



Board of Directors | Meeting Minutes

DATE: December 16, 2022

TIME: 7:30 a.m.

Attendance

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

STAFF: Adams, Barnett, M. Brown, Devaney, Fetterolf, Gross, Henderson (Legal Counsel), Marsh, Morris, Patzer, Plasterer, Roy, Sultzbaugh, Youngs, and Zorbaugh.

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

NOTE: 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.

Nominating Committee Report

Action Items

1. BOARD ACTION NO. 1: ELECTION OF OFFICERS

Chairperson Brubaker deferred to Mr. Houck to present the report of the nominating committee. On behalf of the Committee, Mr. Houck nominated the following as officers of the Board of Directors: Mr. Rettew for Chair, Mr. Blowers for Vice Chair, Mr. Ulrich for Secretary, and Mr. Gordon for Treasurer. Chairperson Brubaker asked for additional nominations and there were none. Mr. Brubaker then asked for a second to Mr. Hauck's nominations.

Nominations: L. Houck

Seconded: J. Deerin

Elected: Unanimously

Public Comment

None

Chief Executive Officer

Mr. Zorbaugh opened with an introduction to the Executive reports as submitted, including mention of a successful month and an upcoming full year recap to be given at the January 2023 BOD meeting.

Mr. Zorbaugh provided further information on LCSWMA's future landfill capacity planning, including ongoing research identifying other areas within Lancaster County that will support landfill sites, and Creswell reuse engineering challenges.

Next, Mr. Zorbaugh called attention to the new quarterly newsletter created for broader communications and engagement with the customer base, and he acknowledged Karen Gross, Communications Manager, for a successful first publication and distribution.

Finally, Mr. Zorbaugh introduced five consent agenda items as submitted for Board consideration and approval. Copies of the consent agenda items are attached.



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Consent Agenda

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

1. Minutes from November 18, 2022.
2. November Disbursements
3. 2023 Equipment Purchase #3 Issue Paper
4. Purchase of Recycle Bins
5. Purchase of Kraft Bags

Chairperson Brubaker opened the floor to the Board for a motion to approve the actions set forth on the consent agenda.

Motion: E. Gordon

Seconded: J. Deerin

Adopted: Unanimously

Chief Financial Officer

Mr. Youngs provided a brief review of the Authority's financials for the month of November, including details on the metals market retreat, energy revenues and the impact of fuel pricing.

Next, Mr. Youngs highlighted the smooth transition of auditing firms from Trout CPA to RKL Advisors, and commended Trout CPA for providing superior service. RKL is currently commissioned to provide auditing service for a one year term.

Then, Mr. Youngs commented on sustaining record ongoing collections of receivables and commended Claire Paton, Accounts Receivable Administrator, for success with this achievement. In addition, Mr. Youngs provided details on staffing, including the creation of a hybrid finance and data position, and the transition of a member of the finance team to fill the new roll.

Finally, Mr. Youngs fielded questions from the Board and introduced two action items for Board consideration and approval, including Resolution No. 2022-22: authorizing and approving a property insurance contract between Sustainable Assurance Company and the Authority, and Resolution No. 2022-23: authorizing and approving certain casualty and excess insurance contracts between approved underwriters and the Authority. Copies of the action items are attached.

3. BOARD ACTION NO. 3: MOTION TO APPROVE RESOLUTION NO. 2022-22: AUTHORIZING AND APPROVING A PROPERTY INSURANCE CONTRACT BETWEEN SUSTAINABLE ASSURANCE COMPANY AND THE AUTHORITY:

Chairperson Brubaker asked for a motion to approve Resolution No. 2022-22: authorizing and approving a property insurance contract between Sustainable Assurance Company and the Authority. A copy of Resolution No. 2022-22 is attached.

Motion: G. Rettew

Seconded: E. Gordon

Adopted: Unanimously



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4. BOARD ACTION NO. 4: MOTION TO APPROVE RESOLUTION NO. 2022-23: AUTHORIZING AND APPROVING CERTAIN CASUALTY AND EXCESS INSURANCE CONTRACTS BETWEEN APPROVED UNDERWRITERS AND THE AUTHORITY:

Chairperson Brubaker asked for a motion to approve Resolution No. 2022-23: authorizing and approving certain casualty and excess insurance contracts between approved underwriters and the Authority. A copy of Resolution No. 2022-23 is attached.

Motion: S. Ulrich

Seconded: K. Weibel

Adopted: Unanimously

Chief Operating Officer

Mr. Adams introduced two action items for Board consideration and approval. Copies of both board actions are attached.

Mr. Adams explained the details of the first of two board actions which was a change order for Kinsley Construction, Inc. for the Frey Farm Landfill Vertical Expansion Stage 2 Construction Project:

5. BOARD ACTION NO. 5: MOTION TO APPROVE 2022 FFVE STAGE 2 CHANGE ORDER NO. 2 (FINAL) KINSLEY CONSTRUCTION, INC.

Chairperson Brubaker asked for a motion to approve the board action as submitted.

Motion: J. Blowers

Seconded: G. Rettew

Adopted: Unanimously

In conclusion, Mr. Adams continued with an explanation of the next action item for consideration which was an award of contract for the 2023 Frey Farm Landfill Gas System Expansion project. Mr. Adams responded to questions from the board on the details of the project.

6. BOARD ACTION NO. 6: MOTION TO APPROVE AWARD OF CONTRACT FOR THE 2023 FFLF GAS SYSTEM EXPANSION PROJECT

Chairperson Brubaker asked for a motion to approve the board action as submitted.

Motion: J. Blowers

Seconded: K. Weibel

Adopted: Unanimously

Chief Business & Compliance Officer

Ms. Marsh began with an overview of November's record high energy results, offering a perspective on the significance of the increase over the average expectations. Ms. Marsh explained the current marks and the fundamentals for the new year, as well as the expected continuation of the energy markets' pace going into 2023.

Finally, on the compliance side, Ms. Marsh remarked about three small fires, including one chemical and two lithium battery fires, and that there is an internal team reviewing protocols to produce consistent messaging for an education campaign for 2023.



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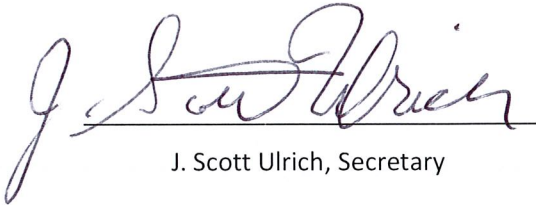
Other Business

The next meeting of the Board will be held on January 20, 2023.

Adjournment

The Board Meeting adjourned at 8:24 a.m.

APPROVED THE 20th DAY OF JANUARY 2023.



J. Scott Ulrich, Secretary



Board Action No. 2

ISSUE: Purchase #3 of Equipment for 2023 Delivery

BACKGROUND:

LCSWMA utilizes a cyclical equipment replacement schedule, with replacement frequency based on utilization rate, maintenance costs, and residual value of each type of equipment. Following Board approval, staff began purchasing equipment in August for 2023 delivery due to the long lead time for receiving equipment that is critical to LCSWMA’s operations. This is the third of several batch purchases of equipment for 2023.

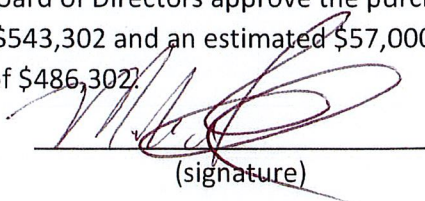
DISCUSSION:

LCSWMA uses cooperative bidding and purchasing contracts when available to procure new equipment to minimize cost. The chart below details the site, type and model, cost, estimated trade-in or auction value, net cost, 2023 budget amount, variance to this amount, and purchasing contract for each piece of equipment.

Site	Type of Equipment	Model	Price	Estimated Trade/Auction Value	Net Cost	2023 Budget Amount	2023 Budget Variance	Purchasing Contract
TSC	Sweeper	Galaxy R-6	\$258,470	\$25,000	\$233,470	\$235,000	\$1,530	HGAC
WTE	Sweeper	Galaxy R-6	\$258,470	\$30,000	\$228,470	\$210,000	\$18,470	HGAC
FFLF	Commercial Mower	STR 75-75037FT	\$26,362	\$2,000	\$24,362	\$18,000	\$6,362	SourceWell
Total			\$543,302	\$57,000	\$486,302	\$463,000	\$23,302	

RECOMMENDATION: Staff recommends the LCSWMA Board of Directors approve the purchase of the equipment as presented, for a total gross cost of \$543,302 and an estimated \$57,000 of trade in/auction value, for the estimated total net cost of \$486,302.

APPROVED BY THE BOARD OF DIRECTORS:


(signature)

December 16, 2022
(date)



Board Action No. 2

ISSUE: Purchase of Curbside Recycling Bins

BACKGROUND: LCSWMA coordinates the cooperative purchase of curbside recycling bins on behalf of the municipalities for the collection of single stream materials. Sixteen (16) municipalities in total are ordering recycling bins this year. Twelve (12) municipalities are ordering 20-gallon bins for a total of 2,250 bins and four (4) municipalities are ordering 18-gallon bins for a total of 350 bins. Municipalities will reimburse the Authority 100% of the purchase price of the bins.

DISCUSSION: Recycling bins are purchased through the COSTARS program. The following is a summary of the quote:

VENDOR	UNIT PRICE PER BIN	TOTAL PRICE FOR BINS DELIVERED
TM Fitzgerald (2,250 20-gal bins)	\$12.95	\$29,137.50
Busch Systems (350 18-gal bins)	\$15.89	\$5,561.50

RECOMMENDATION: Staff recommends the Board of Directors approve entering a contract with TM Fitzgerald for the purchase of 2,250 recycling bins and entering a contract with Busch Systems for the purchase of 350 recycling bins for a total cost of \$34,699.00.

APPROVED BY THE BOARD OF DIRECTORS:


(Signature)

December 16, 2022

(Date)



Board Action No. 2

ISSUE: Purchase of Biodegradable Yard Waste Collection Bags

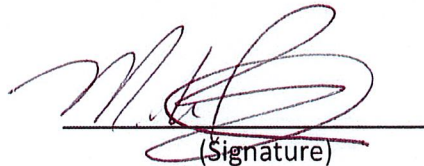
BACKGROUND: LCSWMA coordinates the cooperative purchase of biodegradable Kraft (paper) bags on behalf of Lancaster County municipalities, where leaves and yard waste materials are collected and transported to compost facilities. The use of biodegradable bags has proven to be a cost-effective method for municipalities to collect leaves and yard waste. There are fifteen (15) municipalities ordering Kraft bags this year for a total of 332,000 bags. Municipalities will reimburse LCSWMA 100% of the purchase price of the bags.

DISCUSSION: LCSWMA prepared a bid package for thirty-gallon, biodegradable Kraft bags and properly advertised the bid, including posting it on our website. The bid package was sent to eleven (11) interested manufacturers/vendors, with one (1) qualified bid received:

VENDOR	UNIT PRICE PER BAG	TOTAL PRICE FOR 332,000 BAGS DELIVERED
Pabco Industries, LLC	\$0.48	\$159,360.00

RECOMMENDATION: Staff recommends the Board of Directors approve entering into a contract with Pabco Industries, LLC for the purchase of 332,000 Kraft bags at a total cost of \$159,360.00.

APPROVED BY THE BOARD OF DIRECTORS:



(Signature)

December 16, 2022

(Date)

RESOLUTION NO. 2022-22

LANCASTER COUNTY SOLID WASTE MANAGEMENT AUTHORITY
LANCASTER COUNTY, PENNSYLVANIA

A RESOLUTION AUTHORIZING AND APPROVING BINDING A PROPERTY
INSURANCE CONTRACT BETWEEN SUSTAINABLE ASSURANCE COMPANY AND
THE LANCASTER COUNTY SOLID WASTE MANAGEMENT AUTHORITY

WHEREAS, the Lancaster County Solid Waste Management Authority's current property insurance coverage, written by Sustainable Assurance Company ("SAC"), with limits of \$250,000,000 and at an annual premium of \$3,840,431, expires December 31, 2022;

WHEREAS, SAC, a wholly owned subsidiary of the Lancaster County Solid Waste Management Authority (the "Authority"), and a Vermont Corporation, is a property insurance company licensed by the State of Vermont;

WHEREAS, SAC will obtain reinsurance for claims in excess of \$1,000,000 from a syndicated panel of recognized reinsurers to become effective on January 1, 2023 and will maintain liquid assets in excess of \$1,000,000 to cover any claims below the level of SAC reinsurance coverage; and

THEREFORE, BE IT RESOLVED, by the Board of Directors that the Authority shall enter into a contract effective January 1, 2023 with SAC binding property insurance coverage with limits of \$250,000,000 (or such other amounts determined by Robert B. Zorbaugh, the Authority's Chief Executive Officer (the "CEO") and under policy terms determined by the CEO at a total annual premium of \$4,415,000 [+15%] (or such other amount determined acceptable by the CEO) for the calendar year beginning January 1, 2023; and

FURTHER RESOLVED, by the Board of the Authority, that, the CEO hereby is authorized and directed to take all actions, and to execute and deliver all documents, in the name and on behalf of the Authority, and under its corporate seal or otherwise, and to pay all such expenses, which shall in his judgment be necessary, proper or advisable in order to fully carry out the intent of, and to fully effectuate, the foregoing resolution.

LANCASTER COUNTY SOLID WASTE
MANAGEMENT AUTHORITY

By: 

Michael W. Brubaker, Chairperson

RESOLUTION NO. 2022-23

LANCASTER COUNTY SOLID WASTE MANAGEMENT AUTHORITY
LANCASTER COUNTY, PENNSYLVANIA

A RESOLUTION AUTHORIZING AND APPROVING BINDING CERTAIN CASUALTY
AND EXCESS INSURANCE CONTRACTS BETWEEN APPROVED UNDERWRITERS
AND LANCASTER COUNTY SOLID WASTE MANAGEMENT AUTHORITY

WHEREAS, the Lancaster County Solid Waste Management Authority (“LCSWMA” or “the Authority”) has retained Murray Insurance to assist the Authority in obtaining commercially issued insurance policies from rated insurers for the 2023 plan years;

WHEREAS, the Authority’s current Public Officials and Employment Practices, Excess, Crime, Cyber, and Fiduciary Liability insurance coverages (the “Expiring Policies”), with collectively \$223,558 in premium, expire December 31, 2022;

WHEREAS, the Authority currently has in force the following Expiring Policies: (1) a Public Officials and Employment Practices policy written by AIG with a \$2 million limit (premium cost \$27,000); (2) a \$15 million Excess policy with the primary \$10 million written by Berkley (premium cost \$105,000) and the secondary \$5 million written by Munich (premium cost \$36,538); (3) a Crime policy written by Travelers with a \$1 million limit (premium cost \$3,864); (4) a \$2 million Cyber policy written by Corvus (premium cost \$45,706); and (5) a two-year Fiduciary policy written by Travelers with a \$1 million limit (premium cost \$5,450 annum.).

THEREFORE, BE IT RESOLVED, that on or before December 31, 2022, the Authority shall bind coverage for Public Officials and Employment Practices, Excess, Crime, Cyber, and Fiduciary Liability policies written by rated and approved insurers (including but not limited to SAC) and brokered by Murray Insurance with coverages substantially equal to, or better than, the Expiring Policies, as determined by Robert B. Zorbaugh, the Chief Executive Officer (“CEO”) of the Authority and collective annual premium of \$245,102 [+10%] (or such other amounts determined acceptable by the CEO of the Authority) for the calendar year beginning January 1, 2023; and

FURTHER RESOLVED, by the Board of the Authority, that Robert B. Zorbaugh, LCSWMA’s CEO, acting alone, hereby is authorized and directed to take all actions, and to execute and deliver all documents, in the name and on behalf of the Authority, and under its corporate seal or otherwise, and to pay all such expenses, which shall in his judgment be necessary, proper or advisable in order to fully carry out the intent of, and to fully effectuate, the foregoing resolution.

LANCASTER COUNTY SOLID WASTE
MANAGEMENT AUTHORITY

By: 
Michael W. Brubaker, Chairperson



Board Action No. 5

ISSUE: Change Order No. 2 (FINAL) to Kinsley Construction, Inc. for the Frey Farm Landfill Vertical Expansion Stage 2 Construction Project

BACKGROUND: A contract was awarded at the May 21, 2021, Board of Directors meeting to Kinsley Construction, Inc. for the Frey Farm Landfill (FFLF) Vertical Expansion Stage 2 Construction Project. The primary objective of the project was to construct approximately 1,750 linear feet of mechanically stabilized earthen (MSE) berm around the perimeter of the FFLF. The MSE Berm allowed for the installation of approximately 3.5 acres of additional liner, expanding the capacity of the FFLF by 1,700,000 cubic yards. The scope of work also included installation of landfill gas infrastructure, modification of the leachate collection system, installation of new access roads, additional plantings for the Visual Synthesis Plan, and other site infrastructure. The current contract price is \$10,599,400, inclusive of Change Order No. 1.

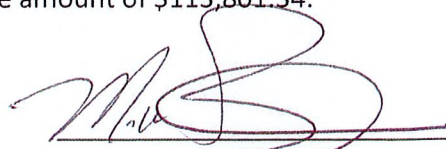
DISCUSSION: The project has reached substantial completion and final quantities obtained for all unit price items. Change Order No. 2 (FINAL) will adjust the final contract price to reflect actual unit price quantities and capture any final changes in contract scope.

Kinsley Construction, Inc. Change Order No. 2 (FINAL)

Adjust for Final Contract Quantities	-\$113,801.34
Change Order No. 2 (FINAL) Total	-\$113,801.34
Original Contract Amount	\$10,400,000.00
Change Order No. 1 Total	\$199,400.00
Change Order No. 2 (FINAL) Total	-\$113,801.34
Final Contract Amount (including Change Orders)	\$10,485,598.66

RECOMMENDATION: Staff recommends the Board of Directors approve Change Order No. 1 to Kinsley Construction, Inc. for a credit to LCSWMA in the amount of \$113,801.34.

APPROVED BY THE BOARD OF DIRECTORS:


(signature)

December 16, 2022
(date)



Board Action No. 6

ISSUE: Award of Contract for the 2023 Frey Farm Landfill Gas System Expansion Project

BACKGROUND: As waste within the Frey Farm Landfill decomposes it generates methane gas. This gas is collected via a system of horizontal piping and vertical wells and sent to the Frey Farm Landfill Gas to Energy plant. There, it is burned in an engine to produce electricity that is then sold to the grid. Periodically, as waste is placed in the landfill, the gas system needs to be expanded by adding horizontal piping and vertical wells to efficiently collect the landfill gas that is produced. The scope of work associated with the 2023 gas expansion project includes installation of twelve horizontal/vertical wells as well as additional piping infrastructure. The 2023 Budget includes \$250,000 for this project.

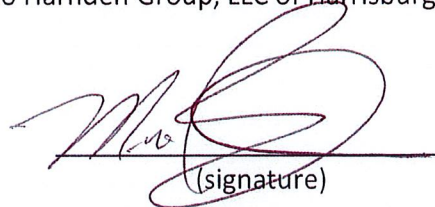
DISCUSSION: LCSWMA staff worked with its consultants to develop drawings and specifications for the expansion project. The bid package was developed internally and based on unit prices for the installation of twelve horizontal/vertical gas wells. The bid results are listed below:

Company	Total Base Bid
Harnden Group, LLC	\$231,026.48
Kinsley Construction, Inc	\$235,200.00

Harnden Group, LLC has completed similar projects at the Frey Farm Landfill and LCSWMA staff is confident in their ability to complete the work.

RECOMMENDATION: Staff recommends the Board of Directors award the contract for the 2023 Frey Farm Landfill gas system expansion project to Harnden Group, LLC of Harrisburg, PA, in the amount of \$231,026.48.

APPROVED BY THE BOARD OF DIRECTORS:


(signature)

December 16, 2022
(date)