

Board of Directors • Meeting Minutes

DATE: December 20, 2019

TIME: 7:30 a.m.

LOCATION: Marriott Residence Inn, 1450 Harrisburg Pike, Lancaster, Pennsylvania

Attendance

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

STAFF: Adams, Capots, Henderson (legal counsel), Kohr, Marsh, Morrison, Roberts, Sandoe, Stenson Dabney, Sultzbaugh, Wireback, Youngs, and Zorbaugh.

ALSO PRESENT: Citizens as listed on sign-in sheet.

Opening

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

Approval of Minutes

1. BOARD ACTION NO. 1: APPROVAL OF MINUTES

Chairperson Deerin asked for any additions or corrections to the meeting minutes. Being none, a motion was requested to approve the minutes of November 15th, 2019 as distributed.

Motion: L. Houck

Seconded: J. Musser

Adopted: Unanimously

Public Comment

None

Chief Executive Officer

Mr. Zorbaugh thanked everyone for accommodating the offsite Board Meeting location due to continued renovations at the Main Office. He also reported Penn Waste Inc., who generates \$3M in collection business, was purchased by Waste Connections. The purchase also included Eagle Disposal of PA, Inc. Mr. Zorbaugh also reported LCSWMA received notification of grant awards in the amounts of \$138,000 for the purchase of new CNG trucks and \$326,000 from DEP for recycling education.

Presentation

Action Item

2. BOARD ACTION NO. 2: MOTION TO APPROVE 2020 BOARD OF DIRECTORS MEETING DATES

Chairperson Deerin asked for a motion to approve the 2020 Board of Directors Meeting Dates in accordance to the attached Board Action No. 2.

Motion: J. S. Ulrich

Seconded: M. Brubaker

Adopted: Unanimously

Chief Financial Officer

Mr. Youngs provided a detailed report on monthly financials, including tonnages, revenues, expenses, net surplus, and year-to-date outstanding customer invoices. He also reported on new staff hired to self-haul recycling. Mr. Youngs and Mr. Zorbaugh provided a 2019 year-end financial projection along with 2019 financial results in a historical context.

Action Item

3. BOARD ACTION NO. 3: MOTION TO APPROVE DISBURSEMENTS FOR NOVEMBER TOTALING \$6,802,052.39.

Chairperson Deerin asked for a motion to approve Disbursements for November in the amount of \$6,802,052.39 as set forth in the Board meeting packet.

Motion: J. Musser

Seconded: E. Gordon

Adopted: Unanimously

Action Items

4. BOARD ACTION NO. 4: MOTION TO APPROVE PROPERTY AND CASUALTY INSURANCE RENEWALS.

Mr. Dzurik highlighted the renewal process and future planning perspective. Chairperson Deerin asked for a motion to approve the Property and Casualty Insurance coverage renewals as set forth in the attached Board Action No. 4.

Motion: K. Weibel

Seconded: E. Gordon

Adopted: Unanimously

Action Items

5. RESOLUTION 2019-14: APPROVING THE ADOPTION OF AUTHORIZED SIGNERS FOR FULTON FINANCIAL ADVISORS CASH RESERVE INVESTMENT MANAGEMENT AGREEMENT

Chairperson Deerin asked for a motion to approve adoption of Authorized Signers for Fulton Financial Advisors Cash Reserve Investment Management Agreement in accordance with the attached Resolution.

Motion: M. Brubaker

Seconded: G. Rettew

Adopted: Unanimously

AUDIT COMMITTEE APPOINTMENT:

Chairperson Deerin appointed Messrs. Gordon, Rettew and Ulrich to serve on the audit committee.

Chief Operating Officer

Mr. Adams provided a detailed report on boiler operating time, which is currently at 94% for WTE and 89% at SRMC (with planned outages); and projected operating in 2020 at 93% at WTE and 90% at SRMC. He also reviewed tonnage trends.

Action Items

6. BOARD ACTION NO. 6: MOTION TO APPROVE PURCHASE OF EQUIPMENT APPROVED IN 2020 BUDGET

Chairperson Deerin asked for a motion to approve the purchase of the Equipment approved in the 2020 Budget for the net cost of \$3,651,614 as set forth in the attached Board Action No. 6.

Motion: L. Houck

Seconded: J. Musser

Adopted: Unanimously

Chief Business Development Officer

Ms. Marsh touched upon the current energy business including revenues, outages, and grid pricing. She provided a detailed analysis for the November energy revenues and year-to-date activities.

Ms. Marsh discussed Compressed Natural Gas (CNG) and ROI Review. She also provided an update on the alternative fuel incentive grant which awarded LCSWMA \$138,560 in grant funding from PA DEP. She also highlighted that the CNG project is on track for 7 to 8 yr. payback. She provided a general overview of the potential solar project at SRMC and the ongoing work with the City of Harrisburg to explore the possibility of installing solar panels on the closed ash landfills at SRMC. Lastly, she noted the positive results from inspections performed by PA DEP during the month of November which yielded no violations. Our facilities continue to operate well within regulatory compliance.

Action Items

7. BOARD ACTION NO. 7: MOTION TO APPROVE CHANGE ORDER TO UGI ENERGY SERVICES, LLC

Chairperson Deerin asked for a motion to approve the Change Order to UGI Energy Services, LLC of August 2019 Natural Gas Supply Agreement for the Susquehanna Resource Management Complex as set forth in the attached Board Action No 7.

Motion: J. S. Ulrich

Seconded: G. Rettew

Adopted: Unanimously

Chief Human Resources Officer

Ms. Wireback highlighted LCSWMA's continued positive safety record with 2.6M miles driven without an at-fault incident and 1,143 days without a lost time accident. Ms. Wireback also highlighted LCSWMA employee participation for the Extraordinary Give fundraising campaign which grossed \$22k from 107 employees to support 90 Lancaster non-profit organizations.

Action Items

8. BOARD ACTION NO. 8: MOTION TO APPROVE REVISION TO THE LCSWMA STATEMENT OF EMPLOYMENT POLICIES, PROCEDURES AND BENEFIT DOCUMENT

Chairperson Deerin asked for a motion to authorize the LCSWMA Chief Executive Officer revise and update the LCSWMA Employee Handbook effective January 1, 2020 substantially in accordance with the description set forth in the Board meeting packet

Motion: K. Weibel

Seconded: G. Rettew

Adopted: Unanimously

Chief Commercial Officer

Dr. Sandoe provided a detailed update on ongoing construction projects, improvements, and renovation enhancements at the main office, Transfer Station Complex, and Frey Farm Landfill Vertical Expansion (FFVE). Dr. Sandoe provided a recap of LCSWMA's Community Outreach activities in 2019, including the Recycle Right Lancaster campaign.

Other Business

Nominating Committee Report: The Nominating Committee, J. Musser and L. Houck, reported that current officers J. Deerin, Chair, M. Brubaker, Vice-Chair, E Gordon, Treasurer, and K. Weibel, Secretary had agreed to continue to serve as officers. There were no other nominations. Accordingly the current officers were nominated to serve for an additional year, or until their successors were elected, as follows:

Nomination: L. Houck

Seconded: M. Brubaker

Adopted: Unanimously

General Counsel Henderson announced that the Board would enter into Executive Session to discuss personnel, litigation, and a potential real estate acquisition. Mr. Henderson announced that Board action might occur following the Executive Session.

Following the Executive Session Mr. Henderson discussed the LCSWMA Deferred Compensation Plan and presented the attached Resolution No. 2019-15 Amending the LCSWMA Deferred Compensation Plan to allow Participants to Defer the Distribution Date as Allowed by Applicable Law.

Chairperson Deerin asked for a motion to Amend and Restate the Plan in accordance with the attached Resolution No. 2019-15.

Motion: K. Weibel

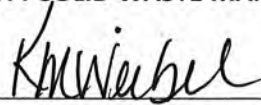
Seconded: M. Brubaker

Adopted: Unanimously

Adjournment

The Board Meeting adjourned at 11:16 a.m.

APPROVED BY THE BOARD OF DIRECTORS OF THE LANCASTER COUNTY SOLID WASTE MANAGEMENT AUTHORITY THIS 21st DAY OF FEBRUARY 2020.



Karen M. Weibel, Secretary