

## Board of Directors • Meeting Minutes

**DATE:** December 21, 2018

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

### Attendance

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

**STAFF:** Adams, Capots, Henderson (Legal Counsel), Kaufmann, Kohr, Marsh, Morrison, Reider, Roberts, Sandoe, Saylor, Sultzbaugh, Warner, Wireback, and Zorbaugh.

**ALSO PRESENT:** David Sharp with Covanta, Rita Boer with CSG, Paula Spirawk with Listrak, and citizens as listed on the attached sign-in sheet.

**BOARD OF DIRECTORS ABSENT:** Deerin

### 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 November 16, 2018 as distributed.

**Motion:** M. Brubaker

**Seconded:** G. Rettew

**Adopted:** Unanimously

### Public Comment

Ms. Leslie Osborne commented on out-of-county waste being delivered to the Frey Farm Landfill.

### Chief Executive Officer

*Mr. Zorbaugh reported on the following:*

- Provided an update on the CFO search indicating that interviews are scheduled for December 27<sup>th</sup>.
- November continued the trend of solid performance with tip revenues being the primary driver.
- Energy revenues finished 6.9% ahead of budget, with total revenue up to \$867K.
- Total surplus of \$464K, which is consistent with an excellent year where we've been able to build on the budgeted surplus month over month. Surplus forecasted to finish year at \$17.4M.
- Reserves did go down due to significant capital spending in November.
- Hit a milestone by surpassing 1M tons on December 20<sup>th</sup>.

### Action Items

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

Chairperson Dzurik asked for a motion to approve the disbursements for November 2018 totaling \$8,413,298.

**Motion:** G. Rettew

**Seconded:** K. Weibel

**Adopted:** Unanimously





## Chief of Waste Processing & Capacity Management

Mr. Adams reported on the following:

- The agreement between LCSWMA and the Susquehanna River Basin Commission (SRBC) to use the Bainbridge Quarry as a drought mitigation resource was approved at SRBC's December quarterly business meeting. The agreement is effective January 1, 2019, and LCSWMA will receive its first quarterly payment in early April 2019.
- The Inashco Metals Recovery Facility (MRF) construction reached a critical milestone, as Inashco and their contractors have begun startup of the many components of the processing equipment. The process is currently a "dry commissioning" meaning ash is not yet being processed. Inashco anticipates a mid-January timeframe for beginning the commissioning using ash, with a commercial operation date at the beginning of February.
- Reviewed 2018 tipping revenue highlights which included contract refuse, C&D, and residual waste growth.

### Action Items

#### 1. BOARD ACTION NO. 9: PURCHASE OF A DIESEL BACKUP GENERATOR FOR CNG STATION

Chairperson Dzurik asked for a motion to approve the purchase of a diesel backup generator.

**Motion:** M. Brubaker

**Seconded:** K. Weibel

**Adopted:** Unanimously

#### 2. BOARD ACTION NO. 10: PURCHASE OF A BACKUP GENERATOR FOR SRMC SCALEHOUSE & ASH LANDFILL LEACHATE PUMPS

Chairperson Dzurik asked for a motion to approve the purchase of a backup generator for SRMC Scalehouse and ash landfill leachate pumps.

**Motion:** J. Musser

**Seconded:** K. Weibel

**Adopted:** Unanimously

## Chief Business Development Officer

Ms. Marsh reported on the following:

- November energy revenues exceeded budget by \$88k, driven by favorable production and strong market pricing at the Lancaster Waste-to-Energy Facility. Wholesale grid pricing averaged \$32/MWh, which, for the second month in a row, considerably exceeded budget expectations as well as historic November pricing.
- Staff expended considerable effort this year working with Gabel Associates to prepare LCSWMA's reactive power filing, which was submitted to the Federal Energy Regulatory Commission (FERC) in November. FERC will have 60 days to act on the filing and begin initial payments to LCSWMA based on the rate case submitted. The final rate will not be determined until review and settlement discussions with FERC have concluded, which is estimated to occur in Q2 2019.
- Briefly reviewed 2018 energy trends.
- Provided an update on LCSWMA's 2018-2022 Strategic Plan, noting there were no recommended changes; however, there were a few notable developments and sensitivities that were discussed by the Executive Team throughout 2018. Those four specific areas were:

1. MSW and C&D Waste Growth
2. Workforce Development & Staffing
3. Recycling Market Crisis
4. Fiscal Strategy

### **Chief Human Resources Officer**

*Ms. Wireback reported on the following:*

- LCSWMA's positive safety streak has continued with no lost time accidents, a total of 846 days, and no at fault accidents on the road for a total of over 1.16 million miles driven accident-free.

### **Action Items**

#### **1. BOARD ACTION NO. 11: REVISIONS TO EMPLOYEE HANDBOOK**

Chairperson Dzurik asked for a motion to approve revisions to the Statement of Employment Policies, Procedures and Benefits effective January 1, 2019.

**Motion:** K. Weibel

**Seconded:** J. Musser

**Adopted:** Unanimously

#### **2. BOARD ACTION NO. 12: PROPERTY AND CASUALTY INSURANCE RENEWALS**

Chairperson Dzurik asked for a motion to approve the property and casualty insurance renewals as presented.

**Motion:** K. Weibel

**Seconded:** M. Brubaker

**Adopted:** Unanimously

### **Chief Communications Officer**

*Dr. Sandoe reported on the following:*

- Highlighted 2018 Community Impact which included:
  - Community outreach – Engaged 93,000 people (55% more than 2017).
  - Digital outreach – 124% increase in social media and 18% increase in website visits.
  - Community Support – Secured grant money for LCSWMA and municipal recycling programs and provided professional services to support municipalities with their collection and recycling programs.
  - Recycle Right Lancaster Campaign – Recapped total impact for digital advertising, traditional advertising and community outreach.

### **Other Business**

The Nominating Committee made the following recommendations for officers in 2019:

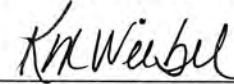
<b>Joe Deerin</b>	<b>Chairperson</b>
<b>Mike Brubaker</b>	<b>Vice Chairperson</b>
<b>Ed Gordon</b>	<b>Treasurer</b>
<b>Karen Weibel</b>	<b>Secretary</b>

All nominees have agreed to accept their positions.

**1. THE BOARD APPROVES THE OFFICERS AS NOMINATED FOR THE 2019 TERM****Motion:** L. Houck**Seconded:** G. Rettew**Adopted:** Unanimously**Adjournment**

The Board Meeting adjourned at 10:45 a.m. following an Executive Session to discuss personnel and a possible litigation matter. No action was taken.

APPROVED BY THE BOARD OF DIRECTORS OF THE LANCASTER COUNTY SOLID WASTE MANAGEMENT AUTHORITY THIS 15<sup>th</sup> DAY OF FEBRUARY 2019.



Karen M. Weibel, Secretary