

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

DATE/TIME	LOCATION	ATTENDEES
<p>August 24, 2020 9:00 a.m.</p> <hr/> <p><b>Next Board Meeting</b> September 28, 2020 9:00 a.m.</p>	<p>Public Works Building 604 W 6960 S Midvale, UT 84047</p>	<p><u>Board Members:</u>  <u>Participating via phone and electronically:</u> Scott Bracken, Jim Bradley, Daniel Gibbons, Catherine Harris, Dwight Marchant (through Agenda 3.7), Kris Nicholl, Sherrie Ohrn, Brint Peel, Patrick Schaeffer, Tessa Stitzer, Diane Turner, Keith Zuspan  <u>Excused:</u> Kay Dickerson,</p> <p><u>District Staff:</u> Anthony Adams, Paul Korth, Sione Tuione  <u>Participating via phone and electronically:</u> Craig Adams, Rachel Anderson, Pam Roberts</p> <p><u>Public via phone:</u> Justun Edwards (Herriman City), Mike Reberg (Salt Lake County)</p>

**AGENDA**

- Call to Order:** Scott Bracken, Board Vice Chair
- 1. Consent Items:**
    - 1.1.** June 22, 2020 Board Meeting Minutes (**Motion & Approve**)
  - 2. Meeting Open for Public Comments:** (Comments are limited to 3 minutes)
  - 3. Business Items**
    - 3.1.** Transition from Vice Chair to Chair, Elect New Vice Chair: Board Vice Chair Bracken, Pam Roberts, General Manager; Rachel Anderson, Legal Counsel (**Motion & Approve**)
    - 3.2.** Adopt Resolution 4398, Recognizing Retiring Board Member Brad Christopherson: Scott Bracken, Board Chair; Pam Roberts (**Motion & Approve**)
    - 3.3.** Resignation of Board Member Shireen Ghorbani and the Salt Lake County Council’s Notice of Appointments: Scott Bracken, Board Chair (**Informational**)
    - 3.4. Public Hearing for the 2020 Budget Adjustment to Increase the Amount for Capital Purchases**

3.4.1. Open Public Hearing to discuss 2020 Budget Adjustment: Scott Bracken, Board Chair (**Motion & Approve**)

3.4.2. Public Comment

3.4.3. Close Public Hearing: Scott Bracken, Board Chair (**Motion & Approve**)

**3.5.** Resolution 4399 and Exhibit A, 2020 Budget Adjustment for Capital Expenditures: Pam Roberts; Paul Korth, Financial Director (**Motion & Adoption**)

**3.6.** General Manager's Report: Pam Roberts (**Informational**)

- Updates: COVID-19 and Managing Workloads
- Private Roads
- Modified Area Cleanup
- Salt Lake County Interlocal Agreement for Building and Space Rental
- Recycling Updates
- Pam's Needed Time Off/Point of Contact – Anticipated Return September 21<sup>st</sup>.

**3.7.** Follow-up on the 2020 2<sup>nd</sup> Quarter Financial Report that Was Sent to the Board on July 28, 2020: Paul Korth (**Informational**)

**3.8.** Utah State Auditor's 2020 Annual Fraud Risk Assessment Report: Paul Korth; Anthony Adams, District Clerk (**Informational**)

#### **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)**

- 2021 Budget Proposal
- Utah Retirement Systems Audit Report
  - Related Policy Adoption
- General Manager's Report
  - 2020 Area Cleanup Wrap-Up
  - Plan for 2020 Leaf Bag Collections

TOPICS/ OBJECTIVES	KEY POINTS/ DECISIONS	ACTION ITEMS WHO – WHAT – BY WHEN	STATUS
<b>1. Consent Items</b>			
1.1 June 22, 2020 Board Meeting Minutes		<b>Motion to Approve the Minutes by:</b> Board Member Nicholl <b>Seconded by:</b> Board Member Ohrn  <b>Vote: Board Member Stitzer Abstained. All others in favor (of Board Members present)</b>	<b>Approved August 24, 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. Transition from Vice Chair to Chair, Elect New Vice Chair: Board Vice Chair Bracken; Pam Roberts, General Manager; Rachel Anderson, Legal Counsel ( <b>Motion &amp; Approve</b> )		<b>Nomination of Sherrie Ohrn to Serve as Board’s Vice Chair:</b> Board Member Peel <b>Seconded by:</b> Board Member Bradley  <b>Motion to Have Scott Bracken Serve as Board Chair and Sherrie Ohrn as Vice Chair by:</b> Board Member Nicholl <b>Seconded by:</b> Board Member Peel	<b>Approved August 24, 2020</b>
3.2. Adopt Resolution 4398, Recognizing Retiring Board Member Brad Christopherson: Scott Bracken, Board Chair; Pam Roberts ( <b>Motion &amp; Approve</b> )	Board Chair Bracken read Resolution 4398. Board Vice Chair Ohrn iterated her appreciation for Brad Christopherson’s leadership. Others concurred.	<b>Motion to Adopt Resolution 4398 by:</b> Board Vice Chair Ohrn <b>Seconded by:</b> Board Member Bradley	<b>Approved August 24, 2020</b>
3.3. Resignation of Board Member Shireen Ghorbani, and the Salt Lake County Council’s Notice of	Board Chair Bracken announced the official resignation of Shireen Ghorbani from the ACB, and Salt Lake County Council’s intention to leave that seat vacant. This would leave Jim Bradley as the County’s sole representative on		

<p>Appointments: Scott Bracken, Board Chair (<b>Informational</b>)</p>	<p>the ACB. Board Member Bradley stated that the County Council's decision was based on the number of households in the unincorporated areas, compared to incorporated municipalities. They did not feel two County representatives on the ACB was needed.</p>		
<p>3.4. Public Hearing for the 2020 Budget Adjustment to Increase the Amount for Capital Purchases</p>	<p>Pam and Paul indicated that there was one sideload collection truck purchase, which was approved in the 2019 budget, but the payment carried over into 2020. The amount of the budget adjustment is \$153,000.</p> <p>Paul emphasized that the funds have already been approved by the Board, as part of the 2019 budget, and we are not requesting additional funds. Approval of the budget adjustment allows us to reallocate those funds approved in 2019 into the current year's budget. Board Chair Bracken commented that this is not an uncommon occurrence with public organizations.</p>		
<p>3.4.1. Open Public Hearing to Discuss 2020 Budget Adjustment: Board Chair Bracken (<b>Motion &amp; Approve</b>)</p>		<p><b>Motion to Open the Public Hearing by:</b> Board Vice Chair Ohrn  <b>Seconded by:</b> Board Member Zuspan</p>	<p><b>Approved August 24, 2020</b></p>
<p>3.4.2. Public Comment</p>	<p>There were no public comments.</p>		
<p>3.4.3. Close Public Hearing: Board Chair Bracken (<b>Motion &amp; Approve</b>)</p>		<p><b>Motion to Close the Public Hearing by:</b> Board Member Peel  <b>Seconded by:</b> Board Vice Chair Ohrn</p>	<p><b>Approved August 24, 2020</b></p>
<p>3.5. Resolution 4399 and Exhibit A, 2020 Budget Adjustment for Capital Expenditures: Pam Roberts; Paul Korth, Financial Director (<b>Motion &amp; Adoption</b>)</p>		<p><b>Motion to Adopt Resolution 4399 and Exhibit A by:</b> Board Member Peel  <b>Seconded by:</b> Board Member Bradley</p>	<p><b>Approved August 24, 2020</b></p>

3.6 General Manager's Report: Pam Roberts (**Informational**)

- Updates: COVID-19 and Managing Workloads

Pam reported that, as of August 10<sup>th</sup>, WFRWD has had six confirmed COVID-19 cases among staff. All have either recovered and returned to work, or are recovering and expected to return to work.

A total of 40 employees have been granted 2,205 hours of COVID-19 related leave. Year to date expenses, related to COVID-19 leave, are \$44,782. This leave has been granted to employees who have needed to quarantine, tested positive, or were not feeling well.

Board Member Peel asked if WFRWD qualifies for reimbursement under the CARES (Coronavirus Aid, Relief, and Economic Security) Act. Rachel commented that she is currently looking into this. She indicated that these funds were not made available to districts, but monies made available to municipalities can be passed through to districts. She will look into this further and coordinate with municipalities' attorneys for appropriate procedures.

Board Member Peel confirmed that UFA (United Fire Authority) and UPD (Unified Police Department) have already applied for funds through the municipalities, and it should fall under the same guidelines for WFRWD. There was discussion on how to allocate these funds through so many municipalities. Board Chair Bracken encouraged Board members to help pass resolutions in their municipalities to support this effort.

Board Member Zuspan mentioned a County deadline of October 1<sup>st</sup> so that remaining funds could be consolidated. Board members requested this information to take to their respective municipal councils. Board Chair Bracken suggested that funds be requested based on the

<ul style="list-style-type: none"> <li>Private Roads</li> </ul>	<p>population/number of households within each municipality. Board Member Marchant agreed with this recommendation. Mike Reberg, Salt Lake County Associate Deputy Mayor, added that the County has a method to pass CARES Act funds related to unincorporated areas of the County. This should be coordinated with Scott Baird, Salt Lake County Public Works Director. He requested to be copied on this correspondence.</p> <p>Pam indicated that we are still identifying private roads. She stated that we have steps in place to verify that new properties are on public roads before we begin services. In Herriman, 734 properties have been transferred over to a private service provider. These were mostly multi-family condominiums. In Millcreek, 42 properties were transferred.</p> <p>Board Vice Chair Ohrn praised the work and progress that WFRWD staff has made on this project. Pam mentioned that WFRWD staff has developed a job description for a part time Project Manager, who will focus on this project. Board Member Gibbons asked if there will be outreach to homeowner associations (HOAs). Pam confirmed that outreach would take place for HOAs and private homeowners, and stated that not all private roads will be discontinued. Determinations will follow the Board's adopted policies such as street width, accessibility and risk for our vehicles.</p> <p>Board Chair Bracken indicated that a quarterly report, on this matter, would be sufficient. He requested an additional column on the report identifying the number of properties that we decide to retain.</p>	<p><b>Pam and Rachel will determine allocation amounts per area and forward requests/resolutions to the municipalities for adoption.</b></p>	
<ul style="list-style-type: none"> <li>Modified Area Cleanup (ACUP)</li> </ul>	<p>Pam praised Sione Tuione, Recycling Collections and ACUP Manager, for his work and adaptation with the ACUP Program. Pam also commented on recent situations</p>		

in which our postcards have been delayed with the Post Office, and we have outreach out on social media to inform residents and Anthony alerted the PIOs in the affected municipalities. Ethan Morris, our Sustainability Coordinator, has been assisting Sione with reservations since he cannot perform his regular duties of in-person community education due to the Pandemic.

Pam clarified that the traditionally program requires 21 drivers each day to deliver 125 containers each day. Year to date, we averaged 12 drivers each day. She thanked the Board for allowing this year's changes, since the program would not have succeeded, otherwise.

Millcreek was completed on August 8<sup>th</sup>, and we are currently in Holladay and Murray. The ratio of homes per container has improved as we have moved through the District. This is due to improved mapping processes for the drivers, not needing to physically handle the waste, and the proximity to the dumping facilities.

Board Member Marchant observed that Millcreek had more tonnage this year, even though there were fewer containers delivered. Board Chair Bracken also commented that landfill vouchers may be increasing for residents rather than a larger ACUP container. Board Member Peel confirmed that Magna has used a lot of vouchers in their earthquake cleanup efforts.

Paul reviewed 2019 versus 2020 program cost comparisons, through July 31<sup>st</sup>. We spent \$268,000 less this year compared to last year. This is due to starting a couple of weeks later this year and using fewer staff. Also, expenses can shift, month-to-month, based on where we start the program, which rotates every year. A clearer picture will appear at the end of this year's program, but he is confident we will see a cost savings this year. Board Chair Bracken requested Board members to discuss, with their municipal councils, whether we should continue this process going forward, or revert back to the old system.



<ul style="list-style-type: none"> <li>• Salt Lake County Interlocal Agreement for Building and Space Rental</li> <li>• Recycling Updates</li> </ul>	<p>Costs are definitely a factor, but so is the demand from citizens. Board Member Gibbons commented that a rate increase may be difficult to push through along with changes in the ACUP Program. Pam confirmed that a proposed budget will be brought to the Board next month. She also briefly mentioned concerns and challenges that WFRWD staff are analyzing. Board Member Zuspan inquired about trailer rental revenues. Pam confirmed all programs are being evaluated for a potential fee increase. Trailer rentals do not pay for themselves and are subsidized by the residential base fees.</p> <p>As per the Board’s request, Pam worked with Rachel and drafted changes to the proposed Agreement to allow some kind of equity for WFWRD, or no rent after the Bond is paid.</p> <p>We have requested that the agreement term be extended five years beyond 2028, which is when the building bond is paid. During that five-year period, WFWRD would not have any rent payment. Maintenance and shared capital costs would still be paid. This proposal is currently with the County for review.</p> <p>Rocky Mountain Recycling (RMR) has been acquired by Cellmark - an international recycling company. RMR management will remain, which maintains our interpersonal relationships with them.</p> <p>Waste Management’s (WM) materials recovery facility (MRF) in Salt Lake City is now fully operational. We have been delivering Kearns’ and Magna’s recyclables to this facility due to location. Our contract with WM has been amended to allow use of this facility, and we have committed to 300 tons per month through this year.</p>		
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<ul style="list-style-type: none"> <li>• Pam’s Needed Time Off/Point of Contact – Anticipated Return September 21<sup>st</sup>.</li> </ul> <p>3.7 Follow-up on the 2020 2<sup>nd</sup> Quarter Financial Report That Was Sent to the Board on July 28<sup>th</sup>, 2020: Paul Korth (<b>Informational</b>)</p>	<p>Pam and staff are working on new requests for proposals (RFPs) for recycling contracts since our current recycling contracts with RMR and WM expire at the end of 2020.</p> <p>Pam announced she will be taking some time off beginning tomorrow (August 25<sup>th</sup>). She delegated Paul Korth as the primary ACB contact during her absence. She will begin returning to activity during the week of September 7<sup>th</sup>. Board Vice Chair Ohrn complimented Pam on her leadership and ensuring that WFWRD staff are ready and able to carry on in her absence. Vice Chair Ohrn also complimented other leaders in WFWRD to confidently take care of operations while Pam is off.</p> <p>Paul reported on revenues and expenses during 2020, through June 30<sup>th</sup>. Overall revenues decreased \$113,000 from 2019 due to the loss on sale of trucks, a decrease in investments, and a decrease in late fees. He indicated that WFWRD waived late fees for three months due to pandemic hardships with our customers. There was an increase in residential waste collections and Green Waste curbside fees. Operationally, our revenues are up on our base services, and remain strong.</p> <p>We are up \$166,000 in personnel expenses, compared to last year, but are still under what was budgeted for 2020. This increase was primarily due to increased wages and salaries.</p> <p>Operating expenses increased \$336,000, from 2019, due to increased depreciation expenses, landfill disposal fees, and maintenance expenses. Recycling fees are similar to last year. Overall, operational expenses are up around 4.7% compared to last year. This year’s loss is currently \$374,000, which was anticipated.</p> <p>Fuel expenses have remained stable. Maintenance expenses are up 5%. Paul reviewed waste and recycle</p>	<p><b>Anthony will send Paul Korth’s contact information to ACB members.</b></p>	
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<p>3.8 Utah State Auditor’s 2020 Annual Fraud Risk Assessment Report: Paul Korth; Anthony Adams, District Clerk <b>(Informational)</b></p>	<p>tonnage trends over the past four years. Pam added that paper is currently the most valuable recycle commodity.</p> <p>Paul indicated that our cash balance, as of the end of June, is the highest that it’s been at that time period in the past four years. This is because our cash receipts have gone up this year. Paul also announced that we have received our alternative fuel credit of \$245,000, last month.</p> <p>Anthony introduced the reasonings that the annual Fraud Risk Assessment was implemented by the Utah State Auditor’s to reduce fraud in governmental entities. This assessment must be completed annually, presented to the governing board by the end of its fiscal year, be certified by the entity’s chief executive officer and chief financial officer, and submitted to the State Auditor’s office.</p> <p>Paul reviewed the questionnaire regarding the separation of duties. There was one item identified in which we are not complying, and this is in regard to individuals who accept payments being the same individuals who can adjust customer accounts. We considered separating these two functions; however, with our limited staff, that was not a possibility. It would also interfere with good customer service. As a result, we created a monthly report of transfers and customer account activities. This report is reviewed by our Customer Accounts Coordinator to spot-check for any potential issues and/or fraudulent activity. This was the only area in which WFWRD needed improvement, based on the assessment’s questionnaire. There are other controls that are already in place that will help support these actions and reduce fraud risk. Board Chair Bracken agreed that it is better customer service to be able to handle customers’ concerns with one phone call rather than being transferred from person to person. He agreed with the staff’s resolution in this matter.</p>		
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<b>4. Closed Session</b>			
	No Closed Session		
<b>5. Other Board Business</b>			
	No Other Board Business		
<b>6. Requested Items for the Next Board Meeting</b>			
	<ul style="list-style-type: none"> <li>• 2021 Budget Proposal</li> <li>• Utah Retirement Systems Audit Report <ul style="list-style-type: none"> <li>○ Related Policy Adoption</li> </ul> </li> <li>• General Manager's Report <ul style="list-style-type: none"> <li>○ 2020 Area Cleanup Wrap-up</li> <li>○ Plan for 2020 Leaf Bag Collections</li> </ul> </li> </ul>		
<b>ADJOURN</b>		<b>Motion to Adjourn:</b> Board Vice Chair Ohrn <b>Seconded by</b> Board Member Peel  <b>Vote: All in favor (of Board Members present)</b>	<b>Approved</b> <b>August 24, 2020</b>