



Board of Directors • Meeting Minutes

DATE: April 22, 2016

TIME: 7:30 a.m.

Attendance

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

STAFF: Warner, Adams, Baker, Kohr, Mauck, McGuire, Olson, Sandoe, Sands, Saylor, Vollmer, Wireback, and Zorbaugh.

ALSO PRESENT: Solicitor Alex Henderson and Associate Brandon Harter with Nikolaus & Hohenadel LLP, Jim Klecko with Covanta, and citizens as listed on the attached sign-in sheet.

Opening

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

Approval of Minutes

Chairperson Ulrich asked for any additions or corrections to the meeting minutes. Being none, a motion was requested to approve the Minutes of February 19, 2016 as distributed.

Motion: J. Deerin

Seconded: J. Musser

Adopted: Unanimously

Public Comment

Mr. Dwight Yoder, Gibbel Kraybill & Hess, LLP, addressed the Board of Directors concerning the proposed Frey Farm Landfill Vertical Expansion.

Ms. Leslie Osborne, a Manor Township resident, expressed her concerns regarding Host Fees for Manor Township and zoning related matters pertaining for the Frey Farm Landfill Vertical Expansion.

Presentation

Ms. Carol Roland from Trout Ebersole and Groff reviewed the Audited Financial Statements for the Year Ended December 31, 2015.

Action Items

1. ACCEPTANCE OF AUDITED 2015 FINANCIAL STATEMENTS

Chairperson Ulrich asked for a motion to accept the Audited Financial Statements for the Year Ended December 31, 2015 as presented.

Motion: R. E. Gordon

Seconded: S. Dzurik

Adopted: Unanimously

Staff Highlight

Barbara Baker, Recycling Manager, discussed her role at LCSWMA.

Chief Executive Officer

Mr. Warner reported on the following:

- LCSWMA is currently searching for a new Chief Financial Officer to fill a vacant position.

- There will be an Executive Session for Litigation related to the Frey Farm Vertical Expansion.

Action Items

1. RESOLUTION 2016-1

A Resolution Authorizing the Submission of a Proposed Text Amendment to the Manor Township Zoning Ordinance Related to the Proposed Vertical Expansion of the Frey Farm Landfill and/or a Rural to Industrial Zoning Request for Two Parcels.

Chairperson Ulrich asked for a motion to approve Resolution 2016-1.

Motion: K. Weibel

Seconded: M. Brubaker

Adopted: Unanimously

Chief Operating Officer

Mr. Zorbaugh reported on the following:

- Reviewed 2016 Waste Tonnages: 2015 vs. 2016 1st Quarter Refuse Tons
2015 vs. 2016 1st Quarter C/D Tons
- All LCSWMA facilities continue to experience waste volumes significantly above budgeted tons. First quarter deliveries to the TSC represented an all-time record, exceeding the previous first quarter record by roughly 8,000 tons. Refuse tons within Lancaster and Dauphin County is 6.5% above 2015 totals through the first quarter. Refuse deliveries within Lancaster County were 10.6% above 2015. This was the first time in 10 years LCSWMA has seen significant growth in refuse tons for a sustained period.

FACILITIES

- The staff at the Frey Farm Landfill placed approximately 10,000 cubic yards of intermediate cover, followed by seeding of that cover to establish vegetation.
- Covanta Harrisburg conducted a scheduled 7-day major outage on unit #1. The outage went beyond schedule by 28 hours as a result of a tube leak discovered when bringing the unit back online. The second spring outage began in late March on unit #2. This outage was scheduled for 10 days, as during this outage the unit's air heater tubes were scheduled for replacement.
- Ferrous recovery at the SRMC is 24% above 2015 totals. Additionally, the volume of customer traffic at the SRMC continues to grow, as inbound transactions are up an average of 20% (26 vehicles) per day. This growth is primarily in self-haul and C/D related customers, which can be attributed to the opening of the Transfer/Maintenance/Admin Building.

CAPITAL PROJECTS

- Work continues on design and permitting for a section of the Northwest Lancaster County River Trail, just north of Bainbridge approximately 2.5 miles. Paving work on the County section of trail is tentatively scheduled to be completed in mid-May.

ENVIRONMENTAL COMPLIANCE

- Staff submitted the Lancaster Waste-to-Energy Facility Title V Air Permit renewal to PADEP. The current permit expires February 28, 2017.

Action Items

1. PURCHASE OF A HYDRAULIC EXCAVATOR

Chairperson Ulrich asked for a motion to approve the purchase of a Volvo EC 220E to Highway Equipment Inc. through the HGAC Buy contract for the purchase price of \$185,387.00.

Motion: M. Brubaker **Seconded:** S. Dzurik **Adopted:** Unanimously

2. PURCHASE OF A USED BACKHOE

Chairperson Ulrich asked for a motion to approve the purchase of a Volvo BL70B to Highway Equipment and Supply Company for the purchase price of \$56,795.00.

Motion: M. Brubaker **Seconded:** J. Musser **Adopted:** Unanimously

3. PURCHASE OF A ROADWAY SWEEPER

Chairperson Ulrich asked for a motion to approve the purchase of a Tennant Sentinel road sweeper to Tennant Sales and Service Company through the PA COSTARS contract for the purchase price of \$169,166.94.

Motion: K. Weibel **Seconded:** J. Musser **Adopted:** Unanimously

4. PURCHASE OF A TRUCK TRACTOR

Chairperson Ulrich asked for a motion to approve the purchase of an International 7600 SFA to Five Start International, LLC through the PA COSTARS contract for the purchase price of \$117,865.00.

Motion: S. Dzurik **Seconded:** M. Brubaker **Adopted:** Unanimously

5. AWARD CONTRACT FOR REPLACEMENT OF FREY FARM LANDFILL OUTBOUND TRUCK SCALE

Chairperson Ulrich asked for a motion to award the Frey Farm Landfill Truck Scale Replacement Project Contract to Garber Metrology of Lititz, PA in the amount of \$132,170.00.

Motion: J. Musser **Seconded:** B. Hammel **Adopted:** Unanimously

Chief Financial Officer

Mr. Warner reported on the following:

- The net surplus for March exceeded budget. A strong quarter with better than expected tonnage throughout the system in all waste streams drove strong tipping revenue and transportation charges, which offset lower energy revenues as low wholesale electric prices continued into March.
- C/D tonnage revenues exceeded budget by 37% driven by continued strong volumes into both the Lancaster system and SRMC.
- Residual waste stream business continued to show strong results with revenue exceeding budget.

Action Items

1. SUMMARY OF DISBURSEMENTS

Chairperson Ulrich asked for a motion to approve the disbursements for February 2016 and March 2016 totaling \$14,163,286.

Motion: R. E. Gordon

Seconded: B. Hammel

Adopted: Unanimously

Chief Business Development Officer

Mr. Adams reported on the following:

RECYCLING:

- Reviewed 2015 recycling data and recycling trends. The Lancaster County 2015 recycling rate is 43.4%, which is a slight decrease from the 2014 recycling rate of 43.7%.

ASH PROCESSING:

- LCSWMA and Inashco are in agreement on all contract terms to finance, construct, and operate an ash processing facility for advanced metals recovery at the former Frey Dairy Farm property. The facility is expected to increase recycling and save landfill space.

Action Items

1. RESOLUTION 2016-2

A Resolution Authorizing and Approving Execution of Agreements with Inashco North America Lancaster, LLC for Ash Recycling Services. Staff provided explanations of each Agreement, review summary, and lengthy discussion.

Chairperson Ulrich asked for a motion to approve Resolution 2016-2.

Motion: K. Weibel

Seconded: J. Musser

Adopted: Unanimously

Deputy Chief of Community Relations

Ms. Sandoe reported on the following:

- LCSWMA received three extensive Right-To-Know inquiries from Gibbel Kraybill & Hess, a local law firm representing parties opposing the Frey Farm Landfill vertical expansion project. The RTK inquiries required substantial staff time and resources to complete, resulting in over 6,000 pages of records produced. Collectively, these inquiries compelled staff to invest over 150 hours of time to fulfill the requested documents, thus pulling them from their primary responsibilities and service to the larger community.
- Recognizing the importance of retaining documentation for corporate best practices, as well as LCSWMA's legal obligation to produce documents under the Right-to-Know Law, staff developed a Document Retention Schedule to provide guidance on retention of records pertaining to several aspects of the business and related activities.

Action Items

1. DOCUMENT RETENTION SCHEDULE

Chairperson Ulrich asked for a motion to approve the Document Retention Schedule as presented.

Motion: B. Hammel

Seconded: K. Weibel

Adopted: Unanimously

Citizens Advisory Committee

The CAC met on April 20, 2016. A brief overview of the meeting was given. There are members on the CAC representing each host municipality. Bill Horst was honored and presented with a plaque for his 25 years of service on the CAC, the last 15 years were serving as the Chairman.

Adjournment

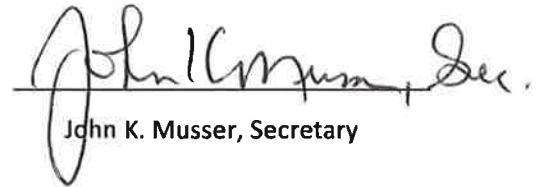
Chairperson Ulrich asked for a motion to adjourn the meeting at 10:45 a.m.

Motion: K. Weibel

Seconded: J. Musser

Adopted: Unanimously

APPROVED BY THE BOARD OF DIRECTORS OF THE LANCASTER COUNTY SOLID WASTE MANAGEMENT AUTHORITY THIS 17th DAY OF JUNE, 2016.



John K. Musser, Secretary