



Board of Directors | Meeting Minutes

DATE: January 25, 2022

TIME: 7:30 a.m.

Attendance

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

STAFF: Adams, Barnett, D. Brown, M. Brown, Capots, Fetterolf, Gross, Henderson (Legal Counsel), Marsh, Patzer, Youngs, and Zorbaugh.

BOARD OF DIRECTORS ABSENT: Blowers

ALSO PRESENT: Dave Sharp from Covanta, 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 in person and virtually. All individuals attending the meeting could hear, and be heard by, all other attendees.

Opening

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

Approval of Minutes

Action Items

1. BOARD ACTION NO. 1: APPROVAL OF MINUTES OF DECEMBER 17, 2021

Chairperson Brubaker asked for any additions or corrections to the meeting minutes. Being none, a motion was requested to approve the Minutes of December 17, 2021, as distributed.

Motion: J. Deerin

Seconded: L. Houck

Adopted: Unanimously

Chair's Appointment/Reappointment of Committee Members

a. THE CHAIR APPOINTMENTS TO THE PERSONNEL COMMITTEE

Chairperson Brubaker asked for consideration for Mr. Rettew, Mr. Gordon, Mr. Dzurik and Mr. Deerin to serve on the Personnel Committee. Chairperson Brubaker asked for any modifications. Being none, a motion was requested to approve the members as presented.

Motion: L. Houck

Seconded: K. Weibel

Adopted: Unanimously

b. THE CHAIR APPOINTMENTS TO THE MISSION & COMMUNITY BENEFIT COMMITTEE

Chairperson Brubaker asked for consideration for Mr. Deerin, Mr. Ulrich, Ms. Weibel and Mr. Blowers to serve on the Mission & Community Benefit Committee. Chairperson Brubaker asked for any modifications. Being none, a motion was requested to approve the members as presented.

Motion: L. Houck

Seconded: G. Rettew

Adopted: Unanimously

Public Comment

None

Chief Executive Officer

Mr. Zorbaugh provided a recap of 2021 reiterating a favorable performance year, another solid month for December, and a look ahead into focus areas for 2022.

Board of Directors | Meeting Minutes

DATE: January 25, 2022

TIME: 7:30 a.m.

Mr. Zorbaugh offered context on the waste industry in general, including information on recent M&A activity, and trends with private equity groups, as well as the growing level of consumer and investor-driven focus surrounding Environmental, Social, and Governance (ESG) initiatives. In addition, Mr. Zorbaugh provided insights on challenges with continued labor issues, and a snapshot of the national perspective in recycling markets and investment potential at the State and Federal levels. Additionally, Mr. Zorbaugh fielded questions regarding food waste recycling programs, and AG Digesters.

Further, Mr. Zorbaugh detailed communications items, including enhanced internal communications, completion of the virtual tour of the Frey Farm Landfill, and an upcoming article in FIG magazine on “Women in Waste” featuring several women employees of LCSWMA. As well, Mr. Zorbaugh reminded that the upcoming internal LCSWMA Annual Company Meeting would elaborate on the 2022 goals of the company.

Finally, Mr. Zorbaugh discussed the challenge of navigating through the COVID pandemic, including mask and vaccine policies and the decision not to mandate vaccines at LCSWMA.

Consent Agenda

Chairperson Brubaker asked for a motion to approve the consent agenda items.

2. BOARD ACTION NO. 2: MOTION TO APPROVE PURCHASE OF:

- a. KRAFT BAGS**
- b. EQUIPMENT**

Motion: E. Gordon

Seconded: J. Deerin

Adopted: Unanimously

Chief Financial Officer

Mr. Youngs touched briefly on December’s numbers, including tonnage, revenues, expenses, net income and EBITDA. The Authority generated \$8.4M in operating income and \$1.9M of net income.

Mr. Youngs provided an update on news of the interest rates and anticipated actions of the Federal Reserve and fielded questions on options for LCSWMA to refinance now or to wait. In additions, Mr. Youngs provided a status update on discussions with DGS, and an update on the successful APN collections to bring the past due amount current.

3. BOARD ACTION NO. 3: MOTION TO APPROVE DECEMBER DISBURSEMENTS

Chairperson Brubaker asked for a motion to approve Disbursements for December 2021 for the total amount of \$19,009,387.37.

Motion: S. Ulrich

Seconded: K. Weibel

Adopted: Unanimously

Mr. Youngs provided a detailed 2021 financial review, and a summary of 2022 insurance and risk management, including an overview of all commercial insurance policies and renewals, commercial property structure, Sustainable Assurance Company, as well as the financial outlook for 2022.

In conclusion, Mr. Youngs provided details of 2021 Human Resources and IT initiatives, as well as respective strategies for 2022.

Chief Operating Officer

Mr. Adams provided a recap of 2021 which included important trends in LCSWMA’s waste business growth, as well as presentations of the Frey Farm Vertical Expansion and Transfer Station tunnel roof



Board of Directors | Meeting Minutes

DATE: January 25, 2022

TIME: 7:30 a.m.

replacement capital projects. Also, Mr. Adams fielded questions regarding the Fire Suppression project status.

Finally, Mr. Adams offered a detailed overview of the areas of focus for 2022, including waste business, capital projects and operations.

4. BOARD ACTION NO. 4: MOTION TO APPROVE RESOLUTION NO. 2022-01: RESOLUTION TO APPROVE A COOPERATIVE PURCHASING AGREEMENT WITH THE STATE OF MINNESOTA DEPARTMENT OF ADMINISTRATION

Chairperson Brubaker asked for a motion to approve Resolution No. 2022-01 authorizing and approving that the CEO is authorized to enter into a Cooperative Purchasing Agreement with State of Minnesota Department of Administration and is authorized and approved to make purchases through the Cooperative Purchasing Agreement in accordance with the Authority's normal purchasing policies.

Motion: L. Houck

Seconded: S. Ulrich

Adopted: Unanimously

Chief Business & Compliance Officer

Ms. Marsh provided highlights of energy revenues and market performance for 2021.

In addition, Ms. Marsh offered details on 2022 business development initiatives, including renewable natural gas, solar, ash reuse, WTE long-term energy/steam, and carbon capture.

Finally, Ms. Marsh detailed the 2022 focus for environmental and safety initiatives, including a presentation of near-miss safety incidents.

Other Business

The next meeting of the Board will be held on February 18, 2022.

Adjournment

The Board Meeting adjourned at 10:07 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 THE 18th DAY OF MARCH 2022.


J. Scott Ulrich, Secretary