

Board of Directors • Meeting Minutes

DATE: September 15, 2017

TIME: 7:30 a.m.

Attendance

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

STAFF: Adams, Gallagher, Henderson (Legal Counsel), Kohr, Lane, Marsh, Morrison, Olson, Ortega, Roberts, Sandoe, Saylor, Warner, Wireback, and Zorbaugh.

ALSO PRESENT: Jim Klecko with Covanta, and citizens as listed on the attached sign-in sheet.

Opening

Vice Chairperson Deerin called the meeting to order. Mr. Henderson then stated that an Executive Session would take place to discuss litigation related to an appeal of the permit for the Frey Farm Landfill vertical expansion project and a personnel matter. Executive Session ended at 8:30 a.m. with no action being taken.

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 July 21, 2017 as distributed.

Motion: L. Houck

Seconded: J. Musser

Adopted: Unanimously

Public Comment

There was no public comment.

Staff Highlight

Erin Saylor, Business Development Manager, discussed her role at LCSWMA.

Chief Executive Officer

Mr. Warner reported on the following:

- LCSWMA continues to receive record tonnage, which the Operations staff has been handling very well.
- LCSWMA is seeking to purchase 120 acres from Talen Energy, and then subsequently sell the river buffer parcels to the Lancaster County Conservancy. The idea behind this transaction being so that the Northwest River Trail could continue where LCSWMA intends. The other remaining agricultural parcels would be sold to the market.

Action Items

1. BOARD ACTION NO. 2: RESOLUTION 2017-6

A resolution authorizing the purchase and sale of real estate in Conoy Township, Lancaster County,

Pennsylvania.

Chairperson Dzurik asked for a motion to approve Resolution 2017-6.

Motion: L. Houck

Seconded: J. Musser

Adopted: Unanimously

Chief Financial Officer

Mr. Lane reported on the following:

- LCSWMA had a banner month with new milestones in waste volumes and tipping revenues received, along with total revenues and operating surplus.
- August financial performance was powered by high waste volumes in conjunction with a long operating month (23 days). This combination allowed the Authority to generate a healthy \$8.1M in revenue, which is \$613k higher than the August Operating Plan.
- The robust \$1.8M Operating Surplus pushed the YTD surplus to \$8.5M, which surpasses the Authority's 2017 full year surplus outlook [\$8.3M].
- The Authority made significant progress in implementing an integrated Purchase Order process. August progress includes the completion of a Project Plan, identification of a software platform, executing a statement of work and process mappings for system requirements and training considerations.

Action Items

2. BOARD ACTION NO. 3: SUMMARY OF DISBURSEMENTS

Chairperson Dzurik asked for a motion to approve the disbursements for July 2017, totaling \$8,882,822.37 and August 2017, totaling \$7,466,051.85.

Motion: J.S. Ulrich

Seconded: J. Musser

Adopted: Unanimously

Chief Operating Officer

Mr. Zorbaugh reported on the following:

- LCSWMA facility operations continued to operate safely and efficiently while managing seasonally heavy, and in some instances, record amounts of tons and customer traffic.
- The Capital Projects ongoing at several facilities continue to be moved forward on schedule and within budget.

Action Items

1. BOARD ACTION NO. 4: AWARD OF CONTRACT FOR THE WASTE TO ENERGY TRUCK SCALE REPLACEMENT PROJECT

Chairperson Dzurik asked for a motion to approve the award of contract to Garber Metrology in the amount of \$54,795.00.

Motion: M. Brubaker

Seconded: K. Weibel

Adopted: Unanimously

2. BOARD ACTION NO. 5: PURCHASE OF TWO (2) ABOVE GROUND LEACHATE PUMP STATIONS AND A DIESEL BACKUP GENERATOR

Chairperson Dzurik asked for a motion to approve the purchase of two pump stations in the amount of \$463,410.00 and a diesel backup generator in the amount of \$32,644.00.

Motion: K. Weibel

Seconded: R.E. Gordon

Adopted: Unanimously

3. BOARD ACTION NO. 6: AWARD OF CONTRACT FOR THE FREY FARM LANDFILL METALS RECOVERY FACILITY (MRF) SITE DEVELOPMENT PROJECT

Chairperson Dzurik asked for a motion to approve the award of contract to Kinsley Construction in the amount of \$1,295,500.00.

Motion: K. Weibel

Seconded: J. Deerin

Adopted: Unanimously*

**It is noted that Mr. Gordon abstained from this vote.*

4. BOARD ACTION NO. 7: AWARD OF CONTRACT FOR THE FREY FARM LANDFILL VERTICAL EXPANSION (FFVE) STAGE 1 CONSTRUCTION PROJECT

Chairperson Dzurik asked for a motion to approve the award of contract to Kinsley Construction in the amount of \$10,155,000.00

Motion: R.E. Gordon

Seconded: J.S. Ulrich

Adopted: Unanimously

- Mr. Gordon commented that LCSWMA's Board of Directors was making the best decision for the Lancaster County public to move forward with all contract awards to build the FFVE. He emphasized that delayed action, as a result of the permit appeal, would have significant costs for residents and business within Lancaster County.
- Mr. Brubaker noted that LCSWMA received all local (county planning and land use) and regulatory (DEP permit) clearances for the FFVE. Thus, he's frustrated that an appeal was filed after LCSWMA fulfilled all requirements necessary, including a lengthy and thorough permit review process. He is disappointed that LCSWMA will need to spend significant amounts of public money to defend the already approved permit under the current process.
- Ms. Weibel also commented on the significant cost implications for residents and businesses should the FFVE not come to fruition; and a resulting 30-40% increase in disposal fees could stifle economic growth in Lancaster County. She emphasized the FFVE was critical to continued cost-effective waste management in this community.
- Mr. Gordon commented that he would like to make a motion for Board of Directors' full support for LCSWMA to vigorously defend the FFVE project, including defense of the DEP permit issued.

Motion: R.E. Gordon

Seconded: J. Musser

Adopted: Unanimously

Chief Business Development Officer

Mr. Adams reported on the following:

- Each hauler delivering more than 100 tons per year of refuse or C/D, originating in Lancaster County, has signed a disposal agreement. Municipalities paying for disposal directly to LCSWMA also enter into agreements. Agreements provide haulers and municipalities a rebate for delivering all refuse

and C/D to LCSWMA, as well as sets a maximum tipping fee.

- Current disposal agreements will expire at the end of 2017; therefore, the LCSWMA staff has been working to implement new agreements for a 5-year term.
- New agreements set the maximum tipping fee at \$7 above the current fee for refuse and C/D, which would be eliminated should the Frey Farm Vertical Expansion permit be revoked.
- Presentation and approval of new agreements to the Board, is set for the October meeting.

Director of Business Solutions

Ms. Marsh reported on the following:

- As part of the 2017 Executive Team goals that Jim spoke to at the July meeting, developing a strategic plan was a major focus for the Executive Team over the last several months.
- The 5-Year Strategic Plan components include: Purpose and Governance, Markets Served, Core Services Provided, Fiscal Strategy, Risk & Opportunity Management, Key Strategic Initiatives, and Long-Term Outlook. A brief overview of each of the components was shared.
- A draft plan will be distributed to the Board the week of September 18th, and will be looking for feedback over the next couple of months.
- The hope is to adopt the plan at the December meeting.

Deputy Chief of Human Resources

Ms. Wireback reported on the following:

- Introduced Jordan Gallagher as the new full-time Environmental Field Specialist, and Ambrosia Ortega as the new Safety and Wellness Coordinator.
- Shared a brief overview of employee appreciation week, which is scheduled for the week of September 18th.

Deputy Chief of Community Relations

Dr. Sandoe reported on the following:

- In addition to LCSWMA's normal education and outreach activities, staff focused on a few high-impact, sponsored initiatives to enhance LCSWMA's brand exposure in the community. Staff is working to capitalize on all available opportunities.

Citizens Advisory Committee

- Next meeting is scheduled for November 15th.

Adjournment

The Board Meeting adjourned at 9:50 a.m. with a motion from Chairperson Dzurik.

Motion: K. Weibel

Seconded: M. Brubaker

Adopted: Unanimously

APPROVED BY THE BOARD OF DIRECTORS OF THE LANCASTER COUNTY SOLID WASTE MANAGEMENT AUTHORITY THIS 20th DAY OF October 2017.



Karen M. Weibel, Secretary