

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

DATE/TIME	LOCATION	ATTENDEES
January 24, 2022 9:00 a.m. <hr/> <b>Next Board Meeting</b> February 28, 2022 9:00 a.m.	Public Works Building 604 W 6960 S Midvale, UT 84047	<u>Board members:</u> Diane Turner, Keith Zuspan <u>Participating electronically:</u> Anna Barbieri, Eric Barney, Scott Bracken, Jim Bradley, Phil Cardenaz, Daniel Gibbons, Catherine Harris, Sherrie Ohrn, Patrick Schaeffer, Cyndi Sharkey, Tessa Stitzer <u>Excused:</u> <i>none</i>  <u>District &amp; Support Staff:</u> Anthony Adams, Matt Ferguson, Andy King, Paul Korth, Renee Plant, Pam Roberts <u>Participating electronically:</u> Craig Adams, Rachel Anderson,  <u>Public:</u> Patrick Craig (Salt Lake County), Thom DeSirant (Millcreek), Justun Edwards (Herriman), John Ioannou (Salt Lake County), Jennifer Kennedy (Murray), Robert Piñon (Emigration Canyon)

**AGENDA**

**Call to Order:** Scott Bracken, Board Chair

**1. Introduction of All Board Members and Staff:**

- 1.1.** Oath of Office for New Board Members: Anthony Adams, District Clerk

**2. Consent Items:**

- 2.1.** November 15, 2021, Board Meeting Minutes (**Motion & Approve**)
- 2.2.** Conflict of Interest Approval (**Motion & Approve**)

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

**4. Business Items**

- 4.1.** Formal Transition of Board Vice Chair to Board Chair: Board Chair Bracken (**Motion & Approve**)
- 4.2.** Election of Dan Gibbons as the 2022 Board Vice Chair: Board Chair Ohrn (**Motion & Approve**)

- 4.3. Refund/Credit Request for Indigent/Hardship Relief: Pam Roberts, General Manager (**Approval Requested**)
- 4.4. Requested Consent for the Appointment of New Controller/Treasurer, Matthew Ferguson: Pam Roberts (**Motion & Approve**)
- 4.5. 2021 Preliminary 4<sup>th</sup> Quarter Financial Report: Paul Korth, Finance Director (**Motion & Approve**)
- 4.6. Contract Price Increase for Collection Truck Chassis: Pam Roberts and Paul Korth (**Informational**)
- 4.7. Confirm February Public Hearing for Budget Adjustment to Increase the Amount for Capital Purchases Including the 2021 Light Duty Trucks: Pam Roberts (**Direction/Approval**)
- 4.8. Proposed Amendments to the Interlocal Agreement with Salt Lake County for the Building Lease and Space Rental: Pam Roberts, and Rachel Anderson, Legal Counsel (**Adoption Requested**)
- 4.9. Board Adoption of Resolution 4409 Recognizing Board Member Catherine Harris for her Service on the Administrative Control Board: Pam Roberts & Board Chair Ohrn (**Adoption Requested**)
- 4.10. General Manager's Report: Pam Roberts (**Information/Direction Requested**)
- Managing Workloads During the Pandemic
  - Board Requested Information Related to COVID Vaccine
  - Side Load Truck Expansion
  - New Employees

**5. Closed Session (If Needed)**

*The Administrative Control Board will adjourn the regular meeting to convene in a closes session to discuss the pending or reasonable imminent litigation, or other legally applicable reasons 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 Next Board Meeting(s):**

- If Board Desires to Hold the December 13<sup>th</sup> Board Meeting: Adoption of the 2022 District Budget and Fee Schedule
- Monday, February 28, 2022, Meeting:
  - Public Hearing for Budget Adjustment to Increase the Amount for Capital Purchases
  - Open & Public Meeting Act – Required Training
  - 2021 Accomplishments/Satisfaction Survey Results
  - Status on the Potential Food Waste Collection Pilot Program

TOPICS/ OBJECTIVES	KEY POINTS/ DECISIONS	ACTION ITEMS WHO – WHAT – BY WHEN	STATUS
<b>1. Introduction of All Board Members and Staff</b>			
1.1 Oath of Office for New Board Members: Anthony Adams, District Clerk	Anthony announced that the Oaths of Office were administered earlier this week for Board Member Eric Barney, from Magna Metro Township, and Board Member Cyndi Sharkey, from Sandy City. The Oaths of Office will be conducted for the new representatives from Millcreek City and Emigration Canyon Metro Township before the next Board Meeting.		
<b>2. Consent Items</b>			
2.1. November 15, 2021, Board Meeting Minutes ( <b>Motion &amp; Approve</b> )  2.2. Conflict of Interest Approval ( <b>Motion &amp; Approve</b> )		<b>Motion to Approve the Minutes and the Conflict of Interest Notification by:</b> Board Member Turner <b>Seconded by:</b> Board Member Harris  <b>Vote: All in favor (no opposing or abstaining votes)</b>	<b>Approved January 24, 2022</b>
<b>2. Meeting Open for Public Comments</b>	(Comments are limited to 3 minutes)		
	No Public Comment		
<b>4. Business Items</b>			
4.1. Formal Transition of Board Vice Chair to Board Chair: Board Chair Bracken ( <b>Motion &amp; Approve</b> )	Board Chair Bracken thanked Board Vice Chair Ohrn for her work in the position as Vice Chair. Board Vice Chair Ohrn conversely thanked Board Chair Bracken for his service as Board Chair and his continued service to the District.	<b>Motion to Approve the Transition of Board Vice Chair to Board Chair by:</b> Board Member Gibbons <b>Seconded by:</b> Board Member Barney  <b>Vote: All in favor (no opposing or abstaining votes)</b>	<b>Approved January 24, 2022</b>

<p>4.2. Election of Dan Gibbons as the 2022 Board Vice Chair: Board Chair Ohrn (<b>Motion &amp; Approve</b>)</p>		<p><b>Motion to Approve the Election of Dan Gibbons to Board Vice Chair for 2022 by:</b> Board Member Barbieri  <b>Seconded by:</b> Board Member Bracken</p> <p><b>Vote: All in favor (no opposing or abstaining votes)</b></p>	<p><b>Approved January 24, 2022</b></p>
<p>4.3. Refund/Credit for Indigent/Hardship Relief: Pam Roberts, General Manager (<b>Approval Requested</b>)</p>	<p>Pam reminded Board members that WFWRD provides indigent relief to residents who apply and are approved through the Salt Lake County Treasurer’s Office. This relief is 50% of our standard monthly rate.</p> <p>One of our residents was approved for this relief, and we did not catch it. The resident contacted our office to report the error and requested a refund/credit to his account. Under District policy, the General Manager can authorize up to two years refund or credit, which has been authorized. The resident is requesting refund/credit for the full four years allowed by state law. These additional two years must be approved by the Board. \$204 has already been credited, and we are requesting Board approval to credit an additional \$204 to fulfill the request of a four-year credit.</p>	<p><b>Motion to Approve the Recommended Additional \$204 Indigent Relief Credit for the Identified Resident by:</b> Board Member Harris  <b>Seconded by:</b> Board Vice Chair Gibbons</p> <p><b>Vote: All in favor (no opposing or abstaining votes)</b></p>	<p><b>Approved January 24, 2022</b></p>
<p>4.4. Requested Consent for the Appointment of New Controller/Treasurer, Matthew Ferguson: Pam Roberts (<b>Motion &amp; Approve</b>)</p>	<p>Pam introduced Matt Ferguson as the District’s new Controller/Treasurer upon the retirement of our current Controller/Treasurer, Craig Adams. Matt has 20 years of experience in the government sector with Salt Lake County and the State of Utah. He also holds a Master of Business Administration (MBA) degree and is a Certified Public Accountant (CPA). The interview process was very competitive with several qualified candidates.</p> <p>Paul Korth expressed his thanks to Craig and his work for the District over the past several years, and gratitude</p>		

<p>4.5. 2021 Preliminary 4<sup>th</sup> Quarter Financial Report: Paul Korth, Finance Director <b>(Informational)</b></p>	<p>for Matt coming in to take that role and contribute to the District's success.</p> <p>Matt stated that it is a pleasure to be with the District and expressed his hope to exceed expectations.</p> <p>Pam announced that Craig's last day will be February 28<sup>th</sup>, and a Resolution will be part of next month's meeting recognizing his service.</p> <p>Paul emphasized that this report is preliminary. There are still a couple of reports that have not yet been submitted to us and some amounts will change.</p> <p>Total revenues increased \$57,000 in 2021, primarily due to an increase in residential collections and an increase in Curbside Green Waste fees and subscribers. The revenues include a \$212,000 decrease in miscellaneous revenue and a \$100,000 decrease in interest income. For more perspective on our interest income, in January 2020 we received 2.25% on our investments at the Public Treasurers Investment Fund (PTIF). At the beginning of 2021, we received 0.5%. Currently, we are receiving around 0.3%.</p> <p>Board Member Barbieri inquired if the Curbside Green Waste Program is paying for itself. Paul stated that he did not have that information available just for that program but would bring that information next month.</p> <p>Personnel expenses, for 2021, increased \$404,000 from 2020 primarily due to increased wages of \$256,000, increased overtime wages of \$61,000, increased pension expense of \$53,000, and increased health insurance expense of \$66,000. These increases were anticipated, and they will increase in the future. This is one of the areas in which we are feeling inflationary pressure. The other inflationary areas in which we are experiencing are fuel, and equipment/assets. We are</p>	<p><b>Motion to Approve the Appointment of Matt Ferguson to District Controller/Treasurer</b> <b>by:</b> Board Member Bracken <b>Seconded by:</b> Board Member Barbieri</p> <p><b>Vote: All in favor (no opposing or abstaining votes)</b></p> <p><b>Paul will bring operating expense information on the Curbside Green Waste Program to next month's Board meeting.</b></p>	<p><b>Approved</b> <b>January 24,</b> <b>2022</b></p>
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currently showing costs that total 96% of our 2021 Personnel budget, but this is the category that will primarily change with anticipated reports.

Our total 2021 Operating Expenses decreased \$1,149,000 compared to 2020 primarily due to decreased recycling fees of \$731,000, decreased depreciation expense of \$314,000, decreased truck lease expense of \$136,000, and decreased landfill fees of \$94,000. Fuel expense increased \$130,000 and can purchases increased \$109,000. The reduction in recycling fees really helped us last year. Our revenues less expenses are -\$204,743.

The number of basic service customers increased by 159 households in 2021. This number includes residences that have left our service area, located on private roads.

In 2019, our fuel expenses dropped 9%, and stayed relatively stable in 2020. However, in 2021 it increased 13%. Compressed Natural Gas (CNG) increased around 11¢ per gallon equivalent, and diesel is up approximately \$1.20 per gallon. We have budgeted for increased fuel costs in 2022.

Maintenance expenses were up 6% in 2019. In 2020, it increased 14%, but decreased 2% in 2021. We used fewer trucks last year, and we are using some different equipment which we think is benefiting us. Additionally, we have several trucks down and awaiting parts for repair.

Refuse tonnage, for the past four years, was reviewed and showed annual increases except last year. We have begun utilizing Ace Recycling & Disposal's transfer station again this year for eight Taylorsville routes per week. Tonnages have decreased to the Salt Lake County Transfer Station but have been offset primarily by increases to the County Landfill due to financial

incentives offered by the Landfill. At the end of 2021, Trans-Jordan Landfill was charging \$35/ton, Ace was charging \$32-\$33/ton, the County Landfill was charging \$27/ton, and the Transfer Station was charging \$33/ton. How we determine where we take our waste is based on disposal costs, and the proximity to the specific dumping location. Having multiple locations is valuable. Pam added that we have a commitment to deliver at least 94,000 tons to county facilities annually (County Landfill and Transfer Station).

Paul reviewed the past four years of recycle tonnages that have been collected, with each year showing a 2%-4% annual decrease in recycling tonnage. Recycle costs per ton were also reviewed over the past five years. It showed the volatility in the recycling commodity markets. The highest we have paid is \$68 per ton, back in June 2019; and the most revenue we have received is around \$20 per ton, in October 2017. This reflects the combined market and not just one specific commodity. We have budgeted \$30/ton, in 2022, for recycling disposal expenses.

Board Member Barbieri inquired about the cost of a residential recycling can. Pam confirmed that the first recycle can is included in the monthly fees. We will remove the recycle can upon the resident's request, but their monthly fees will not change. Board Member Barbieri further asked if we should encourage more recycling as the markets improve. Pam confirmed that it is still more economical to take the materials to recycling facilities than to the landfill. We should encourage residents to put correct recycling materials in the blue can for proper recycling.

Board Member Gibbons asked about our recycling contamination rate and how it relates to our tonnage rate. Pam stated that our contamination rate stays in the 20-25 percentile. Though we pay a small fee for



contamination at Waste Management, the broader fluctuations in the costs are dependent upon the global markets. We are continuing with outreach and education efforts to improve our recycling rates.

Board Member Sharkey asked why we see the decrease in recycling trends. Paul stated that the true reason is unknown. It could be to better education, less contamination, or less community participation. Pam added that we have seen slight correlations with improved recycling with targeted education. Board Chair Ohrn recommended that we increase our recycling education now that we see the markets improving. Pam stated that she will be happy to have our new Sustainability Coordinator start to assist with this push.

WFWRD's cash balances were reviewed over the past four years, including our Zion's investment accounts and PTIF. Overall, our cash balance decreased around \$600,000 last year. The trends show quarterly increases, which reflect our quarterly billing cycles. The large decreases typically reflect truck purchases. For capital purchases, we purchased eight sideload trucks in 2021, which were received by the end of the year. We have not yet received the two light-duty trucks which were ordered last year. We have also ordered two new frontload CNG trucks. Also, in 2021, we paid for an expansion to our CNG fuel island.

Through certifications, we are able to submit delinquent accounts to the County, and those past-due accounts are included in the resident's property taxes. This is a great benefit for our collections, and we have been able to acquire the ~\$2 million each year of unpaid fees. Board Member Barney asked about the outstanding 2021 balance. Paul stated that it takes time for the collected funds to come in.

<p>4.6. Contract Price Increase for Collection Truck Chassis: Pam Roberts and Paul Korth <b>(Approval Requested)</b></p>	<p>Pam reminded Board Members that they had previously authorized a contract pricing increase for the truck bodies for eight newly purchased collection trucks, due to the increased cost of steel. Our contractor responsible for the truck chassis also came to us, in December, indicating that they could not provide those chassis under the contract price also due to the increased cost of steel. Pam requested Board approval to increase the contract price to continue the purchase acquisition of the ordered collection trucks. Our legal counsel has reviewed the contract and confirmed that this request/approval is allowed under our contract terms. The requested amount is an increase of \$7,957.00 per truck for a total of \$63,656.00. This approval will also require a budget adjustment public hearing.</p>	<p><b>Motion to Approve the Price Increase for Collection Truck Chassis by:</b> Board Member Bradley  <b>Seconded by:</b> Board Vice Chair Gibbons  <b>Vote: All in favor (no opposing or abstaining votes)</b></p>	<p><b>Approved January 24, 2022</b></p>
<p>4.7. Confirm February Public Hearing for Budget Adjustment to Increase the Amount for Capital Purchases Including the 2021 Light Duty Trucks: Pam Roberts <b>(Direction/Approval)</b></p>	<p>As was mentioned in the Preliminary 4<sup>th</sup> Quarter review, we are still awaiting the light duty trucks that we ordered. This is due to similar circumstances that have delayed our sideload trucks. Both of these items will be included in the 2022 Budget Adjustment Public Hearing for next month, if so directed by the Board. It was confirmed that this public hearing will occur at the same time as our regularly scheduled Board Meeting on February 28<sup>th</sup>.</p>	<p><b>Motion to Approve/Confirm the Public Hearing for Budget Adjustment for Capital Purchases by:</b> Board Vice Chair Gibbons  <b>Seconded by:</b> Board Member Barney  <b>Vote: All in favor (no opposing or abstaining votes)</b></p>	<p><b>Approved January 24, 2022</b></p>
<p>4.8. Proposed Amendments to the Interlocal Agreement with Salt Lake County for the Building Lease and Space Rental: Pam Roberts; and Rachel Anderson, Legal Counsel <b>(Adoption Requested)</b></p>	<p>Pam reintroduced the Interlocal Agreement with Salt Lake County for Building Lease &amp; Space Rental. Upon a recent review, the ACB and the Salt Lake County Mayor's Office had questions about some of the agreement's details. This proposed amendment clarifies these questions/details.</p> <p>Pam reviewed the interlocal agreement with Salt Lake County for leasing office space and occupying most of the space on the first floor of the Public Works Administration Building. We also own property across the tracks including our CNG Fuel Island and a truck</p>		

<p>4.9. Board Adoption of Resolution 4409 Recognizing Board Member Catherine Harris for her Service on the Administrative Control Board: Pam Roberts and Board Chair Ohrn (<b>Adoption Requested</b>)</p>	<p>barn. She shared proposed amendments to this agreement that clarified the area/building names and extends the lease term to December 2031.</p> <p>Pam further explained that a property appraisal will be conducted before the end of 2028 to determine market value for a renegotiated rent/lease amount. She also clarified that WFWRD would not have any equity in the building. Rachel indicated that she is comfortable with this proposed amendment and added that the County has treated us very fairly with regards to our annual lease amount, which has gone down as the bond has been paid.</p> <p>Board Vice Chair Gibbons inquired about potential confusion of the County's/WFWRD's property boundaries splitting the parking lot, how it could affect the lease, and what it means moving forward. Rachel answered that it makes the situation more dynamic and shows how we and the County depend upon each other. We are a team and want to continue that relationship. Pam echoed that this is a partnership with the County and added that we share maintenance costs for the building and the grounds that we share.</p> <p>Board Member Bradley publicly disclosed that he is a trustee to both parties. He doesn't feel that there is a conflict of interest, and he feels that it is a fair agreement for both parties.</p> <p>Board Chair Ohrn expressed her thanks and appreciation to Board Member Harris for her service on the Board and her contributions. Board Member Harris expressed her gratitude for the entire Board and her confidence in the new representative from Emigration Canyon Metro Township. She also thanked Pam and the WFWRD staff. Board Member Bradley commended Board Member Harris on her diligence, perspectives, and attention to detail. Pam also thanked Board</p>	<p><b>Motion to Approve Proposed Amendments to the Interlocal Agreement with Salt Lake County for the Building and Space Rental</b>  <b>by:</b> Board Member Turner  <b>Seconded by:</b> Board Member Cardenaz  <b>Vote: All in favor (no opposing or abstaining votes)</b></p> <p><b>Motion to Approve Resolution 4409 Recognizing Board Member Harris for her Service on the ACB</b>  <b>by:</b> Board Vice Chair Gibbons  <b>Seconded by:</b> Board Member Bradley</p>	<p><b>Approved January 24, 2022</b></p> <p><b>Approved January 24, 2022</b></p>
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<p>4.10 General Manager’s Report: Pam Roberts <b>(Information/Direction Requested)</b></p> <ul style="list-style-type: none"> <li>Managing Workloads During the Pandemic</li> <li>Board Requested Information Related to COVID Vaccine</li> </ul>	<p>Member Harris for her work keeping an eye on the canyon area for WFWRD, her communication, and her advocacy.</p> <p>Pam clarified that WFWRD is no longer providing paid COVID Administrative Leave for employees in 2022. This is due to vaccines and other methods being readily available to everyone. WFWRD has a generous leave benefit policy for employees, providing 96 hours of sick leave and 96 hours of vacation each year, which will help is employees need time off due to illness.</p> <p>As of January 16<sup>th</sup>, 12 employees have required time off due to COVID. Our workplace COVID trends follow state and national trends. Our Supervisors have helped cover routes when needed. Board Member Barbieri asked for clarification on the 96 hours of sick leave and vacation. Pam stated that the vacation hours accrue each year for the first nine years of employment, and then increase. Sick leave accrues at the same rate throughout employment and has an unlimited accrual amount, but vacation leave is capped at a maximum of 320 hours with a use-or-lose stipulation. Board Member Barbieri expressed her concern that this accrual amount was too high and requested a market assessment.</p> <p>We currently have seven Equipment Operator vacancies. We have a new Human Resources (HR) Manager starting next week to help with our recruiting efforts.</p> <p>In response to a request for information regarding a vaccination incentive to staff, a question was asked to employees on the voluntary 2021 Employee</p>	<p><b>Vote: All in favor (no opposing or abstaining votes)</b></p> <p><b>WFWRD Staff will review industry and government sick leave and vacation accrual rates to compare them with WFWRD’s policies, and report back.</b></p>
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<ul style="list-style-type: none"> <li>Side Load Truck Expansion</li> </ul>	<p>Satisfaction Survey administered by Y<sup>2</sup> Analytics to determine how many staff had been vaccinated and if a financial incentive would encourage others to get vaccinated. There were 53 employees, out of 86, who responded to the survey. 49% of employees stated that they had already been vaccinated, while 28% declined to answer. Of the 18 employees who answered that they have not been vaccinated, more than ⅔ (72%) stated that they would unlikely get vaccinated if offered an incentive. Pam is no longer pursuing any actions to provide a vaccination incentive.</p> <p>We have 35 daily routes, with an additional four seasonal Green Waste routes (from March to December). We currently have 53 side load trucks in our fleet. We are requesting direction to increase that number to 59. This is due to an aging fleet, delaying the replacement of trucks to maximize use and because of parts shortages that creates repair delays. During last year's 4<sup>th</sup> quarter, we averaged 10 trucks down each day. We have also experienced delays for new truck deliveries, which have pushed our replacement schedule beyond what we had planned.</p> <p>Having this expanded fleet will help ensure that we have enough trucks to accommodate all of our daily routes. Pam requested approval from the Board to move forward in this direction. She clarified that no budget adjustment is needed for this action. Board Member Schaeffer asked if we will look for additional drivers for these trucks. Pam confirmed that we are not requesting additional FTE's (full-time employees) for these additional trucks – they will be spare trucks when needed. She did state that she is hopeful to fill the seven driver vacancies.</p> <p>Board Member Bracken reminded the Board that our mandate is to provide these collections services to our residents, and we should do what is necessary to do this</p>		
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<ul style="list-style-type: none"> <li>New Employees</li> </ul>	<p>efficiently; and we can readjust our fleet size when situations improve. No Board Members expressed any concerns.</p> <p>In addition to Matt Fergusson, who recently started with WFWRD, Dustin Bradshaw is our new Residential Refuse and Special Services Collections Manager. He has already greatly helped with collection adjustments in the Town of Brighton and will be a great asset to WFWRD. Starting on January 31<sup>st</sup>, Ashely Ashton will join us as our new HR Manager, and McKenna Tupa'i will start as our new Sustainability Coordinator.</p>	<p><b>Pam will move forward with expanding the side load fleet.</b></p>	
<b>5. Closed Session</b>			
	No Closed Session		
<b>6. Other Board Business</b>			
	No Other Board Business		
<b>7. Requested Items for the Next Board Meeting</b>			
	<ul style="list-style-type: none"> <li>Public Hearing for Budget Adjustment to Increase the Amount for Capital Purchases</li> <li>Open &amp; Public Meeting Act – Required Training</li> <li>2021 Accomplishments/Satisfaction Survey Results</li> <li>Board Recognition Resolution for Craig Adams</li> <li>Status on the Potential Food Waste Collection Pilot Program</li> <li>Assessment of WFWRD's Vacation and Sick Leave.</li> <li>Operating Expense Report on the Curbside Green Waste Program</li> </ul>		

<b>ADJOURN</b>		<b>Motion to Adjourn:</b> Board Member Barney <b>Seconded by</b> Board Member Turner  <b>Vote: All in favor (no opposing or abstaining votes)</b>	<b>Approved</b> <b>January 24,</b> <b>2022</b>