

ADMINISTRATIVE CONTROL BOARD – WASATCH FRONT WASTE AND RECYCLING DISTRICT
MONTHLY MEETING MINUTES

DATE/TIME	LOCATION	ATTENDEES
March 24 th , 2014 9:00 a.m. <hr/> Next Board Meeting April 28, 9:00 a.m.	604 W 6960 S Training Room	<u>Board Members:</u> Chair Sabrina Petersen, Vice-Chair Dama Barbour, Coralee Wessman-Moser, Sam Granato, Jim Brass, Scott Bracken, Jim Bradley, Aimee Newton, Patrick Leary <u>District Staff:</u> Pam Roberts, Stuart Palmer, Craig Adams, Gaylyn Larsen, Lorna Vogt, Gavin Anderson, Cathi Fairbourn, Ken Simin, Sean Summerhays, <u>Public:</u> Ray Bartholomew, Squire & Company, Kerri Nakamura, Leslie Reberg, Lawrence Geisler, Cullen Battle, legal counsel representing Mark Anderson
AGENDA		

1. Consent Items: (Approval Requested)

- 1.1. February 24, 2014 Public Hearing Minutes (Pages 2-5)
- 1.2. February 24, 2014 Board Meeting Minutes (Pages 6-12)

2. Meeting Open for Public Comments: (Comments are limited to 3 minutes)

3. Business Items:

- 3.1. 2013 Accomplishments, Pam Roberts and Lorna Vogt
- 3.2. 2013 Independent Financial Audit Report, Ray Bartholomew, Squire and Co. (**Approval Requested**) (Separate Document)
- 3.3. Review Fund Balance and Designated Funds for Capital Purchases, Pam Roberts & Stuart Palmer (**Direction Requested**) (Pages 13& 14)
- 3.4. Policy for Assessing Fees on Homes That are Secondary Properties and Policy for Homes that are Vacant, Pam Roberts & Gavin Anderson (**Approval Requested**) (Pages 15 & 16)
- 3.5. Abatements or Refunds, Pam Roberts (**Approval Requested**) (Page 17)
- 3.6. Abatements or Refunds, Pam Roberts (**Approval Requested**) (Page 17)
- 3.7. Resolutions Approving Interlocal Agreement (s) with Salt Lake County (**Adoption Requested**)
 - Adoption of Resolution 4363 Approving Administrative Services (Page 20 &21)
 - Adoption of Resolution 4364 Approving Landfill Services (Pages 22 & 23)
- 3.8. Murray City De-annexation Updates, Doug Hill, Murray City Public Works Director & Pam Roberts (**Informational/Direction**) (Page 24)

4. Requested items for the Next Board Meeting on Monday, April 28, 2014:

- 2014 1st Quarter Financial Report
- 2014 Goals and Performance Measures
- Briefing on 2014 Billing processes

TOPICS/ OBJECTIVES	KEY POINTS/ DECISIONS	ACTION ITEMS WHO – WHAT – BY WHEN	STATUS
1. Consent Items (Approval Requested)			
1.1 February 24, 2014 Public Hearing Minutes (Pages 2-5)	Approval of the February 24, 2014 Public Hearing Minutes	Motion: by Board Member Sam Granato, seconded by Vice-Chair Dama Barbour to approve the Minutes from the February 24, 2014 Public Hearing. Vote: All in favor (of Board Members present)	Approved March 24, 2014
1.2 February 24, 2014 Board Meeting Minutes (Pages 6-12)	Approval of the February 24, 2014 Board Meeting Minutes	Motion: by Board Member Sam Granato, seconded by Vice-Chair Dama Barbour to approve the Minutes from the February 24, 2014 Board Meeting. Vote: All in favor (of Board Members present)	Approved March 24, 2014
2. Meeting Open for Public Comments			
	Lawrence Geisler owns a home that has been vacant. He states that his concern is for Seniors Citizens like himself who are on fixed incomes and strict budgets. He feels the Federal Government does not match the inflation rate and should try to increase the Senior's incomes. He feels that he should not be responsible to pay for utility services not being used at his vacant home. Pam explained how with the transparent billing, this is the type of situation that is being brought to light and asks the Board to set some policy regarding homes that have been deemed truly vacant and free of services. Board Chair-Petersen thanked Mr. Geisler for his comments and invited him to stay for the rest of the meeting. Vice-Chair Barbour stated that she was surprised to find out how many people didn't know what their charges were and what services were included. Mr. Geisler stated that receiving the statement is what educated him about the services and fees and prompted him to contact Pam for help.		
3. Business Items			

<p>3.1 Reschedule the Regular Monthly Board Meeting on Monday, May 26, 2014, Memorial Day Holiday (Decision Requested)</p>	<p>May 26, 2014 Monthly Board Meeting tentatively rescheduled for Tuesday, May 27, 2014 at 9:00 am.</p>		
<p>3.2 2013 Independent Financial Audit Report, Ray Bartholomew, Squire and Co. (Approval Requested) (Separate Document)</p>	<p>Ray Bartholomew-explained how this financial statement represents the first year the district has operated independently from the county, although there are still some working relationships between them. This report offers more information than available in previous reports and the statements put forth by the District have been fairly presented. The information shows the balances at the end of December 2013, as well as, the activities that occurred during the last year. The report compares years 2012 to 2013. It complies with the states guidelines and is an overall good report with no findings. The report does not show this, but the district changed accounting systems and this takes a lot of effort to get up to speed. As auditors, we saw a somewhat seamless transition to that new system, but we know there was a lot of effort by the staff to get the new system working. Because the District became independent there were some other things like equipment and obligation to employees such as Workman’s Compensation and OPEB that were not recorded to the district and are now brought over and being reported under Liabilities, as shown on page 7. See the Management Discussion Analysis on page 3 for an explanation and overview of this financial report. Accounts Payable comparisons 2012 and 2013 are much higher but this is a due to the timing of the jump and not a concern. Equity Net Position has declined for the year. Revenue was relatively the same with no fee increases. Second can issues and Operating Expenses have</p>	<p>Motion: by Board Member Jim Brass, seconded by Board Member Aimee Newton to Approve 2013 Independent Financial Audit Report. Vote: All in favor (of Board Members present)</p>	<p>Approved March 24, 2014</p>

increased and got cleaned up. Admin Costs to the county will be paid by agreement over 2 years and will in a large degree disappear. He explained how the Payments listed are for 2012 but are just hitting you now. You have your own Overhead expenses and you are still paying the old County Overhead. Board member Bracken clarifies that the total county overhead was around \$700,000 being paid in two payments. Ray referred to page 14 of the report and the retiree's health care payments for that obligation. The actuarial study shows that the District need not actually pay the full amount of the obligation. Board Chair- Petersen asked about cost and obligations to retired employees. Stuart explained how, looking at the Fund Balance, we designate funds for items such as Equipment Replacement, Cart Replacement, and OPEB with \$500,000. Ray: These designated cash balances show how you set money aside to fund these expenses in the future. The 30 year obligation is \$1,800,000 to fulfill your obligations. Pam: We have a current obligation to 13 existing retirees and 65 current employees on this program. The District has closed that program for any new hires as of January 1, 2013.

Ray complimented the District's accounting team and emphasized that Stuart knows the numbers.

Board Member Wessman-Moser asked if Ray and his team looked at district policy manual or just the accounting aspect itself. Ray explained that they look at both the policy and accounting stating that if you were not in compliance, we would report those to you.

3.3 Review Fund Balance and Designated Funds for Capital Purchases, Pam Roberts &

Stuart reviewed the Fund Balance and Designated Funds for Capital Purchases from page 13 of the

<p>Stuart Palmer (Direction Requested) (Pages 13& 14)</p> <p>3.4 Policy for Assessing Fees on Homes That are Secondary Properties and Policy for Homes that are Vacant, Pam Roberts & Gavin Anderson (Approval Requested) (Pages 15 & 16)</p> <p>3.5 Abatements or Refunds, Pam Roberts (Approval Requested) (Page 17)</p> <p>3.6 Leave Accrual for Appointed Staff, Gaylyn Larsen (Direction Requested) (Pages 18 & 19)</p>	<p>Financial Statement.</p> <p>Gavin found no significant legal issues to allow a reduction or stop to charging fees and states the Board can make the policy decisions.</p> <p>Pam asked that the Board set policy and allow reductions for seasonal or recreational properties. She also asked that the Board allow that we stop services and charging fees for homes that are truly vacant setting a time limit of at least one year.</p> <p>Board member Newton asked that the policy provides specific guidelines to help protect Pam from appearing to “play favorites”, etc. She also asked that Pam find out what other municipalities are doing in cases of homes being vacant.</p> <p>Pam presented a table representing homes requesting abatement/refund. Board Chair-Petersen recommending approval of the 3 requests at this time so they don’t have to wait for the formal decision on policy going forward. The Board discussed and agreed to move forward and also allow the release on the lien for Mr. Geisler’s property.</p> <p>Pam reported that January 1, 2014 we froze leave accruals for all at will employees, Pam and Stuart. Gaylyn reported that she conducted a market survey with 12 of the local districts and the local cities and the County to determine what benefits other government entities provide for their at-</p>	<p>The Board gave Gavin direction to draw up a more detailed policy that will protect Pam from appearing to play favorites, create inequity or unfair practices.</p> <p>Board Chair Petersen asked to add the topic of assessing fees for pick-up and delivery of carts in these cases.</p> <p>Motion: by Board Member Patrick Leary, seconded by Board Member Aimee Newton to Approve Refunds/Abatements Vote: All in favor (of Board Members present)</p> <p>The Board agreed with the direction to allow appointed staff leave accrual and to date accrued leave back to January 1, 2014.</p>	<p>Approved March 24, 2014</p>
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<p>3.7 Resolutions Approving Interlocal Agreement (s) with Salt Lake County (Adoption Requested)</p> <ul style="list-style-type: none"> Adoption of Resolution 4363 Approving Administrative Services (Page 20 &21) Adoption of Resolution 4364 Approving Landfill Services (Pages 22 & 23) 	<p>will/appointed staff. The findings are that all other public employer’s in the area allow their appointed staff to accrue and take leave. The only exception is Salt Lake County and this could be attributed to the fact that the County has 90 appointed staff.</p> <p>Gaylyn requested direction from the Board to determine if we provide leave accrual going forward and whether we date accrual back to January 1, 2014.</p> <p>Board member Bracken noted that he was not in favor of putting the pause button on the leave accrual, but understood the need to compare the District to other entities before a final policy was set by the Board. He stated he is in favor of taking the pause button off and allowing the leave accrual.</p> <p>Pam reviewed the change to the agreement the Board approved last November for Admin Services: The term is now changed to a 3 year term with a 3 year renewal. There is also a clause that either party would provide a 1 year notice if any service would be reduced or discontinued, which helps build confidence since County Fleet is investing in shops to accommodate CNG trucks and a fueling station for CNG.</p> <p>Board member Moser stated that she likes the change of the term to show that we are secure in this and allows for any organizational changes by us.</p> <p>Pam provided an executive summary for the Board:</p> <ul style="list-style-type: none"> Five year term with an automatic five year renewal with an out clause during the second five year term if a rate increase goes 	<p>Motion: by Board Member Coralee Wessman-Moser, seconded by Board Member Sam Granato to Adopt Resolution 4363 Approving Interlocal Agreement of Administrative Services. Vote: All in favor (of Board Members present)</p> <p>Motion: by Board Member Patrick Leary, seconded by Vice-Chair Dama Barbour to Adopt Resolution 4364 Approving Interlocal Agreement of Landfill Services. Vote: All in favor (of Board</p>	<p>Approved March 24, 2014</p> <p>Approved March 24, 2014</p>
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	<p>above \$5 even if the increase is due to costs, or study and the increase is higher than other disposal sites we could term without a year's notice.</p> <ul style="list-style-type: none"> • Fee increases imposed by the Landfill are required to be cost, or study based throughout the entire contract term. • We have the ability to negotiate the agreement once a year if we need service level adjustments due to growth, technology changes and increased rates. (Note that we always have an out clause if there is a breach such as rates go above actual increased costs). • We will take at least 85% of what's in the black can to SL Valley facilities and at least 75% of the green waste we collect to the SL Valley Landfill. <p>The landfill is going to take over the leaf debagging process for the District and charge actual costs, which is wonderful.</p> <p>Pam introduced Cullen Battle, attorney from Fabian Law who jumped in while Mark Anderson has been on vacation for a week. Pam thanked Cullen for ensuring the District's interest and the Board's wishes were represented.</p> <p>Board Chair Petersen emphasized that fees will be cost or study based and in the second term we have an opt out if a fee increase is more than \$5 even if it is cost or study based.</p> <p>It illustrates that we are a good community partner as is Salt Lake County.</p> <p>Board member Moser expressed appreciation for all the work that went into the agreements. She is thankful that the residents have some protection</p>	Members present)	
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3.8 Murray City De-annexation Updates, Doug Hill, Murray City Public Works Director & Pam Roberts
(Informational/Direction)
(Page 24)

with fee increases.

Doug Hill - Murray City sent out 2800 letters to its residents regarding the City's intent for De-annexation. They estimate that they had 40-50 attendees at the first Open House on the 19th. The public comments indicated that our Murray City customers truly enjoy the Area Clean Up that is offered once per year as well as the weekly recycling service. Board Chair-Petersen asked if Murray City had Curbside Green Waste Pick Up. Doug stated that they do not and a few people at the Open House mentioned that they like having the option to have Green Waste Service with WFWRD. Board Chair Petersen expressed appreciation to Doug and Murray City for involving the District and the Board in the discussions and presenting accurate and fair information.

The preliminary findings after 34 votes were cast revealed that 26 of the voters voted in favor of staying with WFWRD. Vice Chair-Barbour asked how long Murray City's contract is with their current waste provider, ACE. Doug stated December 31, 2015. Pam asked if they would wait to make the decision until they had hosted the other Public Open House on March 25th. Doug stated that they will and he will report back in April or May.

Board member Moser inquired about the votes that wanted to stay with Murray. Doug reported that the votes were conditional if Murray provided the area clean-up and weekly recycling. Doug stated that the City's current provider for the other portion of Murray has stated that for a fee increase of less than \$2 per home, Murray City could provide weekly

	recycling and area clean up. So these are options the City will consider during the next bid process for services.		
4. Requested Items for the Next Board Meeting			
<ul style="list-style-type: none"> • 2014 1st Quarter Financial Report • 2014 Goals and Performance Measures • Briefing on 2014 Billing Processes 			
ADJOURN		Motion: by Board Member Sam Granato, seconded by Vice-Chair Dama Barbour to adjourn the meeting. Vote: All in favor (of Board Members present)	Approved March 24, 2014