

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

DATE/TIME	LOCATION	ATTENDEES
<p>Monday, September 23, 2024 9:00 a.m.</p> <p>Special Board Meeting Monday, October 21, 2024 9:00 a.m.</p>	<p>Public Works Building 604 West 6960 South Midvale, UT 84047</p>	<p><u>Board Members:</u> Anna Barbieri (Chair)-City of Taylorsville, Greg Shelton (Vice Chair)-White City, Sherrie Ohrn-Herriman City, Emily Gray-City of Holladay, Keith Zuspan-Town of Brighton, Laurie Stringham-Salt Lake County, Brett Hales-Murray City, Robert Piñon-Emigration Canyon</p> <p><u>Participating Electronically:</u> Patrick Schaeffer-Kearns City, Tessa Stitzer-Town of Copperton, Aaron Dekeyzer-Sandy City</p> <p><u>Excused:</u> Mick Sudbury-Magna City, Thom DeSirant-Millcreek City, Matt Holton-Cottonwood Heights</p> <p><u>District & Support Staff:</u> Rachel Anderson, Legal Counsel Pam Roberts, General Manager/CEO Helen Kurtz, Finance Director/CFO David Ika, Operations Manager Matt Ferguson, Controller/Treasurer Renee Plant, Administrative Manager Sione Tuione, Residential Recycling Collection & Sustainability Manager Justin Tuft, Residential Refuse & Special Services Collection Manager Shane Norris, Safety & Emergency Preparedness Coordinator James Kelsey, Sustainability Coordinator Lisa Kelly, HR/Payroll Specialist Lori McAllister, Payroll Technician Catarina Garcia, Executive Assistant/Board Clerk</p> <p><u>Public:</u> Patrick Craig-Salt Lake County, Justun Edwards-Herriman, Abby Evans-Salt Lake County, John Taylor-Taylorsville, Japheth McGee, Lee Johnson, and Heather Phipps, Zions Public Finance (<i>excused at 10:11 a.m.</i>)</p>

THE WASATCH FRONT WASTE AND RECYCLING DISTRICT
BOARD OF TRUSTEES MEETING AGENDA

To be held Monday, September 23, 2024 at 9:00 a.m. at the District Offices located at 604 West 6960 South, inside the Salt Lake County Public Works Administration Building Training Room. This meeting will also be held electronically via Webex. Public login is:

<https://slco.webex.com/slco/j.php?MTID=mf1664bc9a6c3f66c99ad86d1aa0158bb>

Reasonable accommodations (including auxiliary communicative aids and services) for individuals with disabilities may be provided upon receipt of a request within five working days' notice. For assistance, please call V/385-468- 6332; TTY 711. Members of the Board may participate electronically.

Call to Order: Anna Barbieri, Board Chair
Roll Call: Catarina Garcia, Board Clerk

1. Consent Items (*Approval Requested*)

1.1. August 26, 2024, Board Meeting Minutes

2. Meeting Open for Public Comments

(Comments are limited to 3 minutes) Public wishing to submit a comment to the Board of Trustees may do so by submitting their comment to the Board Clerk at cgarcia@wasatchfrontwaste.org before Monday, September 23, 2024, 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. General Manager's Appointment of Helen Kurtz as the District's Finance Director: Pam Roberts, General Manager (***Introduction/Approval***)

3.2. Adoption of Public Treasurer's Investment Fund (PTIF) Resolution Granting Authorization for WFWRD Executive Staff: Pam Roberts, General Manager, and Helen Kurtz, Finance Director (***Approval/Adoption***)

3.3. General Manager's Report: Pam Roberts, General Manager, and Renee Plant, Administrative Manager (***Information/Direction***)
- District Updates

- SCRP
- Website Review for Recycling Transparency Compliance

3.4. 2025 Proposed Budget and Fee Schedule: Pam Roberts, General Manager, and Helen Kurtz, Finance Director (*Information/Direction*)

3.5. Recommendations for Drug and Alcohol Policy: Hazel Dunsmore, Human Resources Manager (*Discussion/Direction/Or Approval*)

3.6. Possible Closed Session. Direction for the 2025 Budget Personnel Compensation: Board Chair Barbieri (*Motion and Approve*)

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 reasonably imminent litigation, and the purchase, exchange, or lease of real property, or other legally applicable reasons as provided by Utah Code Annotated §52-4-205.

4. Other Board Business

This time is set aside to allow Board Members to share and discuss topics.

5. Requested Items for the Special Board Meeting Monday, October 21, 2024, 9:00 a.m.

- Review the Updated 2025 Tentative Budget and Fee Schedule: Cost per household, different fee increase scenarios, including one in 2027 that would get us to 2029, and information on the programs we are subsidizing.

6. Requested Items for the Regular Board Meeting Monday, October 28, 2024, 9:00 a.m.

- 2024 3rd Quarter Financial Report
- Tentative Adoption of the 2025 Tentative Budget and Fee Schedule
- Confirm the Date and Time for the Public Hearing to Allow Public Comment on the 2025 Budget and Fee Schedule
- Currently scheduled for Monday, November 18th at 6:00 p.m.
- General Manager's Report

7. Adjourn

TOPICS/ OBJECTIVES	KEY POINTS/ DECISIONS	ACTION ITEMS WHO – WHAT – BY WHEN	STATUS
Call to Order / Roll Call			
	Board Chair Barbieri called the meeting to order, and Catarina conducted the roll call.		
1. Consent Items (<i>Approval</i>)			
1.1 August 26, 2024, Board Meeting Minutes	There were no comments on the minutes.	Motion to Approve: Board Member Hales Second: Board Member Gray Vote: All in favor (no opposing or abstaining votes).	Approved September 23, 2024
2. Meeting Open for Public Comments (<i>Comments are limited to 3 minutes.</i>)			
	There were no public comments.		
3. Business Items			
3.1 General Manager’s Appointment of Helen Kurtz, as the District’s Finance Director: Pam Roberts, General Manager (<i>Introduction/Approval</i>)	<p>Pam welcomed Helen and thanked her for joining the team. She briefly reviewed Helen’s experience with Sandy City where she has over 25 years of public service working in the Administrative Services Department. She has shown progressive leadership through her advancements starting as an accountant, earning promotions to most recently the City’s Treasurer/Controller for the past 10 years, previously serving as the City’s Controller.</p> <p>She went on to say that Helen’s calm approach is spot on with professional maturity, and emotional maturity. She is not afraid to pick up the phone and speak with our colleagues and community partners. Pam turned the time over to Helen.</p>	Motion to Approve: Board Member Piñon Second: Board Member Stringham Vote: All in favor (no opposing or abstaining votes).	Approved September 23, 2024

	<p>Helen thanked Pam for the introduction and shared that she is a CPA and spent her professional career at Sandy City and she believes this position to be a great fit for her. She has a lot of experience in public finance and is really glad to be here.</p> <p>Board Chair Barbieri thanked Helen and expressed her gratitude for joining the WFWRD team.</p>		
<p>3.2 Adoption of Public Treasurer’s Investment Fund (PTIF) Resolution Granting Authorization for WFWRD Executive Staff: Pam Roberts, General Manager, and Helen Kurtz, Finance Director <i>(Approval/Adoption)</i></p>	<p>Pam and Helen explained the requirement to have a resolution for appointed employees (Pam, Matt, and Helen) to register with the Office of the State Treasurer to access the PTIF (Public Treasurer’s Investment Fund) accounts. She noted that we transferred \$1 million from capital investments to the PTIF which Helen spearheaded with Matt’s recommendations. These funds will accrue a higher interest in the PTIF., and she and Helen will evaluate if it makes sense to move more funds over.</p> <p>Board Member Zuspan added that these employees safeguard our funds and the PTIF is currently earning 5.4%, which can easily add up.</p> <p>Catarina raised a point of order that an approval was needed on Business Item 3.1. The motion was made by Board Member Piñon, a second was made by Board Member Stringham, and was passed.</p>	<p>Motion to Approve: Board Member Stringham Second: Board Member Zuspan</p> <p>Vote: All in favor (no opposing or abstaining votes).</p>	<p>Approved September 23, 2024</p>
<p>3.3 General Manager’s Report: Pam Roberts, General Manager, and Renee Plant, Administrative Manager <i>(Information/Direction)</i></p> <ul style="list-style-type: none"> District Updates, SCRP, Website Review for Recycling Transparency Compliance 	<p>Pam began with Employee Satisfaction and Engagement reporting that on Wednesday, August 28th and Thursday, August 29th, Lead Equipment Operators, Supervisors, and Managers attended an open forum communications course facilitated by Pam Gardiol.</p>		

The team identified their top three priorities to focus on as a leadership team. It was no surprise the common theme is communication, which is one of the top challenges many organizations have to ensure employees are all engaged and involved. It creates more of a challenge for organizations with front-line and field employees.

The top three priorities are:

1. Consistency, working together to get completed in a timely manner, meaning completing routes, and how to make workloads more equitable. The Lead Equipment Operators are having a follow-up meeting on Wednesday morning where Renee has been designated as the facilitator; a neutral party to help facilitate the discussion and allow open dialogue.
2. Build trust among everyone. Show you care. Build on one and ask if they are okay, basically checking in with the front-line teams.
3. Meeting face-to-face with teams to get feedback on any changes and give upcoming changes to the teams with explanations of why changes are happening; get input on feelings, and continually follow-up on their feedback.

Pam went on and reported we do annual celebrations with our team which included our employee Summer BBQ on Thursday, September 12th at Vista Park in Taylorsville. It is a central location as we are servicing the Taylorsville community on Thursday, and a separate team takes food to the group in Herriman.

She also noted that one of the neat things about Helen is that she is really eager to jump in. There was a tour with one of Pam's neighbors who had guests from Czechoslovakia who were so amazed with our trucks, which is obviously so different than other countries. They wanted to see the truck in action and Helen jumped right in and took a turn operating the arm of one of our new trucks. Pam gave a hat's off for everyone who helped make that possible, including our Training Coordinator Jason Walk.

Pam continued her report with WFWRD updates, most recently with Bingham Creek Park where we have been storing our SCRP roll-off containers, formerly called Welby Pit. We continued on with storing for decades even after the separation from County with a verbal agreement without payments. The Bingham Creek Park Authority was established, and Don Tingey, Board Chair reached out to Pam to verify that we wanted to continue storing containers there. She will work with Rachel to get a 10-year agreement in place, and the section where the containers are stored may not be affected for 15-20 years. The bottom line is that we may have to pay for the space at approximately \$10,000 per year to store 90-100 roll-off cans, which is quite reasonable. The formal agreement will live on through time.

Pam then gave an update that the fire suppression system in the Truck Barn is complete at the price of \$41,688, which is a little less than what we anticipated. Public Works Operations has the majority of the cost split.

The concrete work at the fuel island is almost half-way done with the east side being poured and the west side will start the first week of October. Pam shouted out to our Operations Team who have been juggling moving trucks back and forth to be fueled. It is a challenge that our drivers are feeling, but they understand it will pay off in the long run. Andy King, Asset Manager, is working with Public Works Operations to fill in the seam between the concrete and asphalt so the cement does not erode through the winter. The plan is to possibly replace the road that goes back to the yard in 2025, and the remaining section of the truck parking lot in 2026.

Pam further reported that we went out with an RFP for a health insurance and benefits broker which has been narrowed down to two stellar firms. It is mainly now a matter of reference checks which Hazel and Helen are conducting. While we prefer not to disclose names, we know one of the firms have been reading our Board Meeting Minutes and has a big interest in the District. She noted that she would report back to the Board at their meeting in October.

Pam reminded the Board that we have engaged with Zions for financial advisory services to review our financial status and to bring forward recommendations on fee increases and leasing side load trucks to own.

She invited Japheth McGee with Zions Public Finance forward to address the Board. He introduced his colleagues Lee Johnson and Heather Phipps who were also in attendance.

He explained they are preparing a rate model for WFWRD to review the financial position and capital replacement program for the next several years. Lee has been heavy into the model which Japheth will review. The highlight is that rates need to go up, which we all know, but from their estimations they are seeing a cash decline in the next year if we continue with the current capital expenditure program. It can be deferred at some point, but vehicles don't last that long, and not doing that will increase maintenance costs.

Because the District is not growing, revenues will only grow one way, which is through rate increases. The expectation in their model thus far to cover the deficit and meet capital expenditure needs you need a 20-25% rate increase – ASAP. This puts WFWRD at a break-even point where you are not increasing or decreasing in cash. It is a high-level estimate, and they will have something more solid to share by the end of the month.

Japheth talked about the District's main revenue sources and the breakdown of where rates are actually increased. The question is what matters to WFWRD.

Board Member Ohrn commented that in the past we talked about looking into truck lease options where the costs can be spread out over time, so we don't absorb the entire costs all at once.

Japheth replied that it is one option they are looking at. Currently the PTIF is earning a lot of money through interest which is less than we could borrow. There is a real opportunity to make more on the cash than if we were borrowing using cash to replace the fleet. The long-term goal with the short lifespan of assets is the

cash method is probably your best method and getting back to where the rates can sustain the capital replacements, which should ultimately be WFWRD's goal.

Board Member Ohrn went on to say that we have talked about a \$5.50 per home per month rate increase and have talked about breaking it out and doing \$2.75 per home per month this year, \$2.75 per home per next year, and confirmed Zions would look at the smaller, incremental increases. Japheth replied yes, the big chunks upfront are more advantageous than smaller increases. Board Member Ohrn noted we have to consider what is advantageous to both the District and our residents.

Japheth gave an example of Timpanogos Special Services District, the second largest sewer district in the state, who is currently going on a billion dollar capital replacement project. Their annual operating budget is approximately \$15 million, and they have to increase their rates by 100%. They increased 40% last year, then will do 15%, 15%, 15% to be able to return to the annual 3% increase. He mentioned other scenarios they could consider but they come with political implications. Residents don't like service costs increasing but realistically, inflation is increasing at a slower rate, and we have seen a couple of false starts of it being tamed. For inflationary costs, the longer we defer increases, the more we have to make up for those inflationary costs.

Japheth stated they will provide several options, the model will be very flexible, and they can demonstrate what it looks like if we increase 25%, what we would have to do to meet it in future years, if it would be

	<p>sufficient, or if we had to do something else. We'll have lots of options.</p> <p>Board Chair Barbieri noted we are making substantial money on our savings and asked if they are going to include that “what if” should anything change substantially.</p> <p>Japheth replied that they look at a lot of different forecasts, one of which is CME; what are the FED going to do, which is what really affects the short-term borrowing rate. The FED cut 50 basis points last week, which is more than originally expected. A month ago, no one would have expected 50 basis points. They have projections going through the end of next year of approximately 75 basis points lower than where we are now. There is a delay in the rates overall, they will be about 1% lower than where we are now, and even FED governors disagree where they will be at the end of next year.</p> <p>There were no other comments, questions, or concerns and Board Chair Barbieri stated that Board is looking forward to staff's report and direction.</p> <p>Pam then turned the time over to Renee Plant to review our efforts with recycling transparency.</p> <p>Renee explained that Customer Satisfaction and Environmental Stewardship are two of our Strategic Measures of Success, or “SMOS”. Recycling Transparency Reporting is to comply with House Bill 107. Board Members can now easily show residents recycling tonnages on our website. She showed a screenshot of the WFWRD website illustrating “District Statistics” and opened the website to show</p>		
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them where the information is located under “Curbside Recycling Tons by Municipality.”

She further explained that Jorge is working on gathering information for the smaller unincorporated areas, which are more difficult to allocate because of the tonnage reports we receive from the recycling facilities. We are trying to figure out how to do that and are pretty confident we can.

Board Member Stringham asked that with the new law that passed, and with the unincorporated islands that are going away, how it will affect WFWRD specifically. Pam replied that they will stay in the District. They talked about areas in Sandy, Cottonwood Heights, North Salt Lake, and White City.

Rachel added that the law does not automatically change our boundaries as is the case with police and fire. There may be a circumstance we can discuss with the cities if it makes more sense to include them in their service, but it would not be automatic. We continue with business as usual unless the parties decide they want a change.

Board Member Stringham went on to say they are looking at a decrease of approximately 5,000 homes in the unincorporated area. Pam added that there are approximately 1,500 homes in the southeast that would go to Cottonwood Heights or Sandy. There are approximately 25 properties in the District in North Salt Lake which Salt Lake City has annexed. Board Member Stringham believes there is one more island they are looking at as well. They also mentioned HOAs and an area in West Jordan.

Pam stated that the main thing to note is any homes that leave the District will not impact us operationally as we are bringing on about 400 homes per year in the southwest, and Magna is also under development. The total equates to one route once per week. It would take time for cities to ask for the homes to be withdrawn [from WFWRD services].

With no questions, Renee moved on to the SCRP information. The totals were represented in blue and averages we represented in green. Millcreek, White City, Kearns, and Taylorsville show high unaccommodated waitlist rates, which can correlate to a higher number of waitlist requests, which also correlates to a high waitlist volume. There is an overall low cancellation rate of 1.17% across all areas indicate a high level of resident engagement in the program. We have effectively managed resources under constraints with a streamlined reservation system that has improved the whole process allowing Sione to take some vacation time and it's a little quieter up front [in Customer Service].

Board Chair Barbieri asked if the people on the waitlist this year will move to the top. Renee replied that it depends on the direction from the Board, and she has information that may help support their decisions.

Renee jumped to the Repeat Reservation Data noting the information for Taylorsville is pending final reports because we just finished servicing that area. The other information illustrates that Copperton, Sandy, and Holladay are the top three areas that have customers with repeat reservations, with Murray and Herriman close behind.

48% of Copperton reservations were repeat reservations from the prior year. It is a good indicator that people are understanding how the process works.

Sandy City had 31% of repeat reservations, Holladay had 29%, Murray had 25%, and Herriman had 23%. These residents would then be at the bottom of the list next year if that is the direction from the Board. Those on the cancellation list that were not accommodated would then come to the top of the list, if that is the direction the Board wants to go. We have all their contact information and could do a mailer to let them know.

Board Member Stringham likened it to an early reservation system, Board Member Gray recommended a five-day notice, and Board Chair Barbieri asked staff to plan on that. She wasn't sure if we needed to make a motion or assume that next year that will be the plan.

Board Member Ohrn asked Renee to bring back the information next month with a plan when a motion can be made, and we can review the impacts. Board Member Gray recommended email and a mailer as different people prefer different methods of communication.

Renee talked about the Waste Wizard application our Sustainability Coordinator, James Kelsey manages, where information can be shared for those who have signed up for the app and opted in. There are approximately 3,000 residents currently enrolled, and we have seen a spike in residents that are using the application.

<p>Board Member Gray asked if there was a way to reserve a SCRIP container on the app. Renee clarified reservations can only be made through the website.</p> <p>Board Chair Barbieri stated that she loved Board Member Ohrn's request to bring details back to the next meeting. This will allow Board Members to answer questions from their communities because it is such a big program and we can tell them how it is going to work, the sooner the better. Board Member Ohrn added that all of the stats will be available now that the program has wrapped up.</p> <p>Board Chair Barbieri commended Renee for her work collecting the data. Board Member Gray agreed that it is very helpful and asked if people did reserve this year, will they not be able to reserve at all next year. Renee replied that it is essentially a second cancellation list. They will be at the bottom of the list so those that were not accommodated will be first. Spots left will be for live reservations, and the third group would be those that received a container; a priority list. Sione, Rae, and Jorge go through the reservations for duplicates and renters as they must be reserved by the owner/landlord.</p> <p>Board Member Gray asked if there is a way of knowing how many landlords reserve for their tenants because she could see a situation where a renter really needs it. Sione replied that most of the time the owners/landlords are responsive.</p> <p>Pam added that Copperton Town Council is still ironing out if they want to have an exception because they are so remote.</p>		
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	<p>Renee concluded by showing the containers per day by year, noting that service is a whole different number because they deliver, pick up, and so on, so it is double or triple that number.</p> <p>She reminded everyone that homes that reside in a canyon that we service that cannot participate in the SCRP program are offered one free trailer rental per calendar year. She showed the number of homes we service, and how many trailers were delivered for the calendar year, noting that Emigration Canyon was very engaged this year. She commended Board Member Piñon for his work communicating this benefit to his community.</p> <p>Board Chair Barbieri and Pam thanked Renee for her reports and moved on to the next business item.</p>		
<p>3.4 2025 Proposed Budget and Fee Schedule: Pam Roberts, General Manager, and Helen Kurtz, Finance Director <i>(Information/Direction)</i></p>	<p>Pam began her report by showing photos of our wonderful employees.</p> <p>There were both graduates from the Equipment Operator Apprentice Program; Jesus Becerril who we celebrated last Thursday, and Lori Turek who graduated in June. Both drivers are off on their own and new apprentices are in the pipeline.</p> <p>Renee stated that there were 21 candidates for the Apprentice position that Lisa was able to go through and find that there are some who already have a CDL. We were able to bring them over to our regular Equipment Operator to be interviewed and brought on board. Renee and Hazel have been participating in the final interviews and they have been wowed, it is so hard to choose because they are very excited and have been wanting to drive a garbage truck for a long time. Those are the kind of candidates that we want to bring</p>		

in for a career, not just a job. The 21 candidates that applied shows how much the word is spreading, and it is a great opportunity.

Board Member Stringham asked if it was possible for those who weren't selected to be on the next round. Renee replied absolutely, that would be a year from now. Board Member Stringham asked if we would ask them a year from now if they are still interested, to which Renee replied yes, we could.

Pam then reviewed our goals, vision, and mission:

- **Our Goals:** To provide World-Class Customer Service, Achieve Excellent Employee Satisfaction, Environmental Stewardship and Financial Stewardship.
- **Our Vision:** A sustainable organization that provides for the welfare of our communities.
- **Our Mission:** To provide sustainable quality integrated waste and recycling collection services for the health and safety of our community...because not everything fits in the can.

Pam stated this is a little different than what we presented before, and the tentative budget may change as far as presentation but with direction we will go through the numbers.

To begin with, we want to keep the current service levels to meet the mandate to provide weekly curbside collections as well as collecting the containers in the canyons, and for the service the residents count on including continuing on with weekly recycling. Pam showed the integrated system infographic noting that we are currently charging \$19.50 per home per month

for services. The only exceptions are the curbside green waste and curbside glass that are subscription services. Everything else except for the front load are part of the residential services.

Pam stated that there are some residents that rent a front load container if they have a property where they need to have some extra cans and we have a contract with them; city halls, etc.

She continued on with the SCRP with the goal of 60 container deliveries per day. The team on average was able to deliver 70 containers each day. There is also the landfill voucher which is really popular, and central glass collections.

Pam noted that with additional services, we are adding the option for a 14-yard roll-off container rental as part of the trailer rental service. The thought is that we have our own containers and our own hook lift trucks that we can add this service, which would also be adding an FTE, with the Board's approval. The rate would be \$135.00 for bulky waste. This is another option to consider, and the Operations team has a vision of merging those two services. Trailers are aging and over time they are very expensive so we are wondering if eventually it might make sense to evolve more into the roll-off function.

Board Member Ohrn asked what level of services we are subsidizing. Pam replied that last year we did the analysis, and it was approximately \$3.00 per year from the annual fee. The roll-off would roughly be a smaller amount because it does cost less. She offered to do a deep dive and come back with the numbers. It does rely on the number of rentals.

Board Member Ohrn and Board Member Gray agreed they would both like to see the data. Board Chair Barbieri asked that when we say these services are subsidized, what about the green waste and glass. Are they not subsidized? Pam replied that is correct, they are subscription programs and are self-sustaining, which is why the green waste fee needs to increase due to increased costs and we are raising rates for everything else.

Pam further reported that there are approximately 12,000 subscribers for green waste, and we are currently charging \$10.50 per month. We know the composting facility at the Salt Lake Valley Landfill is the only place right now that takes curbside green, and they will be increasing their rates \$3.00 per ton, from \$17.00 to \$20.00, so we do need to increase the monthly fee as well to cover salaries, equipment costs, etc. It may need to increase in 2026 again and we will evaluate what we can do. We put some of our older trucks in that program that are depreciated which helps reduce that cost. We contract out for curbside glass with Momentum [Recycling]. We charge residents \$8.50 per month and pay Momentum \$8.00 per month. We keep \$.50 for administrative costs for billing and customer service.

Pam verified we would come back with subsidy information for trailers and roll-offs.

She restated Japheth's comment that we do need to do a rate increase going into 2025 and we will get into scenarios that Helen reviewed and we talked about what is going to sustain us. She showed a table noting information was not provided for 2025, but she can add it in and have it available for when she goes out to

councils once she gets more Board direction going forward.

Pam reiterated we know the biggest cost increases we have are the labor markets that have increased over time. There has been a high increase in maintenance shop rates. Coming into this year we budgeted \$4 million, and we anticipate being closer to \$4.8 million because of new trucks coming in and old trucks going out as she mentioned at the last meeting.

Landfill fees are increasing as are fuel prices, but not a large amount. Pam jumped back to maintenance shop rates reporting that we have heard from Salt Lake County Fleet, who we contract with, that they will increase \$3.00 per hour. This is our cost, not the increase they pay their mechanics. They notified us \$3.00 will not sustain their salary markets so there will be another increase in 2026. They plan to keep us at the \$3.00 increase for the rate they charge us in 2025. She reminded everyone that they increased \$8.00 per hour in 2022, \$8.50 per hour in 2023, and coming into this year another \$8.00 per hour, and \$3.00 per hour going forward. They will use their fund balance to get them through 2025 and we can expect another hike in 2026 shop rates.

Pam reported on recycling processing fees, being in touch with our service providers and vendors, trying to keep a close eye on that budget to make sure we cover that cost. There are times that recycling processing fees have gone higher than landfill fees, but right now they are actually lower. It fluctuates and the rates we paid last year have decreased this year.

	<p>Other goals and priorities include:</p> <ul style="list-style-type: none"> • Continual process improvements, looking for ways to be more efficient. We did a test on the go-backs for residents that call in after being serviced, or they had the can out late, we are trying to identify those as best we can and not provide the service when it costs more to go back. • Evaluating the Apprentice Program without additional FTEs in 2026. We need another year to prepare. It is a great program, and we have two people in one truck that are training and not necessarily picking up a route. It takes a good six months, maybe a little less, for them to actually be on a route as they train. There are four people that are training and not providing service. Right now, we need to have people in the seats to provide collection services. We are anticipating getting the program firmer and to really understand what it takes, what we need to make happen going forward, and needs coming in 2026. We need two more FTEs to have one more Apprentice position and we will evaluate this in 2025. • Recycling load management as we know, all commodities have changed. Sione, David, and the team are really looking at how we can be more effective managing loads and not having more trips going to and from the recycling vendors to reduce miles. • Switching timekeeping/time clock systems to streamline payroll processing. We are anticipating making the switch before the end of the year and discontinue our contract with Kronos to save \$9,000 per year. It also helps with administrative workloads. We currently have two separate systems and trying to get them to communicate is challenging. 		
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- New health insurance broker: We want to continue with the robust benefit plan although we know the premiums will increase but are hopeful to not have quite a big increase.
- Bringing investment account management costs in-house.
- Evaluating Paid Time Off (PTO) versus two separate leave banks and will follow-up with recommendations.

In the interest of time, Pam moved on to the dollars and cents and the revenues for 2025. She thanked Helen for reviewing fee scenarios. We have a \$5.50 per home per month proposed increase to help balance the budget for 2025. There are also incremental fee increase scenarios, but the \$5.50 per home per month is where we need to start. As Japheth stated, initially we need to have a higher lump sum. There is a 3.5% increase for front load services, we are not looking at a fee increase for the Town of Brighton as we have raised their rates for the past two years and will continue to evaluate any adjustments for 2026. Pam noted that we are looking at a \$2.3 million increase compared to 2024.

Moving into the personnel appropriation, Pam thanked the Board for approving the salary market adjustments that were effective for our Equipment Operators. There were 69 positions that received an increase totaling over \$100,000 this year and \$372,000 next year. She noted that this is if all seats are filled. We have underexpent every year in personnel due to vacancies which is a double-edged sword. Based on salary markets and looking at what is happening with the state and other municipalities, Pam asked Hazel to speak on our recommended COLA of 4%.

Hazel first stated how great it was to tell the Equipment Operators that the Board unanimously voted for the recent salary market adjustment. One of our newer drivers opened his envelope and exclaimed in surprise! They have all been really grateful.

For the COLA, she explained that we reviewed the surrounding cities and counties that have a June through July budget so we could see what they have already given, which is how our consultant calculated a proposed 4% COLA and 2% merit increase. Pam added that we will continue with the lump sum for employees at the top of the pay range and are not eligible for the 2% merit increase.

Pam noted we have a placeholder for benefits and health insurance of 9% which we are hoping is high and we can return with a tentative budget with a lower percentage with our new broker.

She noted that Helen believes it makes more sense to have Workers' Comp, claims, and insurance broken out from wages and salaries because those numbers look inflated when they are completely separate categories. This also applied to state unemployment tax and both changes make sense for transparency and budgeting.

With no questions, Pam continued on with operating expenses. There is a 5% increase cost for truck maintenance from the 2024 projected expenses, 3% increase for the County landfill, and 5% for the Trans-Jordan Landfill. As previously reported, Trans-Jordan has been increasing their dumping fees \$2.00 per ton every year for the past five years. We have since increased the recycling processing fees budget to

\$60.00 per ton from \$52.00 per ton and that correction will be made.

Pam then reviewed the 2025 capital purchases noting we want to keep the eight side load truck replacements with the Board's approval and have budgeted \$436,600 for each of those. We are anticipating the availability of one used hook lift from Flood Control, and we own two old hook lift trucks that are not being driven and would like to send to auction.

She noted that the items on the list of Carry Forward from 2024 are those that we have not yet received. We ordered four diesel side load trucks and paid for the chassis totaling approximately \$4 million and we will pay for the truck bodies next year. There concrete replacement totaling \$180,000 will come out of the 2024 capital budget which we have available. The cabover trucks are used by the Container Specialist's deliveries and repairs. The total \$5.5 million capital is budgeted for 2025.

With no questions, Pam showed Cash Projections with no Fee Increase. As Japheth mentioned, we need to raise rates significantly to sustain our capital as well as operations. She does not want to go into debt running our operation as it is a no-win for anyone, but the question is about going into debt to purchase capital equipment. We have been debt-free for decades and the preference is to run on cash, but it is certainly a policy decision, and we will follow any direction the Board provides.

On the subject of fee scenarios, Pam restated that we know we need to increase rates. Currently the rate is \$19.50 per home per month. The first scenario she

showed was \$6.50 per home per month with a projection to spend 98% of expenditures. \$6.50 per home per month would move fees to \$26.00 per home per month. It is projected that would sustain WFWRD for two years before having to raise rates again and we do not want to get into the negative as we are cash-based.

A \$5.50 per home per month increase equates to \$25.00 per home per month, \$300.00 annually. Pam showed an incremental fee scenario that she and Helen really like, however she does recognize that 2025 is a larger sum, and another \$2.00 per home per month in 2027. She explained that Zions estimated cash projections in number of days instead of a percentage. 85 days of available cash, which is two and a half months and in an operation like WFWRD, she doesn't want to be too low. This is concerning possibly because she was used to a higher cash balance, however, with the services we provide, if there were an urgent situation or an emergency, we do not have cushion. To have a 3% increase for a couple years to see it grow she thinks we could manage. She knows we could meet with the Board to request adjustments in the event of an emergency, but we'd struggle to adjust quickly.

Pam asked for acceptance and approval of \$5.50 per home per month with the incremental increases of \$2.00 per home per month, and \$1.00 per home per month. She also showed the \$5.50 per home per month without the incremental increases, however, the preference is for the incremental scenario.

Vice Chair Shelton asked if any of the scenarios would prevent going into debt. Pam answered that the \$5.50, \$2.00, and \$1.00 would prevent debt. Helen added that the scenarios are all based on cash capital purchases.

Board Member Ohrn expressed her confusion after having reviewed the meeting materials. We have talked a lot about a \$2.75 per home per month incremental increase that kept us okay. Now the numbers are all flipped and \$2.75 per home per month will not keep us okay.

Pam stated that the difference is now we know what we are budgeting for 2025, which wasn't in there before, and thanked Board Member Ohrn for bringing it up.

She clarified to Board Member Stringham that the other [\$2.75 per home per month] was based on current scenarios. Zions pointed out to us that while we had budgeted a 3% operational increase over time with 1% revenues, the 1% was close but the 3% was low. We had years when we were at 6% and 7%. Helen had verified with Zions a 4% going forward.

Pam talked about maintenance shop rates and questioned if we could see the same for CDL drivers again. She understands the thought of better future planning if a mid-year adjustment is requested and is open to ideas on how we budget and plan for that as the Board suggested. We will have underexpend in personnel, can we just count on that? Would the Board like us to plug in an extra \$150,000 in personnel in anticipation of driver wage increases? She believes we have a good plan but is open to ideas.

Board Member Ohrn said there were budget projections on the \$2.75. Pam agreed, noting that it was with 3% [operational expense projections] and now it is 4%. That, and what we have plugged in for the 2025 budget, are the differences. It is higher than 4% expenditures for 2025 and 4% going forward.

Pam expressed the importance of future planning and label it for the Board that these projections do not include 2025. She knows all Board Members care about the organization as much as we do, and she asked for their ideas.

Board Member Stringham would like to see some of the fees come up so other programs don't have to be subsidized by the monthly fee. She would like to see what the differences are and what that does to offset some of the costs, every little bit helps. She would also like to see the actual program costs per home in each municipality.

Pam stated that program cost accounting per city would be difficult to drill down to, but the highest costs are the cities further away from our yard and the dumping stations. Emigration Canyon is number one, Herriman City is number two, Cottonwood Heights is number three, and as we get closer to the tipping facilities and our yard, the costs decrease. These include costs per mile and time.

Board Chair Barbieri asked Board Member Stringham to clarify she is asking for the costs per home. She confirmed, and also wants to see the costs per city.

Board Member Ohrn reiterated her concern with the \$5.50 per home per month and is troubled by it. She understands the numbers behind it, but also starts thinking about the fee comparison chart showing what other cities are charging. She believes government tends to say “Oh, it’s costing us more, we need to charge more, it’s costing us more, we need to charge more.” She questioned if we are providing services that we just can’t provide anymore; Christmas trees, leaves, SCRP.

Board Member Ohrn believes this is something we have to start looking at and giving options because she needs to be able to explain this to her residents. She talked about the fee essentially being a tax, but it is not listed on the property taxes because it’s a fee, but it may as well be listed there. She has to be able to explain it to them when they can look all around us and say, “Why are you guys so expensive?” Her residents are going to say they want a competitive bid. She totally understands the numbers and the cost increases that we all feel. We say inflation is going down, but it didn’t take back all the rises.

Board Member Stringham talked about rates not going down, remaining steady, and jumping back up again. She is not seeing costs going down long-term. We don’t want to say we think it’s going to go down and safe-wise we have to believe it’s just going to keep going up at this point. There is nothing politically that we’re seeing, there’s nothing the FED or anyone is doing to stop it.

Board Member Gray stated that she is more comfortable with the \$6.50 increase right up front. It’s harder than the \$5.50 scenario but it’s really only

\$12.00 more per year than the \$5.50 scenario but if you look overall at the incremental increase scenario, it is less of an increase over the course of three years. If we are going to get hit, she would prefer to just get hit once, not repeatedly. We are seeing continued fallout in all of our cities from property tax increases. Financially it makes more sense to do the \$6.50 increase. She talked about trying to explain the difference between a \$5.50 increase to a \$6.50 increase to somebody. It would be easier to explain \$2.75 to the \$5.50.

Regarding the costs per home, Pam did a quick calculation of the operational costs in 2025 divided by the number of homes, which equated to \$390.58 per year, and we're not anywhere near that even at \$6.50, which would be \$312.00 per year. We have never charged what it costs, because we've had our fund balance to help offset the actual costs.

Board Member Stringham said that's what she wants to understand because if we're still subsidizing, we need to look at what is offsetting that per household. Understanding that may be helpful as we look at this going further.

Pam replied to Board Member Stringham that the \$6.50 scenario is a one-time shot, rather than two or three years. We would hit zero in 2027. She reminded everyone that cash is influenced by the sale of trucks which we hope to do by the end of this year, and going into next year, the questions are how many we can sell and for what price. We anticipate \$60,000 per truck but don't know if we will fetch that much.

She further explained that under-expenditures also influence cash. There is 98% of the budget going forward but historically we could be at 96% or 97%, and there was a year we were at 94%. She prefers the larger amount up front. She hopes we could carry further.

On the subject of not subsidizing other programs, Pam said that the leaf bag program is not a huge cost. Trailer rentals can be increased and if we want it to pay for itself it would cost well over \$200.00 per trailer rental. A fee for SCRP is another topic staff discussed which we know is not popular.

Board Member Ohrn talked about covering services that make our rates this high. We're going to say we're going to make your rates higher and also charge you for the perks.

Pam stated that she thought about if the \$6.50 would decrease if we charge for SCRP.

Board Chair Barbieri and others agreed these are really good conversations we need to have. Board Member Gray added that as SCRP is not for everybody, if it makes more sense it is subsidized by everybody.

Board Member Stringham believes that subsidizing is not necessarily a bad thing. Board Member Gray said if it was a reasonable price, people would feel they are only paying X amount and getting a deal versus what a commercial rate would be and believes it is worth looking in to.

	<p>It was agreed to look at trailers, SCRP, etc. Board Chair Barbieri said we need to look at everything and decide what we want to subsidize and what we don't. The Board participates in enough meetings with enough organizations to know that "only \$5.00 a year" adds up and she wants to ensure we are not subsidizing programs that people don't want.</p> <p>Pam asked for direction as October is the tentative adoption of the tentative budget, would the Board want to have an interim meeting to review all the information before they tentatively adopt the tentative budget.</p> <p>Board Member Stringham mentioned the option of forming a smaller committee, so the entire Board does not have to attend. Others agreed it is a good idea.</p> <p>Board Members discussed possible dates for an interim meeting and how soon the data could be available.</p> <p>Pam stated that information has been sent to Zions, we would have to vet it, and it will not include September's numbers.</p> <p>It was agreed to hold an interim meeting on Monday, October 21, 2024 at 9:00 a.m. to focus on the tentative budget only.</p> <p>Board Chair Barbieri summarized the deliverables as a cost per household, different fee increase scenarios, including one in 2027 that would get us to 2029, and information on the programs we are subsidizing.</p>		
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	<p>She tabled the topic for the October 21st meeting and moved on to the next business item.</p>		
<p>3.5 Recommendations for Drug and Alcohol Policy: Hazel Dunsmore, Human Resources Manager (<i>Discussion/Direction/Approval</i>)</p>	<p>Hazel explained that we are particularly looking at the alcohol portion of the zero tolerance policy.</p> <p>We are requesting a new section 9.26.1 addressing employees who do not have a CDL and are tested under reasonable suspicion of being under the influence of alcohol at work. We would take the employee for third-party testing. If their breath alcohol is 0.05 or greater is in violation of state law as well as the District's zero tolerance policy and will be separated from employment immediately.</p> <p>CDL holders will follow the Federal Motor Carrier Safety Administration (FMSCA) regulations. WFWRD uses a third-party testing service for random testing. If a breath alcohol concentration is 0.02 or greater, but less than 0.039, the employee will receive performance correction and referred to a substance abuse professional (SAP) for counseling at their own expense. We would follow-up with random testing for the six months following the recorded breath alcohol reading. If applicable, the employee would then return to work. A breath alcohol result of 0.04 or greater also violates federal standards as well as the District's zero tolerance policy and the employee will be separated from employment immediately.</p> <p>Hazel said this allows WFWRD to work with the employee as allowed by federal law.</p> <p>She responded yes to Board Member Gray's question that we are getting in compliance with federal and state laws. It was detail we did not have in the policy and realized it would be beneficial to include it.</p>	<p>Motion to Approve as Corrected: Board Member Stringham</p> <p>Second: Vice Chair Shelton</p> <p>Vote: All in favor (no opposing or abstaining votes).</p>	<p>Approved September 23, 2024</p>

Board Member Stringham inquired about what training we have available to employees to understand how alcohol affects the body. Shane answered that we do not currently have this training. Board Member Stringham stated that most people don't understand what they are getting themselves in to sometimes, for example, certain cough medicines and medications will result in a positive test. She believes this is something many drivers are never trained or taught and shared a story of a new employee who took cold medicine before work and tested positive. He was in the small percentage but not actually drinking alcohol, in fact, has never drank alcohol in his life.

Vice Chair Shelton commented that the Utah Highway Patrol conducts field sobriety tests and it would be interesting to partner with them for training.

Board Chair Barbieri said regular trainings on the topic are a great idea, Board Member Stringham added that knowledge is power.

Board Member Ohrn asked if our insurance benefits would help cover the costs of an SAP. Sometimes it is cost prohibitive to people, so they just quit rather than trying to work through the problem. She pointed out that one paragraph reads "termination of employment" where the following paragraphs read "separation of employment".

Pam thanked her and noted to make that correction. She also verified that our current health insurance policy does not cover costs of an SAP, but we can negotiate with our new health insurance carrier.

On the subject of substance control and medical cannabis, Board Member Stringham asked if there is testing for medical cannabis for what is above what is legally considered a card carrying person. Impairment is real and we see it all the time.

Pam answered that it would be reasonable suspicion. Rachel added that we follow federal law for CDL holders which is no cannabis. People are allowed to have a prescription but if it rises to the level of impairing your ability to work, it is not a free-for-all for people to be impaired. Then it becomes a question of discussing an accommodation. At the end of the day, if your medical condition doesn't allow you to function at work, that's not the job for you.

Pam concluded that any use of illegal drugs is an automatic separation of employment. She described the testing process in that if an employee tests positive for alcohol, they receive a second test 15 minutes later. When somebody blew .02 with zero tolerance, they're gone. We recently had a situation where this happened. It's another story if they are over the legal limit.

Board Chair Barbieri believes our insurance company may give us a better rate because we are providing training.

She asked for an approval on the recommendations to the drug and alcohol policy. Board Member Stringham motioned to approve the drug and alcohol policy as corrected and requested we look at training to help our employees, with a second by Vice Chair Shelton.

<p>3.6 Possible Closed Session: Direction for the 2025 Budget Personnel Compensation: Board Chair Barbieri (<i>Motion and Approve</i>)</p>	<p>Board Chair Barbieri excused staff and members of the public with the exception of Rachel Anderson and Hazel Dunsmore.</p> <p>She motioned to open the Closed Session with a second by Board Member Hales. Catarina conducted the roll call, paused the recording, and was excused.</p> <p>At the conclusion of the Closed Session, Board Member Stringham motioned to adjourn the Closed Session with a second by Vice Chair Shelton.</p>	<p>Motion to Open the Closed Session: Board Chair Barbieri Second: Board Member Hales</p> <p>Vote: All in favor (no opposing or abstaining votes).</p> <p>Motion to Close the Closed Session: Board Member Stringham Second: Vice Chair Shelton</p> <p>Vote: All in favor (no opposing or abstaining votes).</p>	<p>Approved September 23, 2024</p> <p>Approved September 23, 2024</p>
<p>4. Other Board Business</p>			
	<p>Board Member Gray called attention that a Board Meeting on October 21 would throw off the schedule for Pam’s city council visits.</p> <p>When looking at the schedule, Board Member Stringham remarked about talking about the fee increase without a final decision on the fee increase.</p> <p>Pam responded that her approach has been to show the table and inform councils that the Board has been having discussions and staff has been making recommendations and it may be \$5.00, \$6.00, or higher.</p>		

Vice Chair Shelton stated that White City Open House last week, he said we could be looking at \$6.00 to \$10.00. To put it in perspective, he likened it to one Happy Meal® they would have to sacrifice. None of them even balked. He explained that we are chasing the COVID spike where a lot of business saw the opportunity, raised their rates, and we are in a reactive state. Some responses were “Well, it is their turn.”, and that it is not even that big of an increase. As far as rates go, it may be a little high but we’re not talking \$50.00, or a gym membership. They were all in acceptance, obviously nobody wants to pay more, but no one seemed like it was ridiculous. Considering fuel, labor, and all the other things affecting our ability to do business, at the end of the day, we have to look at priorities. Do you want a Biggie Bag™, or do you want your trash picked up every week? It would cost a lot more to take our own trash to the dump.

Board Chair Barbieri explained that what has been presented to the cities is a broad overview.

Board Member Stitzer said Pam gave a really great presentation to the Copperton Community Council. They viewed it a little different in that they were all in favor of an increase primarily because Wasatch Front Waste & Recycling is really good about providing quarterly reports. They have seen how different things have been cut in areas, different job titles have been combined, we even try to resell trucks to remain up to date and current, and we are providing the best services possible to their community. There was a favorable response, and it wasn’t compared to anything else. They kept it solely about the fee. There are a lot of tax increases being presented to their town in October and the climate is very different with those.

	<p>The tax rate hikes they are looking at are presented very differently and they don't see a lot of the same transparency with different finances. She believes everyone in the community is really happy about seeing the numbers, where they come from, why it makes sense, were appreciative that fee increases haven't happened for a long period of time, and the Town of Copperton will be completely prepared to support.</p> <p>Board Chair Barbieri thanked her for the great comments and agreed that we are very transparent.</p> <p>There was no other Board business.</p>		
5. Requested Items for the Special Board Meeting Monday, October 21, 2024, 9:00 a.m.			
	<p>Board Chair Barbieri reviewed items for the Special Board Meeting:</p> <ul style="list-style-type: none"> Follow-up Items from September 23, 2024 Board Meeting: Review the Updated 2025 Tentative Budget and Fee Schedule Cost per household, different fee increase scenarios, including one in 2027 that would get us to 2029, and information on the programs we are subsidizing. 		
6. Requested Items for the Regular Board Meeting Monday, October 28, 2024, 9:00 a.m.			
	<p>Board Chair Barbieri reviewed items for the Board Meeting:</p> <ul style="list-style-type: none"> 2024 3rd Quarter Financial Report Tentative Adoption of the 2025 Tentative Budget and Fee Schedule Confirm the Date and Time for the Public Hearing to Allow Public Comment on the 2025 Budget and Fee Schedule <ul style="list-style-type: none"> Currently scheduled for Monday, November 18th at 6:00 p.m. General Manager's Report 		

Board Member Piñon asked to report that he has been working with Pam and the crews on a problem they had in the canyon with the dumpsters and illegal dumping. The purpose of their dumpster enclosures is specifically for residents. They devised a plan and Gage [Dekorte], one of the drivers, really worked with him during the [Garbage Person Day] breakfast. They were able to implement locks and get the combinations out. It has gone from a literal dumpster fire which takes five guys to clean every week, to something you can walk into barefoot. It has been a huge improvement, and they are going to do it at the furthest one up, Pinecrest. It has helped the neighbors that have no other option to solve a big problem.

Board Member Piñon shared this for other communities that may have a problem. He thanked staff for helping them solve a problem and come up with something that will be easier for them to handle, including less manpower. They are the furthest community away and will do anything they can to help.

Board Member Zuspan described the adjustments they made with cameras and placed signs reading “This area is remotely monitored by camera.” It looks like it could work but they are back to how they can enforce it. They plan to put up a wildlife camera where photos can be collected and downloaded. They are in situations where anyone can drive by and dump anything. He stresses to the community that people are doing that, and they are paying for it.

	Pam thanked both Board Member Piñon and Board Member Zuspan as they are our eyes up there, for letting us know there are issues, and she assured everyone that our team wants to respond.		
7. Adjourn			
	With no further business, Board Chair Barbieri thanked everyone for attending and motioned to adjourn.	Second: Board Member Hales Vote: All in favor (no opposing or abstaining votes). <i>Meeting end time: 11:25 a.m.</i>	Approved September 23, 2024