

ADMINISTRATIVE CONTROL BOARD (ACB) – WASATCH FRONT WASTE AND RECYCLING DISTRICT (WFWRD)
MONTHLY MEETING MINUTES

DATE/TIME	LOCATION	ATTENDEES
<p>April 24, 2017 9:00 a.m.</p> <hr/> <p>Next Board Meeting May 22, 2017 9:00 a.m.</p>	<p>Public Works Building 604 W 6960 S Midvale, UT 84047</p>	<p><u>Board Members:</u> Dama Barbour, Scott Bracken, Jim Bradley, Kay Dickerson, Steve Gunn, Dwight Marchant, Brint Peel, Joe Smolka, Craig Tischner, Jenny Wilson EXCUSED: Jim Brass, Kelly Bush, Sean Clayton, Kris Nicholl</p> <p><u>District Staff:</u> Anthony Adams, Craig Adams, Mark Anderson, Rachel Anderson, Mike Allan, Ryan Dyer, Cathy Jensen, Gaylyn Larsen, Pam Roberts</p> <p><u>Public:</u> Mark Hooyer (Trans-Jordan Cities), Aimee Winder Newton (Salt Lake County Council), Tami Paskett (Millcreek), Steven Rowley (Keddington & Christensen, LLC), Alicia Tischner (Herriman), Erica Turner (Millcreek)</p>

AGENDA

- Call to Order:** Craig Tischner, Board Chair
- 1. Consent Items: (Approval Requested)**
 - 1.1. March 27, 2017 Board Meeting Minutes
 - 2. Meeting Open for Public Comments:** (Comments are limited to 3 minutes)
 - 3. Business Items**
 - 3.1. Resolution 4379 Recognizing Retiring Board Member County Council Member Aimee Newton; Craig Tischner, ACB Chair (**Approval Requested**)
 - 3.2. 2016 Independent Financial Audit Report (Comprehensive Annual Financial Report; Steven Rowley, Keddington and Christensen, LLC (**Informational**))
 - 3.3. Authorization to Withdraw Properties from Tax Sale; Pam Roberts, Executive Director (**Approval Requested**)
 - 3.4. 2017 1st Quarter Financial Report; Cathy Jensen, District Controller (**Informational**)
 - 3.5. Request for Proposal for Fee Study; Pam Roberts (**Informational/Direction**)
 - 3.6. Board Discussion Related to Educating Constituents About the Challenges Within the Waste Industry and Increasing Subscriptions for Green and Glass; Steve Gunn, ACB Vice Chair (**Informational/Direction**)

4. Other Board Business

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

5. Requested Items for the May Board Meeting on May 22, 2017

- Follow-up on the Other Post-Employment Benefits (OPEB) Restructuring Options; Pam Roberts; Gaylyn Larsen, Human Resources Manager
(Informational/Direction)

TOPICS/ OBJECTIVES	KEY POINTS/ DECISIONS	ACTION ITEMS WHO – WHAT – BY WHEN	STATUS
1. Consent Items			
1.1 March 27, 2017 Board Meeting Minutes	Board Member Smolka identified a spelling error that needed to be corrected. Board Clerk Adams will make the correction to the minutes.	<p>Motion to Approve the Minutes with Noted Corrections by: Board Member Smolka Seconded by: Board Member Barbour</p> <p>Vote: All in favor (of Board Members present)</p>	Approved April 24, 2017
2. Meeting Open for Public Comments	(Comments are limited to 3 minutes)		
	<p>Tammy Paskett (3155 S. 737 E. Millcreek) commented that she lives next to a Section 8 home in which there are recurring issues with garbage. The residents often leave the cans on the sidewalk and leave garbage on the sidewalk next to the cans.</p> <p>Erica Turner (720 E. 3155 S. Millcreek) added that she has witnessed several ordinance violation infractions from the residents including dumping into their joint back yard area. Unified Police Department has been called on numerous occasions, as well as the managers of the property.</p> <p>Board Chair Tischner clarified that a formal motion could not be made at this meeting regarding this issue, but there can be discussion of this issue and direction later in the meeting.</p> <p>Board Member Barbour inquired if this would be a code enforcement issue. Board Member Marchant confirmed that it was a code enforcement issue because it was blocking the sidewalk. WFWRD has addressed the issue with this property residents and manager before by delivering additional cans for the excess refuse, but this did not alleviate the code enforcement issue. An alternative solution may be to have the property use</p>		

	<p>dumpster collection, but that would impede their limited parking area. Board Member Marchant stated that he feels it is best for the property to remain with WFWRD, and the responsibility of this issue should reside with the property owner. Pam Roberts confirmed that WFWRD supervisors have been in contact with the property owner regarding this issue.</p>	<p>Board Chair Tischner recommended further discussion and direction after official business items have been discussed in this meeting, and have a follow-up discussion next month.</p>	
3. Business Items			
<p>3.1. Resolution 4379 Recognizing Retiring Board Member County Council Member Aimee Newton; Craig Tischner, Board Chair (Approval Requested)</p>	<p>Board Chair Tischner read the resolution recognizing the service of Aimee Newton on the ACB during 2014-2016. Aimee expressed her gratitude for the award and the opportunity to serve on the ACB. Pam Roberts also expressed thanks for Aimee’s public relations assistance when WFWRD separated from the County and the support she provided for her as well.</p>	<p>Motion to Approve Resolution 4379: Board Vice Chair Gunn Seconded by: Board Member Bracken Vote: All in favor (of Board Members present)</p>	<p>Approved April 24, 2017</p>
<p>3.2 2016 Independent Financial Audit Report (Comprehensive Annual Financial Report); Steven Rowley, Keddington & Christensen, LLC (Informational)</p>	<p>Cathy Jensen introduced Steve Rowley, from Keddington & Christensen, LLC, who was the lead external auditor for the 2016 annual financial statement audit. Steve Rowley expressed gratitude for the assistance from all WFWRD staff, and announced to the ACB that no deficiencies or issues were identified in the financial statements, internal controls, or state compliance. He added that WFWRD has a reliable accounting system in place.</p> <p>Board Vice Chair Gunn commented that the report revealed a lot of information, and he asked if there were items in the report to review on which the Board should focus. Steve answered that board members should ensure that they review the Management Discussion and Analysis. This section puts the operations of the District in layman’s terms. He added that the financial overview and balance sheet would be helpful for board members to understand, especially in regards to the Utah Retirement Systems (URS) increase in liability for WFWRD.</p>		

<p>3.3 Authorization to Withdraw Properties from Tax Sale; Pam Roberts, Executive Director (Approval Requested)</p>	<p>Board Member Bracken commented that even though this was a 2016 audit, the 2017 board members are listed. Pam stated that the preference was to recognize all current board members.</p> <p>Board Member Bradley asked for clarification on the Other Post-Employment Benefits (OPEB) numbers. Cathy answered that the funds identified in the OPEB section are the retirement benefits for employees that qualified before 2013. Pam further confirmed that WFWRD followed Salt Lake County’s policy and has not offered these specific benefits to employees hired on or after January 1, 2013; and stated that a discussion is scheduled next month to discuss other organizations and how they are managing their OPEB policies to recognize savings in their benefits. Cathy stated that the OPEB is part of our total cash balance.</p> <p>Pam stated that every year we receive a letter from the County Tax Administration to release properties that are scheduled for tax sale due to non-payment of their bills. These properties identified in the letter are those in which the residents have indicated a desire to work with the Tax Office to pay the lien on their property. We would then be reimbursed the unpaid fees from the property owner. She is requesting a motion to approve the County Tax Administration’s request.</p> <p>Board Vice Chair Gunn asked if the property goes back up for tax sale if the property owner fails to meet their payment obligations. Pam stated that those procedures would be up to the County. Board Members Bradley and Wilson clarified that it is up to the Board of Equalization, which is the County Council.</p> <p>Board Vice Chair Gunn inquired if a general authorization would be sufficient, or if the authorization had to list the specific properties requesting the release. Pam answered</p>	<p>Motion to Approve Authorization to Withdraw Properties from Tax Sale: Board Vice Chair Gunn</p> <p>Seconded by: Board Member Wilson</p> <p>Vote: All in favor (of Board Members present)</p>	
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<p>3.4. 2017 1st Quarter Financial Report; Cathy Jensen, District Controller (Informational)</p>	<p>that the general authorization is the preference of the County Tax Administration because the properties can fluctuate. We will receive a final list in June.</p> <p>Cathy stated that we have recently recognized revenue in recycling, which we haven't seen in a long time, nor anticipated. However, we are unsure of the stability of the demand for recycling commodities and whether we will continue to see any revenue.</p> <p>Board Member Bracken asked if this relates to any decrease in tipping fees for us. Pam replied that our contract defines a pricing index based on the global commodities market, and our monthly recycling costs fluctuate based on this market. This market rebounded faster than anticipated, so Rocky Mountain Recycling is working to pay based on the index that they wanted. They have asked Pam to waive the fees due from them.</p> <p>Pam's recommendation is that rather than allowing a waiver in fees due, we receive this revenue so that it is accounted for and recognized on our financial books. Pam clarified that Rocky Mountain Recycling bills us monthly. We have been billing them since November 2016.</p> <p>Cathy stated that with the new home cart fee that was implemented in the 2017 budget, we have seen 218 new builds. However, since this revenue is not recognized until the carts are delivered, there is a small delay in receiving these fees.</p> <p>Cathy commented that we have only spent 20% of our operational budget so far, but expenses will increase as Green Waste collections are accounted, and when Area Cleanup begins. She praised our customers for helping to obtain a 23% diversion rate. Further, she stated that our Bring Your Own Bag campaign is important in this</p>		
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<p>3.5. Request for Proposal for Fee Study; Pam Roberts (Informational/Direction)</p>	<p>regard, especially as our contamination rate is increasing primarily due to plastic bags.</p> <p>Board Member Wilson requested an update on our OPEB obligations. Cathy confirmed that the annual WFWRD obligations have been added to the OPEB account. However, we have a total obligation of just over \$2 million. Pam added that we budget the amount for current retirees and pay as we go. We also budget additional funds to contribute to the remaining obligation. Staff is currently researching possible ways to restructure contributions to this obligation, and that information will be brought to the Board at the next meeting.</p> <p>Pam stated that she has recognized the anxiety to address a need to raise fees for our services. She indicated that we, as staff, can provide scenarios and statistics to justify these increases as we have done in the past, but she proposed the idea of a third-party, independent organization to provide a study with this information.</p> <p>Board Member Bradley asked what the benefit would be from an outside study. Cathy replied that it is sometimes more palatable to the citizens knowing that an independent party provided the objective information.</p> <p>Board Member Peel inquired of the cost of this study. Cathy stated that we would issue a Request for Proposals (RFP) and see what results came in to determine the fees for the firms that would respond. She estimates that it would be under \$10,000.</p> <p>Board Chair Tischner liked the idea of an RFP because that does not lock us into any contract, and we could decide on a course of action after the results have been received. He further stated that he likes the idea of an independent study to show to our constituents. Board Member Bradley confirmed his support to generate an</p>		
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RFP to see the options available. Board Member Bracken stated that we will need to start this process soon. Board Chair Tischner added that many firms already have the research data and just need the time to compile it for the requested purposes.

Board Member Peel asked when the budget is due. Pam stated that the tentative adoption is scheduled for October. Board Member Barbour confirmed that we are not a for-profit organization, and our costs are what they are. She asked what information the study could provide that we don't already have. Board Member Bradley stated that it could help measure and verify efficiencies, but could also help forecast future needs for the organization. Board Member Bracken agreed that he would like to see long-term measurements to confirm that any fee increases would be sustainable.

Board Member Wilson echoed Board Member Barbour's question in asking what the study could provide that we don't already have. Cathy confirmed that we could compile the data internally, but wanted to propose the option of an independent study to help justify any fee increases proposed to customers, and add transparency to the organization.

Board Chair Tischner and Board Member Barbour confirmed that we need to ensure that our fees must stay within the market. Board Chair Tischner restated his suggestion that we proceed with the RFP, and then decide on a course of action based on those results. Board Member Wilson requested a review of the RFP Scope before the RFP was released. Pam stated that staff have the RFP ready and she can send it out to the Board so we have the responses for next month's meeting.

Board Member Bradley asked for a review on the procedures of raising fees, if it were necessary. Pam confirmed that a public hearing would be required and

<p>3.6. Board Discussion Related to Educating Constituents About the Challenges Within the Waste Industry and Increasing Subscriptions for Green and Glass; Steve Gunn, ACB Vice Chair (Informational/Direction)</p>	<p>that the proposals would need to be presented to all the 13 municipal legislative bodies in the District, and a majority would have to approve the increase. Mark Anderson (legal counsel) confirmed that ACB members could vote their conscience, on the ACB, despite the majority of their respective councils. Board Member Marchant commented that this would be where the independent study could be valuable, in explaining any fee increase needs to the various councils and constituents, and to provide additional support to any need for a fee increase.</p> <p>Board Vice Chair Gunn stated that previous discussion was held in regards to proper materials being placed in the correct carts and lack of interest in the supplemental programs offered by WFWRD. He specifically commented regarding his concern with the heavy use of plastic bags and the problems they generate. Board Member Dickerson stated that we need to be clear on our educational efforts when it comes to plastic bags because there are thousands of varieties of plastic bags on the market. Board Vice Chair Gunn and Pam confirmed that stretch plastic bags, like grocery and garbage bags, are a source of concern. Board Vice Chair Gunn also commented on seeing Styrofoam in the recycle carts, which are items that should also not be placed in the blue carts. He believes that residents are putting these contaminants in the blue cart because they don't know, not because they don't care. He proposed some ideas on how to educate residents on proper materials for the blue carts. An effective measure, which he proposed, is discussing this issue at town hall meetings and suggested the same to other council member colleagues. Board Member Dickerson stated we should be working with manufacturers to ensure they are placing the right recycling symbol on their products. He added that, just because an item has a recycle symbol on it, doesn't mean that it can go in our blue bin, specifically Styrofoam with a symbol #7 on the items.</p>	<p>Final direction: the RFP Scope will be fine-tuned by staff for ACB review. Pam will distribute to board members electronically.</p>	
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Board Member Wilson added that educational efforts are important. She suggested assigning WFWRD staff to research what efforts are being done, including print and online, and which ones work better than others, and bring those results to the next ACB Meeting and have a dedicated discussion on it including the possible need to allot more financial resources to the efforts.

Board Chair Tischner added that the plastic grocery bags are recyclable, they just can't be placed in our blue carts because they need special equipment to process them. Pam clarified that the plastic bags are our biggest challenge with recycling contamination. Board Member Wilson suggested that we focus our efforts just on the plastic bag concern, and have staff weigh in on what our current resources are and what additional resources are needed.

Pam stated that we do budget for educational outreach. Our Sustainability Coordinator's primary role is to provide education to the community, and he attends several community functions to provide that outreach and education. She added that she attends many community functions, primarily with City Councils, and provides education as well. We spend about \$200,000 annually for education and for staff including our Quality Assurance Inspectors that assist in monitoring what residents place in their blue cans. She continued by stating that Rocky Mountain Recycling recently conducted a waste audit on two of our recycle trucks. For years, we have generally achieved a 5% contamination rate with our recycled collections. Because of plastic bags, we moved from 5% to 20% contamination. That entire 15% increase was due to plastic bags, which came in at almost one ton. Unfortunately, the recycling facilities are no longer breaking open plastic bags to retrieve any recyclable materials within the bags. It will just get pulled off the line and sent to the landfill. As a result, we are working to

restructure our pricing index with Rocky Mountain Recycling to address this plastic bag issue.

Board Member Bradley stated that it is in our best interest to get the cleanest recycling materials possible to the facilities, and part of our obligation is to educate the public as much as possible. He even suggested placing a ban on grocery bags, similar to what has been done in California. There truly are benefits to that type of ban. Pam introduced Mark Hooyer, general manager at Trans-Jordan Landfill, and commended him on the education efforts that they provide to their member cites.

Board Member Smolka commented that we need a multi-level approach to education efforts. His example was that the person who puts the materials into the garbage or recycle can, in the home, is not always the same person who takes it to the carts to be dumped. All levels need to be educated.

Board Member Bracken asked if the recycling facilities could purchase the needed equipment to handle the plastic bags. He also asked if resources could be moved from separated collection to sorting on the line at the landfill. Pam stated that we have performed “sample sorts” to see if we could capture recycling out of the garbage stream, but much of the material was so contaminated that little of it was usable. Additionally, the required machinery is a huge investment for the recycling facilities, and the market for the used bags is too small to justify the expense for the equipment. There is only so much we can control. The best thing we can do is to continue to educate the public and change our habits. Board Member Wilson restated her request to have a presentation by WFWRD and/or landfill/recycling facility staff to show what efforts we are undertaking and discuss the direction and efforts we want to consider in the future.

	<p>Board Member Dickerson commented that residents don't understand that more can go into the Green Waste cans than just grass clippings. Additionally, homeowners have lawn servicers who collect the green waste. He stated that the program is not cost effective for many residents and requested educational materials, similar to those used for recycling, identifying the materials that are accepted in the green cans. Board Vice Chair Gunn agreed that for some residents, a green cart would not be feasible, but feels that many residents do not fully understand the benefits of a green cart and how it can be utilized.</p> <p>Board Member Bradley indicated that a challenge could be that different municipalities use different colors of cans for their commodities. Salt Lake City uses a green cart for regular garbage and a brown can for their green waste. For a unified public education campaign, the same message should be applicable to the entire county, but that would only work if everyone had the same color of can.</p> <p>Board Member Barbour commended the current educational efforts by staff through social media.</p>	<p>Pam will follow up with staff to create a presentation for the next ACB Meeting describing the current education efforts for recycling and green waste.</p>	
4. Other Board Business			
	<p>Board Member Marchant added to the earlier public comment (Agenda Item 2), that it could be resolved with consistent effort. Board Member Wilson empathized with these types of situations that are out of the ordinary, but negatively impact residents. She stated the importance of clear communication on which staff are responsible, whom should be supervised by Pam; and since this is a code enforcement issue, we need to stay in contact with the homeowner, which is different than the resident. Board Member Bracken agreed that the landlord needs to be responsible and stay on top of the tenant's compliance.</p> <p>Board Member Bradley asked if we have the authority to fine residents for code violations. Pam verified that until</p>		

	<p>Millcreek establishes their own code enforcement, the County is still overseeing those issues. Our policy is that after three violations, then Unified Police District (UPD) fines the resident. Board Member Marchant commented that UPD has stated their unwillingness to get involved with this situation because the violation is not in the right-of-way, but it is a code enforcement issue. Board Chair Tischner suggested that we get the County Health Department involved, since they have some enforcement authority. Pam stated that she has a contact at the County Health Department that can assist. Board Member Wilson offered her and Board Member Bradley's assistance if needed.</p>		
5. Requested Items for the May Board Meeting on May 22, 2017			
	<ul style="list-style-type: none"> • Follow-up on the Other Post-Employment Benefits (OPEB) Restructuring Options; Pam Roberts, Gaylyn Larsen (Informational/Direction) 		
ADJOURN		<p>Motion to adjourn: Board Member Bracken Seconded by Board Member Wilson</p> <p>Vote: All in favor (of Board Members present)</p>	