

## Board of Directors • Meeting Minutes

**DATE:** October 19th, 2018

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

### Attendance

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

**STAFF:** Adams, C. Capots, J. Capots, Henderson (Legal Counsel), Marsh, McGuire, Morrison, Olson, Reider, Roberts, Rogers, Sandoe, Sultzbaugh, Warner, Wireback, and Zorbaugh.

**ALSO PRESENT:** Dave Sharp with Covanta, Ad Crable with LNP, and citizens as listed on the attached sign-in sheet.

### Opening

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

### 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 August 17th, 2018 as distributed.

**Motion:** M. Brubaker

**Seconded:** J. Deerin

**Adopted:** Unanimously

### Public Comment

Dr. Leslie Osborne spoke about her concerns with the truck traffic on River Road, requesting that a letter be sent to haulers and to Turkey Hill about driving less aggressively.

### Chief Executive Officer

*Mr. Zorbaugh reported on the following:*

- LCSWMA had a good month financially, which allowed us to build our operating surplus to \$13.7M YTD (\$2.9M above budget).
- Tipping fees were extremely positive; driven by strong refuse and C&D.
- Energy revenue did fall short of budget as a result of unanticipated downtime at SRMC.
- Operational expenses did exceed budget due to additional tonnage related host fees & DEP fees, as well as 3<sup>rd</sup> party transportation costs.
- Current surplus at the end of the 3<sup>rd</sup> Quarter is just shy of our budgeted year end surplus.
- Accounts receivable made substantial progress in collecting balances due.

### Action Items

#### **1. BOARD ACTION NO. 2: MOTION TO APPROVE DISBURSEMENTS FOR AUGUST AND SEPTEMBER**

Chairperson Dzurik asked for a motion to approve the disbursements for August 2018 and September

2018, totaling \$15,004,114.00

**Motion:** M. Brubaker                      **Seconded:** K. Weibel                      **Adopted:** Unanimously

## **2. BOARD ACTION NO. 3: ANNUAL AUDIT ENGAGEMENT AGREEMENT**

**Motion:** E. Gordon                      **Seconded:** J. Musser                      **Adopted:** Unanimously

## **3. BOARD ACTION NO. 4: RESOLUTION 2018-13,14,15,16: BANK SIGNATORY**

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

## **Deputy Chief of Operations and Environmental Compliance**

*Mr. Reider reported on the following:*

- This past month has been spent adjusting driver site locations to gain flexibility in managing waste transport internally.
- Unscheduled downtime at SRMC presented a challenge with managing waste, but staff was successful in working through those issues.
- Nick Rogers was introduced as the new Environmental Compliance Manager.

## **Chief of Waste Processing and Capacity Management**

*Mr. Adams reported on the following:*

- Capital project updates:
  - Frey Farm Vertical Expansion: Kinsley completed the MSE berm construction and is currently installing the liner (75% complete), along with performing land clearing for the next phase of construction.
  - Inashco MRF equipment installation is 90% complete and on target for a late November facility startup.
  - NW River Trail: The northward extension of the trail in Conoy Township has been graded and the stone base has been placed. Installation of the Snitz Creek and Fertell Bridges will occur in November, and trail paving on this section will then occur in late spring 2019 to complete the entire 14-mile project.

## **Chief Business Development Officer**

*Ms. Marsh reported on the following:*

- Introduced Justin Capots, who highlighted a potential new opportunity with renewable natural gas (RNG):
  - Explained RNG.
  - Shared what LCSWMA could do with RNG (re: expand our compressed natural gas fleet).
  - Potential Partners: Turkey Hill Dairy, UGI, EPP.
  - Why now? Creation of renewable fuel standard-landfill RNG didn't qualify for that until 2014.

- The next will be to request the Board's consideration to adopt the Charter at the November meeting, authorizing staff to complete the feasibility study with UGI.

### **Action Items**

**1. BOARD ACTION NO. 6: RESOLUTION 2018-18: PURCHASE OF REAL ESTATE IN MANOR TOWNSHIP, KNOWN AS 1295 BRENEMAN ROAD**

**Motion:** M. Brubaker                      **Seconded:** K. Weibel                      **Adopted:** Unanimously

**2. BOARD ACTION NO. 7: RESOLUTION 2018-19: AGREEMENT OF SALE FOR, AND AUTHORIZING PUCHASE OF REAL ESTATE IN EAST COCALICO TOWNSHIP, KNOWN AS 425 SOUTH MUDDY CREEK ROAD**

**Motion:** L. Houck                      **Seconded:** J. Musser                      **Adopted:** Unanimously

**3. BOARD ACTION NO. 8: RESOLUTION 2018-20: SUPPORT THE "PLACES2040" PLAN OF THE LANCASTER COUNTY PLANNING COMMISSION**

**Motion:** L. Houck                      **Seconded:** K. Weibel                      **Adopted:** Unanimously

### **Chief Human Resources Officer**

*Ms. Wireback reported on the following:*

- Highlighted healthcare renewal for 2019 through the Intergovernmental Insurance Cooperative (IIC). The highlights were as follows:
  - Renewal rate of -0.7%. This decrease is based on very positive claims experience over the previous 19 months.
  - Projected Net Cost = \$1.8M
  - Cost per full-time-employee = \$13,786
  - 2012-2019 average increase of 5.9%, which is way below normal healthcare trends.

### **Chief Communications Officer**

*Dr. Sandoe reported on the following:*

- The Community Relations team has been very active in both the Recycle Right initiative and supporting the HR team with the employer brand campaign.

### **Citizens Advisory Committee**

The next meeting will be held on November 7<sup>th</sup>, 2018.

### **Other Business**

- Mr. Zorbaugh, Mr. Adams and Ms. Marsh presented the 2019 Operating & Capital Budget.
- Mr. Gordon asked what the potential impact on needs would be based on waste trends over the years. Ms. Marsh shared perspective on the potential need to pull some of the reserve levers around 2023.

## **Adjournment**

The Board Meeting adjourned at 9:45 a.m. immediately following the presentation of the 2019 Budget.

**APPROVED BY THE BOARD OF DIRECTORS OF THE LANCASTER COUNTY SOLID WASTE MANAGEMENT AUTHORITY THIS 16<sup>th</sup> DAY OF NOVEMBER 2018.**

A handwritten signature in blue ink, reading "K M Weibel", is written over a horizontal line.

Karen M. Weibel, Secretary