



Board of Directors | Meeting Minutes

DATE: February 21, 2025

TIME: 7:30 a.m.

Attendance

BOARD OF DIRECTORS: Becker, Blowers, Brubaker, Deerin, Eby, Rettew, Ulrich, and Weibel.

STAFF: Barnett, Bennett, M. Brown, Cutarelli, Devaney, Fetterolf, J. Frymyer, Good, W. Graham, Henderson (Legal Counsel), James, Kohr, Marsh, Plasterer, Sultzbaugh, and Youngs.

BOARD OF DIRECTORS ABSENT: Dzurik.

ALSO PRESENT: Dave Sharp (Reworld), Tom McMonagle (HDR) 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 Blowers called the meeting to order and requested a moment of silence followed by the pledge to the flag.

Public Comment

None.

Chair Appoints Committee Member

APPOINTMENT OF MISSION & COMMUNITY BENEFITS COMMITTEE MEMBER

Chairperson Blowers appointed Mr. Brubaker to serve on the Mission & Community Benefits Committee. No further approval was necessary for this appointment.

Daniel Youngs, Executive Director

Mr. Youngs introduced the agenda topics and provided a recap of more significant items, including recent weather events and the changes in waste hauler philosophy around working through inclement weather, including its impact on LCSWMA's pre-planning efforts and finances. Mr. Youngs commended the operations and support staff for excellent communication both internally and public facing.

Next, Mr. Youngs commented on two legislative items. Mr. Youngs and Ms. Marsh participated in a meeting with EPA in an effort to continue providing input on LCSWMA's vested interests. They also spoke with Governor Shapiro's Office to debunk any misunderstandings around the WTE vs. landfill carbon impact in regard to the State PRESS legislation. The Governor's Office requested further data, and an invitation was extended to them to tour LCSWMA's WTE facilities.

Mr. Youngs provided details of a presentation given at the Hourglass Forum on February 7th. The audience included local influencers, County Commissioners Yoder and D'Agostino, as well as many community attendees. Mr. Youngs took a moment to recognize Ms. James, PR Manager, for an excellent job reframing LCSWMA's story.

Also, Mr. Youngs provided two points of insight regarding LCSWMA's relationship with SWANA and providing input for an educational multi-series on the value of WTE that SWANA is creating. In addition, LCSWMA participated in a few calls as SWANA is gearing up for their new waste conference, now called RCON, premiering this November in Columbus, Ohio. LCSWMA expects to present on a few topics, including battery disposal and risk management.



Board of Directors | Meeting Minutes

DATE: February 21, 2025

TIME: 7:30 a.m.

Next, Mr. Youngs took a few minutes to talk strategically about upcoming resolutions including the Rail Feasibility Study and the Landfill Gas RFP, as well as details on the future Waste Composition Study and Waste Processing Technology RFP. Mr. Youngs explained the effort is part of a significant discovery process to identify diverse concepts and more broad study the components of our waste stream.

REVIEW OF MATTERS FOR CONSIDERATION AT THE MARCH BOARD MEETING: CONTRACT AND BIDDING POLICY REVISION

Mr. Youngs began with details of the Contract and Bidding Policy, noting that the revised version presented for review is a revision to the original policy that was crafted and approved by the LCSWMA Board of Directors in 2021, and was created to be an internal resource for transparency of procurement and contract approval processes with the Board and the public.

The revised policy includes enhancements to answer questions as they arose, as well as updating titles to match the new leadership structure. Mr. Youngs thanked Mr. Henderson, General Counsel, for his effort into this modification and deferred to General Counsel for further presentation to the Board.

Mr. Henderson requested that the Board take time for a thorough review ahead of consideration for approval of the document at the next Board of Directors meeting and offered his availability to the Board to address questions or concerns. Further, Mr. Henderson discussed items to note during the review period, including high level changes and additional language within the revision regarding staffing, auctions, identification of out of county backups, advisory committees, expanded professional services, non-receipt of bids, contract renewals, and levels of approval. In closing, Mr. Henderson clarified that the revised document strikes a balance and the review period, although not urgent, is necessary.

Consent Agenda

Mr. Youngs provided a summary of items on the Consent Agenda for Board consideration and approval. Copies of the documents are attached.

CONSENT AGENDA: BOARD ACTION NO. 1: MOTION TO AUTHORIZE AND APPROVE:

1. Minutes from January 17, 2025
2. January 2025 Disbursements in the Amount of \$11,968,519.60
3. Resolution No. 2025-04: Fulton Bank Signer Authorization
4. Purchase of the Titan 53' 2 Axle Dropframe Walking Floor trailer for the purchase price of \$157,466.39

Chairperson Blowers asked General Counsel if taking a roll call would be appropriate with consideration of Board Members participating virtually and General Counsel agreed. Chairperson Blowers opened the floor to the Board for a motion to approve the actions set forth on the Consent Agenda.

Motion: M. Brubaker

Seconded: J. Deerin

Adopted: Unanimously

Richard Bennett, Director of Finance

Mr. Bennett presented financial highlights from January 2025, including total inbound tonnage, total operating revenues, including details on energy revenue, total operating expenses, total general and administrative expenses, Net Income, and EBITDA. Mr. Bennett concluded with details on unrestricted reserves.

Board of Directors | Meeting Minutes

DATE: February 21, 2025

TIME: 7:30 a.m.

Nick Kohr, Director of Engineering

Mr. Kohr provided details on several action items presented for Board consideration and approval, including the scope of projects and project time frames, and fielded questions from the Board. Copies of the board actions are attached.

BOARD ACTION NO. 2: MOTION TO AUTHORIZE AND APPROVE AWARD OF THE CONTRACT FOR THE FREY FARM LANDFILL 2025 GAS SYSTEM EXPANSION PROJECT TO KINSLEY CONSTRUCTION, INC. OF YORK, PA IN THE AMOUNT OF \$291,000.00.

Chairperson Blowers opened the floor to the Board for a motion to approve the action.

Motion: D. Becker **Seconded:** G. Rettew **Adopted:** Unanimously

BOARD ACTION NO. 3: MOTION TO AUTHORIZE AND APPROVE AWARD OF THE CONTRACT FOR THE RAIL WASTE TRANSFER FEASIBILITY STUDY TO HDR OF MECHANICSBURG, PA IN THE AMOUNT OF \$161,845.00.

Chairperson Blowers opened the floor to the Board for a motion to approve the action.

Motion: S. Ulrich **Seconded:** M. Brubaker **Adopted:** Unanimously

BOARD ACTION NO. 4: RESOLUTION NO. 2025-05: MOTION TO AUTHORIZE AND APPROVE AWARD OF SRMC BAG HOUSE INLET DUCT.

Chairperson Blowers opened the floor to the Board for a motion to approve the action.

Motion: D. Becker **Seconded:** J. Deerin **Adopted:** Unanimously

BOARD ACTION NO. 5: RESOLUTION NO. 2025-06: MOTION TO AUTHORIZE AND APPROVE AWARD OF WTE DEMIN TANK INSTALLATION.

Chairperson Blowers opened the floor to the Board for a motion to approve the action.

Motion: G. Rettew **Seconded:** M. Brubaker **Adopted:** Unanimously

Michelle Marsh, Director of Sustainability

Ms. Marsh provided details on an action item presented for Board consideration and approval. Ms. Marsh clarified HHW disposal procedures and responsibilities, as well as liability limits and certifications. Copies of the board actions are attached.

BOARD ACTION NO. 6: MOTION TO AUTHORIZE AND APPROVE A CONTRACT AWARD TO REPUBLIC SERVICES (ACV ENVIRO) FOR A ONE-YEAR TERM AT A TOTAL ESTIMATED ANNUAL COST OF \$379,350.14.

Chairperson Blowers opened the floor to the Board for a motion to approve the action.

Motion: S. Ulrich **Seconded:** G. Rettew **Adopted:** Unanimously

Next, Ms. Marsh summarized the focus topic referencing the previously discussed Contract and Bidding Policy, Section VII.C.4., relating to the contract and sale of energy products, which outlines that each year, staff will review with the Board of Directors the Authority's risk related to energy line of business. Ms. Marsh explained that while portions of the energy revenues are secured under fixed contracts, there are other components subject to market forces and carry a greater level of risk and market volatility.



Board of Directors | Meeting Minutes

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FOCUS TOPIC: ENERGY GOVERNANCE REVIEW

Ms. Marsh introduced Ms. Brown, Energy and Commodity Manager, to review the Annual Energy Governance & Risk Review and provide a deeper dive into the market-based segments of our energy line of business and discuss the last year's performance, as well as give some historical context and future outlook.

Ms. Brown opened with an overview of the 2024 Total Revenue vs. 2024 Energy Revenue. Ms. Brown presented details on the revenue volatility by market subset for electricity, including high risk and low risk mitigation strategies.

Further, Ms. Brown provided details into electric hedging at the Lancaster WTE facility, comparing hedged vs. percentage of saleable generation during months with hedges, as well as a year-over-year comparison of hedge value, grid value and budget value from 2019 through 2025. In addition, Ms. Brown reviewed performance vs. budget and performance vs. market hedging.

Additionally, Ms. Brown presented details on the revenue volatility by market subset for capacity and for RECs (Renewable Energy Credits), again including high risk and low risk mitigation strategies for each, as well as capacity pricing year-over-year from 2018 through 2026, capacity revenue vs. risk, contracted volume and average price by energy year from 2016 through 2029 for both Lancaster WTE and SRMC.

Ms. Brown delved deeper into the nuances of capacity pricing auctions, as well as reduced penalties beginning June 2025, as well as clarification on the energy production tier levels.

Ms. Brown welcomed questions from the Board throughout the presentation and offered clarifications and further investment strategy information with input from Ms. Marsh, Mr. Youngs and Mr. Henderson.

Executive Session

Mr. Henderson, General Counsel, stated that an Executive Session would be held to discuss a Real Estate matter, but no actions will be taken during or after the Executive Session.

Adjournment

The Board Meeting adjourned at 10:07 a.m.

APPROVED THE 21st DAY OF MARCH 2025.

J. Scott Ulrich, Secretary

The signature of J. Scott Ulrich is written in dark ink over a horizontal line. The signature is a cursive-style name that reads "J. Scott Ulrich". Below the signature, the name "J. Scott Ulrich, Secretary" is printed in a standard sans-serif font.