

## Board of Directors • Meeting Minutes

**DATE:** July 21, 2017

**TIME:** 7:30 a.m.

### Attendance

**BOARD OF DIRECTORS:** Brubaker, Deerin, Dzurik, Gordon, Houck, Musser, Rettew, Ulrich, and Weibel.

**STAFF:** Adams, Capots J., Capots C., Henderson (Legal Counsel), Kohr, Lane, Marsh, McGuire, Morrison, Olson, Roberts, Sandoe, Warner, Wireback, and Zorbaugh.

**ALSO PRESENT:** Citizens as listed on the attached sign-in sheet.

### Opening

Chairperson Dzurik requested a moment of silence followed by the pledge to the flag.

### Approval of Minutes

Chairperson Dzurik asked for any additions or corrections to the meeting minutes. Being none, a motion was requested to approve the Minutes of May 19, 2017 as distributed.

**Motion:** J. Deerin

**Seconded:** J. Musser

**Adopted:** Unanimously

### Public Comment

There was no public comment.

### Staff Highlight

Justin Capots, Business & Energy Analyst, discussed his role at LCSWMA.

### Chief Executive Officer

*Mr. Warner reported on the following:*

- Shared an update of the 2017 Executive Team goals, including progress on each. Goals covered such areas as: environmental benchmarks, financial, business, planning, and internal initiatives, as well as operational and administrative technologies, and internal controls and risk management. Almost all goals have either already been completed or are on schedule for completion within budget.

### Chief Financial Officer

*Mr. Lane reported on the following:*

- Revenues continue to be strong in the month of June, despite generating a \$1,353k surplus vs. a budgeted target of \$1,368k.
- Tipping fees finished \$95k favorable, while energy revenues exceeded the Operating Plan by \$74k due to strong electric production at SRMC and slightly better wholesale pricing for WTE.
- June's administrative expense increased over budget by \$117k, which included: \$64k deferred

professional activities caught up in June, \$35k of impact on a payroll accounting change, and \$18k in hauler rebates (associated with higher delivered tons).

- An overview of the 2017 Forecast was provided to the Board as a mid-year update.

## **Action Items**

### **1. BOARD ACTION NO. 2: SUMMARY OF DISBURSEMENTS**

Chairperson Dzurik asked for a motion to approve the disbursements for May 2017, totaling \$9,028,503.29 and June 2017, totaling \$6,255,354.12

**Motion:** R.E. Gordon

**Seconded:** M. Brubaker

**Adopted:** Unanimously

## **Chief Operating Officer**

*Mr. Zorbaugh reported on the following:*

- Facility operations functioned smoothly in June, handling seasonally high waste volumes and customer traffic. The SRMC achieved outstanding boiler availability of 100% for the month; a first since LCSWMA has owned the facility. Plant performance at the Lancaster Waste-to-Energy (WTE) Facility was very good, with average boiler availability of 97%.
- Customer activity at the Transfer Station Complex remained robust. A single-day record inbound transaction total was set on July 3<sup>rd</sup> with 530 waste disposal transactions and 518 customer visits at the HHW facility.
- LCSWMA's ISO 14001 program mid-year audit was conducted and found to be functioning well with no major or minor non-conformance findings. The auditor had positive comments on the administration of the program and high level of success of the program for our organization.
- An update on all major capital projects was given, which included the following: Cell 6 Capping project at the Frey Farm Landfill, ash storage and handling project at the SRMC, and construction related to the Perdue facility at the Lancaster WTE Facility.

## **Action Items**

### **1. BOARD ACTION NO. 3: PURCHASE OF A WHEEL LOADER**

Chairperson Dzurik asked for a motion to approve the purchase of a wheel loader for the purchase price of \$293,547.

**Motion:** M. Brubaker

**Seconded:** J.S. Ulrich

**Adopted:** Unanimously

### **2. BOARD ACTION NO. 4: RESOLUTION 2017-4**

A resolution ratifying the sale of real estate in Manor Township, known as 3106 River Road, Conestoga, Lancaster County, Pennsylvania.

Chairperson Dzurik asked for a motion to approve Resolution 2017-4.

**Motion:** K. Weibel

**Seconded:** M. Brubaker

**Adopted:** Unanimously



## **Chief Business Development Officer**

*Mr. Adams reported on the following:*

- Reviewed the amended agreements with Inashco for ash recycling services, noting that the original agreement was signed by the Board in May 2016. This newly amended agreement was necessary to reflect changes within the business arrangement due to some issues that were encountered during project development.

### **Action Items**

#### **1. BOARD ACTION NO. 5: RESOLUTION 2017-5**

A resolution authorizing and approving execution of amended and restated agreements with Inashco North America Lancaster, LLC for ash recycling services.

Chairperson Dzurik asked for a motion to approve Resolution 2017-5.

**Motion:** J. Musser

**Seconded:** R.E. Gordon

**Adopted:** Unanimously

## **Director of Business Solutions**

*Ms. Marsh reported on the following:*

- With regard to the Perdue project, LCSWMA is scheduled to complete its side of the utility bridge on July 24<sup>th</sup>.
- The Environmental Hearing Board (EHB) proceedings related to the appeal of Perdue's air permit commenced in Harrisburg on June 19<sup>th</sup> and concluded on July 10<sup>th</sup>. As an intervenor in the appeal, LCSWMA provided testimony on its business relationship with Perdue AgriBusiness for steam and process water sales. A decision from EHB is not anticipated for several months.
- Staff continually monitors energy market conditions to analyze movement and trends, as well as to identify potential opportunities to hedge output from the Lancaster WTE Facility to reduce risk. Staff transacted a 10MW hedge for the month of July at \$42.35, which is anticipated to provide a premium over real-time market performance in July.

## **Deputy Chief of Human Resources**

*Ms. Wireback reported on the following:*

- Paid tribute to Eric Custer who passed away in May 2017. Eric was a Weighmaster at the SRMC facility from November 2006 – May 2017.

### **Action Items**

#### **1. BOARD ACTION NO. 6: REVISION TO THE LCSWMA STATEMENT OF EMPLOYMENT POLICIES, PROCEDURES AND BENEFIT DOCUMENT.**

Chairperson Dzurik asked for a motion to approve the revisions to the LCSWMA employee handbook.

**Motion:** K. Weibel

**Seconded:** M. Brubaker

**Adopted:** Unanimously

## **Deputy Chief of Community Relations**

*Dr. Sandoe reported on the following:*

- With regard to the Frey Farm Landfill vertical expansion project, LCSWMA has addressed all technical comments and questions from DEP, and is now awaiting final determination from DEP. All Manor Township land use matters related to the project have also been satisfied. LCSWMA continues to receive support for the project from community influencers and the public.
- An overview of Community Relations efforts in conducting ongoing surveys of the HHW customers was shared, which included data to understand behaviors and demographics related to usage of the facility. Interesting to note that the second most favorite feature of the facility, was the friendly staff.
  - Mr. Brubaker asked about any findings related to how LCSWMA could improve services at the facility, to which Dr. Sandoe mentioned no constructive criticism was given during the surveys. With that said, staff is planning to incorporate specific questions to the survey in the latter part of the year.

### **Citizens Advisory Committee**

- Next meeting is scheduled for November 15<sup>th</sup>.

### **Adjournment**

The Board Meeting adjourned at 9:51 a.m. after the Executive Session to discuss litigation and personnel. No Board action was taken.

**APPROVED BY THE BOARD OF DIRECTORS OF THE LANCASTER COUNTY SOLID WASTE MANAGEMENT AUTHORITY THIS 15<sup>th</sup> DAY OF September 2017.**



Karen M. Weibel, Secretary