

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

DATE/TIME	LOCATION	ATTENDEES
<p>September 25, 2017 9:00 a.m.</p> <hr/> <p>Next Board Meeting October 23, 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 Brass, Kelly Bush, Kay Dickerson, Steve Gunn, Dwight Marchant, Kris Nicholl, Robert Paine, Brint Peel EXCUSED: Jim Bradley, Sean Clayton, Craig Tischner, Jenny Wilson</p> <p><u>District Staff:</u> Anthony Adams, Craig Adams, Rachel Anderson, Rosemary Fasselin, David Ika, Cathy Jensen, Yael Johnson, Walt Lake, Gaylyn Larsen, Pam Roberts, Ken Simin</p> <p><u>Public:</u> none</p>

AGENDA

Call to Order: Steve Gunn, Board Vice Chair

1. Introduction of New Board Member Robert Paine

1.1. Oath of Office for New Board Member; Anthony Adams, District Clerk

2. Consent Items: (Approval Requested)

2.1. August 28, 2017 Board Meeting Minutes

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

4. Business Items

- 4.1. Compressed Natural Gas (CNG) Versus Diesel Truck Purchases; Pam Roberts, Executive Director **(Informational/Direction)**
- 4.2. Executive Director’s Recommendations for Leaf Bag Program; Pam Roberts **(Approval Requested)**
- 4.3. Proposed 2018 Budget and Fee Schedule; Pam Roberts and Cathy Jensen, Controller **(Informational/Direction)**
- 4.4. Overview of City/Metro Township Council Visits Regarding Fee Increase Approval; Pam Roberts **(Informational/Direction)**
- 4.5. Request to Amend the Interlocal Agreement with Salt Lake County for Landfill Services; Pam Roberts **(Informational/Direction)**

5. Closed Session

The Administrative Control Board 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.

6. Other Board Business

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

7. Requested Items for the Board Meeting on October 23, 2017

- 2018 Tentative Budget and Fee Schedule for Tentative Approval

TOPICS/ OBJECTIVES	KEY POINTS/ DECISIONS	ACTION ITEMS WHO – WHAT – BY WHEN	STATUS
1. Introduction of New Board Member Robert Paine			
1.1 Oath of Office for New Board Member; Anthony Adams, Board Clerk	Anthony conducted the Oath of Office for incoming Board Member Robert Paine, representing Emigration Metro Township.		
2. Consent Items			
2.1 August 28, 2017 Board Meeting Minutes		Motion to Approve the Minutes by: Board Member Nicholl Seconded by: Board Member Bush Vote: All in favor (of Board Members present)	Approved September 25, 2017
3. Meeting Open for Public Comments	(Comments are limited to 3 minutes)		
	No Public Comments		
4. Business Items			
4.1. Compressed Natural Gas (CNG) versus Diesel Truck Purchases; Pam Roberts, Executive Director (Informational/Direction)	<p>Pam briefly reviewed the history of WFWRD transitioning its residential collection fleet from diesel fuel trucks to CNG, which started approximately five years ago. In 2016, we were fully transitioned to CNG with an onsite fueling station active in September of 2015.</p> <p>Pam stated her displeasure in considering diesel trucks, due to the environmental impact, but WFWRD’s priority needs to be providing these needed services in an emergency. She is proposing that the six scheduled CNG truck purchases for 2018 be changed to diesel truck purchases. This allows many more fueling options during an emergency.</p> <p>The hope in transitioning was to have more CNG fueling options offsite, in case anything prevented our onsite</p>		

location to cease functioning. There are only two fast-fill fueling locations within the valley that can meet the capacity needs for our trucks. Staff has recently reflected on disaster/emergency contingencies to meet our CNG fueling needs if our onsite station went down. Pam clarified that, during emergencies, our first priority is continuity of services in unaffected areas. Historically, we have needed 18 trucks to pick up just garbage. This is the long-range recommendation to continue services if the CNG fueling station went down and we needed to launch trucks right away.

Board Member Marchant asked for the locations of the two current CNG stations and the possibility of acquiring additional CNG fueling locations. Pam replied that the two current offsite locations are the 66 station near Airport #2 and a Flying J station at 2100 South 900 West. Both locations are owned by private companies and both are fast-fill, so we can't obtain a full tank during the fill. Additionally, we do not have a CNG storage tank onsite, but all valley fuel stations have storage tanks for diesel.

Board Member Bracken suggested looking into mutual aid agreements with other collection providers. Pam confirmed that she has spoken with Waste Management and Ace Disposal who have on-site CNG stations. Their priority will be to their customers. Both organizations have stated a willingness to discuss an agreement, but no active agreements are in place.

Board Member Paine asked about the statement of diesel being 20%-30% dirtier than CNG. He stated that his expectations would be that diesel would have a greater impact than 20%-30%. The pollution statistics focus on carbon dioxide output; which is important, but not highly applicable for our inversion issues in the Salt Lake Valley.

He asked for confirmation that the nitrogen oxide (NOx) particulates have been included in these calculations.

Andy King, Fleet Manager, confirmed that the 20%-30% figure covers the complete lifespan of the fuel, including mining for the crude oil or natural gas.

Board Member Paine stated that most of those pollution-generating particulates happen outside of our local air shed. He asked for more specific and local data about the harmful emission comparisons. He added that the Department of Environmental Quality could provide this information.

Board Vice Chair Gunn asked about the cost difference. Pam answered that the diesel trucks are approximately \$30,000 less per truck than CNG trucks; however, the price of diesel fuel is slightly more expensive than CNG, so that savings would be eaten up over time.

Board Member Peel asked if it is possible to have more available CNG stations. Pam stated that to her knowledge, there are no current plans for new CNG stations, despite our original hopes. Board Member Bracken stated that Utah Transit Authority (UTA) has a fueling station downtown, and asked if that was a possibility. Pam replied that she would check, but was unsure it was a public use fueling site.

Board Member Barbour asked when a decision needs to be made. Pam replied not at this time and the topic is on the agenda as informational/direction to allow more time for review. Staff is willing to go back to collect any additional information board members may need or request in order to make a decision. She is hoping for a decision during the next board meeting, but needs one before the end of the year to allow progression with requests for proposals on truck purchases.

Board Member Marchant commented that the costs would seem to balance out, and it seems that there is a comfort

<p>4.2 Executive Director's Recommendations for Leaf Bag Program; Pam Roberts (Approval Requested)</p>	<p>level to have a mixed fleet. Board Member Nicholl agreed that it is wise to have a diverse fleet.</p> <p>Board Member Brass asked about our current diesel fueling options. Pam answered that there is a storage tank onsite, belonging to Salt Lake County. Andy added that it is a 20,000 gallon tank, but they are planning to reduce that since we currently do not utilize that fuel. If we decide to move to a mixed fleet, we would want to notify the County so that they can plan for that additional need.</p> <p>Board Member Brass followed by asking if we keep all of our trucks in the same location, and that it may be wise to keep some in various areas in case an emergency occurred. Pam stated that if we did have a more diverse fleet, we could store trucks offsite at satellite locations, closer to other fueling stations. Board Member Brass also mentioned that there is a CNG fueling station by Swift Trucking, located at 2400 South 5200 West. This could be an additional fueling option if it meets our requirements.</p> <p>Board Member Bracken suggested additional research for options with what we have, including redundancies onsite. Board Member Peel concurred, stating that we should look for all possible alternatives for fueling CNG, especially after all our work to transition to CNG, and recently receiving an award for our CNG fleet.</p> <p>Board Member Barbour also requested research on offsite storage of vehicles and for fueling.</p> <p>Board Vice Chair Gunn suggested continued discussion at next month's Board Meeting.</p> <p>Pam informed the Board that WFWRD is the only entity that collects leaf bags and delivers them to the composting area at the Salt Lake Valley Landfill. As we discussed last month, they are implementing an additional \$28 per ton</p>	<p>Pam will direct staff to conduct further research on fueling and storage options for Board Members and bring information to the next meeting.</p> <p>Motion to Approve the Executive Director's Recommendation by: Board Member Bracken Seconded by: Board Member Brass</p>	<p>Approved September 25, 2017</p>
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fee for debagging these leaf bags. In regards to our environmental stewardship, the original purpose of the Leaf Bag Program was to keep the leaves out of the storm drains and polluting the rivers.

Due to cost, Pam is proposing that the leaf bags be delivered for disposal rather than composting. This is still environmentally responsible since we are still providing convenience to residents to keep the leaves out of the storm drains. Residents who have a green waste cart can still place leaves in that cart to be deposited at the County's compost site.

Additionally, transportation cost savings are shown since we can deposit the leaf bags at the Transfer Station or Trans-Jordan, rather than taking all leaf bags to the County Landfill. The expected costs savings for this option is expected to be approximately \$25,000-\$30,000, depending upon the amount of leaves collected. We would then increase our push for residents to subscribe for a green waste cart.

Board Member Brass confirmed that allowing leaves into the storm drains and the river are an issue. The nutrient impact on the Jordan River spikes oxygen levels in the water. He added that the Utah Department of Water Quality (DWQ) is working with treatment plants to reduce their nutrient output. However, if the treatment plants prove that the nutrients are introduced outside of their control, DWQ could require the cities to treat their storm water, which would be very expensive. Anything we can do to keep leaves out of the storm drains will save money for the cities and the residents.

Board Member Paine asked for a definition of "leaves", and if it meant any material that is compostable. Pam clarified that it is strictly leaves for the Leaf Bag Program, and doesn't include other compostable materials. The

Vote: All in favor (of Board Members present)

<p>4.3 Proposed 2018 Budget and Fee Schedule; Pam Roberts and Cathy Jensen, Controller (Informational)</p>	<p>program will continue, but we will just no longer advertise that the leaves will be delivered for composting.</p> <p>Cathy emphasized the goals of the proposed budget, including meeting sustainability goals, maintain costs, and remain competitive. She added that sustainability of the organization is also a key goal with this proposed budget.</p> <p>Cathy reviewed the projected budget, including operational expenses, employee recruitment/retention, healthcare costs, and competitive wage adjustments. Gaylyn Larsen, Human Resources Manager, clarified that the wage adjustment comparisons are obtained by the United States Bureau of Labor Statistics and the Local Employers Council.</p> <p>Cathy commented that we are not requesting additional employee allocations for 2018, and we will see a decrease in Other Post-Employment Benefits (OPEB) liability due to Board approval of changing that policy. We are considering restructuring the Area Cleanup Program due to temporary staff shortages and other budget limitations.</p> <p>The proposed rate increase is \$2.25 per home, per month for the residential base rate, increasing the monthly fee to \$17.00. The more than one refuse can rate is proposed to increase \$2.00 to \$17.00 with the hope that this increase will move more residents to increased recycling. We are also proposing a \$3.00 per month fee for more than one recycling cans.</p> <p>Board Member Bracken suggested increasing the fee for additional refuse cans so that they are more expensive than the initial fee. Board Members Peel and Paine voiced their support of increasing the fee for the second refuse can to \$18 per month. Board Member Bush commented that we have large families in Utah, and many families may need that second can. Board Member Brass added</p>		
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that we are already struggling to remain competitive, and if we raise the fees to high, we will become the most expensive provider.

Board Member Dickerson asked if bi-weekly garbage collection was an option. Pam replied that the State Health Code and law requires weekly garbage collection.

Cathy continued by stating that the proposed fee increases will keep us sustainable into 2020. At that point, we would need to significantly restructure our programs, as we are doing now, or raise rates again for 2021.

In comparing WFWRD's services to other municipal entities, Cathy stated that our Area Cleanup program, among some of our other programs, is the only one that is absorbed solely by fees. Other municipalities which have similar programs often obtain funding through their General Fund or other sources of revenue. She also identified municipalities that enjoy lower fees by being members of Trans-Jordan. These instances create an uneven playing field where we can't truly equate our prices with other entities. Pam added that Salt Lake City and Salt Lake County receive dividends from the Landfill, and West Valley City receives rebates for waste that they haul to the landfill.

Board Member Bush asked about the status of the Christmas Tree Collection program. Pam confirmed that it is a curbside program, and a minimal expense for maintaining the program as compared to other services.

Board Member Barbour stated that Area Cleanup is a very popular program. She said that we need to *know* whether other municipalities are using their General Funds to pay for their programs if we want to compare ourselves to those entities and be competitive. Board Member Brass confirmed that Murray City does not have a neighborhood cleanup program, and that the annexed portion of the city,

<p>4.4 Overview of City/Metro Township Council Visits Regarding Fee Increase Approval; Pam Roberts (Informational/Direction)</p>	<p>which is still serviced by WFWRD, wanted to stay with the District primarily because of the Area Cleanup Program. However, if it becomes too expensive, it impacts families on fixed income. He suggested that we reach out to the customers in addition to the county/city/township councils. Board Member Nicholl confirmed that Sandy conducts a bi-annual neighborhood cleanup which is funded by Public Works, but is subsidized by the General Fund if needed.</p> <p>Pam commented that waste collection is the most expensive service that we provide. This is why we focus a lot of energy and education on diversion.</p> <p>Board Vice Chair Gunn asked when we need to vote on this budget. Pam clarified that next month, the Board will need to vote to tentatively adopt the tentative budget. It will then be formally adopted in the November or December meetings, which are the evening public meetings.</p> <p>Board Member Brass asked to confirm if we provide options for health insurance deductibles. Pam stated that employees do have health insurance plan options. Board Member Brass inquired if we go out to bid for our health insurance. Gaylyn stated that our provider is Public Employees Health Program (PEHP), and that other health insurance providers did not offer bids when we left the County because of the low number of employees in the District.</p> <p>Pam explained the County resolution which requires WFWRD to present before each municipal council, and obtain approval from a majority of those municipalities before fee increases can be implemented. She provided a draft of information that would be brought to each council, succinctly explaining the need and reasons for the fee increase. She added that the last fee increase was in</p>		
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<p>4.5 Request to Amend the Interlocal Agreement with Salt Lake County for Landfill Services; Pam Roberts (Informational/Direction)</p>	<p>2014, which was approved by all the municipalities. She requested feedback from board members on the draft, and if there was additional information they wanted discussed.</p> <p>Board Member Bracken suggested further clarification of the Board policy of maintaining 20% in our cash reserves.</p> <p>Board Vice Chair Gunn asked if the comparison chart should be included. It was determined that it was not necessary, but the information could be provided if requested.</p> <p>Board Member Brass asked how we are covered for property insurance. Pam answered that our property insurance is provided by Utah Local Governments Trust. Board Member Brass asked if that would cover us in an emergency or disaster. Pam replied that we are covered up to \$5 million. We selected the Trust due to the increased coverage from \$3 million to \$5.</p> <p>Pam discussed meeting options for the various municipal councils. She clarified that a fee increase could not be implemented until a majority of municipalities approved the proposal. Board Member Brass suggested the presentation to the municipalities as soon as possible, in case the municipalities decided to hold an internal public meeting for discussion. Pam will discuss with each board member on the best date to present to the various councils. She also clarified that municipal approval does not have to be through a resolution, but can be a letter, or other written notice.</p> <p>Pam stated that there is some inequity in our Interlocal Agreement compared to the County's agreements with Salt Lake City and West Valley City. She is proposing to renegotiate the minimum percentage of waste and green waste that is required to be sent to the Salt Lake Valley Landfill (County facilities). We want to send these</p>		
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materials to the most efficient and cost effective location. Most of the materials will still go to the County facilities. She also wants to equalize our rates, compared to West Valley City which receive rebates.

Board Member Bracken stated that he understood that philosophy of owner equity in generating a profit and returning it to the owner entities, but for a governmental organization, that seems odd. His understanding is that the County created the landfill, in part, because they were in charge of collections. As such, those benefits should be logically directed to WFWRD. It seems odd that we are treated differently.

Board Member Brass stated that he understands the situation with West Valley City with additional traffic and the proximity of the landfill. However, he agrees that there should be concessions granted to WFWRD by the County.

Board Member Peel asked if private entities were receiving this discount. Pam confirmed that the \$1.75 per ton rebate is only for governmental entities. She also confirmed that the Salt Lake Valley Landfill Council is also considering a fee increase.

Board Member Brass commented that all landfills receive income from the sale of methane gas. However, he also stated he understands the need for the landfills to have a cash balance on hand for closing and sealing the landfill. Pam confirmed that there is a restricted fund for closing the landfill, but there is an unrestricted cash balance as well.

Pam stated that her desire is to approach the Landfill Council to propose the renegotiation. They would then recommend that action to the County Council for approval. Successful renegotiations would mean a savings of approximately \$26,000 annually.

	Board Vice Chair Gunn confirmed that the Board's direction is for Pam to proceed with her request to amend the Interlocal Agreement with Salt Lake County for landfill services.		
5. Closed Session			
	<i>The Administrative Control Board may temporarily close the Board meeting and convene in a closed session to discuss pending or reasonably imminent litigation as provided by Utah Code Annotated §52-4-205.</i>	Motion to move to Closed Session: Board Vice Chair Gunn Seconded by Board Member Brass Vote: All in favor (of Board Members present) Motion to return to Open Session: Board Vice Chair Gunn Seconded by Board Member Brass Vote: All in favor (of Board Members present)	Approved September 25, 2017 Approved September 25, 2017
6. Other Board Business			
	<ul style="list-style-type: none"> Board Member Dickerson commented that his term on the White City Metro Township Council runs out this year. However, he is running for reelection and is unopposed so he anticipates staying on the Board. 		
7. Requested Items for the Board Meeting on October 23, 2017			
	<ul style="list-style-type: none"> 2018 Tentative Budget and Fee Schedule for Tentative Approval 		
ADJOURN		Motion to adjourn: Board Member Paine Seconded by Board Member Peel Vote: All in favor (of Board Members present)	