



Board of Directors • Meeting Minutes

DATE: December 18, 2015

TIME: 7:30 a.m.

Attendance

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

STAFF: Warner, Adams, Clabaugh, Hosler, Kohr, Marsh, Mauck, McGuire, Olson, Pruden, Sandoe, Vollmer, Wireback, and Zorbaugh.

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

BOARD MEMBER ABSENT: Brubaker

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 November 20, 2015 as distributed.

Motion: J. Deerin

Seconded: K. Weibel

Adopted: Unanimously

Public Comment

There was no public comment.

Staff Highlight

Ed Hosler, Household Hazardous Waste Superintendent, discussed his role at LCSWMA.

Chief Executive Officer

Mr. Warner reported on the following:

- Recognized Joe Frymyer, Jeff Munster, and Kevin Weaver (staff trained through the American Heart Association) for aiding an employee by providing lifesaving CPR and use of the on-site AED.
- Update to the agenda, under "Other Business" the second and third bullet items will be discussed in Executive Session and voted on before adjourning the meeting.
- Provided an overview and accomplishments of the new Executive Team.
- Financial performance continued strong in November. Generating an operating surplus of \$554,000. YTD operating surplus is now at \$9.1 million.
- There will be an Executive Session for Personnel matters and Litigation regarding Frey Farm Vertical Expansion.

Chief Operating Officer

Mr. Zorbaugh reported on the following:

- All facilities operated well in November and remained very busy. The unseasonably mild temperatures contributed to the continued high customer traffic and tons. The TSC experienced inbound waste deliveries at an all-time record high for November at 27,545 tons, similar to spring time tonnages.
- The Lancaster WTE, FFLF, and SRMC received DEP site inspections. All facilities were found to be operating well within regulatory parameters.
- The Columbia truck-by-pass opened on Thursday, December 17th. Two (2) LCSWMA trucks were the first to cross the newly opened truck by-pass.

SMRC

- The operation of the new transfer building continued to go very well. Staff have revised operating procedures to maximize the efficiency of the facility. SRMC customers provided very positive feedback on the new facility.
- The plant experienced a difficult month of operation with 234 hours of unscheduled downtime related to a host of mechanical issues on different units along with 24 hours of the turbine off-line to complete replacement of a regulatory required metering device.

LANCASTER WTE

- Covanta completed a scheduled 10-day outage on Unit #1, all work scheduled during the outage was completed slightly ahead of schedule.
- Plant power production per ton processed continued to outpace 2014 figures YTD by 4.5%.

FFLF

- Completed significant intermediate cover placement and seeding efforts on 3 acres of north facing slopes and terraces within cell 5/6 of the site.
- The Facility Manager coordinated and monitored inbound delivery volumes relative to the facilities maximum daily volume limit of 2,000 tons/day during a Lancaster County school demolition project.

TSC

- Facility management began review of trailer loading/hauling procedures and schedules to evaluate efficiencies and seek improvements.
- The HHW Facility experienced the busiest day of customer traffic for the year on the Monday following the Thanksgiving holiday with 450 customers using the facility. Participation and volume of materials collected continued on an YTD record pace.

CAPITAL PROJECTS

- Provided summary of completed SRMC construction projects (TMA building, 19th Street improvements, and Fence contract).
- Work continued on the North West Lancaster County River Trail between Marietta and Columbia with stone base placement. Paving will be completed in the spring of 2016.

TECHNICAL SERVICES

- WTE 4th quarter ash sampling was completed with lead results non-detected on all samples and cadmium non-detected on 6 of 7 samples. Results are well below regulatory limits.
- Coordinated meeting with SRBC related to Bainbridge quarry for potential/future water uses.

Action Items**1. HOUSEHOLD HAZARDOUS WASTE (HHW) DISPOSAL SERVICES CONTRACT**

Chairperson Ulrich asked for a motion to award the HHW Disposal Services Contract to Cycle Chem for a total estimated 3-year contract price of \$454,650. The Contract is a three year agreement with the option to renew for two additional one year terms.

Motion: R. E. Gordon **Seconded:** J. Deerin **Adopted:** Unanimously

2. SRMC WHEEL LOADER PURCHASE

Chairperson Ulrich asked for a motion to approve the purchase of a Volvo L120H Wheel Loader from Highway Equipment, Inc. through the HGAC Buy contract for the purchase price of \$253,077.

Motion: L. Houck **Seconded:** B. Hammel **Adopted:** Unanimously

3. SRMC STREET SWEEPER PURCHASE

Chairperson Ulrich asked for a motion to approve the purchase of an Elgin Whirlwind Sweeper to A&H Equipment Company for the purchase price of \$266,074.

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

4. FINAL CONTRACT CHANGE ORDERS FOR THE SRMC TMA BUILDING PROJECT

Chairperson Ulrich asked for a motion to approve the Final Contract Change Orders, summarized in four contracts, for a difference in contract actual cost of \$37,618 a +1.1% increase.

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

5. CHANGE ORDER #3 (FINAL) TO SHILOH PAVING AND EXCAVATING

Chairperson Ulrich asked for a motion to approve change order #3 (final) to Shiloh Paving and Excavating for a contract reduction of -\$75,835.91.

Motion: K. Weibel **Seconded:** S. Dzurik **Adopted:** Unanimously

6. CHANGE ORDER #1 (FINAL) TO PRO MAX FENCE SYSTEMS

Chairperson Ulrich asked for a motion to approve change order #1 (final) to Pro Max Fence Systems for a reduction of -\$15,470.46.

Motion: B. Hammel **Seconded:** S. Dzurik **Adopted:** Unanimously

Chief Financial Officer

Mr. Pruden reported on the following:

- The net surplus for November exceeded budget. Year-to-date, LCSWMA continues to exceed budgeted net surplus expectations.

- Tonnage was up significantly across all waste streams throughout November, driving strong tipping revenue.
- Refuse tonnage exceeded budget, as deliveries were stronger than expected in November.
- C/D tonnage overall surpassed budget in November. Helped by a Lancaster area school demolition project as well as continued steady deliveries at SRMC.
- Residual waste stream business continues to be strong as tonnage and revenue exceeded budget.
- Electric revenue was short of budget by 1.6%.
- Lower global market prices for metal continue to negatively impact the revenue realized from metal recovery sales. Ferrous pricing averaged \$17/ton and was budgeted at \$155/ton.
- Administrative expenses were offset by receiving the Captive Insurance (Raffles) dividend of \$96,000 in November.

Action Items

1. SUMMARY OF DISBURSEMENTS

Chairperson Ulrich asked for a motion to approve the disbursements for November 2015 totaling \$6,559,364.

Motion: J. Dzurik

Seconded: J. Musser

Adopted: Unanimously

Senior Manager of Business Development, Planning & Recycling

Mr. Adams reported on the following:

QUARRY: LCSWMA staff have been investigating opportunities to monetize the quarry. One potential opportunity is to partner with Susquehanna River Basin Commission (SRBC) to designate the quarry as a water mitigation source. SRBC will be conducting bathymetric work (mapping the quarry floor) to calculate the volume of water held in the quarry and ARM will be conducting tests to determine the recharge rate after water is withdrawn. With that data, we will determine if there is a viable business case to use the quarry as a mitigation source.

CNG: LCSWMA recently brought on our largest CNG fleet customer to date, WW Transport. WW Transport hauls flour from the Harrisburg area to Nissin Foods in Lancaster.

COMMUNICATIONS: LCSWMA received very positive media coverage as a result of opening the TMA building at SRMC. The coverage resulted in a spike of web traffic to the SRMC microsite. Additionally, November provided several opportunities to engage the public through community outreach. New for this year, LCSWMA participated in Lancaster City's Mayor's Tree Lighting event. Staff handed out giveaways and literature to thousands of attendees.

WASTE STREAM MANAGEMENT: Two sizable demolition projects are underway, both of which are closed elementary schools. The non-recyclable materials will be delivered to the FFLF.

Citizens Advisory Committee

Tentative meeting dates set for April and November 2016.

Other Business

Mr. Musser has been reappointed by the Commissioners to continue to serve on the Board of Directors, his new term will expire December 31, 2020.

The Nominating Committee made the following recommendations for officers in 2016:

J. Scott Ulrich	Chairperson
Steve Dzurik	Vice Chairperson
John Musser	Secretary
Les Houck	Treasurer

All nominees have agreed to accept their positions.

1. THE BOARD APPROVES THE OFFICERS AS NOMINATED FOR THE 2016 TERM

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

Executive Session

An Executive Session was held to discuss personnel and litigation regarding the Frey Farm Vertical Expansion. Additionally, in session was discussed Resolution 2015-10: Conflict Waiver for Nikolaus & Hohendel's Manor Township Representation and Board Action – Vote on LCSWMA to Join Manor Township in Zoning Issue Appeal. Meeting attendees were notified that both of these items would be addressed and voted on by the Board of Directors immediately after Executive Session.

1. RESOLUTION 2015-10: CONFLICT WAIVER FOR NIKOLAUS & HOHENDEL'S MANOR TOWNSHIP REPRESENTATION

Chairperson Ulrich asked for a motion to approve Resolution 2015-10.

Motion: R. E. Gordon **Seconded:** K. Weibel **Adopted:** Unanimously

2. BOARD ACTION – VOTE ON LCSWMA TO JOIN MANOR TOWNSHIP IN ZONING ISSUE APPEAL

I move that Nikolaus & Hohenadel, as directed by the Authority's Chief Executive Officer, shall take the appropriate legal action for the Authority to intervene and participate in the Manor Township appeals filed by Mary and Penn Glazier and others with the Manor Township Zoning Hearing Board and the Lancaster County Court of Common Pleas, including a filing a Petition to Intervene in the Court of Common Pleas action and a request for party status in any Zoning Hearing Board proceeding.

Chairperson Ulrich asked for a motion to approve LCSWMA joining Manor Township in zoning issue appeal.


Motion: K. Weibel **Seconded:** B. Hammel **Adopted:** Unanimously

Adjournment

Chairperson Ulrich asked for a motion to adjourn the meeting at 10:30 a.m.

Motion: S. Dzurik **Seconded:** J. Musser **Adopted:** Unanimously

APPROVED BY THE BOARD OF DIRECTORS OF THE LANCASTER COUNTY SOLID WASTE MANAGEMENT AUTHORITY THIS 19th DAY OF FEBRUARY, 2016.



John K. Musser, Secretary

Sec.