



Board of Directors • Meeting Minutes

DATE: November 16, 2018

TIME: 7:30 a.m.

Attendance

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

STAFF: Adams, Henderson (Legal Counsel), Kaufmann, Marsh, McGuire, Morrison, Munster, Olson, Reider, Roberts, Sandoe, Sultzbaugh, Warner, Wireback, and Zorbaugh.

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

BOARD OF DIRECTORS ABSENT: 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 19th, 2018 as distributed.

Motion: M. Brubaker

Seconded: G. Rettew

Adopted: Unanimously

Public Comment

There was no public comment.

Chief Executive Officer

Mr. Zorbaugh reported on the following:

- October's financials reflect strong performance across all revenue categories driven by continued strength in the tipping business.
- Energy revenue for the month was very positive as a result of strong availability at the Lancaster Waste-to-Energy (WTE) Facility.
- Non-operating revenues were above budget due to favorable metal pricing.
- Expenses for month were up 7.3%, with operating expenses over budget by 6% due to 3rd party transportation costs, DEP host fees and higher diesel fuel pricing.
- Admin expenses were above budget this month due to hauler rebates, an unbudgeted investment in the "Recycle Right" campaign and employee recruitment.
- Net surplus for the month was \$718K. YTD net surplus of \$15.6M has already exceeded LCSWMA's annual budgeted surplus.
- October's ending reserve balance showed \$34.7M.

Action Items

1. BOARD ACTION NO. 2: MOTION TO APPROVE DISBURSEMENTS FOR OCTOBER

Vice Chairperson Deerin asked for a motion to approve the disbursements for October 2018, totaling \$9,763,514.

Motion: L. Houck

Seconded: R. E. Gordon

Adopted: Unanimously

2. BOARD ACTION NO. 3: RESOLUTION 2018-21: APPROVING THE ADOPTION OF THE LANCASTER COUNTY SOLID WASTE MANAGEMENT AUTHORITY OPERATING BUDGET, CAPITAL PROJECTS AND EQUIPMENT BUDGET, AND RULES AND REGULATIONS FOR 2019

Vice Chairperson Deerin asked for a motion to approve Resolution 2018-21.

Motion: R. E. Gordon

Seconded: G. Rettew

Adopted: Unanimously

3. BOARD ACTION NO. 4: RESOLUTION 2018-17: FFLVE SETTLEMENT AGREEMENT

Vice Chairperson Deerin asked for a motion to approve Resolution 2018-17.

Motion: J. S. Ulrich

Seconded: J. Musser

Adopted: Unanimously

Deputy Chief of Operations and Environmental Compliance

Mr. Reider reported on the following:

- Noted that LCSWMA is approaching 1 million miles driven without an on-road accident.

Action Items

1. BOARD ACTION NO. 5: PURCHASE OF A RUBBER TIRE EXCAVATOR

Vice Chairperson Deerin asked for a motion to approve the purchase of a rubber tire excavator in the amount of \$69,350.

Motion: L. Houck

Seconded: J. Musser

Adopted: Unanimously

2. BOARD ACTION NO. 6: PURCHASE OF A WHEEL LOADER AND HYDRAULIC EXCAVATOR

Vice Chairperson Deerin asked for a motion to approve the purchase of a wheel loader and hydraulic excavator totaling \$467,548.

Motion: M. Brubaker

Seconded: G. Rettew

Adopted: Unanimously

3. BOARD ACTION NO. 7: PURCHASE OF 4 CNG TRUCK TRACTORS

Vice Chairperson Deerin asked for a motion to approve the purchase of 4 CNG truck tractors totaling \$732,408.

Motion: G. Rettew

Seconded: M. Brubaker

Adopted: Unanimously

Chief of Waste Processing and Capacity Management

Mr. Adams reported on the following:

- Despite weather delays, Inashco is targeting to begin their equipment commissioning on December 10th.
- Highlighted details of the agreement with SRBC, which included:

- Quarry background
- Project development
- Pump test conclusions
- Agreement summary
- Project financials

Action Items

1. BOARD ACTION NO. 8: RESOLUTION 2018-22: APPROVING EXECUTION OF A WATER STORAGE AGREEMENT BETWEEN THE SUSQUEHANNA RIVER BASIN COMMISSION AND THE LANCASTER COUNTY SOLID WASTE MANAGEMENT AUTHORITY

Vice Chairperson Deerin asked for a motion to approve Resolution 2018-22.

Motion: M. Brubaker

Seconded: K. Weibel

Adopted: Unanimously

2. BOARD ACTION NO. 9: RESOLUTION 2018-23: APPROVING EXECUTION OF THE THIRD ADDENDUM TO THE ASSIGNMENT, AMENDMENT AND RESTATEMENT OF THE MUNICIPAL WASTE DISPOSAL AGREEMENT BETWEEN THE CITY OF HARRISBURG AND THE LANCASTER COUNTY SOLID WASTE MANAGEMENT AUTHORITY

Vice Chairperson Deerin asked for a motion to approve Resolution 2018-23.

Motion: L. Houck

Seconded: J. Musser

Adopted: Unanimously

Chief Business Development Officer

Ms. Marsh reported on the following:

- October energy revenues exceeded budget by \$131k, driven by favorable production and strong market pricing at the Lancaster WTE facility, which offset shortcomings at the SRMC facility.
- PA DEP announced awards for the 2018 AFIG grant program, and LCSWMA was awarded \$80,000 to offset the incremental cost of two new CNG trucks that were purchased this year.
- Outlined Renewable Natural Gas (RNG) project charter components, which included:
 - Complete feasibility studies
 - Prepare final business plan
 - Pursue grant funding
 - Design engineering, permitting, construction

Action Items

1. BOARD ACTION NO. 10: RNG PROJECT CHARTER

Vice Chairperson Deerin asked for a motion to approve the RNG project charter.

Motion: M. Brubaker

Seconded: K. Weibel

Adopted: Unanimously

Chief Human Resources Officer

Ms. Wireback reported on the following:

- Introduced Karen Kaufmann as LCSWMA's new controller.
- LCSWMA's 6S journey started within operations, with trainings conducted at the Transfer Station Complex and Frey Farm Landfill Facility. A total of 30 staff representing all LCSWMA locations were trained. Throughout the training process at both locations, staff apply the 6S principles they learn each session by actively transforming a worksite. Based on the results achieved within operations, we will evaluate expanding 6S trainings and applications throughout LCSWMA, keeping the focus on safety, efficiency and organization.

Action Items

1. BOARD ACTION NO. 11: NETWORKING SWITCH REPLACEMENTS

Vice Chairperson Deerin asked for a motion to approve the networking switch replacements.

Motion: G. Rettew

Seconded: M. Brubaker

Adopted: Unanimously

Chief Communications Officer

Dr. Sandoe reported on the following:

- Highlighted community outreach as of late, which included:
 - Customer appreciation days, with over 700 haulers thanked at the annual luncheons.
 - Education about careers in waste and at LCSWMA.
 - Facility tours with the Lancaster Young Professionals and SWANA Keystone Young Professionals.
 - Community events, including Columbia Halloween Parade, WIOV Fall Fest, Lancaster Chamber Business Expo.
- Deferred to Mr. Zorbaugh who shared about LCSWMA's recent hauler meetings and Manor Township meeting.
- The Citizen's Advisory Committee held their Fall meeting on November 7th, where members received an update on LCSWMA's 2019 budget and major projects.

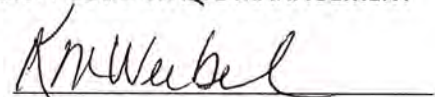
Other Business

- Nominating committee appointments: Mr. Michael Brubaker, Mr. Les Houck, and Mr. John Musser will serve as the Board of Directors' nominating committee in 2018.

Adjournment

The Board Meeting adjourned at 9:40 a.m. immediately following the executive session.

APPROVED BY THE BOARD OF DIRECTORS OF THE LANCASTER COUNTY SOLID WASTE MANAGEMENT AUTHORITY THIS 21st DAY OF DECEMBER 2018.



Karen M. Weibel, Secretary