

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

| DATE/TIME | LOCATION | ATTENDEES |
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| <p>June 25, 2018 9:00 a.m.</p> <hr/> <p>Next Board Meeting August 27, 2018 9:00 a.m.</p> | <p>Public Works Building 604 W 6960 S Midvale, UT 84047</p> | <p><u>Board Members:</u> Scott Bracken, Jim Bradley, Jim Brass, Kelly Bush, Brad Christopherson, Kay Dickerson, Steve Gunn, Dwight Marchant, Sherrie Ohrn, Robert Paine, Brint Peel. Participating via phone: Kris Nicholl (through Agenda Topic 3.2), Jenny Wilson Excused: Ron Patrick</p> <p><u>District Staff:</u> Anthony Adams, Craig Adams, Rachel Anderson, Rosemary Fasselin, David Ika, Cathy Jensen, Yael Johnson, Andrea Murdock, Pam Roberts, Ken Simin, Jeffrey Summerhays, Sione Tuione</p> <p><u>Public:</u> Larry Gibbons (Rocky Mountain Recycling), Rick Graham (Salt Lake County), Beth Holbrook (Waste Management), Jaren Scott (Trans-Jordan Cities)</p> |

AGENDA

- Call to Order:** Steve Gunn, Board Chair
- 1. Consent Items: (Approval Requested)**
 - 1.1.** May 21, 2018 Board Meeting Minutes (**Motion & Approve**)
 - 2. Meeting Open for Public Comments:** (Comments are limited to 3 minutes)
 - 3. Business Items**
 - 3.1.** Recycling Information from Contracted Vendors: Beth Holbrook, Waste Management and Larry Gibbons, Rocky Mountain Recycling (**Informational**)
 - 3.1.1** Recycling Education and Evaluation Approach, Pam Roberts, Executive Director
 - 3.1.2** Staff’s Recommendations on Surveying Customers for Feedback on Recycling
 - 3.2.** Adopt the Resolution for the New Online Public Treasurers’ Investment Fund (PTIF) Platform; Cathy Jensen, District Controller (**Approval Requested**)
 - 3.3.** Cancel, or Reschedule, the July 23, 2018 Board Meeting (**Discussion/Decision Requested**)
 - 3.4.** Executive Director’s Report; Pam Roberts (**Informational/Direction**)

- 3.4.1** New Landfill Fees for Mattresses and Staff's Recommendations on a Pilot Project for Managing Mattresses in the WFWRD Waste Stream.
- 3.4.2** Update on the Request for Proposal (RFP) Process to Receive Transfer Stations Services.
- 3.4.3** Update on Progress for Preparing a Proposal for the Salt Lake Valley Transfer Station

4. Closed Session (If Needed)

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.

5. Other Board Business

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

6. Requested Items for the Next Board Meeting(s)

- 2018 2nd Quarter Financial Report and 2018 Year-to-Date (YTD) Performance Measures Report
- Year-to-Date Investment Account Report; Scott Burnett, Director of Fixed Income, Zions Capital Advisors

| TOPICS/ OBJECTIVES | KEY POINTS/ DECISIONS | ACTION ITEMS WHO – WHAT – BY WHEN | STATUS |
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| 1. Consent Items | | | |
| 1.1 May 21, 2018 Board Meeting Minutes | | Motion to Approve the Minutes by: Board Member Marchant Seconded by: Board Member Dickerson Vote: All in favor (of Board Members present) | Approved June 25, 2018 |
| 2. Meeting Open for Public Comments | (Comments are limited to 3 minutes) | | |
| | No public comments | | |
| 3. Business Items | | | |
| 3.1. Recycling Information from Contracted Vendors: Beth Holbrook, Waste Management and Larry Gibbons, Rocky Mountain Recycling (Informational) | <p>Beth Holbrook, from Waste Management, explained a brief history of recycling in Salt Lake Valley, and emphasized that it is a supply/demand market. She indicated that China had been the primary buyer of recycle commodities for many years. In 2017, China enforced stricter contamination rates on recyclables, and banned all mixed paper imports. These demands have required increased labor at the recycle facilities to ensure contaminants are removed from the recyclable commodities, thus increasing costs.</p> <p>People still want to recycle, but contamination is a continual problem. China will allow up to 0.5% contamination, but the average contamination rate in a curbside container is 25%. Waste Management is constantly looking for alternative markets to take recyclable materials, and the increased supply may spur the creation of new domestic markets.</p> <p>Board Member Marchant asked for clarification on mixed paper. Beth replied that it is all paper products, except for</p> | | |

shredded paper, which is not recyclable. She clarified that Waste Management is currently accepting phone books, newspaper, magazines, glossy inserts, and pamphlets. Board Member Paine asked if one material is more valuable or profitable than another. Beth confirmed that all of the products end up in the same utilization, but these products are continually being less used as people continue to increasingly get their information online.

Pam Roberts stated that WFWRD has an educational flyer that is available and has been distributed, which identifies which items can be placed in the curbside recycle can.

Board Member Bradley indicated that we may have to take a step back, review our policies on recycling and determine the value in our community, acknowledge the market realities, and work to reduce the amount of materials sent to landfills. We need to keep it simple and include few items so residents can remember.

Pam clarified that our message is consistent and clear, and is in cooperation with our recycling partners. She added that any policy decisions must be made as a Board, though she is not requesting a decision at this time, but that we continue as we have been doing and keep recycling collections as part of the services WFWRD provides. She also recommended that staff provide education and evaluate over the next six months and report back.

Board Member Christopherson asked how much material Waste Management sends on to the landfill. Beth stated that about 25% goes straight to the landfill. She supports an ongoing and consistent educational effort.

Beth stated that a primary contaminant is plastic bags, and confirmed that no recycling facilities want any plastic bags in the curbside collections. We need to focus on education and decreasing contamination.

Larry Gibbons, Vice President of Marketing and Sales with Rocky Mountain Recycling, provided a brief company overview and its role in curbside recycling. He supported and echoed what Beth presented. He confirmed that community demographics have widely varying items in their curbside recycling can. He further explained the reasons for the increase in recycling fees, but stated that the increase equates to an increase of approximately \$1.00 per household per month, which is minimal. Pam added that there will always be a cost, and that taking these materials to the landfill would equate to \$0.75 per household per month. The cost to get the materials to the recycling facility is that extra \$0.25 per home per month. The commodities market could change and increase or decrease that amount. This is why she is proposing that we evaluate the markets and services over the next six months.

Larry explained that markets and values have changed drastically over many years, and showed that, although we are now in the lowest point we've measured, last year we were at the highest point. Let's not make decisions based on immediate market values, but judge them over several years.

Board Member Paine asked if the commodity composition has changed over the years. Larry confirmed that it has changed significantly. As an example, he explained that yesterday's soup tin can has become today's soup pouch, which is not recyclable. Every city in America is being affected by this.

Larry recommended that we use our schools and communities to increase educational efforts. Recycling is always an economical option to extend the life of the landfill. He also recommended a 2-3 strikes and you're out program, adding that 10% of the population produces 90% of the contamination in the recycle cans. He

explained that they can determine who the likely offenders are by looking at the addresses on junk mail thrown away in the vicinity of the contamination.

Board Member Bush suggested that we get our recycling guide out to the media, since there currently is so much coverage about recycling.. Pam added that our most effective tools for education are our Quality Assurance Inspectors who are out on the street every day speaking with residents.

Board Member Ohrn stated that she does not believe that residents don't care, but that they are uninformed about proper recycling.

Larry concluded by explaining ways in which Rocky Mountain Recycling is working to move more of the recycling commodities into the markets.

Board Member Bracken asked what happens when Rocky Mountain Recycling receives recyclable materials in plastic bags, and if it is all considered contamination. Larry confirmed that Rocky Mountain Recycling processes plastic bags from commercial entities, but cannot process them from the curbside containers. He also confirmed that bagged recycling, from curbside containers, are opened up on their pre-sort line. The contents are processed, but the bags are sent to the landfill.

Board Vice Chair Peel asked about contaminants within containers. Larry indicated that a small amount of residue in cans is not a contaminant. Pam stated that we have been instructing residents to perform a quick rinse of the containers if needed. Larry confirmed it would be different for other materials, such as peanut butter. He also stated that we should not use one resource to protect another resource. Larry also indicated that the recycle numbers on a plastic container are often not accurate.

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| <p>3.1.1 Recycling Education and Evaluation Approach, Pam Roberts</p> <p>3.1.2 Staff's Recommendations on Surveying Customer for Feedback on Recycling</p> | <p>Board Chair Gunn asked if the question is going to be whether we continue to recycle at a higher price or send everything to the landfill. Pam confirmed that this would be a Board policy decision. This is a decision that needs additional information and dialogue.</p> <p>Pam reconfirmed WFWRD's commitment to continue educating the public, continue to evaluate, and report back to the Board. Staff have always educated our residents and we began the "heavy push" for education as soon as the market changed.</p> <p>Pam stated that she would like to survey our customers to find out how they feel. Sending out surveys and posting them on our website provides an additional educational outlet. Pam suggested sending out 10,000 surveys to residents, similar to our Annual Customer Satisfaction Survey process.</p> <p>Board Member Bush requested that age demographics be included in this survey.</p> <p>Pam confirmed that the flyers have been included with bills in the past, they are stapled to cans with identified contamination, and they are included in a welcome packet for new residents to the District.</p> <p>Board Member Bush indicated that we don't have a way to get this information in front of residents who pay their bills online. Pam indicated that we can send an email to those residents.</p> <p>Board Member Dickerson asked how we educate renters. Pam stated that it is difficult, if we don't receive notice if</p> | | |
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| <p>3.2 Adopt the Resolution for the New Online Public Treasurers' Investment Fund (PTIF) Platform; Cathy Jensen, District Controller (Approval Requested)</p> | <p>new renters move in, but we can send a welcome packet if we are informed of new tenants.</p> <p>Board Member Bracken confirmed that this is a formality to clarify who is authorized to access the PTIF funds.</p> | <p>Motion to Adopt the Resolution for the New Online PTIF Platform: Board Member Bradley Seconded by: Board Member Bush</p> <p>Vote: All in favor (of Board Members present)</p> | <p>Approved June 25, 2018</p> |
| <p>3.3 Cancel, or Reschedule, the July 23, 2018 Board Meeting (Discussion/Decision Requested)</p> | <p>Board Vice Chair Peel recommended that we cancel the July 23rd meeting, but allow the option to schedule an emergency meeting if needed before the August 27th meeting.</p> | <p>Motion to Cancel the July 23rd Board Meeting: Board Member Bradley Seconded by: Board Member Bush</p> <p>Vote: All in favor (of Board Members present)</p> | <p>Approved June 25, 2018</p> |
| <p>3.4 Executive Director's Report; Pam Roberts (Informational/Direction)</p> <p>3.4.1 New Landfill Fees for Mattresses and Staff's Recommendations on a Pilot Project for Managing Mattresses in the WFWRD Waste Stream.</p> | <p>Pam announced that new landfill fees will take effect on July 1, for any mattresses delivered to the landfills or Transfer Station. The fee will be \$15 per piece. We typically see mattresses disposed of during Area Cleanup, and the Area Cleanup Manager has found an alternative recycling option with Spring Back Mattress company.</p> <p>Spring Back will charge us \$7 per piece, and they will take the mattresses apart and recycle all components. Our cost increase would be the transportation costs to deliver the mattresses to the Spring Back Mattress location and the \$7.00 per piece fee, which is less than half of the fee at each of the landfills.</p> <p>The Transfer Station is willing to allow WFWRD to keep a trailer at the facility to load up mattresses to be transferred to Spring Back Mattress on a daily basis. This is a pilot program and is based upon labor available during the Area Cleanup Program.</p> | | |

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| <p>3.4.2 Update on the RFP Process to Receive Transfer Station Services</p> | <p>Board Vice Chair Peel recommended that staff implement this pilot program.</p> <p>Board Member Bracken confirmed that customers are not changing what they are currently doing. Pam confirmed that it would be easier to pick up each piece from the residents, but it would be more costly. She added that staff reports seeing about 10 mattresses per day.</p> <p>Board Member Bush requested the information on Spring Back Mattress for their pickup services.</p> <p>Pam stated that we received proposals from Ace Waste and Recycling, Republic Services, and Waste Management, to accept municipal solid waste at their transfer stations. We have not yet conducted the official evaluation of those proposals. She reiterated that this evaluation is purely for planning purposes – a back-up plan. We will report on those proposals to the Board at the next meeting.</p> | | |
| <p>3.4.3 Update on Progress for Preparing a Proposal for the Salt Lake Valley Transfer Station</p> | <p>Pam indicated that she, Cathy Jensen, David Ika, and our Fleet Manager, Andy King, have been working on a proposal to submit, if Salt Lake County invites us to bid on operating the Transfer Station. We feel we have a solid and cost-effective proposal to run the facility, but we have not yet been asked to submit any official proposal.</p> <p>Board Chair Gunn asked if transfer of ownership was a possibility. Pam stated that Salt Lake City and Salt Lake County are aware that we have interest in joint ownership of the facility. She confirmed that Salt Lake City and Salt Lake County want to ensure that the ownership of the facility remains in public hands.</p> <p>Board Member Wilson confirmed that the desired intent is to keep the Transfer Station in government hands. She</p> | | |

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| | <p>added that there is a desire to continue to work through this process with Public Works and Financial teams.</p> <p>Rick Graham, Salt Lake County Deputy Mayor, stated that the long-term plan is to not sell the Transfer Station to other owners. Both owners wish to maintain ownership and control of that facility. He confirmed that an RFP was being created. Salt Lake City will issue the RFP, but the Salt Lake County Council will review it beforehand.</p> | | |
| 4. Closed Session | | | |
| | No Closed Session | | |
| 5. Other Board Business | | | |
| | Pam recognized Board Member Paine for receiving a Presidential Chair with the University of Utah Huntsman Cancer Institute. | | |
| 6. Requested Items for the Board Meeting on August 27, 2018. | | | |
| | <ul style="list-style-type: none"> • 2018 2nd Quarter Financial Report and 2018 YTD Performance Measures Report • YTD Investment Account Report; Scott Burnett, Director of Fixed Income, Zions Capital Advisors | | |
| ADJOURN | | <p>Motion to Adjourn: Board Member Christopherson</p> <p>Seconded by Board Member Ohrn</p> <p>Vote: All in favor (of Board Members present)</p> | <p>Approved June 25, 2018</p> |