investigation.

**(i) Amount of Revenue Remaining in the Staff Account at the End of FY 2015**

The amount of revenue in the Solid Waste Management Fund Staff Account at the end of FY 2014 was \$3,761,002 and FY 2015 was \$4,074,281.