



WASATCH INTEGRATED WASTE MANAGEMENT DISTRICT

Minutes of the meeting of the Administrative Control Board of Wasatch Integrated Waste Management District held May 5, 2021 at 5:00 p.m. via GoToMeeting.

The meeting was held at Wasatch Integrated Waste Management District's Davis Material Recovery and Transfer Facility, 3404 North 650 East, Layton, Utah 84041 and via electronic meeting.

Conducting: Board Chair, Mayor Len Arave

ADMINISTRATIVE CONTROL BOARD PRESENT:

Board Chair, Mayor Len Arave, North Salt Lake
Vice-Chair, Mayor Mike Gailey, Syracuse
Secretary, Council Member Wally Larrabee, Woods Cross
Council Member Vern Phipps, Clearfield
Mayor Joy Petro, Layton
Mayor Mitch Adams, Clinton
Commissioner Lorene Kamalu, Davis County
Council Member James Bruhn, West Bountiful

Commissioner Bob Stevenson, Davis County
Mayor John Pohlman, Fruit Heights
Mayor Katie Witt, Kaysville
Council Member Tony London, Morgan
Council Member Mike Newton, Morgan County
Mayor Jo Sjoblom, South Weber
Mayor Howard Madsen, Sunset

ADMINISTRATIVE CONTROL BOARD MEMBERS EXCUSED FROM ATTENDING:

Mayor Clark Wilkinson, Centerville
Commissioner Randy Elliott, Davis County

Mayor Jim Talbot, Farmington
Mayor Erik Craythorne, West Point

STAFF PRESENT:

Nathan Rich, Executive Director
Adam Hacker, Accounting Manager
Todd Quinley, Purchasing Manager
Jesse Simonsen, Landfill Superintendent
Chad Staples, MRF Superintendent
Kathy Hammerle, HR/Scale Supervisor
Juli McIntosh, Recorder

VISITORS:

Lance Allen, Robinson Waste Services

Notice of time, place, and agenda of the meeting was sent to the Salt Lake Tribune, Deseret News, Morgan County News, and Standard Examiner newspapers on April 29, 2021. Notice of time, place, and agenda of the meeting was sent to each member of the Administrative Control Board via e-mail and posted at Wasatch Integrated Waste Management District Administrative Offices on April 29, 2021.

Welcome

Board Chair, Mayor Len Arave, welcomed board members, staff, and visitors to the meeting.

Minutes Approval

Chairman Arave presented minutes of the February 3, 2021 board meeting to the board for approval.

Upon motion duly made and seconded, minutes for the February 3, 2021 board meeting were approved. Chairman Arave, Vice-Chair Mike Gailey, Secretary Council Member Wally Larrabee, Council Member Vern Phipps, Mayor Mitch Adams, Commissioner Lorene Kamalu, Commissioner Bob Stevenson, Mayor John Pohlman, Mayor Katie Witt, Mayor Joy Petro, Council Member Tony London, Council Member Mike Newton, Mayor Jo Sjoblom, Mayor Howard Madsen, and Council Member James Bruhn voted yea. Voting in favor of said motion was unanimous.

Public Comment Period

There was no public comment.

Financial Report

Chairman Arave rearranged the agenda and Mr. Adam Hacker presented the financial report, including the Disbursement Review. The Disbursement Review included checks from January 1, 2021 through March 31, 2021. Checks over \$20,000 represented 80 percent of disbursements, totaling \$3,260,186.93. Disbursements totaled \$4,099,568.425, overall.

Upon motion duly made and seconded, disbursements were approved. Chairman Arave, Vice-Chair Mike Gailey, Secretary Council Member Wally Larrabee, Council Member Vern Phipps, Mayor Mitch Adams, Commissioner Lorene Kamalu, Commissioner Bob Stevenson, Mayor John Pohlman, Mayor Katie Witt, Mayor Joy Petro, Council Member Tony London, Council Member Mike Newton, Mayor Jo Sjoblom, Mayor Howard Madsen, and Council Member James Bruhn voted yea. Voting in favor of said motion was unanimous.

Board members discussed landfill cell closure and liner and liability. Mr. Rich explained that the accrued liability is based on the percentage of landfill spaced used. Additionally, the new liner going in and the area being closed are approximately the same size, so liability isn't expected to change significantly.

Mr. Rich also explained financial assurance and the local government test, which is one option provided to governmental entities for satisfying financial assurance requirements with the state. Title 9 of the District Code explains how Wasatch intends to satisfy the those requirements.

Mr. Hacker reported on the Financial Statements as of March 31, 2021 and presented recent credit card receipts from January 2021 through March 2021. As of March 31, 2021, revenues are at 74 percent and expenses at 67 percent of the budget.

Audit Committee Report

Mr. Rich informed board members that the Audit Committee, consisting of Mayor Clark Wilkinson, Mayor John Pohlman, Chairman Arave, and Mr. Rich, met, heard presentations from potential auditors, and decided to continue using Keddington Christensen. The committee recommended that the board review auditors in three years' time.

Resolutions

Mr. Rich presented resolutions on the agenda, which included Resolution 21-03 Amending District Code, Title 2. This resolution adds differential pay for MRF employees working swing or night shifts. Differential will only be paid when an employee works one of those shifts.

Chairman Arave asked if an analysis had been completed to determine whether it is cost effective to run additional shifts.

Commissioner Bob Stevenson commented, saying that the board understood at the beginning of the MRF project that making money was not the primary goal of the MRF, but that the goal was to divert recyclables from the landfill while handling them in an environmentally responsible way.

Mr. Rich added, that in addition to providing a service, the District can process additional material for diversion when operating a second shift, which follows the District's Solid Waste Management Plan.

Mr. Rich recommended that the shift be run at least a year before evaluating based on costs and revenues.

Upon motion duly made and seconded, Resolution 21-03, Amending District Code, Title 2 was approved. Chairman Arave, Vice-Chair Mike Gailey, Secretary Council Member Wally Larrabee, Council Member Vern Phipps, Mayor Mitch Adams, Commissioner Lorene Kamalu, Commissioner Bob Stevenson, Mayor John Pohlman, Mayor Katie Witt, Mayor Joy Petro, Council Member Tony London, Council Member Mike Newton, Mayor Jo Sjoblom, Mayor Howard Madsen, and Council Member James Bruhn voted yea. Voting in favor of said motion was unanimous.

Chairman Arave presented Resolution 21-06, Authorizing Executive Director to Negotiate a Contract for Landfill Construction.

Chairman Arave said that since we have the cash, it makes sense to line Phase IV while closing Stage C. He added, that construction costs are high right now but there's no guarantee that they'll go down and they might climb higher.

Upon motion duly made and seconded, Resolution 21-06, Authorizing Executive Director to Negotiate a Contract for Landfill Construction was approved. Chairman Arave, Vice-Chair Mike Gailey, Secretary Council Member Wally Larrabee, Council Member Vern Phipps, Mayor Mitch Adams, Commissioner Lorene Kamalu, Commissioner Bob Stevenson, Mayor John Pohlman, Mayor Katie Witt, Mayor Joy Petro, Council Member Tony London, Council Member Mike Newton, Mayor Jo Sjoblom, Mayor Howard Madsen, and Council Member James Bruhn voted yea. Voting in favor of said motion was unanimous.

Board members discussed Resolution 21-05, Approving the Tentative Budget for Year Ended June 30, 2022. The current tentative budget does not include the rate increase, which the board will consider after the 6:00 p.m. public hearing today. If the rate increase is approved, the final budget will be adjusted, prior to its passing in the June 2021 board meeting, to reflect those changes.

In response to a question, Mr. Rich said that the current tentative budget, without a rate increase, does not fully fund depreciation but does satisfy all of the bond requirements.

Board members discussed the shift in thinking from landfilling to transferring waste and the associated costs, the decision to begin transferring being part of the updated Solid Waste Management Plan, the advantages to keeping the landfill open as a safety net, whether or not raising rates will deter much of the out-of-county construction and demolition waste (approximately 40 percent of all construction and demolition waste delivered to the landfill is out-of-county), and the difference between the residents' per can fee and the across the scale, per ton fee.

Public Hearing (6:00 p.m.)

Chairman Arave opened the hearing to allow public comment on the duly advertised Municipal Solid Waste (MSW) and mattress recycling fee increases.

He explained that the MSW fee would be increased to 38 dollars per ton from 32 dollars per ton and be effective July 1, 2021. He added that the MSW per ton fee for city sponsored clean up programs would be reduced to 30 dollars per ton. The mattress recycling fee would be increased to 10 dollars per piece from 5 dollars, which will cover costs associated with shredding the items for use as an alternative fuel. Additionally, box springs will not be charged a recycling fee because they will not be recycled.

Mr. Lance Allen, Robinson Waste Services, said that they have no issue with the fee increase. Their only concern is enough advance warning to adequately notify their customers.

Upon motion duly made and seconded, the public hearing was closed.

Chairman Arave, Vice-Chair Mike Gailey, Secretary Council Member Wally Larrabee, Council Member Vern Phipps, Mayor Mitch Adams, Commissioner Lorene Kamalu, Commissioner Bob Stevenson, Mayor John Pohlman, Mayor Katie Witt, Mayor Joy Petro, Council Member Tony London, Council Member Mike Newton, Mayor Jo Sjoblom, Mayor Howard Madsen, and Council Member James Bruhn voted yea. Voting in favor of said motion was unanimous.

Resolutions (remaining)

Chairman Arave presented Resolution 21-05 Approving the Tentative Budget for Year Ended June 30, 2022.

Commissioner Bob Stevenson commented that the rate increase would not prevent out of county construction and demolition waste from being delivered to the landfill, that any rate increase should be tiered increase over time, and the District should complete a five-year plan in addition to the current Solid Waste Management Plan.

Mr. Rich said that the rate increase would be beneficial to the District in fully funding operations and taking pressure off the landfill, which subsidizes other operations. It would also be beneficial to the District by providing additional funds to transfer more waste to a regional landfill, and especially by continuing to discourage out-of-county waste which is filling the landfill at a faster rate than anticipated.

Mayor Joy Petro suggested that since the rate increase had been discussed for over a year, the rate increase should be the full amount or higher.

Mayor Mitch Adams made a motion to approve the rate increase at \$38 per ton, update the Solid Waste Management Plan, and decrease rates when possible. The motion was seconded.

Board Secretary Wally Larrabee suggested that the board should proceed with the proposed rate increase and monitor for necessary adjustments.

Council Member Tony London suggested that because residential rates are much higher than over the scale rates, the rate should be increased in an attempt to bring balance to the rate schedule.

Council Member Vern Phipps said that a five-year plan is an excellent idea and would capture constraints and assumptions. He added that this board cannot direct a future board regarding tiered rate increases.

Resolution 21-05, Approving the Tentative Budget for Year Ended June 30, 2022, including approving the rate increase at \$38 per ton, updating the Solid Waste Management Plan, and decreasing rates when possible was approved. Chairman Arave, Vice-Chair Mike Gailey, Secretary Council Member Wally Larrabee, Council Member Vern Phipps, Mayor Mitch Adams, Commissioner Lorene Kamalu, Commissioner Bob Stevenson, Mayor Katie Witt, Mayor Joy Petro, Council Member Tony London, Council Member Mike Newton, Mayor Jo Sjoblom, Mayor Howard Madsen, and Council Member James Bruhn voted yea. Voting in favor of said motion was unanimous.

Due to a prior engagement, Mayor Pohlman was not present to vote on Resolution 21-05.

Chairman Arave presented Resolution 21-04 Amending Title 4 of District Code. Chairman Arave, Vice-Chair Mike Gailey, Secretary Council Member Wally Larrabee, Council Member Vern Phipps, Mayor Mitch Adams, Commissioner Lorene Kamalu, Commissioner Bob Stevenson, Mayor John Pohlman, Mayor Katie Witt, Mayor Joy Petro, Council Member Tony London, Council Member Mike Newton, Mayor Jo Sjoblom, Mayor Howard Madsen, and Council Member James Bruhn voted yea. Voting in favor of said motion was unanimous.

General Business

Mayor Mike Gailey said that he had recently discussed with friends how Wasatch has decreased rates for their residents and customers, an unlikely event within most public and private entities.

Upon motion duly made and seconded, the Administrative Control Board meeting was adjourned at 6:40 p.m. Voting in favor of said motion was unanimous.



Mayor Len Arave, Board Chair



Nathan Rich, Executive Director