

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

DATE/TIME	LOCATION	ATTENDEES
<p>January 27, 2020 9:00 a.m.</p> <hr/> <p><b>Next Board Meeting</b> February 24, 2020 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 (through Agenda Item 3.4), Brad Christopherson, Kay Dickerson, Daniel Gibbons, Katherine Harris, Dwight Marchant, Brint Peel, Patrick Schaeffer, Tessa Stitzer, Diane Turner, Keith Zuspan  <b>Excused:</b> Shireen Ghorbani, Kris Nicholl, Sherrie Ohrn</p> <p><u>District Staff:</u> Anthony Adams, Craig Adams, Rachel Anderson, Yael Johnson, Paul Korth, Andrea Murdock, Pam Roberts, Sione Tuione</p> <p><u>Public:</u> Danny Astill (Murray), Patrick Craig (Salt Lake County), Justin Edwards (Herriman), Jill Fletcher (Transjordan Cities), Marla Kennedy (Salt Lake County), Jan Lopez (Murray), Mike Reberg (Salt Lake County)</p>

**AGENDA**

**Call to Order:** Brint Peel, Board Chair

**1. Consent Items:**

**1.1.** November 18, 2019 Board Meeting Minutes (**Motion & Approve**)

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

**3. Business Items**

- 3.1.** Introduction of the Newly Incorporated Town of Brighton and the Process for the Town to have Representation on the WFWRD Board: Pam Roberts, General Manager and Rachel Anderson, Legal Counsel (**Informational/Direction**)
- 3.2.** Oath of Office for New Board Members; Daniel Gibbons from Holladay City, Catherine Harris from Emigration Canyon Metro Township, Tessa Stitzer from Copperton Metro Township, Diane Turner from Murray City, and Keith Zuspan from the Town of Brighton: Anthony Adams, District Clerk.
- 3.3.** Conflict of Interest Approval: Pam Roberts (**Motion & Approve**)
- 3.4.** Preliminary 2019 4<sup>th</sup> Quarter Financial Report: Paul Korth, Finance Director (**Informational**)
- 3.5.** Process for the 2019 Independent Financial Audit: Paul Korth (**Informational**)
- 3.6.** General Manager’s Report: Pam Roberts (**Informational**)

- Using the Salt Lake Valley Transfer Station Saturdays After Thanksgiving and Christmas
- Municipal Solid Waste (MSW) Tonnage
- Lease Agreement with Salt Lake County
- Hiring Employees and Retention
- 2019 Customer Satisfaction Survey Preliminary Report

3.7. Formal Transition of Board Vice Chair to Board Chair: Brint Peel (**Motion & Approve**)

3.8. At the Board's Option for Today or the February Meeting, Elect a New Vice Chair: Brad Christopherson, Board Chair (**Motion & Approve**)

#### 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, or other legally applicable reasons 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)**

- Elect a New Vice Chair if not Approved in January
- Open & Public Meeting Act – Required Board Training
- 2019 Accomplishments and Satisfaction Survey Results

TOPICS/ OBJECTIVES	KEY POINTS/ DECISIONS	ACTION ITEMS WHO – WHAT – BY WHEN	STATUS
<b>1. Consent Items</b>			
1.1 November 18, 2019 Board Meeting Minutes		<b>Motion to Approve the Minutes by:</b> Board Vice Chair Christopherson <b>Seconded by:</b> Board Member Marchant  <b>Vote: All in favor (of Board Members present)</b>	<b>Approved January 27, 2020</b>
<b>2. Meeting Open for Public Comments</b>	(Comments are limited to 3 minutes)		
	No public comments		
<b>3. Business Items</b>			
3.1. Introduction of the Newly Incorporated Town of Brighton and the Process for the Town to Have Representation on the WFWRD Board: Pam Roberts, General Manager and Rachel Anderson, Legal Counsel ( <b>Informational/ Direction</b> )	Pam provided an overview of the Town of Brighton incorporating from Big Cottonwood Canyon - an unincorporated area of Salt Lake County. WFWRD, throughout its iterations, has serviced these residents and area for over 40 years. The Town of Brighton will remain within the District’s boundaries, and their existing services will not change. As an incorporated town, they have the right to representation on the ACB. Almost 600 homes are serviced in the Town of Brighton. Pam clarified the way the Town of Brighton (and Big Cottonwood Canyon) is different than the other areas of the District. Rather than individual curbside service, these residents have centralized containers for garbage and recycling with a compactor on the Brighton Loop. The service fees are structured differently, with year-round residents paying \$14.75 per month, and part-time residents (six months or less per year) paying \$8.50 per month. Service costs are also shared by businesses along that loop. This is not an interlocal agreement since they were incorporated after the creation of WFWRD as a special service district.		

	<p>Rachel Anderson clarified that the modified resolution, creating WFWRD, allows any incorporated municipality within the District boundaries to appoint a representative to the WFWRD Administrative Control Board. The Town Council of Brighton has appointed Keith Zuspan to be their representative on this Board. Pam verified that the total number of Board members is now 15, with each incorporated municipality having a representative and Salt Lake County having two representatives.</p>		
<p>3.2. Oath of Office for New Board Members: Anthony Adams, District Clerk</p>	<p>Anthony provided the oath of office for the five new ACB representatives from the Town of Brighton, the Metro Townships of Copperton and Emigration Canyon, and the cities of Holladay and Murray.</p>		
<p>3.3 Conflict of Interest Approval: Pam Roberts (<b>Motion &amp; Approve</b>)</p>	<p>Pam presented names of District employees with outside employment, and the declaration that they do not conflict with their duties and responsibilities at WFWRD. She clarified that she serves as a board member with the Utah Local Government Trust, and any financial compensation awarded to her goes directly to the District's funds since she is not allowed to personally benefit financially for this service.</p>	<p><b>Motion to Approve the Conflict of Interest Disclosures by:</b> Board Member Bradley  <b>Seconded by:</b> Board Member Bracken   <b>Vote: All in favor (of Board Members present)</b></p>	<p><b>Approved  January 27,  2020</b></p>
<p>3.4 Preliminary 2019 4<sup>th</sup> Quarter Financial Report: Paul Korth, Finance Director (<b>Informational</b>)</p>	<p>Paul presented the 2019 Financial Report, including the 4<sup>th</sup> Quarter information. The report is broken into Revenues, Personnel Expenses, and Operating Expenses. Paul emphasized that this is a preliminary report (subject to change), and that some numbers don't come in until February.</p> <p>Revenues in 2019 increased \$209,000 from last year. This was primarily from residential waste collections. The largest growth came from the southwest area of the county. Paul explained how our fund balance works for the budget and that it is used as a reserve if our budgeted expenses exceed our budgeted revenues. Pam added that</p>		

we did not rent as many trailers in 2019 as anticipated. We also did not collect as much metal recycling during Area Cleanup due to staff shortages.

At the end of 2019, we had 84 full-time employees, with four allocated vacancies. Personnel expenses increased \$137,000 from 2018 primarily due to increased overtime and benefits. Overtime was up because we had several vacant positions.

The OPEB (Other Post-Employment Benefits) liability decreased this year. This is primarily due to over-estimating the health care costs and a higher returning interest rate, and is based on an actuarial report.

Pam clarified that OPEB is a shared premium for retirees. This benefit was cancelled for all new hires on and after January 1, 2013. On July 1, 2019, this benefit was also discontinued for all current employees that had not yet retired. There are 21\* retired employees still participating in this benefit. Pam also clarified that this benefit exists for these individuals until the end of their life.

Operating expenses increased \$632,000 in 2019 compared to 2018. The most significant increase was related to recycling disposal fees. Maintenance expenses and depreciation expenses also contributed to the increase. Board Member Gibbons inquired if recycling can be changed by education and the cleanliness of the recycled items in the curbside can. Pam stated that fees can change due to the cleanliness of the recycle stream, but the price is also dependent upon the commodities in the stream and the pricing markets for each commodity.

Board Chair Peel stated that the commodities market is the primary contributor in the cost of recycling. Board Member Dickerson asked about the biggest contaminant in recycling. Pam replied that what we are still seeing are plastic bags, food and water as the biggest contaminants in the recycling cans.

***\*In the Meeting, it was stated that there are 15 retired employees participating in OPEB. The number '21' reflects the correct number of retired employees participating in OPEB.***

Board Member Marchant recommended discussion on reducing the frequency of recycle collections. He stated that recycle cans in his neighborhood are rarely full each week. Pam stated that we can inquire about this on our 2020 Recycling Survey.

Board Chair, Peel asked if we addressed this topic in last year's survey. Pam reported that over 70% of residents put out their recycle can each week and were willing to pay to maintain these weekly services. Board Member Bradley asked if there were efficiencies by only collecting 50% of the cans each week rather than all of them. Pam explained that there would be a savings in the costs, but it unknown on the amounts at this time. For the scenario that was mentioned about some customers electing for bi-weekly while others keep weekly, there would not be much in fuel and time savings since the trucks would still have to drive by the homes in case the cans were out.

Paul stated that fuel expenses decreased by \$64,000 in 2019. The decrease was partly due to the average cost per gallon of fuel decreasing. We also recognized a decrease in mileage by reorganizing the logistics in some of our programs. Pam reminded Board members that our sideload collection trucks get two miles per gallon regardless of the fuel we use.

Maintenance expenses have gone up every year. In 2019, these expenses went up \$150,000. Most of this was due to our aging trailer and Area Cleanup container repairs. Board Chair Peel recommended creating a program to start replacing these aging trailers and containers.

In 2019, collected waste tonnage increased from 121,000 tons in 2018 to 125,000 tons (approximately 3% increase). There is a large increase of waste delivered to Trans-Jordan Landfill due to the large increase in population in the southwest area of the county. There is also a shift in tonnage from the Transfer Station directly to the Landfill

due to the beneficial tiered pricing available at the Landfill.

The Trans-Jordan Landfill is expected to remain open for 12 more years. Pam stated that there will be a transfer station opening, in 2024, on 700 West and around 8800 South. The transfer station will deliver waste to Trans-Jordan until it is closed, and then will deliver, by truck, to a landfill in Utah County.

We show a decrease in recycling tonnages over the past few years. We are still researching the causes of this decrease and its impact on collection services. Board Vice Chair Christopherson supported the theory that education is working, and residents are recycling smarter and keeping other trash out of the recycle cans. Paul further showed how recycling costs have changed in the past few years. During 2018, we changed from receiving dividends of \$10 per ton at the beginning of the year, to paying \$50 per ton by the end of the year. During the past few months we have been paying \$60-\$65 per ton.

Paul reviewed our cash and investment accounts. He reminded Board members that we bill quarterly and in arrears. He added that truck purchases affect our cash balance as well. New trucks cost around \$313,000 each. Cash balance, at the end of 2019, was around \$10.5 million.

Pam clarified that the Zions investment fund is a long-term investment account with a history of a better return. The PTIF (Public Treasurers' Investment Fund) is a more fluid account that we can draw down when we need funds for expenses. Board Member Marchant requested details on the interest differentials on these accounts. Paul confirmed that the \$10.5 million, in our cash balance, will sustain approximately six months of operations.

We have ordered eight sideload collection trucks and will order one light-duty truck for 2020. We also have a

**Pam offered to bring a report, next month, showing recycling and contamination rates by municipality.**

**Staff will bring back the interest earnings for each account for the next Board meeting.**

<p>3.5 Process for the 2019 Independent Financial Audit: Paul Korth <b>(Informational)</b></p> <p>3.6 General Manager’s Report: Pam Roberts <b>(Informational)</b></p> <ul style="list-style-type: none"> <li>Using the Salt Lake Valley Transfer Station Saturdays After Thanksgiving and Christmas</li> </ul>	<p>carryover payment for one additional sideload collection truck that was ordered in 2019. Paul also announced that four of the five trucks, placed for auction in 2019, have sold. They were sold for \$85,000 per truck.</p> <p>Board Member Gibbons requested additional information regarding revenues not increasing since the last fee increase. Board Chair Peel explained how our fund balance decreases each year and is the trigger on when to consider fee increases to replenish that fund balance to maintain operations. The lack of a decrease in 2018 is the result of the fee increase implemented that year. The lack of a decrease in 2019 is an outlier and due to funds not being expended because of the lack of personnel.</p> <p>Board Member Bracken requested a historical review to confirm that the estimated annual 3% increase in expenses and 1% increase in revenues is an accurate reflection on actuals.</p> <p>Paul explained the certification process for customers who do not pay their bills. These amounts are placed on the resident’s property tax statement. This process resulted in approximately \$2 million in past due balances collected in the past few months.</p> <p>Paul informed the Board that our external auditors will be here at the end of February. Gilbert &amp; Stewart is the auditing firm that will conduct the audit. This is the second year of their three-year contract. The audit results are anticipated for the May 18<sup>th</sup> ACB Meeting.</p> <p>Pam reviewed the benefits of the Salt Lake County Transfer Station staying open on the Saturdays after Thanksgiving, Christmas and New Year’s Day. For Thanksgiving and Christmas collections, it saved over 1,100 miles, approximately \$5,000, and around 15</p>	<p><b>Staff will bring back information about the history of revenue and expenditure projections as requested.</b></p>	
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<ul style="list-style-type: none"> <li>• Municipal Solid Waste (MSW) Tonnage</li> <li>• Lease Agreement with Salt Lake County/WFWRD</li> <li>• Hiring Employees and Retention</li> <li>• 2019 Customer Satisfaction Survey Preliminary Report</li> </ul>	<p>workhours on each of these Saturdays. This was also an operational benefit to the facility and Salt Lake County.</p> <p>Pam stated that we still desire to reduce the tonnage commitment going to the Salt Lake County facilities for two main reasons: We have eight routes in Taylorsville that we would still like to send to the transfer station operated by Ace Intermountain, to save time and miles. Also, due to growth in the southwest area of the county, Trans-Jordan Landfill is receiving an increased amount of MSW. This shows a need to adjust the requirement of 85% of our annual MSW to be delivered to a county facility. We are still negotiating these terms with Salt Lake County.</p> <p>Pam informed the Board that the terms with our lease will not be changing. We are just waiting for the paperwork to be completed.</p> <p>Pam announced that we are currently only driver allocation short at this time, which is a great improvement from the average of 8-10 drivers short in 2019. This is due to the Board’s understanding and approval to raise staff wages to market standards.</p> <p>We achieved our goal of a high-90 percentile of overall customer satisfaction. A detailed report will be provided at next month’s Board Meeting.</p>	<p><b>Motion to Approve the Transition of Board Vice Chair Christopherson to Chair by:</b> Board Member Harris  <b>Seconded by:</b> Board Member Bracken  <b>Vote: All in favor (of Board Members present)</b></p>	<p><b>Approved January 27, 2020</b></p>
<p>3.7 Formal Transition of Board Vice Chair to Board Chair: Brint Peel  <b>(Motion &amp; Approve)</b></p>	<p>Board Chair Peel reviewed the process of the Vice Chair moving to the Chair’s position after one year, and the Board electing a new Vice Chair. He also reviewed the Board Officers’ responsibilities.</p>	<p><b>Motion to Approve the Transition of Board Vice Chair Christopherson to Chair by:</b> Board Member Harris  <b>Seconded by:</b> Board Member Bracken  <b>Vote: All in favor (of Board Members present)</b></p>	<p><b>Approved January 27, 2020</b></p>

<p>3.8 At the Board's Option for Today or the February Meeting, Elect a New Vice Chair: Brad Christopherson, Board Chair <b>(Motion &amp; Approve)</b></p>	<p>Newly elected Board Chair, Brad Christopherson, thanked Board Member Peel for his service as Chair in 2019.</p> <p>Board Member Marchant nominated Board Member Bracken as the new Vice Chair for 2020.</p>	<p><b>Motion to Approve the Nomination of Board Member Bracken to Vice Chair by:</b> Board Member Marchant <b>Seconded by:</b> Board Member Dickerson</p> <p><b>Vote: All in favor (of Board Members present)</b></p>	<p><b>Approved January 27, 2020</b></p>
<p><b>4. Closed Session</b></p>			
	<p>No Closed Session</p>		
<p><b>5. Other Board Business</b></p>			
	<p>Board Member Peel requested WFWRD staff to look into the concern of Internet access for Board members to access online documents of the meeting and save on printed packets. Board Vice Chair Bracken added that staff should request to extend the time limit of the guest login and password.</p>	<p><b>Pam will work on this issue with County Information Services.</b></p>	
<p><b>6. Requested Items for the Next Board Meeting</b></p>			
	<ul style="list-style-type: none"> <li>• Open &amp; Public Meeting Act – Required Board Training</li> <li>• 2019 Accomplishments and Satisfaction Survey Results</li> <li>• 2019 Survey Results</li> <li>• Can Asset Management</li> <li>• Community Recycling Rates</li> </ul>		
<p><b>ADJOURN</b></p>		<p><b>Motion to Adjourn:</b> Board Member Peel <b>Seconded by</b> Board Member Schaeffer</p> <p><b>Vote: All in favor (of Board Members present)</b></p>	<p><b>Approved January 27, 2020</b></p>