

Board of Directors • Meeting Minutes

DATE: May 21, 2021

TIME: 7:30 a.m.

Attendance

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

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

ALSO PRESENT: Dave Sharp from Covanta, Dr. Leslie Osborne, Krista Showers and Carol Gerhart from Trout CPA.

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

Chairperson Brubaker asked for any additions or corrections to the meeting minutes. Being none, a motion was requested to approve the Minutes of March 19, 2021, as distributed.

Motion: J. Deerin

Seconded: G. Rettew

Adopted: Unanimously

Public Comment

None

Presentation

Ms. Krista Showers and Ms. Carol Gerhart, from Trout CPA, reviewed the 2020 Audited Financials as issued on March 19, 2021.

Action Item

2. BOARD ACTION NO. 2: ACCEPTANCE OF AUDITED 2020 FINANCIAL STATEMENTS

Chairperson Brubaker asked for a motion to accept the audited Financial Statements for the Year Ended December 31, 2020.

Motion: G. Rettew

Seconded: K. Weibel

Adopted: Unanimously

Chief Executive Officer

Mr. Zorbaugh, Ms. Marsh and Dr. Sandoe provided highlights of a research article as conducted by CUNY regarding the historical data on the performance of Waste to Energy plants and land preservation in the United States. An Executive Summary of the full detailed report is expected to be released by the end of the month.

Mr. Zorbaugh announced receipt of the Alternative Fuels Incentive Grant (AFIG) by the DEP.

Lastly, Mr. Zorbaugh and Mr. Henderson presented Resolution 2021-06, the Contract and Bidding Policy.

Action Item**3. BOARD ACTION NO. 3: RESOLUTION 2021-06: CONTRACT AND BIDDING POLICY**

Chairperson Brubaker asked for a motion to adopt Resolution 2021-06, approving the adoption of LCSWMA Contract and Bidding Policy.

Motion: K. Weibel

Seconded: L. Houck

Adopted: Unanimously

Chief Financial Officer

Mr. Youngs provided a detailed report on monthly financials, including tonnage, revenues, expenses, and the net position. The Authority experienced another solid month of inbound activity with volumes totaling 81,025 tons, exceeding budget by +1,557 tons [+2.0%]. Contract refuse, including City of Harrisburg and Dauphin County, and C/D volumes continue to trend ahead of budget which further improves the integrated system's revenue generation capability.

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 presented an overview of the sound financial position leading into planned heavier months of CAPEX investments.

Action Items**4. BOARD ACTION NO. 2: APPROVAL OF DISBURSEMENTS FOR FEBRUARY 2021**

Chairperson Brubaker asked for a motion to approve Disbursements for March and April 2021 in the total combined amount of \$11,694,216.

Motion: J. Deerin

Seconded: J. S. Ulrich

Adopted: Unanimously

Chief Operating Officer

Mr. Adams provided a detailed overview of the waste business outlook. He reported on the upcoming Transfer Station Tunnel Repair Project, highlighting hauler impact and additional LCSWMA facilities site plans to accommodate TSC closure.

Lastly, Mr. Adams presented an update on Stage 2 construction of the FFVE project with construction to begin by the end of May.

Action Items

5. BOARD ACTION NO. 5: MOTION TO APPROVE AWARD OF CONTRACT FOR THE FREY FARM LANDFILL VERTICAL EXPANSION (FFVE) STAGE 2 CONSTRUCTION PROJECT

Chairperson Brubaker asked for a Motion to Approve award of the contract for the FFVE Stage 2 Construction Project to Kinsley Construction, Inc. of York, PA in the amount of \$10,400,000.

Motion: J.S. Ulrich

Seconded: J. Blowers

Adopted: Unanimously

6. BOARD ACTION NO. 6: MOTION TO APPROVE AWARD OF CONTRACT FOR THE FREY FARM LANDFILL VERTICAL EXPANSION (FFVE) STAGE 2 CONSTRUCTION QUALITY ASSURANCE (CQA) TESTING AND INSPECTION SERVICES

Chairperson Brubaker asked for a motion to approve award of the contract for the FFVE Stage 2 CQA Services to ARM Group of Hershey, PA in the amount of \$396,842.

Motion: J. Deerin

Seconded: J. Blowers

Adopted: Unanimously

Chief Business & Compliance Officer

Ms. Marsh reported on the energy market highlighting various market drivers for the month. She also provided a review of the capacity market for 2022-23.

Ms. Marsh provided an update on LCSWMA's real estate portfolio highlighting the status of the Muddy Creek property and the pending transactions of 1129 Letort Road and 1935 River Road.

Ms. Marsh and Ms. Mathason provided a presentation on 2020 recycling trends and the household hazardous waste summary.

The Board deferred further discussions on Board Action No. 7: Resolution 2021-07 to Executive Session.

Executive Session

Mr. Henderson noted that Resolution 2021-07 would be further discussed in Executive Session and that it was anticipated that action regarding Board Action No. 7 would occur in open session at the close of the Executive Session.

Whereupon the Board entered into Executive Session.

At the conclusion of the Executive Session, the Board resumed the regular Session. Mr. Henderson announced that Resolution 2021-07 had been discussed in Executive Session.

Mr. Henderson read the revised Resolution 2021-07. (See attached resolution.)

Action Items

7. BOARD ACTION NO. 7: RESOLUTION 2021-07: PURCHASE OF REAL ESTATE

Chairperson Brubaker asked for a motion to approve the adoption of the foregoing Resolution No. 2021-07 amending Resolution 2021-03 concerning the purchase of real

estate in Conoy Township known as 1935 River Road.

Motion: L. Houck

Seconded: J. Blowers

Adopted: Unanimously

Other Business

A Meeting of the Board of Directions will not be held in June. The next meeting of the Board will be held on July 16, 2021.

Adjournment

The Board Meeting adjourned at 9:37 a.m.

APPROVED BY THE 16th DAY OF July 2021.



George Rettew, Vice-Chairperson