

Board of Directors • Meeting Minutes

DATE: November 19, 2021

TIME: 7:30 a.m.

Attendance

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

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

BOARD OF DIRECTORS ABSENT: Dzurik

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 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 OCTOBER 22, 2021

Chairperson Brubaker asked for any additions or corrections to the meeting minutes. Being none, a motion was requested to approve the Minutes of October 22, 2021, as distributed.

Motion: J. Deerin **Seconded:** E. Gordon **Adopted:** Unanimously

Chairperson Brubaker appointed J. Deerin, L. Houck, and S. Ulrich as the 2021 Nominating Committee members.

Public Comment

None

Chief Executive Officer

Mr. Zorbaugh provided highlights of continuing positive trends in tip and electric revenues compared to forecast. In addition, he reported on the success of the well-attended Manor Township Annual Meeting, including topics of discussion and positive feedback.

Mr. Zorbaugh debriefed on the productive trip to London and the positive outcome in developing great rapport by attending 13 meetings in person, which weighed favorably on the underwriters' perspective of LCSWMA's approach to business.

In addition, Mr. Zorbaugh also provided an article about Azeez Mohammed, the newly named CEO of Covanta.

Finally, Mr. Zorbaugh recognized Mr. Houck's retirement as a Township Supervisor and his many years of public service in that role. Mr. Zorbaugh, several Board members and staff attended a

recent celebration where Mr. Houck was honored and acknowledged by Senator Toomey, local representatives, business associates, family and friends.

Action Items

2. Board Action No. 2: MOTION TO APPROVE 2022 BOARD MEETING SCHEDULE

Chairperson Brubaker asked for a motion to approve the 2022 Board Meeting Schedule.

Motion: S. Ulrich

Seconded: K. Weibel

Adopted: Unanimously

3. Board Action No. 3: MOTION TO APPROVE 2022 OPERATING AND CAPITAL BUDGET/2022 LCSWMA RULES & REGULATIONS

Chairperson Brubaker asked for a motion to approve 2022 Operating and Capital budget and to approve the 2022 LCSWMA Rules & Regulations.

Motion: K. Weibel

Seconded: G. Rettew

Abstained: J. Blowers

Adopted: Unanimously

Chief Financial Officer

Mr. Youngs provided a detailed report on monthly financials, including tonnage, revenues, expenses, and the net position. The Authority received 80,765 tons in October, exceeding budget by 5,853 tons [+7.8%] as a result of continued strong contract refuse, C/D, and residual waste volume.

Mr. Youngs provided an overview of the financial position, highlighting EBITDA, Balance Sheet, Income Statement, Cash Flow Summary, Analytics and Trade Receivables. Mr. Youngs also provided further insight on total operating expenses, support expenses, and liquidity. In addition, Mr. Youngs shared that the maintenance shop is now fully staffed.

Lastly, Mr. Youngs reported that windfalls allow reserves to build up more quickly, and complemented staff resilience and diligence, and their mindful approach toward long-term business requirements.

4. BOARD ACTION NO. 4: MOTION TO APPROVE OCTOBER DISBURSEMENTS

Chairperson Brubaker asked for a motion to approve Disbursements for October 2021 for the total combined amount of \$10,512,778.22.

Motion: J. Deerin

Seconded: G. Rettew

Adopted: Unanimously

5. BOARD ACTION NO. 5: MOTION TO APPROVE UPDATES AND REVISIONS TO THE 2022 HANDBOOK.

Chairperson Brubaker asked for a motion to approve updates and revisions to the 2022 Handbook.

Motion: K. Weibel

Seconded: J. Blowers

Adopted: Unanimously

Chief Operating Officer

Mr. Adams provided a detailed overview of the waste business outlook, including a monthly comparison between 2021 actual and budget, as well as 2021 compared to 2019.

Mr. Adams summarized highlights of Operations and provided a detailed Capital Projects update, including updates on the fire suppression work to alleviate insufficient water pressure and volume from the public water supply at SRMC.

In addition, Mr. Adams reported on issues with the CNG and Diesel truck supply chain, as well as the status of conversion to electric excavators at the Transfer Station.

Lastly, Mr. Adams presented the Infinite Cooling technology agreement and fielded questions on design and engineering, as well as financial aspects of the agreement.

Action Items

6. BOARD ACTION NO. 6: MOTION TO APPROVE PURCHASE OF EQUIPMENT

Chairperson Brubaker asked for a motion to approve the purchase of equipment, including a wheel loader, an electric material handler, five (5) diesel truck tractors, a roll-off truck, a yard jockey truck, a medium track dozer, an articulated dump truck and a pickup truck totaling the amount of \$2,326,243.00.

Motion: G. Rettew

Seconded: S. Ulrich

Adopted: Unanimously

7. BOARD ACTION NO. 7: MOTION TO APPROVE RESOLUTION NO. 2021-17: AUTHORIZING AND APPROVING EXECUTION OF AGREEMENTS WITH INFINITE COOLING, INC.

Chairperson Brubaker asked for a motion authorizing and approving the execution of agreements with Infinite Cooling, Inc.

Motion: J. Deerin

Seconded: J. Blowers

Adopted: Unanimously

Chief Business & Compliance Officer

Ms. Marsh reported on LCSWMA's energy portfolio highlighting various market drivers for the month. She also provided a review of the market-based energy portfolio and commodity markets, real estate update and overview of business related to environmental and safety compliance.

Ms. Marsh provided details on the Visual Mitigation Stage 2 fall plantings of over 400 trees and shrubs and subsequent fall inspection with Kaufman Engineering. Additionally, Ms. Marsh provided details on the demolition of the house located at 2681 River Road.

Lastly, Ms. Marsh reported on LCSWMA's work to evaluate additional solar opportunities at LCSWMA's facilities and forthcoming reports on partnering options.

Other Business

The next meeting of the Board will be held on December 17, 2021.

Adjournment

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. The Board Meeting adjourned at 10:32 a.m.

APPROVED THE 17th DAY OF DECEMBER 2021.



J. Scott Ulrich, Secretary