

BOARD OF TRUSTEES – WASATCH FRONT WASTE AND RECYCLING DISTRICT (WFWRD)
MONTHLY MEETING MINUTES

DATE/TIME	LOCATION	ATTENDEES
<p>Monday, September 26, 2022 9:00 a.m.</p> <p>Next Board Meeting Monday, October 24, 2022 9:00 a.m.</p>	<p>Public Works Building 604 West 6960 South Midvale, UT 84047</p>	<p><u>Board Members:</u> Sherrie Ohrn (Chair) - Herriman, Daniel Gibbons (Vice Chair) - Holladay, Anna Barbieri - Taylorsville, Scott Bracken - Cottonwood Heights, Scott Little - White City, Diane Turner - Murray, Keith Zuspan - Brighton, Robert Piñon - Emigration</p> <p><u>Participating Electronically:</u> Cyndi Sharkey - Sandy, Patrick Schaeffer - Kearns, Tessa Stitzer - Copperton, Thom DeSirant – Millcreek (<i>arrived at 9:54 a.m.</i>), Laurie Stringham - Salt Lake County</p> <p><u>Excused:</u> Eric Barney - Magna</p> <p><u>District & Support Staff:</u> Pam Roberts, General Manager Rachel Anderson, Legal Counsel Melissa Kotter, Compensation Consultant Renee Plant, Administrative Manager Paul Korth, Finance Director Ashely Ashton, Human Resources Manager Matt Ferguson, Controller/Treasurer Catarina Garcia, Executive Assistant/Board Clerk Dustin Bradshaw, Residential Refuse/Special Services Collections Manager Sione Tuione, Residential Recycling Collection & Sustainability Manager Michael Burdette, HR/Payroll Specialistf Yael Johnson, Customer Service Manager (<i>arrived during Item 3.1.</i>)</p> <p><u>Public:</u> Patrick Craig - Salt Lake County, Justun Edwards - Herriman, Jennifer Kennedy - Murray, John Ioannou - Salt Lake County</p>

AGENDA

Call to Order: Sherrie Ohrn, Board Chair
Roll Call: Catarina Garcia, Board Clerk

1. **Consent Items: (Approval Requested)**

1.1. August 22, 2022, Board Meeting Minutes

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

Public wishing to submit a comment to the Board of Trustees can do so by submitting their comment to the Board Clerk at CGarcia@wasatchfrontwaste.org before Monday, September 26th, 8:00 a.m. All comments must include the name and address of the individual making the comment. These comments will be read at the meeting as if the individual were present. Public comments can also be made in person or via Webex during this time.

3. **Business Items:**

3.1. Request for Two (2) Additional Full Time Equivalent Employees (FTEs) to be Hired in 2022, for Safety/Emergency and Data Specialist and Program Support, Pam Roberts, General Manager, Paul Korth, Finance Director, and Renee Plant, Administrative Manager (Approval Requested)

3.2. General Manager's Report, Pam Roberts (Information/Direction Requested)

- Follow-up: Review of Cost Savings/Reductions Since the Last Fee Increase (2018)
- Seasonal Container Reservation Program (SCRP) Review and Recommendations

3.3. Review of Salary Market Analysis and Recommendations as Part of the 2023 Budget, Melissa Kotter, Compensation Consultant, Pam Roberts, and Paul Korth (Information/Direction Requested) (Separate Attachment)

3.4. 2023 Proposed Budget and Fee Schedule, Pam Roberts, and Paul Korth, (Direction Requested)

4. **Closed Session (If needed)**

The Board of Trustees may temporarily recess the meeting to convene in a closed session to discuss the character, professional competence, or physical or mental health of an individual, pending, or reasonable imminent litigation, and the purchase, exchange, or lease of real property, as provided by Utah Code Annotated §52-4-205

5. **Other Board Business**

This time is set aside to allow board members to share and discuss topics.

6. **Requested Items for the Next Board Meeting, on Monday, October 24, 2022, at 9:00 a.m.**

- 2022 3rd Quarter Financial Report
- Tentative Adoption of the 2023 Tentative Budget and Fee Schedule
- Confirm the Date and Time for the Public Hearing to Allow Public Comment on the 2023 Budget and Fee Schedule. Currently scheduled on Monday, November 14th at 6:00 p.m.
- General Manager's Report

TOPICS/ OBJECTIVES	KEY POINTS/ DECISIONS	ACTION ITEMS WHO – WHAT – BY WHEN	STATUS
Call to Order / Roll Call			
	<p>Board Chair Ohrn called the meeting to order at 9:00 a.m. and Catarina Garcia began a roll call of the Members in attendance. Audio difficulties were encountered, resolved, and the roll call was completed.</p> <p>Board Chair Ohrn requested that when speaking, participants state their Name and Municipality for the Board Clerk minutes and recording, especially when making a motion or second.</p>		
1. Consent Items			
1.1. August 22, 2022, Board Meeting Minutes (Approval Requested)	Board Member Little reported that he only abstained on the vote approving the June 27, 2022 Minutes. He voted in favor on all other items. Catarina will make the necessary corrections for distribution.	<p>Motion to Approve: Board Member Gibbons</p> <p>Seconded by: Board Member Little</p> <p>Vote: All in favor (no opposing or abstaining votes)</p>	Approved September 26, 2022
2. Meeting Open for Public Comments (Comments are limited to 3 minutes)			
	No members of the public were logged in for comment.		

3. Business Items

3.1. Request for Two (2) Additional Full Time Equivalent Employees (FTEs) to be Hired in 2022, Pam Roberts, General Manager, Paul Korth, Finance Director, and Renee Plant, Administrative Manager
(Approval Requested)

Pam began by reviewing the request for one Administrative and one Operations Support position with recruitment in October 2022 and hire prior to year-end, if approved. She noted that increased costs in this year will be absorbed with under-expenditures.

WFWRD currently employs 94 FTEs including 10 Administrative Positions, which is 10.6% of current employees as follows:

- General Manager/CEO: in place before separation from Salt Lake County in 2013.
- Finance Director/CFO: in place before separation from Salt Lake County in 2013.
- Controller/Treasure: added October 2012 for the new organization. All financial management is done in-house, and WFWRD moved to quarterly billing in 2014 to reduce printing and mailing costs.
- HR Manager: added October 2012 for the new organization. All HR management is done in-house.
- Executive Assistant/Board Clerk/Records Officer: existing.
- Accounting Technician for Accounts Receivable and Accounts Payable: existing.
- Accounting Technician for Payroll: existing, transitioned from part to full-time.
- Customer Account Coordinator: added in 2014 for the new Admin Function-Residential Billing for 86,000 homes.

Motion to Approve:
Board Member Barbieri
Seconded by:
Board Member Turner

Vote: All in favor (no opposing or abstaining votes)

**Approved
September 26,
2022**

	<ul style="list-style-type: none"> • Administrative Manager: added in June 2021 to assist with internal services, contracts/procurement, private road accounts, information services, project management, etc. • HR/Payroll Specialist: added in June 2021 to assist with internal controls, HR, and payroll processes. <p>She then invited Ashely Ashton to present the Safety and Emergency Preparedness Coordinator position. Ashely explained that after much review, WFWRD Staff has determined that a full-time position is required for many reasons, including:</p> <ul style="list-style-type: none"> • Ensures compliance with laws and regulations related to OSHA, FEMA, Health Department requirements, CDL, Federal Motor Carrier's Safety Administration (FMCSA), CERT, First Aid, Fire safety and industry best practices. • Allowing more time allocated to develop safety training materials to ensure prevention of workplace injuries and illnesses. • Full Time hours allow this position to be available <i>at any time</i> an accident or injury occurs to assist in investigations, reporting and tracking processes. Identify root causes of incidents and accidents to prevent future losses. • Enable more time for Operations leaders to spend with front-line employees for on-the-spot coaching and interactions: <ul style="list-style-type: none"> - Estimated Operations Manager's time spent due to the current vacancy of part-time position: 30 hours per month, \$50.36 per hour at mid-point = \$1,510.80 per month/\$9,064.80 for the past six months. 		
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	<ul style="list-style-type: none"> - Note that this is only for the critical tasks and trainings, covering what we can with limited staffing. • Preparing before an emergency incident, plays a vital role to ensure employers and workers have the necessary equipment, know where to go, and how to keep themselves safe in case of an emergency. <p>Pam explained that these responsibilities have fallen under her and David Ika, Operations Manager, and they want to transfer their knowledge and experience on to a full-time coordinator. David is currently conducting Safety Stand Downs once per month to review accidents/incidents for the prior month, certifications, weekly Tailgate Trainings, etc.</p> <p>She also spoke with Ryan Hatch, Membership Development Manager with the Utah Local Governments Trust, who created a hypothetical comparison based on other organizations that utilize a full-time, designated safety officer.</p> <p>Ryan Hatch reported that there were more losses in all organizations in 2020, but fewer losses in organizations with a dedicated, full-time safety officer. NOTE: WFWRD workers compensation insurance premiums increased 61% in 2022.</p> <p>Pam continued that recruiting for this position has been very difficult with it being a part-time position.</p> <p>Ryan Hatch's hypothetical analysis confirmed we could have saved an estimated \$57,000 on insurance premiums.</p>		
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	<p>Board Member Barbieri inquired about the increased incidents/accidents in 2020 that drove up Worker's Comp. Pam responded that slips, trips, falls, shoulders, and knee injuries topped the list. Slips, trips, and falls are historically the largest claims with Worker's Comp.</p> <p>Pam invited Paul to report on the Cost Analysis for 2022 and 2023 highlighting the previous position and proposed position hours worked, wages, estimated annual wages, estimated annual benefits (using family coverage rates to err on the side of being conservative), and the sum thereof.</p> <p>Paul and Pam reiterated that increased costs in 2022 will be absorbed with under-expenditures in 2022. WFWRD requests to begin recruitment in October if approved by the Board.</p> <p>With no other questions, Pam moved on to the Data and Program Support Specialist position. She explained this person would report to Renee Plant. We have noticed a big gap in our information systems. Even for this report we scrambled to gather information from multiple Managers and sources.</p> <p>She then invited Renee to present the position. Renee explained this person would help us gather analytics to help us centralize our reporting systems and provide a continuous update through a Management Information System (MIS) portal. After much review, WFWRD Staff has determined that a full-time, expanded position would be beneficial for many reasons, including:</p>		
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	<ul style="list-style-type: none"> •Streamline information and data into a centralized location, a structured and organized format for easy understanding and access • An agreed upon “Certification” process to ensure that the information and data available has been reviewed and approved by the correct leaders for distribution • Enable a “work ticket process” so that any changes, additions, or deletions go through the proper change-management process for review, communication, and approval. This will also benefit the Records Management allowing complete transparency telling the story of from where information was pulled, who approved, the status, etc. • Enable more time for Operations leaders to spend with front-line employees for on-the-spot management, coaching and interactions, and safety/risk management, to name a few <p>She shared a summary of four current Manager’s midpoint per hour rate, average hours per day spent on updating data, cost per day, and cost per year.</p> <p>Board Member Bracken inquired about using an <i>average</i> cost per day (\$71.07) and <i>average</i> cost per year (\$16,275.46) vs. a <i>sum</i> cost per day (\$288.55), and <i>sum</i> cost per year (\$66,077.95) that is spent by other employees performing these tasks.</p> <p>Renee responded that she stayed with averages as these employees may spend three hours a few days per week, and zero hours the other days. She and Pam thanked him for pointing that out.</p>		
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	<p>Pam invited Paul to report on the Cost Analysis for 2022 and 2023 highlighting the current part-time position and proposed position hours worked, midpoint wages (depending on qualifications and experience), estimated annual wages, estimated annual benefits (using family coverage rates to err on the side of being conservative), and the sum thereof.</p> <p>Board Member Bracken inquired if the estimated hours are in addition to the current part-time person's hours. Pam replied yes, the person is mainly focused on SCRP.</p> <p>Paul reiterated that WFWRD requests to begin recruitment in October if approved by the Board.</p> <p>Pam noted the estimated total combined amount for these positions in 2022 is \$32,524.</p> <p>With no further questions, Pam moved on to the Proposed 2022 Pay Plan with these two positions included. One of the key things we constantly hear from employees is that there is not a lot of career advancement opportunities. These positions will allow any employee to apply and interview. While Staff understands the added liability, they also understand the major asset and support to the District.</p> <p>Board Member Little commented that Managers and Supervisors will still be involved as data still has to be gathered from each department. He feels this position seems more of an accounting clerk type role that is often done on a contract basis and asked if WFWRD has explored that option.</p>		
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	<p>Renee agreed that yes, Managers and Supervisors will still be involved, however, the data will be entered by the Data Specialist.</p> <p>Pam added that we have tried using contract employees for other positions (GIS Route Coordinator) without success. The disconnect is too great. There are only 10 Administrative positions, all other staff are out delivering services and this position will support the entire organization.</p> <p>Board Member Little reiterated his view on this being a bookkeeper/accounting role, and questions if the person needs to be physically on-site. If done under contract, it reduces the need for benefits and career advancement. While not as familiar with the organization as others present, he feels there are very few people currently on staff that may have the specialized skills and training, like hiring an in-house attorney vs. contracting with an attorney. He does not see this as necessary position and not the best use of personnel and welcomed more explanation.</p> <p>Pam shared a scenario of advancement could be an equipment operator going to school utilizing WFWRD's Tuition Reimbursement Program. Many drivers don't want to be out on the truck for their entire career. It is labor-intensive and hard on the body. Also, some data entry is being done now by Customer Service Representatives.</p>		
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	<p>This person will assist with data gathering, analysis and report generation. Contracted employees have not worked out for WFWRD. We need someone who is here, invested, and dedicated to WFWRD's future. She reiterated Staff completely understands the liability and are completely confident the benefit will outweigh it.</p> <p>Board Member Barbieri asked where all the data is coming from now. Renee replied with collection centers. Paul added that Salt Lake County Fleet Services provides fuel, maintenance, and mileage data. Renee included the current call systems that provide data on customer interactions such as chats and emails.</p> <p>Pam commented that we have delayed responses when we cannot get timely data. WFWRD has expanded without adding Administrative personnel, which are needed to provide more efficient and accurate reporting to assist with timely responses.</p> <p>Paul noted that these positions will also allow for better decision-making. For example, monthly tonnage reports. It can be difficult to hold employees responsible for occurrences from six weeks ago.</p> <p>Board Member Barbieri asked if one centralized person is gathering data currently. Renee responded no. Andy King, Asset Manager, David Ika, Operations Manager, and Dan Burke, GIS Route Coordinator are among many that are currently gathering data. The Finance Team recently discovered discrepancies in two different tonnage reports.</p>		
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	<p>Board Member Barbieri then asked if these positions would help hold vendors responsible with costs and tighten up cost savings in the long run. Pam and Renee enthusiastically answered yes. Paul added that the sooner we get accurate data, the more valuable it becomes and reiterated the improved decision-making aspect.</p> <p>Board Member Zuspan commented that if these Manager and Supervisor workloads currently estimated at \$66,000 annually were reduced by 50%, the cost is \$33,000. If added to the current position at \$35,000, it totals \$78,000. A full-time with benefits position only costs an additional \$5,000 per year.</p> <p>Board Chair Ohrn added that the potential cost savings is well over \$5,000 and reduces the disconnect with Operations and Finance reporting, data is no good if it's not used.</p> <p>Board Member Little reiterated his feeling the pay rate is closer to a bookkeeper and asked if it would require more skills in data analytics and the wage would need to be raised.</p> <p>Pam responded the person would do data entry and compilation. Renee would do the management-level tasks/reporting. Renee added this employee would assist her and receive coaching.</p> <p>Board Member Little asked if once trained, would the data entry position need to be reclassified to retain. Pam responded that the future is unknown and that may need to happen.</p>		
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	<p>Board Chair Ohrn added that WFWRD is currently paying multiple Managers and Supervisors to do data entry.</p> <p>Board Vice Chair Gibbons commented that there has not been much discussion on the safety position, likely because it's pretty much a slam dunk and yes, we are the stewards of public funds. He is convinced through his own study and participation at the Pre-Board Meeting, and we already have a part-time position. The purpose is to streamline information to the nth degree. As an attorney he spends half his legal day doing contract work and is not involved in company's day-to-day operations. This employee would be an integral part of WFWRD. He is not convinced this is amenable to a contract position, is in favor of both positions and it's better to pay a little higher wage for a full-time employee to integrate data entry and generate useful reports day-to-day. He is convinced.</p> <p>Board Member Sharky shared her appreciation for all the conversations, touching every edge how to save money, and the efficiency of the analyses. Sandy City often contracts project-based work, and often people are not available during their work hours. Every day WFWRD Managers are updating data, and every day we need new, good data to act upon. She appreciates WFWFD's looking very deeply and providing their findings. Considering the value of the data we need, and the need to have it constantly updated, she too supports both positions the justifications presented, and thanked WFWRD staff.</p>		
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	<p>Board Vice Chair Gibbons added an important point that contract staff require more supervision and would be counter-productive for Renee’s team.</p> <p>Board Member Turner commented that with WFWRD’s anticipated growth, she too feels these positions would be beneficial.</p> <p>Board Member Bracken asked if these positions are included in the proposed 2023 budget, Pam responded yes.</p> <p>Pam then requested that in the interest of time and attendance of Melissa Kotter, Compensation Consultant, the Board move to Item 3.3. and return to Item 3.2. Board Chair Ohrn approved this change to the meeting.</p>		
<p>3.3. Review of Salary Market Analysis and Recommendations as Part of the 2023 Budget, Melissa Kotter, Compensation Consultant, Pam Roberts, and Paul Korth (Information/Direction Requested) <i>(Separate Attachment)</i></p>	<p>Melissa Kotter began by explaining she has been working on the Salary Market Analysis and Recommendations since Board approval in June 2022 and completed in September 2022. The last analysis was in 2019 for plan year 2020. The market has gone out of control, especially with skilled labor.</p> <p>She had in-depth conversations at the Pre-Board Meeting and last Friday with Board Member Barney (<i>excused today</i>) and is confident due diligence is complete.</p> <p>The purpose is to analyze WFWRD’s positions with market data to support recruitment and retention efforts within a tight labor market experiencing low unemployment and high inflation. Also, to ensure job descriptions are accurate and correct.</p>		

	<p>Employers are willing to pay top dollar, therefore, the compression management matrix was also adjusted to allow for all experience and education.</p> <p>Board Chair Ohrn clarified that education and experience are verified. Melissa validated this and added that transcripts were brought in, CDL verifications, and reference checks. This process is followed not only for recruitment, but it was also applied for existing employees to show them they are valued.</p> <p>Melissa reviewed the third-party survey salary sources selected and the market scopes used in the market analysis process that include private, non-profit, and public sector job positions.</p> <p>She explained her niche is primarily the public sector and the data is not uncommon of data purchased by other public sector employers. It's been discovered that most people are only looking for a paycheck and don't care about the golden ticket in 30-35 years.</p> <p>Job Matching: Melissa explained that third-party survey summaries are very broad. Matching decisions are based on job content rather than on job title.</p> <p>Aging Calculations: Third-party salary survey sources are conducted at different times of the year, resulting in current data for different dates. Therefore, an aging calculation is used to adjust the data to a specific date allowing an apples-to-apples comparison. This is the same methodology used in 2019 for the analysis as part of the 2020 salary adjustments.</p>		
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	<p>Utah saw a statewide increase of 4.5% January 01, 2022. Melissa used a 5 percent (5%) aging calculation to age the market data to January 01, 2023. The calculation is based on combining a 3 percent (3%) COLA (Cost of Living Adjustment) and a 2 percent (2%) merit increase.</p> <p>January 01 we are at market, but by the municipality's fiscal year of July 01, WFWRD becomes below market. We are hopeful the extra half percent will allow us to remain competitive with municipalities begin their budget talks for the fiscal year.</p> <p>Pam noted the 2022 increase of 4% included 2% merit and 2% COLA. Melissa added that from her analysis, that wasn't even enough to keep up.</p> <p>Melissa moved on to the Market Reference Point (MRP) and Pay Range Calculations which include the number of companies and number of incumbents. Using compensation consultant best practices, she always pulls median data, which is the true mid-point of the market, nor does she value one survey over another, allowing for a true average.</p> <p>The overall weighted average salary is \$52,000 which keeps WFWRD competitive in the Utah market. We are also competing with contractors and construction companies who want employees as well. Keeping true to the 40% spread used by WFWRD, the mid-point is \$25.02 per hour. Because of the compression matrix we know it is nearly impossible to hire at minimum (\$20.85 per hour).</p>		
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	<p>The Board previously approved starting the equipment operator position at the 25th percentile which for 2023 is recommended at \$22.94 per hour. This process was done for every single position.</p> <p>Melissa moved on to Market Data Analysis by Position Summary, the nuts and bolts of the work done over the last few months. The 2022 mid-point, current calculated hourly MRP and percentage difference. Even with all the changes, we are still 7% below market. She used an aging of 3% COLA and 2% merit to treat all positions fairly.</p> <p>She then pointed out the elephant in the room, the Quality Assurance Technician. The proposed 20% market adjustment seems very high, however, this position is unique. The public outreach aspect of notifying the public of recycling, is the face of WFWRD, inspects carts and bins, etc., like other industry's landfill and wastewater inspectors. In 2019 we were not getting great data to support the matches, however, more data was reported for 2023 allowing us to make this recommendation.</p> <p>Board Member Bracken commented that the numbers are not actual, rather table-to-table. Melissa responded yes, it is by position, not employee. He then asked if the budget proposal includes these numbers.</p> <p>Pam responded yes to his question if the proposed budget increase was actual payroll and noted that WFWRD was understaffed at the time of analysis with 85 FTEs and vacancies in driver positions, HR/Payroll, and customer service.</p>		
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	<p>Board Vice Chair Gibbons commented that we are simply proposing an organization-wide methodology rationale to ensure we are market savvy and able to staff for the long-term. These are not geared to a specific individual and will hopefully outlive any of us.</p> <p>With no other questions or comments, Melissa continued to the Proposed 2023 Pay Plan. She explained the minimum to maximum 40% spread. Based on Board approval, a 5% reduction was calculated for temporary and seasonal employees to encourage them to apply for full-time merit positions, allowing for a 5% increase.</p> <p>She noted the cost analysis is only active employees not future projections, Paul is amazing at that analysis.</p> <p>Turnover occurred as of August 14th so real-time data of 85 active employees was used for the cost analysis.</p> <p>Even with merit adjustments, only two employees fell below their range, none above their range, lending proof the Board-adopted compression management matrix allows employees to hit 100% of their range.</p> <p>For positions that start at less than year one, it takes roughly 20 years to get to 100%. For positions that start at the 25th percentile, it takes roughly 15 years to hit 100%.</p>		
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	<ul style="list-style-type: none"> • (82) of (85) employees were below their assigned range percentage. • (3) employees were on or above their assigned range percentage, meaning they possibly came in with more experience. <p>Board Member Bracken asked if these three are above the maximum, Melissa responded no, just above where we would have placed them in the matrix.</p> <p>She continued:</p> <ul style="list-style-type: none"> • (4) employees have less than a 3 percent (3%) pay increase. • (21) employees are placed at the maximum of their pay range and are eligible for the 2023 Performance Incentive Pay. • (2) employees are placed at the 95th percentile of their pay range and will be eligible for a pro-rated portion of the 2023 Performance Incentive Pay. <p>Cost Analysis Recommendations: Maintain a 2% merit pay and increasing the Performance Incentive Pay from \$1,500 to \$2,000 for nonsupervisory employees and \$2,000 to \$2,500 for supervisory employees. The performance pay incentive is for performing employees at their maximum pay, to show they are valued, until another COLA adjustment is proposed and approved.</p> <p>Pam asked Melissa to speak on overtime. She explained that the numbers are rounded up to compensate for overtime.</p>		
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	<p>Board Member Little inquired if this is a one-time bonus and doesn't add to the annual pay. Melissa responded that it is incentive pay, not a bonus, to continue to show up and perform even though they are topped out.</p> <p>Proposed 2023 Pay Plan Cost Analysis:</p> <p>Pay Adjustment(s) Total Annual Cost</p> <ul style="list-style-type: none"> • Pay Range and Compression Placement Pay Adjustments \$369,813.18 • Below 3% COLA Pay Adjustments \$6,303.50 • Pay Equity Pay Adjustments \$4,742.40 • 2023 Performance Incentive Pay \$44,000.00 • 2023 Potential 2% Merit Pay \$80,686.22 <p>Pay adjustments were calculated from WFWRD's 85 active appointed and merit employees' pay as of 08/14/22.</p> <p>The total pay adjustment cost is \$505,545.30. This does not include employer-required taxes and benefit costs. That's where Paul comes into play being the expert.</p> <p>The recommendation is that WFWRD implement the proposed Pay Plan and approve employee pay adjustments. By doing so, WFWRD will be more competitive in recruiting, motivating, and retaining employees in a tight labor market experiencing low employment and high inflation.</p> <p>Melissa is confident the total pay adjustment cost will take WFWRD to market levels starting out in 2023. However, she doesn't have a crystal ball and things can continue to rise with salaries.</p>		
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	<p>One scenario we discussed for July 2023, was to change equipment operators from 15 years to 10 years to meet the maximum of their pay range, and the cost not including benefits or taxes. This would have been an additional \$200,000, and Melissa does not feel like we need to do that right now.</p> <p>We all know what happened in 2022, some employers increased pay 6%, some in Davis County were as high as 12%. Like a game of cat and mouse. We are still trying to stay competitive and not inflate these numbers. She's confident right now, but we don't know mid-year next year. WFWRD's turnover rate starts to rise in June through August mainly with equipment operators due to municipalities adjusting mid-calendar year.</p> <p>Board Member Bracken noted that equipment operators are 72% of our workforce and understands the perception there is not room for advancement. He asked if the incentive pay is on the hire date. Paul confirmed it is projected, not a full annualized amount.</p> <p>Board Member Bracken then asked of the \$369,813.18, is the \$92,000 the two new positions. Melissa replied no, this is all current employees, however, Paul's totals include them. Paul added his totals include vacant and temporary positions as well.</p>		
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	<p>Board Vice Chair Gibbons shared that while we may swallow hard at this proposal, he is convinced we will see cascading negative consequences if we don't keep up with the market. WFWRD has a lean, small staff. To lose key employees to where the grass is greener would be very negative for the organization and difficult to recover from. It's important we stay within the market and that's exactly what Melissa's work is proposing and he is in support of it.</p> <p>Board Chair Ohrn echoed this and added it is awesome the analysis is by position and not employee. We need to stay competitive to keep qualified people, or to recruit qualified people if employees leave. She then asked for other questions or concerns.</p> <p>Board Member Little commented that it is has been hard to attract employees over the last year or so and a lot of economists are indicating over the next several years there may be enough shrinkage in available jobs that a lot of people will be looking for jobs.</p> <p>Melissa agreed that is why she is an advocate for third-party surveys. They know the heartbeat of the market. All indicators project 2023 at a 4.1% increase. In 2022 the national increase was 4%. She stated that she feels confident with the proposals. We will know better in the fall of 2023 what will happen in 2024. In our industry and growth of the Salt Lake Valley, she doesn't see WFWRD struggling.</p>		
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	<p>Board Chair Ohrn commented that since she has been on the Board, the District has always struggled to keep full-time equipment operators.</p> <p>Board Member Bracken added that it's been more difficult the last four to six years and we started to run people ragged.</p> <p>Board Chair Ohrn commented on the growth in the Salt Lake Valley and there is no slowing showing in the economic outlook.</p> <p>Board Member Bracken asked if there are actual retraction or decreases proposed. For instance, in the past Cottonwood Heights suggested a -.5% pay cut. It was decided to keep everyone flat.</p> <p>Board Member Little added that once a wage is increased, it should not be lowered, or we'll lose a lot of employees.</p> <p>Board Vice Chair Gibbons noted in a net scenario, you are the most desirable employer and have more choice of great candidates.</p> <p>Board Member Bracken pointed out it is easy to determine monthly, although they keep adding more people in Herriman, but the half million dollars is \$.50 on the monthly bill per household in the District. The fee increase will help to maintain services.</p>		
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	<p>Board Member Piñon added to keep in mind that with inflation at 11% and wages in the private sector increases are 7-11%. This request is not outside of the norm. These are numbers that have to be met. He continued that all points presented are valid and very reasonable and thanked WFWRD Staff for keeping their finger on the pulse.</p> <p>Board Chair Ohrn thanked WFWRD and Melissa for the valuable analysis and she has used this example many times in different Boards. This strategy is key to keeping good employees, staying competitive, and being good stewards of public funds.</p> <p>With no other questions or comments, Pam returned to Item 3.2. General Manager's Report.</p>		
3.2. General Manager's Report, Pam Roberts (Information/Direction Requested)	<p>Pam began by explaining the Board requested she went back to summarize cost saving initiatives undertaken by WFWRD. She went back to 2018, only going all the way back on WFWRD's transition from diesel to CNG for financial and environmental stewardship.</p> <p>1. Follow-up: Review of Cost Savings/Reductions Since the Last Fee Increase (2018).</p> <p>A. Most Recent – the Use of Technologies to Improve Efficiencies and Customer Service:</p> <ol style="list-style-type: none"> 1. July 2022 - 2023 Implementation of Tablets (iPads) for real-time maps and routes to capture changes rather than delayed communications. <ul style="list-style-type: none"> ○ Invested \$16,844.00 to purchase 17 iPads. \$40.00 per month unlimited data all units. (\$680 annual on-going costs) ○ Projected Savings for 2022: \$23,305.00 for reduce “Go-backs” for missed pick- 		

	<p>ups. Pam added this is the low-hanging fruit, and just saying the word “Go-back” equals dollars and cents. Estimated Savings for 2023: \$32,407.00. Based on the average cost per mile of \$11.49 (driver wages, fuel, and maintenance), and a historical average of 2,700 misses per year.</p> <p>2. 2020, Installed Dash Cameras on all Trucks (76) \$3,336 monthly/\$40,036 annually.</p> <p>Pam shared one example of many occurred this year when a driver in a pickup truck ran a red light while crossing Mountain View and hit the front driver’s side of one of our front load trucks. Our truck was traveling 52 mph.</p> <p>Both drivers are injured, the other truck is totaled and there were significant damages to our front load truck.</p> <p>The other driver of the pickup files a claim stating that the accident is our fault. The video footage from the dash camera shows that the other driver ran the red light, and that we are not at-fault. This saves hundreds of thousands of dollars in litigation costs, worker’s comp, tort claims, repair costs, avoids increases to our premiums, and false claims.</p> <p>3. 2018, WFWRD had GPS Installed on all 72 Trucks \$1,142.25 monthly / \$13,707 annually, no purchase cost for the units. These allow for better routing to improve efficiencies and assists with driver accountability for customer service and to save miles.</p>		
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	<ul style="list-style-type: none"> ○ This is especially beneficial for deviated routes such as Curbside Green Waste and SCRP container delivery and pick-up. ○ Every mile reduced equates to \$11.49 saved (driver wages, fuel, and maintenance). <i>Annual savings information is pending.</i> <p>B. Operational Efficiencies:</p> <p>1) Diversifying the locations to deliver Municipal Solid Waste (MSW). Sometimes it's more cost effective to take waste directly to the Landfill instead of the Transfer Station.</p> <ul style="list-style-type: none"> ● MSW: 2019, Tiered Pricing started at the SL Valley Landfill and delivered over 20,001 tons of MSW from Magna and Kearns at a discounted rate of \$27.00 per ton versus \$33.00 at the transfer station saving \$120,300.00 and in 2020. 2021, the transfer station raised their fees to \$34.00 per ton. We saved \$143, 500.00 delivering over 20,000 tons and again in 2022. Projected savings in 2023 with the fee increase at the transfer to \$35.00 per ton: \$160,000.00. ● 2019, began negotiations to amend the Interlocal Agreement with SL County to allow a reduction in the commitment to deliver MSW to the Salt Lake County facilities. ● 2019, tested Ace's Transfer station located off California Avenue and I-215 to deliver eight (8) MSW routes in Taylorsville to show a cost reduction that would benefit residents in the long run. ● 2021, with the Amendment approved, we delivered 2,032 tons to Ace at a lower price per ton and closer proximity to Taylorsville's routes. \$31.00 versus \$34.00. \$6,096.00 saved. So far in 2022 with the fee increase at Ace we 		
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	<p>have saved roughly the same. We will adjust if needed based upon their fees.</p> <ul style="list-style-type: none"> • Green Waste: 2018, began delivering bulky green waste (green trailers and Christmas Trees) to Diamond Tree located at 500 West 3300 South. \$25.00 per load regardless of weight versus \$17.00 per ton. Closer location by proximity than the landfill for the majority of trailer and other bulky green collections. Estimated annual saving based upon an average of an estimated 1,500 tons/650 trailer/rear loader loads are roughly \$9,250.00. • Recycling: Two different vendors for recycling delivery based upon price and proximity of residential and front load routes. Most of the recycling we collect is delivered to Rocky Mountain Recycling Services on 900 West 3110 South. We dedicate recycling from Magna and Kearns to be delivered to Waste Management located at 3405 West 900 South on Mondays. Taylorsville's routes are delivered on Thursdays pending the price. Otherwise, they would go to Rocky Mountain Recycling Services. <p>2) 2019, started utilizing an on-site transfer station in parks with the use of rear loaders for SCRP containers to save miles traveling to and from the transfer/landfill. An average of \$86,333.33 saved for three years.</p> <p>Board Member Bracken asked if WFWRD utilizes hook lift trucks for this and Pam responded that the trailers empty directly into a rear loader so there is one big load, rather than 10 small loads.</p>		
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	<p>C. Fall 2012, started shifting from Diesel to Compressed Natural Gas (CNG) fuel for Environmental and Financial Stewardship:</p> <ol style="list-style-type: none"> 1. Tax Credits Received for Using CNG: \$470,666.54 2. CNG Versus Diesel Price Difference Since 2013 & YTD 2022: \$4,124,222.01 <p>Estimated savings for 2023: Over \$1,000,000 by using CNG versus diesel based upon the projected \$4.00 for diesel and \$2.00 for CNG, purchasing 500,000+ gallons of fuel annually.</p> <p>WFWRD was able to sell two CNG trucks for \$60,000 each, which is minimal considering the \$320,000 purchase price.</p> <p>2. Follow-up on SCRP and Proposal for 2023. In the interest of time, Pam will cover this in section 3.4. 2023 Proposed Budget and Fee Schedule.</p>		
<p>3.4. 2023 Proposed Budget and Fee Schedule, Pam Roberts, and Paul Korth (Direction Requested)</p>	<p>Pam began her report by highlighting Staff's priorities that we have been walking the Board through the last few meetings.</p> <ol style="list-style-type: none"> 1. Manage the increasing costs associated with rapidly rising labor markets, retaining employees, fuel prices, maintenance shop rates and increased processing fees for waste and recycling. <p>\$2.50 per home per month fee increase is proposed, from \$17.00 to \$19.50. Town of Brighton/Big Cottonwood for central collections: \$1.25, from \$14.75 to \$16.00 and seasonal residents \$8.50 to \$9.75.</p>	<p>Motion to Approve Moving Forward with Changes: Board Vice Chair Gibbons Seconded by: Board Member Barbieri</p> <p>Vote: All in favor (no opposing or abstaining votes)</p>	<p>Approved with changes September 26, 2022</p>

	<p>Seasonal residents pay half. The last fee increase was implemented the 2018 budget year with \$2.25 per month. No increase was imposed in 2018 for the Town of Brighton/Big Cottonwood Canyon.</p> <p>New Proposed Fees: \$58.50 per home per quarter \$234.00 per home annually</p> <ol style="list-style-type: none"> 2. Continue with the various services that residents need and we are required to provide for waste and recycling collection services. 3. Continued evaluations for improved efficiencies with the use of technologies. 4. Find ways to expand the Seasonal Container Reservation Program (SCRP) at the lowest cost possible and with the challenges to recruit and retain CDL drivers and the limited number of months that trucks are available to lease. <p>She continued with WFWRD's Great Services:</p> <ul style="list-style-type: none"> • Weekly curbside garbage and recycling collections. • Seasonal Services: Central leaf bag collections and curbside Christmas tree collections. • Landfill vouchers. • Central glass collections. • Discounted trailer rentals for bulk and green waste. Even with the proposed fee increase, these services are subsidized by a portion of the monthly fee. Roughly \$.47 per home/month, \$5.64 annual pending the number of rentals. 		
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	<ul style="list-style-type: none"> • SCRP with a proposed new small fee to help offset the associated costs for those who reserve a container: Similar philosophy as the trailer rental services. <p>Regarding SCRP, WFWRD provides a way for residents to remove bulky waste with limited available CDL drivers that is subsidized by the monthly fee, in the amount of roughly \$1.25 per home/month - \$15.00 annual. Based on 2022 staffing, we are planning to deliver and pick-up a reduced number (60-65) of containers daily in 2023 to keep our operators safe.</p> <p>Historically, we have utilized 20-24 CDL Drivers delivering 124 containers daily. Pam reminded the Board that changes to the program were not received well in 2018.</p> <p>Board Member Bracken commented that change is not popular.</p> <p>Pam continued that in 2019 WFWRD experienced severe staffing shortages, part-time labor is hard to come by and we pull an average of six full-time employees every day to help with SCRP. Currently staffed with four part-time employees and we need 18. We are very customer service-oriented, so we have been pushing too hard and safety has taken a hit. This reduction in the number we can deliver is due to the fact that we simply do not want to sacrifice safety.</p> <p>Board Member Bracken asked if this is for full-time employees only.</p>		
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	<p>Pam responded that we are requesting three FTEs to pull from our pool of drivers. We require three FTEs in addition to part-time employees. Some drivers return for the part-time spots yearly because they love the work.</p> <p>The proposal for a small fee to off-set a portion of the costs that would include Emigration Canyon and the Town of Brighton residents pending the Board’s decision.</p> <p>Pam continued to 2023 Personnel Budget Highlights:</p> <p>Wage and Salary Adjustment Options: She expressed our desire for salary adjustments to keep up with rising salary markets as outlined in Melissa’s recommendations. The budget also includes a 2.0% merit increase effective on hire date to keep people moving within their range, and an increased (1) time lump sum amount for employees that meet expectations and are at the top of their salary ranges.</p> <p>Health Insurance: 5% increase in health and dental premiums from our provider PEHP, continued 80/20 premium share, and adding more benefits for emotional and mental well-being.</p> <p>She asked Ashely to explain Continued Low Deductibles for Health Insurance:</p> <ul style="list-style-type: none">• Traditional: \$500 single & \$1,000 family. This plan is “embedded” meaning the family pools to meet the \$1,000 deductible.		
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	<ul style="list-style-type: none"> • High Deductible: \$2,000 single & \$4,000 family. This plan is “non-embedded” meaning each individual family member must reach the \$2,000 deductible. <p>Pam invited Paul to review the URS Retirement Plan Rates Decreases from 2022:</p> <ul style="list-style-type: none"> • Tier 1: 2023: 17.97%. 2022: 18.47%. • Tier 2: 2023: 16.19%. 2022: 16.69%. <p>While he was surprised by the decrease, he does not anticipate it will last.</p> <p>Customer Service: Pam restated the implementation of WFWRDs new website and its improved features including beefing up recycling education. She asked the Board to check it out if they haven’t already https://wasatchfrontwaste.org/.</p> <p>Risk Management & Loss Prevention: Safety and Emergency Coordination, and trainings and interventions to increase personal safety and reduce injuries. She reiterated the 61% increase in insurance premiums.</p> <p>Pam then covered Manage Increased Garbage Disposal Fees and Goals for Sustainability which include dedicating the needed resources for recycling education, monitoring commodity markets, and increasing the number of central glass collection sites. Momentum Recycling implemented measures to reduce the footprint. They have four 60 or 90-gallon cans on pods that can be put in parking lots. We want to test it in West Millcreek and if successful, find space in Holladay City again.</p>		
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	<p>Board Member Bracken added the neighbors on the hill really like the rolling glass down the metal.</p> <p>Paul moved on to cover WFWRDs 2023 Preliminary Budget, adding that there may be changes:</p> <p>Charges For Services</p> <ul style="list-style-type: none"> • Actual 2021: \$21,390,964 • Adopted Budget 2022: \$21,315,400 • Estimated Current Year 2022: \$21,526,842 • Preliminary Budget 2023: \$24,311,560 <p>Non-Operating Revenues</p> <ul style="list-style-type: none"> • Actual 2021: \$267,625 • Adopted Budget 2022: \$1,100 • Estimated Current Year 2022: \$135,544 • Preliminary Budget 2023: \$138,021 <p>Board Member Bracken calculated a 15-17% increase over last year.</p> <p>Paul reviewed personnel expenses, wages, overtime, benefits, Worker's Comp, pension, etc., 5% fuel increase, 8% maintenance increase (it's still difficult getting parts), and disposal and recycling fees.</p> <p>Board Member Bracken asked if recycling fees are up to \$35 per ton. Pam responded that is what we have budgeted and this year there was a time we averaged just over \$12 per ton. The increase is a bit higher, Vendor A is predicting \$60 per ton.</p>		
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	<p>Board Member Turner inquired why, and Pam responded it is due to commodity markets taking a hit and the contamination fee implemented in July. She reiterated we adjust where we take recycling based on cost, for example, eight routes from Taylorsville are now going to Vendor B.</p> <p>This is the benefit of getting data quickly and staying within our contract and commitments.</p> <p>Paul continued that we paid just under \$50 per can in 2021, currently \$62 per can, budgeting \$74 per can in 2023.</p> <p>He reviewed IT services, rent, depreciation, interest expense, and truck leases (reduced the number of trucks leased from 16 to 10).</p> <p>Board Member Zuspan asked if the proposed fee increase is included in the proposed 2023 budget and Paul confirmed it is.</p> <p>Pam noted that the proposed increase in 2023, if approved, will not be realized until April/May due to the billing cycle, WFWRD bills in arrears.</p> <p>Paul moved on to review the Preliminary Cash Projections 2022 – 2026 with the Operational Expenses for 2023-2026 calculated at <u>94%</u> of budgeted/projected amounts, 2023 Preliminary Expenses by Type, and 2023 Capital Expenditures.</p> <p>He explained after the Pre-Board Meeting our Asset Manager, Andy King, confirmed we will not receive the sideloads trucks from Peterbilt as scheduled and will adjust the cash balances projections.</p>		
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	<p>He also noted that we paid Peterbilt for eight trucks in May of 2021.</p> <p>Board Chair Ohrn added that the money is already allocated.</p> <p>Board Member Bracken asked if the amount is \$2,500,000. Paul responded yes, \$2,500,000-\$3,000,000, which will make the cash higher than projected.</p> <p>Paul responded to Board Member Bracken's question that the ending balance is cash collected, not receivable.</p> <p>He then reviewed 2023 Preliminary Expenses by Type which includes Personnel, which is a significant amount. The page shows 41% of our budget and the expense by type chart really shows it. The next highest expenses, Fuel, Maintenance, Disposal and Recycling Fees, Can & Container Purchases. Then we get into County IT/Phone Services, Rent, Shared Building Costs, Operations/Truck Lease, Legal, Property Insurance, Other (mailing, postage, office, website, etc.) Depreciation, and Interest which all total \$26,457,908. With Personnel, Disposal Fees, and Maintenance topping the list.</p> <p>Paul moved on to 2023 Preliminary Capital Truck Expenditures of \$3,273,296, noting we may need to increase the number of sideload trucks. We are looking at purchasing a hook lift truck allowing an expanded SCRP service window. We own three, want four. Pam added it is newer than the three we have.</p>		
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	<p>Vice Chair Gibbons commented on the excellent truck wrap promoting recycling.</p> <p>Pam moved in to the 2023 Proposed Fee Increase Summary explaining to meet the demands of the rising costs for providing services, Staff is proposing a residential fee increase as follows:</p> <p>Increase the current \$17.00 per month/\$51 quarter/\$204.00 annual by \$2.50, per month, which equates to \$19.50 per mo./\$58.50 per qtr./\$234 annual.</p> <p>To break it down, the costs for our residents are roughly \$4.88 per week for their weekly garbage and recycling collections and the other services. Increased start up fees for subscription services in the amount of \$10.00 to pay for the can purchase. (Green from \$60 to \$70 and Glass from \$45 to \$55 for the 35-gallon glass can.)</p> <p>Trailer Rental Fee Increase to keep up with the rising costs. Green Trailer up \$10.00 (\$55.00) & Bulk up \$15.00 (\$190.00), plus an increase of \$1.00 per tire to match landfill fees.</p> <p>Increased monthly fees for glass collections, which has not increased since the roll-out in 2015. Pam explained that we charge the residents \$8.00 per month and pay momentum \$7.75 per subscriber. The \$.25 is to cover our administrative costs for billing and customer service. We have experienced increased costs associate with salaries and Momentum has indicated a probable increase to their contracted amount, which the increase will cover.</p>		
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	<p>Pam continued with a proposed new fee for SCRP in the amount of \$50.00 to off-set the actual costs, pending the Board's direction, a one-time \$70.00 second can start-up fee, for garbage and recycling and increases to all front load dumpster services of \$5.00 per size.</p> <p>Pam reviewed the 2023 Proposed Fee Increase Summary that outlines each fee.</p> <p>Board Member Little asked if a resident will be credited if they return a second can.</p> <p>Pam responded that is not proposed, mainly due to administrative and operating costs, some residents only want one for a week. We have to take the order, deliver the can, and pick up the trash. The hope is some residents will consider using a landfill voucher.</p> <p>Pam has notified all our partners with Salt Lake County their facility fees will increase January 1, 2023 and we will reach out to each municipality.</p> <p>Board Chair Ohrn shared that she is having some heartburn about charging for SCRP. From a municipal or residential perspective, she gets pushback about Herriman's higher rates. She explains that we provide an elite service and WFWRD does a great job trying to control costs, she understands the purpose of the \$2.50 fee increase, and it is very justifiable. It seems bad timing to ask for both a rate increase and a SCRP fee. She added that she doesn't make decisions off public perception, but an additional SCRP fee is a tough sell to her.</p>		
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	<p>She would need to see some real hard numbers. Right now we are subsidizing that program and we all know we are subsidizing.</p> <p>Board Member Bracken asked what the program costs. Pam replied that roughly \$1,200,000 to \$1,300,000 is projected for 2023. Board Member Bracken stated \$1.20 per month, and Pam clarified roughly \$15.00 per year. Board Member Bracken agreed this is a tough one.</p> <p>Board Member Little added the difficulty he finds is that everyone needs to have the service if they are paying for it. On his street there were 6-8 containers only partially filled.</p> <p>Board Chair Ohrn wonders if we need to reevaluate the entire program acknowledging that staff are constantly evaluating. She continued by stating rather than charging a fee right now, do we rework it.</p> <p>Board Member Barbieri added with the new Data/Program Specialist, she would want to see data from another year or two based on the improvements with scheduling. She commented that each year in Taylorsville, they have a big clean-up in the Spring and then people order their containers, and many go back empty. Did we get less tonnage because of the Taylorsville Clean-Up? The effects of COVID? Can we become more effective with the current system? If we can, then maybe we go to a fee for those who use it. Do we scrap the SCRP? She doesn't know. She would need more data.</p>		
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	<p>Board Vice Chair Gibbons would be supportive of approving the preliminary budget with the proposed SCRP fee removed pending more data. He also wonders if we've considered going back to the old system but not on an annual basis, but on a rolling bi-annual basis, in different areas of the city each year. That is a discussion for another day. Getting data would be wonderful to guide our decision.</p> <p>Board Member Stringham commended WFWRD Staff for all the data presented. All the work and the data collected and reported is some of the best analyses she has seen. She is numbers oriented and appreciates when she sees good ones. Thanks to everyone involved. All the information through the meeting was consistently that way with excellent data and information.</p> <p>Board Chair Ohrn asked for any other comments. With none, Board Vice Chair motioned to give direction with the preliminary budget with the changes and amendments needed. In other words, we are not approving the budget, but moving it forward.</p>		
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4. Closed Session			
	No closed session required.		
5. Other Board Business			
	No other Board business.		
6. Requested Items for the Next Board Meeting, on Monday, October 24, 2022, at 9:00 a.m.			
	<ul style="list-style-type: none"> • 2022 3rd Quarter Financial Report • Tentative Adoption of the 2023 Tentative Budget and Fee Schedule • Confirm the Date and Time for the Public Hearing to Allow Public Comment on the 2023 Budget and Fee Schedule • Currently scheduled on Monday, November 14th at 6:00 p.m. • General Manager's Report 		
Adjourn			
		Motion to Adjourn: Board Member Zuspan Seconded by: Board Member Barbieri Vote: All in favor (no opposing or abstaining votes) <i>Meeting end time: 11:32 a.m.</i>	Approved September 26, 2022