

## Board of Directors • Meeting Minutes

**DATE:** December 18, 2020

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

### Attendance

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

**STAFF:** Adams, Henderson (Legal Counsel), Marsh, Sandoe, Stenson Dabney, Youngs, and Zorbaugh.

**ALSO PRESENT:** Dave Sharp from Covanta and Dr. Leslie Osborne.

**NOTE:** LCSWMA is a life sustaining business under applicable Commonwealth of Pennsylvania actions and critical infrastructure under applicable federal guidance. This meeting of the Board of Directors was held virtually and all individuals attended electronically. All individuals attending the meeting could hear, and be heard by, all other attendees.

### Opening

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

### Approval of Minutes and Appointment of Audit Committee Members

#### Action Items

##### **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 20, 2020 as distributed.

**Motion:** J. S. Ulrich

**Seconded:** G. Rettew

**Adopted:** Unanimously

##### **2. BOARD ACTION NO. 2: APPOINTMENT OF 2021 AUDIT COMMITTEE MEMBERS**

Chairperson Deerin appointed R. E. Gordon, G. Rettew and S. Dzurik as the 2021 Audit Committee members.

##### **3. BOARD ACTION NO. 3: APPROVAL OF MEETING OF THE BOARD OF DIRECTORS 2021 CALENDAR YEAR MEETING SCHEDULE**

Chairperson Deerin asked for a motion to approve the attached 2021 Board of Directors Meeting Schedule.

**Motion:** Houck

**Seconded:** Brubaker

**Adopted:** Unanimously

### Public Comment

None



### **Chief Executive Officer**

Mr. Zorbaugh provided an update on the continued impact of COVID-19 on employee staff, including internal processes and procedures, training and implementations.

Mr. Zorbaugh provided an update on the Insurance Captive and the IT Refresh progress of the new ERP system program.

Mr. Zorbaugh provided a brief overview of the trend in tip fee revenues for the 2020 year; highlighting the month of November.

Lastly, Mr. Zorbaugh and Dr. Sandoe reported on the launch of the virtual tour's electronic platform; highlighting visitor traffic and viewing patterns.

### **Chief Financial Officer**

Mr. Youngs provided a detailed report on monthly financials, including tonnage, revenues, expenses and the net position. The Authority actual tons exceeded the original budget. With the increase in revenues and continued mitigation of operating and support costs, operating income for November exceeded budget by **\$331K** [+149.5%] compared to budget.

Mr. Youngs provided an overview of the Financial Position, highlighting EBITDA, Balance Sheet, Income Statement, Cash Flow Summary, Analytics and Trade Receivables.

Lastly, Mr. Youngs provided a detailed update on the newly integrated and implemented IT Environment Refresh ("ERP") system and provided a brief summary of the Sustainable Assurance Company organizational details and structure.

### **Action Items**

#### **4. BOARD ACTION NO. 4: APPROVAL OF NOVEMBER DISBURSEMENTS.**

Chairperson Deerin asked for a motion to approve Disbursements for October in the amount of \$7,832,923.

**Motion:** J. Musser

**Seconded:** L. Houck

**Adopted:** Unanimously

#### **5. BOARD ACTION NO. 5: MOTION TO APPROVE REVISION TO THE LCSWMA STATEMENT OF EMPLOYMENT POLICIES, PROCEDURES AND BENEFITS.**

Chairperson Deerin asked for a motion to approve the LCSWMA's revision to the Statement of Employment Policies, Procedures and Benefits as presented at the meeting.

**Motion:** K. Weibel

**Seconded:** J.S. Ulrich

**Adopted:** Unanimously

#### **6. BOARD ACTION NO. 6: MOTION TO APPROVE AIG RE'S REQUEST TO CONFIRM THE AUTHORITY'S COMMITMENT TO THE PRESENTED LOSS CONTROL AND RISK MITIGATION PROGRAM.**

Chairperson Deerin asked for a motion to approve the execution of Loss Control and Risk Mitigation Program Representation letter by Robert B. Zorbaugh as presented at the meeting.

**Motion:** R.E. Gordon

**Seconded:** G. Rettew

**Adopted:** Unanimously



**7. BOARD ACTION NO. 7: MOTION TO APPROVE RESOLUTION 2020-7: SUSTAINABLE ASSURANCE COMPANY BINDING PROPERTY INSURANCE COVERAGE**

Chairperson Deerin asked for a motion to approve the Binding Insurance Coverage for the Captive Insurance Company with Sustainable Assurance Company as presented at the meeting.

**Motion:** R.E. Gordon

**Seconded:** K. Weibel

**Adopted:** Unanimously

**Chief Operating Officer**

Mr. Adams provided an overview of year-to-date, highlighting trends and accomplishment's within LCSWMA's Business Management, Operations and Capital Projects teams. He presented a detailed report on the Contract Refuse comparison of 2019 vs. 2020 and cost scenario of Diesel vs. CNG. Lastly, he provided an update on current fleet and future equipment purchases.

**Action Items****8. BOARD ACTION NO. 8: MOTION TO APPROVE PURCHASE OF EQUIPMENT APPROVED IN 2021 BUDGET**

Chairperson Deerin asked for a motion to approve the purchase of equipment in the amount of \$1,794,069 as presented at the meeting.

**Motion:** J. Musser

**Seconded:** S. Dzuirk

**Adopted:** Unanimously

**9. BOARD ACTION NO. 9: MOTION TO APPROVE AWARD OF CONTRACT FOR HOUSEHOLD HAZARDOUS WASTE (HHW) SERVICES**

Chairperson Deerin asked for a motion to approve the contract award to ACV Enviromental/CycleChem for HHW Services in an estimated amount of \$216,611.

**Motion:** G. Rettew

**Seconded:** K. Weibel

**Adopted:** Unanimously

**10. BOARD ACTION NO. 10: MOTION TO APPROVE RESOLUTION 2020-8: MODIFICATION 2020-1**

Chairperson Deerin asked for a motion to approve Resolution 2020-8 authorizing the execution of the Modification Agreement, Modification 2020-1 between LCSWMA and Covanta by Robert B. Zorbaugh with an estimated cost of \$2,864,811.

**Motion:** J. S. Ulrich

**Seconded:** L. Houck

**Adopted:** Unanimously

**11. BOARD ACTION NO. 11: MOTION TO APPROVE ACCELERATED PROCUREMENT FOR WTE GRATE PROJECT**

Chairperson Deerin asked for a motion to approve the accelerated payment to Covanta for the three (3) grate systems and support frames.

**Motion:** K. Weibel

**Seconded:** J. Musser

**Adopted:** Unanimously



**Chief Business Development Officer**

Ms. Marsh provided a detailed overview of the Utilities Service Agreement Amendment negotiated and finalized with Perdue. Ms. Marsh provided a brief Safety update.

**12. BOARD ACTION NO. 12: MOTION TO APPROVE RESOLUTION 2020-9: AMENDMENT TO PERDUE UTILITIES AGREEMENT**

Chairperson Deerin asked for a motion to approve Resolution 2020-9 authorizing the execution of the Utilities Agreement Amendment No. 1 between LCSWMA and Perdue Agribusiness LLC by Robert B. Zorbaugh.

**Motion:** L. Houck

**Seconded:** G. Rettew

**Adopted:** Unanimously

**13. BOARD ACTION NO. 13: MOTION TO APPROVE RESOLUTION 2020-10: SALE OF REAL ESTATE PARCEL 130-45968-0-0000**

Chairperson Deerin asked for a motion to approve Resolution 2020-10 authorizing an Agreement of Sale providing for the sale to Anthony Nolt of certain real estate located in Conoy Township consisting of approximately 22.906 acres with Parcel ID: 130-45968-0-0000 for the price of \$455,829 with a \$4,000 seller concession to Buyer.

**Motion:** L. Houck

**Seconded:** J. Musser

**Adopted:** Unanimously

**14. BOARD ACTION NO. 14: MOTION TO APPROVE RESOLUTION 2020-11: PENN WASTE SINGLE STREAM RECYCLING**

Chairperson Deerin asked for a motion to approve Resolution 2020-11 authorizing the execution of the Single Stream Recyclables Processing & Marketing Agreement Renewal between LCSWMA and Penn Waste by Robert B. Zorbaugh at a processing cost of \$50.00 per ton.

**Motion:** G. Rettew

**Seconded:** J.S. Ulrich

**Adopted:** Unanimously

**Other Business**

Les Houck presented the Nominating Committee report. The Committee nominated Michael Brubaker as Chairperson, George Rettew as Vice-Chairperson, J. Scott Ulrich as Secretary and R. Edward Gordon as Treasurer of the LCSWMA Board of Directors, beginning a two (2) year term commencing January 1, 2021. There were no other nominations.

**Nominations:** L. Houck

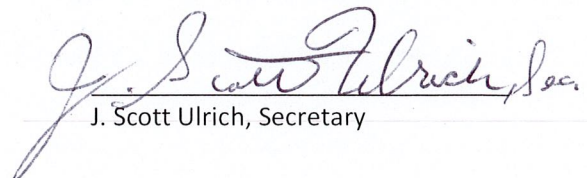
**Seconds:** K. Weibel

**Adopted:** Unanimously

**Adjournment**

The Board Meeting adjourned at 9:43 a.m. Mr. Henderson noted that an Executive Session would be held to discuss personnel matters, but no actions would be taken during or after the Executive Session.

**APPROVED BY THE 19TH DAY FEBRUARY OF 2021.**



J. Scott Ulrich, Secretary