

## Board of Directors • Meeting Minutes

**DATE:** November 17, 2017

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

### Attendance

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

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

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

**BOARD OF DIRECTORS ABSENT:** Brubaker, Dzurik

### Opening

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

### Approval of Minutes

Vice Chairperson Deerin asked for any additions or corrections to the meeting minutes. Being none, a motion was requested to approve the Minutes of October 20, 2017 as distributed.

**Motion:** L. Houck

**Seconded:** J. Musser

**Adopted:** Unanimously

### Public Comment

There was no public comment.

### Staff Highlight

Rachael Lantz, Marketing Manager, discussed her role at LCSWMA.

### Chief Executive Officer

*Mr. Warner reported on the following:*

- Highlights of value and market share of the waste industry in the U.S.

### Action Items

#### **1. BOARD ACTION NO. 2: RESOLUTION 2017-8**

A resolution authorizing and approving the adoption of the Lancaster County Solid Waste Management Authority Operating Budget, Capital Projects and Equipment Budget, and Rules and Regulations for 2018

Vice Chairperson Deerin asked for a motion to approve Resolution 2017-8.

**Motion:** K. Weibel

**Seconded:** J. Musser

**Adopted:** Unanimously

## **Chief Financial Officer**

*Mr. Lane reported on the following:*

- LCSWMA ended October seeing 88.6 thousand tons, which is 10% higher than budgeted for the year. We are seeing consistent volumes across all waste streams, and the higher volumes are at a better value.
- Perdue's take of steam was 63% less than budgeted, resulting in \$141k steam revenue shortage. Turbine availability reduced electric production by 10% as the scheduled turbine outage was extended six days. Pricing also fell short and combined with production for a \$41k electric revenue shortfall at the Lancaster WTE.
- Non-operating revenues are on target.
- Total revenue for the month was \$7.4M, which turned out to be 8.5% better than budget. The net surplus ended 68% better than budgeted for the month.
- YTD expenses are within \$7k on \$60M, which speaks to the organization's ability to manage the budget so well.
- Brief update and overview of the progress made on the BI360 project, which is a business intelligence tool. We are currently in the middle of implementing technical aspects of the program.

## **Action Items**

### **2. BOARD ACTION NO. 3: SUMMARY OF DISBURSEMENTS**

Vice Chairperson Deerin asked for a motion to approve the disbursements for October 2017, totaling \$7,088,041.48.

**Motion:** J. Musser

**Seconded:** R.E. Gordon

**Adopted:** Unanimously

## **Chief Operating Officer**

*Mr. Zorbaugh reported on the following:*

- LCSWMA hosted its annual customer meetings on November 6<sup>th</sup> and 9<sup>th</sup> in Dauphin County and Lancaster County. Our 2017 and 2018 Capital Project initiatives within the Integrated System were shared, along with 2018 tipping fee increases (C&D waste), and a review of facility operational and safety related information. The feedback from customers was very positive at both locations.
- Covanta had a busy year with several major outage events, including a turbine outage at both SRMC and WTE (typically done every 7 years). The scheduled September outage carried over 13 days into October (6 days beyond budgeted expectations), which negatively impacted plant electrical production at the Lancaster Waste-to-Energy Facility.
- The PADEP technical review of the general permit for the Inashco Metals Recovery Facility continued with a third technical review letter in later October from the Department. A response was coordinated by LCSWMA/Inashco and submitted in early November, and the General Permit was received on November 17<sup>th</sup>.

## Action Items

### **3. BOARD ACTION NO. 4: PURCHASE OF ONE ABOVE GROUND LEACHATE PUMP STATION**

Vice Chairperson Deerin asked for a motion to approve the purchase of one above ground leachate pump station in the amount of \$223,780.00

**Motion:** J.S. Ulrich

**Seconded:** G. Rettew

**Adopted:** Unanimously

## Chief Business Development Officer

*Mr. Adams reported on the following:*

- LCSWMA and Covanta met in early November to work through issues that arose from Covanta's review of the draft service agreements, which centered on terms that were not negotiated as part of the term sheet development. The meeting allowed for the resolution of most of the issues, and LCSWMA expects Covanta to expeditiously complete their agreement markup. The service agreements will be presented to the Board at the December meeting.
- Following the Board's approval to enter into the disposal agreements covering Lancaster County refuse and C/D waste, LCSWMA staff has been working with the haulers to execute the agreements by the end of November.
- A brief update on the Bainbridge Quarry pump test, which began on November 9<sup>th</sup>, was highlighted.

## Chief Business Solutions Officer

*Ms. Marsh reported on the following:*

- October efforts were focused on fine-tuning and verification of the data for steam, process water, and condensate flows between LCSWMA and Perdue. Projection for full steam by November 18-19. A snapshot of the steam dashboard was shown.
- House Bill 118 was signed on October 30<sup>th</sup> by Governor Wolf. This Bill closed the PA solar credit markets to allow only in-state resources. Solar REC pricing has increased 70% in the last month as a result.

## Chief Human Resources Officer

*Ms. Wireback reported on the following:*

- Received the Bronze Safety award from Raffles, which was received based on LCSWMA's loss ratio and assessment score.
- LCSWMA participated in MFG Day, which is a national effort to celebrate modern manufacturing and skilled trade careers. LCSWMA developed a Career Day event for the students of Elizabethtown High School for MFG Day. A total of 45 students participated, and throughout the day received tours of TSC, WTE and FFLF. Additionally, we educated the students on careers at LCSWMA and conducted a career panel of 5 LCSWMA employees, representing a variety of roles. Positive feedback was received from the students, teachers and facilitators from Elizabethtown.
- Highlights of LCSWMA's Gather to Give campaign, which centered around Lancaster's ExtraOrdinary Give happening on November 17<sup>th</sup>.

### **Chief Communications Officer**

*Dr. Sandoe reported on the following:*

- Brief update on the Manor Township Meeting which was hosted on November 13<sup>th</sup>.
- A summary of the Frey Farm Landfill Vertical Expansion construction phases:
  - Phase 1: 1.2M cubic yards (used 2019-2023)
  - Phase 2: 1.7M cubic yards (used 2023-2027)
  - Phase 3: 3.5M cubic yards (used 2027-approx. 2037/2039)
- The Citizen's Advisory Committee held their Fall meeting on November 15<sup>th</sup>, where 14 of the 15 members attended and received an update on LCSWMA's 2018 budget, major projects, and community outreach.

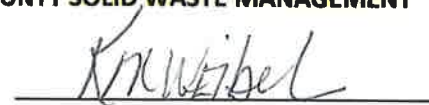
### **Other Business**

- Nominating Committee appointments: Mr. Les Houck, Mr. John Musser, and Mr. George Rettew will serve as the Board of Directors' nominating committee in 2017.

### **Adjournment**

The Board Meeting adjourned at 10:21 a.m. after the Executive Session to discuss litigation and a personnel matter. 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 December 2017.**



Karen M. Weibel, Secretary