

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

DATE/TIME	LOCATION	ATTENDEES
January 26, 2015 9:00 a.m. <hr/> Next Board Meeting February 23, 2015 9:00 a.m.	Public Works Building 604 W 6960 S Midvale, UT 84047	<u>Board Members:</u> Sabrina Petersen, Dama Barbour, Aimee Newton, Patrick Leary, Sam Granato, Coralee Moser, Jim Brass, Scott Bracken, EXCUSED: Jim Bradley <u>District Staff:</u> Pam Roberts, Lorna Vogt, Gaylyn Larsen, Whitney Mecham, Stuart Palmer, Craig Adams, Ryan Dyer, Bill Hobbs, Larry Chipman, Rachel Andersen, Mark Andersen, Steve Whitney, Ken Simin <u>Public:</u> Barry Johnson, Dan Laing, Mark Barton

AGENDA

- Call to Order:** Sabrina Petersen, Board Chair
- 1. Consent Items: (Approval Requested)**
 - 1.1. December 8, 2014 Board Meeting Minutes
 - 1.2. December 8, 2014 Public Hearing Minutes
 - 1.3. Conflict of Interest Disclosures
 - 2.** Introduction of New Legal Counsel, Mark Andersen and Rachel Andersen of Fabian & Clendenin
 - 3. Meeting Open for Public Comments:** (Comments are limited to 3 minutes)
 - 4. Business Items**
 - 4.1. Formal Transition of Board Vice Chair to Chair (**Motion & Approve**)
 - 4.2. Elect a new Board Vice Chair (**Motion & Approve**)
 - 4.3. Request from HOA to grant an exception to mandates for WFWRD services, Pam Roberts (**Discussion/Possible Decision**)
 - 4.4. Adoption of the 2015 Board Meeting Calendar, Pam Roberts (**Approval Requested**)
 - 4.5. Vendor change for flex spending accounts, Gaylyn Larsen (**Approval Requested**)
 - 5. Informational/Discussion/Direction Items**
 - 5.1. 2014 4th Quarter and Preliminary Year-End Financial Report, Stuart Palmer (**Informational/Discussion**)

5.2. Municipal Services District Resolution, Pam Roberts, Dama Barbour (**Informational/Discussion**)

5.3. Review District HR Policies, Gaylyn Larsen (**Informational**)

5.4. Price Structure/Strategy, Pam Roberts (**Discussion/Direction Requested**)

5.5. WFWRD Facebook Page, Whitney Mecham, Board Clerk (**Informational**)

6. Requested Items for the February 23, 2015 Meeting

- Conflict of Interest Disclosures Approvals

TOPICS/ OBJECTIVES	KEY POINTS/ DECISIONS	ACTION ITEMS WHO – WHAT – BY WHEN	STATUS
1.Consent Items (Approval Requested)			
1.1. December 8, 2014 Board Meeting Minutes	No comments.	Motion to approve by: Board Member Granato seconded by: Board Member Moser Vote: All in favor (of Board Members present)	Approved January 26, 2015
1.2. December 8, 2014 Public Hearing Minutes	Pam Roberts noted that the title will be corrected to “2015 Budget Adoption”.	Motion to approve by: Board Member Barbour seconded by: Board Member Brass Vote: All in favor (of Board Members present)	Approved January 26, 2015
1.3. Conflict of Interest Disclosures	Board Chair Petersen requested that all board members fill out a form disclosing membership on other boards, councils or any other organizations and bring them to Whitney to notarize after the meeting.		
2. Introduction of New Legal Counsel, Mark Andersen and Rachel Andersen of Fabian & Clendenin			
	<p>Pam introduced Rachel Andersen who works with Mark Andersen at Fabian & Clendenin.</p> <p>Rachel stated that Mark has been working with districts for many years as well as the legislature. She has been working with Mark for five years.</p>		
3. Meeting Open for Public Comments (Comments are limited to 3 minutes)			
Barry Johnson and Dan Laing Homeowners Association in Taylorsville	They represent the Homeowners Association at Bald Mountain Drive within the Taylorsville city limits. Their purpose is to plead for an exception from WFWRD for waste removal on the basis that it would create a calamitous situation for their residents. Each town home only has 1 small garbage can from ACE that is placed on the south side of the street which already makes it difficult for service and emergency vehicles to get in and out of the street. To double the number of waste cans would make an unsafe situation. They have been operating the last 8 years using ACE and would like to continue to do so to maintain the beautiful aesthetics of the neighborhood as well as keeping it a safe		

<p>Mark Bartons Homeowner in Big Cottonwood Canyon</p>	<p>environment. Board Chair Petersen asked if they had previously thought it was a private road. Dan responded that for the past 8 years it has been treated as a private road. There was a misconception within the city and the homeowners association but the reality is that since 2006 it has been a public access road. Board Chair Petersen asked when the townhomes first became available. Barry responded that the initial homes were built in 2006-2007. The last units were completed and sold 3 years ago. Board Chair Petersen thanked them for coming and invited them to stay if they would like to hear the discussion.</p> <p>Mark Bartons is a property owner in Big Cottonwood Canyon. Mark thanked the staff for quick responses and providing him detailed information prior to this meeting.</p> <p>Mark is president of the homeowners association. He has owned a residence in the canyon since 1991 located in the area overlooking Solitude in Forest Glen B and C which is a mile and a half away from Brighton. There are 71 homes, 20 lots, 51 cabins and 7 full time residents in the neighborhood. He received the letter in the mail that they will start being charged the full year fee since the road is plowed but he would like the Board to reconsider. Most residents are recreational users in this area and are taxed as a 2nd residence. They are being charged for a service that is not being used. He proposed a solution to roll back the rate and unburden WFWRD from trying to distinguish accessibility and instead go off the property tax status on the county records. If it is a primary home charge a year round fee, if it is a secondary residence, charge a partial fee.</p>		
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4. Business Items

4.1. Formal Transition of Board Vice Chair to Chair		<p>Motion to approve by: Board Member Granato, seconded by Board Member Newton</p> <p>Vote: All in favor (of Board Members present)</p>	<p>Approved January 26, 2015</p>
4.2. Elect a new Board Vice Chair	<p>Pam stated that Board Member Granato, Board Member Brass and Board Member Newton have been nominated to be the 2015 Vice Chair.</p> <p>Board Member Granato stated he will be withdrawing his name from the nominations because Salt Lake County Councilwoman Jenny Wilson will be taking his seat on the Board.</p> <p>Board Member Bracken asked if with the new County resolution on the preservation project if Salt Lake County council members will still be represented on this Board long term.</p> <p>Board Member Newton responded that the timeline will begin with the vote in November 2015 and the leaders wouldn't be elected until 2016 so it doesn't matter much for this year.</p>	<p>Motion to elect Jim Brass as the 2015 Vice Chair by: Board Member Petersen, seconded by Board Member Newton</p> <p>Vote: All in favor (of Board Members present)</p>	<p>Approved January 26, 2015</p>
4.3. Request from HOA	<p>Board Chair Barbour stated that she drove up and down this particular street in Taylorsville this week and understands their concerns but also that this decision sets a precedent for further situations.</p> <p>Pam stated that this particular road was understood to be private and came to the attention of the developers when the road needed to be repaired. They called the city and when it was looked up they found out that the road is actually public. Taylorsville city contracts with Salt Lake County to do the plowing and road maintenance so that will be taken up by the city now and the question is who will service their garbage collection. The road is currently serviced by ACE and the residents pay \$7 per</p>		

month for only garbage collection services so there is concern from the residents that their fee will increase. By the resolution that grants our organization jurisdiction to provide the services, we are the service provider for the homes that are in the district. There are 38 units that are townhomes joined at a 2 car garage.

Mark Andersen stated that WFWRD has a charter and mandate to service the homes within the designated service area. His concern from a legal standpoint is the precedence the Board would be setting by granting an exception. If you grant this exception, what will you say to the next people who are on a public street who want to contract the service at a lower cost? How do you tell them no? In order to grant this exception, there needs to be a solid distinction respecting this situation compared to other people. If there is not a solid distinction, he thinks this would open the door for any neighborhood to be able to get out of our services.

Board Member Moser asked Pam if there is a solid distinction in this circumstance. Do we service other communities that have a similar look, feel, road width, proximity, residences, double garages, etc? Pam responded that we do service similar neighborhoods. She stated that the distinction does not exist in this case as we service roads that are narrower than this one.

Board Member Bracken stated that it looks like there are 4 residences per building on this road. He asked if we service other areas, like cul-de-sacs where residents have to bring their cans to the center of the circle or in Emigration or Holladay where they have to bring them down a road. Pam responded that yes, there are homes like that serviced in the district. Board Member Bracken asked if we could choose not to service a public road. Are we mandated by statute to service all roads within the district?

Mark responded that not by statute but by charter we are. There is no statute though that states that WFWRD has

to be the service provider.
Board Member Bracken asked if we granted this exception would it make it possible for an entire municipality to withdraw from the district to provide their own services.
Mark responded that is possible currently, if it is an entire municipality.
Pam stated that the proper process for portions of a municipality (such as what Murray City did) would be to de-annex from the district through Salt Lake County.

Board Chair Barbour stated that in the past they haven't received public works services because everyone thought it was private. But now that it is a public street and will be receiving public works through the city contract, she doesn't know how to treat it differently without setting a precedent.

Board Member Newton agrees with Board Chair Barbour. She has driven that particular street on garbage day and it was very congested with the cans out but if we set a precedent we are in trouble. If we already service streets with similar density then that is not a good reason to grant an exception. The HOA factor would open up situations where whole pockets of neighborhoods could pull out from our services which is not good for cities or service levels. The nice thing about the road being serviced by the city now is that residents won't have to pay for snow plows which can offset the cost of the increased garbage collection fee.

Board Member Moser stated that the increased services that WFWRD provides will become evident to the residents as well as time goes by. She understands and appreciates the efforts to keep costs low but hopefully there will be some realized service benefits from switching to public services as well.

Board Member Bracken asked if there are any alternative solutions such as using a regular dumpster that are cheaper options to handle this situation. Lorna

stated that we do that in other areas and according to the resolution we can determine and use the best way for waste collection in particular areas. She thinks that in this case that would not fit the aesthetics of the neighborhood and also there is no room for a regular sized dumpster.

Pam stated that the residents currently store their can in their garage. This situation could be the turning point in providing different sized garbage cans because we are trying to reduce the amount of waste going into the black can. We have looked into the different sizing options that Salt Lake City provides and would like to explore our options. Lorna stated that the different options would have variable rates as well. Board Chair Barbour suggested that this issue be discussed at a future date.

Board Member Brass asked when this was brought to our attention. Pam stated that it was just before Christmas. Is there a chance that they could go back to Taylorsville and request to be a private street and then they would be responsible for the plowing and the road re-builds?

Pam stated that at the meeting with Barry and Dan at the beginning of the year, their intention was not to do that. Board Chair Barbour has not seen anything come across in Taylorsville.

Barry responded that they are not planning on petitioning Taylorsville to make the road private. Safety and logistical issues are the problems they are concerned with.

Board Member Petersen stated that in her neighborhood there are difficult areas to service, but our drivers are experienced and it would just take some adjusting on the side of the residents.

Board Chair Barbour stated that it seems that if a public street is within the District, we should provide service. If the HOA wants to petition the city then they can take on

Motion to maintain services of the road unless the HOA petitions Taylorsville City to become a private road assuming all of their public works services by Board Member Moser, Seconded by Board Member Petersen

Vote: All in favor (of Board Members present)

**Approved
January 26,
2015**

Items

5.1. 2014 4th Quarter and Preliminary Year-End Financial Report

Stuart presented the 2014 4th QTR and preliminary year-end financial report. In general, the 2014 income statement reflects a positive and healthy picture of the District's financial position. WFWRD accrued the unpaid services for Q3 and Q4 for \$1.2 m in accounts receivable. The \$1.2m is not reflected in the cash balance. The \$1.2m outstanding balance will be collected in 2015, if not by August, then by certification on the tax notice. The District is also waiting for a few final numbers for OPEB; the statement reflects accruals. In revenues, we recognized 99.2% of the budgeted revenue. Truck sales were greater than budgeted. Other revenue includes certification fees of \$261k and CNG grant money of \$100k.

Board Member Moser asked if the truck sales were because additional sales value or because we sold additional trucks. Stuart responded that it was a combination of both. There were trucks leftover from 2013 but also we had budgeted between \$84-88k for each truck sale and they ended up being closer to \$90,000 average sales price.

Regarding Personnel and Operating Expenditures we had under-expenditures of \$1,222,284, expending just 93.6% of the budget. The under-expenditures are: \$236,347 of personnel, due to employee turnover and reduction in temp labor, \$101,534 of fuel savings due to lower diesel fuel costs, CNG fuel, and fewer miles driven, \$137,881 of truck maintenance costs due to fewer miles driven, \$591,852 of depreciation due to the shift in truck purchases and the purchase of fewer trucks than budgeted, and \$154,650 of other operating costs.

Overall, the net operations showed a \$1,034,270 gain against a budgeted \$36,049 loss.

Be aware that we have a scheduled audit for March 3-5th and the final 2014 Audit will then be presented to the Board at the March ACB meeting.

Our 2014 Net Capital Expenditures was \$2,765,602 which was \$1,275,933 less than budgeted. WFWRD had a cash balance as of December 31, 2014 in the PTIF and

5.2. Municipal Services District Resolution

Zions Bank of \$14,794,516. He stated that this was a very positive and healthy financial outcome.

Board Member Newton put together a summary for the board to help them understand this resolution. The County will be sending out a letter to the communities to gain support to help educate the cities. As it stands now, the County services the unincorporated areas as their municipal government. She thinks this resolution is great because it is providing some local control to these townships. This community preservation bill is basically going to create a municipal services district for the rest of the unincorporated areas regarding public works. Right now the County Council has members on the board of this district but the hope is that as this bill moves forward that will transition to council members from each township. This bill is trying to get these 6 townships to have more local control. WFWRD is not being included in this new municipal services district. The 6 townships will get the opportunity to vote this year to determine if they would like to incorporate or be a municipal township. A municipal township means that they would elect 5 or 3 council members, depending on their size, to have legitimate representation from their area. One of these people would be the executive assigned to sit on the Municipal services district board that would make the budgetary decisions. Currently the county uses their sales tax revenue for their services. This is what will fund this new municipal services district by basically pooling funds. The benefits of this new district are that they will have more local control concerning planning and zoning approvals without the County Councils final approval and it solidifies their boundaries. Board Member Leary stated that currently they have their own planning commissions but they have to be given final approval by the County Council. The Mayor and the County Council is very in favor of this new resolution. One of the problems in the unincorporated areas right now is that the County has

not been investing in infrastructure due to the fear of annexations and incorporations. Their boundaries would now become secure and strengthen the unincorporated areas.

Board Member Moser asked about how the resolution will affect the pockets. The County Council will look at the annexation master plans and then make the final decision about how those will be divided up.

Board Member Bracken asked if the new local township would have the authority the move boundaries. Board Member Newton stated that the municipal services district would have the authority to do that. The County Mayor will be sitting as the Executive with Board Member Leary as the City Manager but then you have a legislative branch that lives in those actual areas.

Board Chair Barbour stated that there is a bill and they are planning on it passing this year.

Board Member Moser stated that the takeaway from this discussion is that WFWRD will not be affected except by a possible addition of board members in future years. Board Member Newton stated that another way that it could affect WFWRD negatively would be if it didn't pass, and a portion becomes a part of another city, WFWRD could lose a service area.

Board Member Leary stated that whether an incorporation or annexation is going to occur, they would have to petition the Administrative Control Board similar to what happened with Murray.

Mark Andersen stated that WFWRD is a special service district governed by Title 17D Chapter 1 of the Utah Code. Local districts are governed by title 17B of the Utah Code. As a special service district, WFWRD is always under ultimate control of Salt Lake County. The withdrawal proceedings we are speaking of would actually go through Salt Lake County Council not the ACB.

<p>5.3. Review District HR Policies</p>	<p>Gaylyn Larsen stated that as a special service district we have rules under the Utah code that state that we must bring our personnel policies to the ACB for approval once a year. We have not changed any policies this year but feel we are meeting state and federal law. The current copy of the Policy Manual was sent out to the board before the meeting. We ask the board to adopt the current personnel policy for 2015.</p> <p>Mark Andersen stated that the law requires that personal policies be reviewed every year, but no further action is required.</p>		
<p>5.4. Price Structure/Strategy</p>	<p>Pam stated that in the meeting in December we were talking about our fees, Board Member Bradley asked what our pricing structure was. She had answered that we don't currently have one so she is looking for further direction from the board of what they would like to see. Board Member Moser recalls that we were trying to figure out if we recover all of our costs for services and if not, if we were to recover all costs, how much would fees have to increase.</p> <p>Board Chair Barbour suggested that Pam speak with Board Member Bradley and then bring it to the next meeting.</p>		
<p>5.5. WFWRD Facebook Page</p>	<p>Whitney Mecham, Board Clerk, announced that WFWRD now has a Facebook page and there is a link on our website. Board Member Moser suggested customizing the URL. Board Chair Petersen asked if we could include it on the bills as well as the city emails.</p> <p>Board Chair Petersen gave a shout out to Pam for coming to the Holladay town meeting when they annexed an area. She mentioned how great it is to have her attend town hall meetings and how Holladay received great feedback from the residents.</p>		

	Board Member Granato stated that is was a pleasure to be on this Board. Board Chair Barbour thanked him for his service.		
4. Requested Items for Next Meeting on Monday, February 23, 2015			
	<ul style="list-style-type: none"> • Conflict of Interest Disclosures Approvals • BCC discussion- respond to the comments in this meeting • 2014 Performance Accomplishments 		
ADJOURN		Motion to adjourn: Board Member Granato, seconded by Board Member Newton Vote: All in favor (of Board Members present)	Approved January 26, 2015