

Board of Directors • Meeting Minutes

DATE: February 21, 2020

TIME: 7:30 a.m.

Attendance

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

STAFF: Adams, Capots, Henderson (Legal Counsel), Kohr, Marsh, McGuire, Menotti, Morrison, Roberts, Sandoe, Stenson Dabney, Sultzbaugh, Wireback, Youngs and Zorbaugh.

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

BOARD OF DIRECTORS ABSENT: Brubaker and Rettew

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 December 20, 2019 as distributed.

Motion: S. Dzurik

Seconded: L. Houck

Adopted: Unanimously

Public Comment

None

Chief Executive Officer

Mr. Zorbaugh highlighted the features and appearance of the newly completed renovations of the board room. He also reported the positive financial start as LCSWMA's Operating Surplus exceeded budget forecast by \$500K. He also reported on the positive trends with safety and environmental compliance. He further reported on the on-going initiative obtaining 2021 property insurance.

Chief Financial Officer

Mr. Youngs provided a detailed report on monthly financials, including tonnages, revenues, and the net surplus. He presented the formatting for the Income Statement, as it shows the true liquidity status. He highlighted 2019 as a year of transition in the accounting department and the department's 2020 outlook. He provided details on the implementation of the new billing and credit policy to be introduced in Q2. He further provided details on the 2020 IT Environment refresh for outdated systems and reported on the engagement of RKL for consulting services to ensure efficient workflows and cross-functioning IT environment by end of Q4.

Action Items

2. BOARD ACTION NO. 2: MOTION TO APPROVE DISBURSEMENTS FOR DECEMBER AND JANUARY

Chairperson Deerin asked for a motion to approve the disbursements for December and January totaling \$16,535,256.86 as set forth in the Board Report.

Motion: J. S. Ulrich

Seconded: K. Weibel

Adopted: Unanimously

Chief Operating Officer

Mr. Adams reported positive trending of contract refuse volume for the year thus far, showing early growth over 2019. He provided an update of the FFLF vertical expansion project, which PADEP requires an eight-foot waste layer protecting the liner, to begin in Q2. He also provided a detailed report of the damage and repair of the Unit 3 Baghouse at SRMC by Covanta which occurred in March 2019 and was repaired in April 2019. He also reported the purchase of CNG and Diesel trucks into the fleet and an analysis and comparison of the cost benefit, reliability and effectiveness to organization will be compiled.

3. BOARD ACTION NO. 3: APPROVAL OF SRMC BAGHOUSE PAYMENT

Chairperson Deerin asked for a motion to approve payment to Covanta for \$199,562.22 to cover the cost of the upgrades made to Unit 3 Baghouse.

Motion: Musser

Seconded: Gordon

Adopted: Unanimously

4. BOARD ACTION NO. 4: APPROVAL OF 2020 EQUIPMENT PURCHASE ORDER NO. 2

Chairperson Deerin asked for a motion to approve the purchase of the equipment as presented in the Board Report, for a total net cost of \$1,840,730.

Motion: K. Weibel

Seconded: Dzurik

Adopted: Unanimously

5. BOARD ACTION NO. 5: APPROVAL OF LEASE FOR TSC & SRMC EXCAVATORS

Chairperson Deerin asked for a motion to approve the lease with National Cooperative Leasing as included in the Board Report, for a three-year total cost of \$338,394.

Motion: Ulrich

Seconded: Musser

Adopted: Unanimously

6. BOARD ACTION NO. 6: APPROVAL OF PURCHASE FOR BIODEGRADABLE YARD WASTE COLLECTION BAGS AND CURBSIDE RECYCLING BINS

Chairperson Deerin asked for a motion to approve to the purchase of 346,000 Kraft Bags for a total cost of \$147,050.00 and 3,000 Recycling Bins for a total cost of \$24,600.

Motion: Ulrich

Seconded: Gordon

Adopted: Unanimously

Chief Business Development Officer

Ms. Marsh reported additional details on the energy business, including grid pricing and hedges. She provided an update for the regrading plan at the SRMC ash landfill as submitted to PA DEP. Lastly, she highlighted LCSWMA's focus to re-launch a Sustainability Committee this year with Justin Capots serving as the committee lead. 2020 goals and deliverables for the Sustainability Committee were reviewed.

7. BOARD ACTION NO. 7: APPROVAL OF OFFICER CERTIFICATE FOR PJM INTERCONNECTION

Chairperson Deerin asked for a motion to approve the authorization of the Officer's Certificate authorized signers for PJM annual recertification process.

Motion: Houck

Seconded: Weibel

Adopted: Unanimously

Chief Human Resources Officer

Ms. Wireback reported on the "Power Up With HR" training program implemented and HR's goals to ensure it is positively servicing LCSWMA employees. HR developed an employee survey that yielded 102 participants (76% of the workforce) and the feedback received from the survey created a baseline for measurement and noted focus areas of improvement. Ms. Wireback highlighted the outstanding safety record of 1200 days with no lost time accidents and over 2.9M miles driven without an at-fault incident. Ms. Wireback also reported HR's continued efforts of providing continuous training, safety and wellness programs.

Chief Commercial Officer

Dr. Sandoe highlighted the completion of the Main Office renovations and TSC Entrance Modifications. She reported on on-going and new projects, including the WTE Admin Building renovations, FFLF Capping and New Maintenance Building and the Fire Suppression Upgrades at WTE and TSC. She also reported on the curb project to improve incoming and outgoing traffic travel lanes for Harrisburg Pike. She highlighted the development of a new tracking method of LCSWMA's social media performance, which encompasses two types of social media methods of Awareness-based metrics and Engagement-based metrics. Lastly, Dr. Sandoe highlighted WTE feature on Fox43, its importance of WTE to managing solid waste in a sustainable way and LCSWMA's feature in Thriving! Magazine recognizing LCSWMA as one of a few leading organizations concerned with addressing environmental impact and ongoing sustainability efforts.

Other Business

Mr. Henderson reported on preparing a letter of engage for innovative property insurance research and development in accordance with the prior Board approval.

Adjournment

The Board Meeting adjourned at 10:26 a.m. following an Executive Session to discuss personnel and litigation matters. No action was taken after the Executive Session.

APPROVED BY THE BOARD OF DIRECTORS OF THE LANCASTER COUNTY SOLID WASTE MANAGEMENT AUTHORITY THIS 17th DAY OF APRIL 2020.

Karen M. Weibel, Secretary