

Board of Directors' Meeting Minutes

Date: October 16, 2015

Time: 7:30 a.m.

Meeting attended by: Board of Directors: Brubaker, Dzurik, Gordon, Hammel, Houck, Musser, Ulrich, and Weibel. **Staff:** Warner, Adams, Mauck, McGuire, Olson, Pruden, Russin, Sandoe, Saylor, Vollmer, Wilhelm, Wireback, and Zorbaugh. **Also present were:** Solicitor Alex Henderson, Hartman, Underhill & Brubaker; Jim Klecko, Covanta; and citizens as listed on the attached sign-in sheet.

Board member absent: Deerin

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

APPROVAL OF THE MINUTES

Chairperson Ulrich asked for any additions or corrections to the meeting minutes. Being none, a motion was requested to approve the Minutes of September 18, 2015 as distributed.

Motion: J. Musser

Seconded: S. Dzurik

Adopted Unanimously

PUBLIC COMMENT

Mr. Mike Martin, Chairman of the Hellam Township Board of Supervisors addressed the Board of Directors concerning the proposed Perdue soybean processing facility to be located adjacent to the Lancaster WTE facility in Conoy Township. Mr. Martin also addressed a letter received from Alex Henderson with Hartman, Underhill & Brubaker.

"BEHIND THE SCENES" STAFF MEMBER

Roger Russin, Equipment Maintenance Superintendent, discussed his role at LCSWMA.

CHIEF EXECUTIVE OFFICER - Mr. Warner reported on the following:

- Financial performance was very solid in September, evidenced by a monthly contribution of \$813,000 to the YTD operating surplus, which is \$1.14 million more than budgeted.
- Under Other Business will be the presentation of the draft 2016 Preliminary Operating and Capital Budget.

ACTION ITEM:

1. Approval of Nikolaus & Hohenadel, LLP as the Authority's Legal Firm

Chairperson Ulrich asked for a motion to approve engaging Nikolaus & Hohenadel, LLP as LCSWMA's legal firm.

Motion: J. Musser

Seconded: M. Brubaker

Adopted Unanimously

CHIEF OPERATING OFFICER - Mr. Zorbaugh reported on the following:

- All facilities operated well in September.
- The SRMC, FFLF, and Lancaster WTE received DEP site inspections. All facilities were found to be operating well within regulatory parameters.
- SRMC:
 - Boiler availability was outstanding at 97.8% and a revised fall and spring outage schedule should allow for potential further improvement on this statistic.
 - The Transfer/Maintenance/Admin (TMA) building is substantially complete and preparations are being made to move into the new facility in November. Obtained equipment, training and operating supplies for the new facility.
 - Customers are anxious to use the new TMA facility for C/D waste and deliveries from self-haulers. LCSWMA hopes to attract more C/D haulers to use this facility.
- Lancaster WTE:
 - Covanta completed a 10-day major boiler outage on Unit #3. The schedule was exceeded by 48 hours do to several small delays, including a tube leak. Additional downtime of 121 hours occurred as a result of additional tube leaks found during a scheduled cleaning outage on Unit #2 and a control system failure, which forced boilers offline.
- FFLF:
 - Staff began final grading earthwork on the former Frey Dairy property. Upon completion of the grading, the area of disturbance will be revegetated.
- TSC:
 - An RFP was prepared for HHW Services including material consolidation and disposal: a 3-year agreement, along with two, 1-year options for renewal. The current agreement with Cycle Chem expires on December 31, 2015. The RFP is due November 11, 2015.
 - The new Titan transfer trailers were placed into service and have had a very positive impact on trailer payloads. An improvement of 2 tons/load on C/D waste and a 1 ton/load improvement on refuse loads is occurring, saving over 1,100 trips per year (4 trips/day).

- Technical Services:
 - DEP has indicated its first round of technical review comments are expected in October relating to the FFLF Vertical Expansion project.
 - Brooks Norris has retired, his last day of work was Friday, October 2nd. Mark Reider is up to speed on all Authority permits and monitoring responsibilities.

CHIEF FINANCIAL OFFICER – *Mr. Pruden* reported on the following:

- The net surplus for September exceeded budget. Year-to-date, LCSWMA continues to exceed budgeted net surplus expectations.
- Operating Expenses continue to be managed well and kept in line with the budget while Administrative Expenses exceeded budget.
- Tipping Fee/Tonnage Revenue:
 - Residual tonnage and revenue exceeded budget.
 - C/D overall surpassed budget in September. The SRMC is continuing to show significant improvement for the second consecutive month.
 - A new flooring line for Armstrong continued to generate business this month, contributing to the residual revenue's performance.
- Metal recovery was good, however market pricing is still down and will result in a significant budget shortfall at the end of this year for our metal recovery revenue.
- Summary of Expenses shows all are being very well managed, relative to budget.

ACTION ITEM:

1. Summary of Disbursements

Chairperson Ulrich asked for a motion to approve the disbursements for September 2015 totaling \$6,057,323.

Motion: R. E. Gordon

Seconded: J. Musser

Adopted Unanimously

CAPITAL PROJECTS – *Mr. Wilhelm* reported on the following:

- SRMC TMA Building Construction:
 - Major construction work on the TMA building is complete.
 - Final inspection for substantial completion is scheduled for October 16th.
- TSC:
 - Administration Building Lunchroom Project construction is progressing well. Cabinets will be installed the week of October 19th. The project is on schedule to be completed by November 30th.

- Northwest Lancaster County River Trail:
 - Completed stone placement on the Lancaster County section, which is the 1.5 mile stretch between Marietta and Columbia. Paving is tentatively scheduled for mid-October.
 - Trail work in Marietta Borough is scheduled to start the week of October 26th, weather permitting. LCSWMA staff is working with representatives from the Borough to finalize the bridge construction contract and with our consultant to obtain the required permits.

BUSINESS DEVELOPMENT, PLANNING, & RECYCLING – *Mr. Adams* reported on the following:

- Allentown Waste Stream:
 - LCSWMA provided pricing and facility technical information to haulers that may submit proposals to the City of Allentown for the collection and disposal/processing of approximately 37,000 tons per year of waste generated in the City.
- SRMC Ash processing update:
 - LCSWMA and Inashco collected “fresh” ash samples from both SRMC and Lancaster WTE. These samples will be processed at Inashco’s Netherlands facility in order to extract and quantify the amount of metal that is contained in each ash stream.
- Communications:
 - Hosted Hauler Appreciation Days at all four sites.
 - Scheduled and hosted spring and fall WTE Facility College Tour Days.
- Recycling:
 - On behalf of Lancaster County municipalities and LCSWMA, recycling staff submitted forty-eight (48) Act 101, Section 904 Performance grants to DEP for eligible documented materials recycled in 2014. Since the enactment of Act 101 in 1988, LCSWMA has paid \$16.5 million into the Recycling Fund, with municipalities and LCSWMA receiving a total of \$22.4 million in grant funds.

CITIZENS ADVISORY COMMITTEE

The next CAC meeting will be held on November 18, 2015.

OTHER BUSINESS

Board of Directors member, J. Deerin, joined the meeting for the Budget presentation. Drafts of the 2016 Preliminary Operating and Capital Budgets were reviewed with the Board.

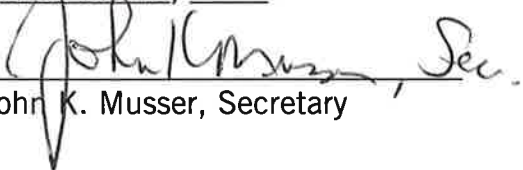
EXECUTIVE SESSION

There was no Executive Session.

ADJOURNMENT

The Board Meeting adjourned immediately after the presentation of the draft 2016 Preliminary Operating and Capital Budgets at 10:00 a.m.

APPROVED BY THE BOARD OF DIRECTORS OF THE LANCASTER COUNTY SOLID WASTE MANAGEMENT AUTHORITY THIS 20th DAY OF NOVEMBER, 2015.


John K. Musser, Secretary