

WASATCH INTEGRATED WASTE MANAGEMENT DISTRICT

Minutes of the meeting of the Administrative Control Board of Wasatch Integrated Waste Management District held September 2, 2009 at 5:00 p.m. in the large conference room, Wasatch Integrated Waste Management District Administrative Offices, 1997 East 3500 North, Layton, Utah.

Conducting: Board Chair, Commissioner John Petroff, Davis County

ADMINISTRATIVE CONTROL BOARD PRESENT:

Board Chair, Commissioner John Petroff, Davis County	Mayor Todd Stevenson, Fruit Heights
Vice-Chair, Mayor Neka Roundy, Kaysville	Mayor Steve Curtis, Layton
Sec/Treasurer, Councilmember Sid Creager, Morgan County	Councilmember Tony London, Morgan
Commissioner Bret Millburn, Davis County	Mayor Shanna Schaefermeyer, North Salt Lake
Commissioner Louenda Downs, Davis County	Mayor Brent Petersen, South Weber
Mayor Ron Russell, Centerville	Councilmember Alan Clark, Syracuse
Mayor Don Wood, Clearfield	Mayor Erik Craythorne, West Point
Mayor Mitch Adams, Clinton	Councilmember Rick Earnshaw, Woods Cross
Mayor Scott Harbertson, Farmington	

ADMINISTRATIVE CONTROL BOARD MEMBERS EXCUSED FROM ATTENDING:

Mayor Dan Gotchy, Sunset

Mayor James Behunin, West Bountiful

STAFF PRESENT:

Nathan Rich, Executive Director
David Van De Graff, Controller
John Watson, Plant Manager
Preston Lee, Landfill Manager
Jeff Orton, Landfill Equipment Operator
Eric Stevenson, Landfill Equipment Operator
Juli McIntosh, Recorder

STAFF EXCUSED:

VISITORS:

Notice of time, place, and agenda of the meeting was sent to the Salt Lake Tribune, Deseret News, Davis County Clipper, Morgan County News, and Standard Examiner newspapers on August 28, 2009. Notice of time, place, and agenda of the meeting was sent to each member of the Administrative Control Board and posted at Wasatch Integrated Waste Management District Administrative Offices on August 28, 2009.

Welcome

Chairman John Petroff welcomed all board members, staff, and visitors to the meeting.

Minutes Approval

Chairman Petroff presented the June 3, 2009 minutes to the board for approval.

Upon motion duly made and seconded, minutes for the June 3, 2009 board meeting were approved. Voting in favor of said motion was unanimous.

Employee Recognition

Chairman Petroff introduced Landfill Manager, Preston Lee. Mr. Lee recognized Jeff Orton and Eric Stevenson, landfill employees who devised and constructed a hook on the loader bucket, which can be used to quickly move a bin that has caught fire, to a safe area. Implementation of this device has saved the District money in potential damages and created a safer environment by allowing for quickly removing the bin from any citizen areas.

Mr. Orton and Mr. Stevenson were each awarded a certificate of recognition and \$400.00 for their idea.

Director's Update

Mr. Rich introduced Plant Manager, John Watson who gave a report on the recently completed annual plant maintenance shut down. Mr. Watson reminded board members that an earlier, smaller scale maintenance shut down had reduced the time and cost spent on the regularly scheduled maintenance shut down.

Mr. Watson reported on two substantial improvements to the facility, including: 1) installation of a new under-fire conveyor system and 2) application of corrosion protection alloy within the boiler. Mr. Watson said that installation of the under-fire conveyor has substantially reduced noise and dust within the facility and appears to be providing other benefits including a reduction in power consumption and improvements in air emissions.

Councilmember Alan Clark asked about labor costs.

Mr. Watson said, the plant employs three full time mechanics but many contractors are employed during shut down to complete maintenance on the facility.

Mr. Rich began discussing items in the Director's Update by reporting that annual compliance stack testing at the waste to energy facility is scheduled for the week of September 8, 2009.

A traffic study, completed this spring, by CH2MHill identified several ways to improve traffic flow at and around facilities at the landfill. Paving related to implementing those solutions is scheduled to begin on September 15, 2009. Our goal is to complete the work quickly with as little impact to operations as possible. Preparation of subgrade and installation of storm water controls is currently being completed by landfill personnel.

Installation of a temporary (five to seven years) landfill cover on approximately 20 acres of the landfill is scheduled to begin on September 15, 2009. The bid has been awarded to GSE, a major manufacturer and installer of geosynthetic liners. The material being installed is a 40-millimeter thick high-density polyethylene membrane. The total cost of the project is estimated at approximately \$330,000. The membrane is impermeable and will allow a much greater capture of gas (and odor) generated by the landfill.

Installation of an upgraded blower system on the landfill gas project is currently under way. The new blowers are being installed to provide additional capacity as we capture more gas from the landfill and also to increase reliability of the system.

The pilot curbside green-waste collection and recycling program with Fruit Heights has successfully started. Five hundred cans have been delivered to residents and an additional 200 can have been ordered and are scheduled for delivery by September 21, 2009. Yesterday marked the first day of

collection and delivery of green-waste to our recycling facility. Collection went smoothly and we are pleased to see only a small amount of contamination in the waste. Contamination was primarily from residents placing grass clipping in garbage bags. Additional education will help.

Mayor Shanna Schaefermeyer asked how often curbside green waste picked up.

Mr. Rich replied, weekly.

Councilmember Tony London asked how much curbside green waste recycling costs.

Mr. Rich explained that Fruit Heights residents are charged approximately six dollars per month for curbside green waste recycling. The District charges two dollars to process the green waste and the hauler charges approximately four dollars to haul it. In Fruit Heights, the cost of a second garbage can is eight dollars and 30 cents. In order for a green waste program to be successful, it must cost less than a second can.

Mayor Ron Russell reported that Centerville began curbside recycling this week. He said that recyclables are scheduled for biweekly curbside pick up and cost to residents is \$3.20 per month. Ace Disposal hauls the recyclables to Rocky Mountain Recycling.

Mr. Russell expressed his interest in a District wide curbside green waste recycling program.

In response to a question, Mr. Rich said that the District has set the fee for a household green waste can at two dollars. He suggested that individual city implementation of a curbside green waste recycling program would allow cities to be responsive to their citizens' needs. He added that it can be harder to convince citizens of the benefits of green waste recycling because it receives less publicity than typical curbside recycling programs. Additionally, hauling costs of curbside green waste are usually higher since it cannot sit for two weeks and must be picked up every week.

Mr. Rich suggested that discussions should begin now for cities interested in curbside green waste recycling for potential implementation in the spring. He explained that city commitment to communicate with citizens could mean increased participation, which results in lower costs.

Mayor Russell said his city decided to allow citizens to opt out before a certain date. He agreed that communication is important. Centerville's participation rate is over 80 percent for the traditional recycling program.

Chairman Petroff pointed out that currently the cost of two cans is less than it was for one can a few years ago.

Mayor Eric Craythorne asked if the District would purchase green waste cans for any interested city.

Mr. Rich said yes.

Councilmember London asked if the budget amendment included the purchase price of green waste recycling cans.

Mr. Rich said that it did. The board approved the purchase of the green waste cans for Fruit Heights during the 2009 budget year but the District was unable to purchase the cans during the 2009 budget year, so, funds needed to be added to the current year's budget.

Mr. Rich discussed the increase in the budget for the proposed recycle drop off center. Current engineering cost estimates for the facility and associated equipment, including renewable energy components and LEEDs certification, is \$1,200,000. Relocation of the HHW facility with the recycling drop-off center has resulted in an increase in cost, but does provide the best solution for facility operations. The facility is designed to provide quality and cost effective recycling opportunities to residents of the District.

The facility will replace, at least in part, the current bin recycling program run by the District. The bin recycling program provides a set of 40 yard dumpsters to cities which are willing to maintain the sites. The District then pays the cost to have those bins pulled and the recyclables delivered to a Materials Recovery Facility (MRF) for sorting and sale to market. Because material is loose in the bins, the program is unsightly and inefficient.

He explained that the bins are well utilized but also very expensive. Based on current pricing for recycling services, the bin recycling program is projected to cost approximately \$100,000 this year.

Mr. Rich directed board members' attention to cost and revenue spreadsheets attached to the Director's Update.

Mr. Rich discussed operating costs as a function of staffing levels, and revenue as a function of the amount of recyclables collected and the market price for the commodities. Using current market pricing, which is expected to improve with the economy, the facility is expected to cover all operating costs and depreciation with a throughput of about 1,700 tons annually. A similar facility located in Cochran, Canada reached a throughput of 1,600 tons during its third year of operation while serving a population base of only 12,000. Mr. Rich said he anticipates reaching that level of participation during the second or third year of operation. He added that it is reasonable to expect this facility will operate at no additional burden to ratepayers.

The board discussed the income potential of the recycle drop off center, the growing popularity of curbside recycling, and the need for recycling options for citizens without a curbside option.

Mr. Rich discussed the currently proposed federal legislation that would set a Renewable Portfolio Standard which has passed the House and will soon be being considered by the Senate. The District has been working with several industry groups to lobby congress to make sure that Waste-to-Energy is specifically included within the definition of renewable energy. He directed board members to a response to the letter the board sent to Senator Hatch and thanked them for their help with this issue.

The District has been working with Chevron Energy who has been generating interest from potential partners for expanded production of electricity and power from District facilities. Mayor Roundy, on behalf of Kaysville, has requested that UAMPS enter into conversations with Chevron and the District. Also, we have had several meetings with HAFB and Rocky Mountain Power and are now working to develop several concepts for consideration.

Mr. Rich encouraged board members to attend WASTECON 2009, which is scheduled for September 21 through 24, 2009 in Long Beach, California. Each year WASTECON offers excellent tours, which are always a highlight of the conference.

Also, an excellent opportunity to receive board training is provided by the Utah Association of Special Districts Annual Convention is scheduled for November 6th and 7th, 2009 at the Davis Conference Center.

Mr. Rich announced that the annual Wasatch Integrated Waste Management District Christmas Party is scheduled for Wednesday, December 9, 2009.

Committee Meetings are next scheduled for September 29 and 30, 2009.

Financial Report

Mr. Van De Graff gave the report of disbursements for June, July, and August 2009. There were 546 disbursements during the months of June, July, and August totaling \$4,736,805.63. Checks over \$15,000 for the months of June, July, and August totaled \$3,850,922.82 and represented 81 percent of total disbursements.

Upon motion duly made and seconded, disbursements were approved. Voting in favor of said motion was unanimous.

Mr. Van De Graff reported that the annual audit report has not yet been finalized but will be presented in the November board meeting.

Mr. Van De Graff reviewed financial statements for the period ending June 30, 2009. Revenues were at 96 percent of the budgeted amount while expenses were at 89 percent.

Committee Business

Budget and Finance Committee

Mayor Neka Roundy presented Resolution 09-10, Amending the Capital Budget for Fiscal Year 2010.

There was some discussion, among board members, about the costs associated with Leadership in Energy and Environmental Design (LEED) certification for the recycle drop-off center.

Mayor Scott Harbertson motioned to amend Resolution 09-10 by striking from the resolution any costs associated with LEED certification. The motion was seconded.

There was additional board discussion regarding the District's role in providing community facilities and the potential for obsolescence of a recycling center when considering the growing propensity toward curbside recycling.

Mayor Harbertson requested to withdraw his amendment to Resolution 09-10.

Mayor Mitch Adams made a motion to amend the resolution to remove the recycling center, in its entirety, from the budget. The motion was seconded.

After additional board discussion regarding the practicality of removing all recycling aspects from the resolution, Mayor Adams requested to withdraw his motion. The second was also withdrawn.

Mayor Russell made a motion to amend Resolution 09-10 by striking the recycling center and associated line items: the baler/compactor at \$190,000, the recycling drop off center at \$300,000, and the renewable energy option/LEED at \$83,000 so the board could continue discussing construction of the recycling center.

Upon motion duly made and seconded, Resolution 09-10, with amendments, was approved. Commissioner Bret Millburn, Commissioner Louenda Downs, Mayor Russell, Mayor Don Wood, Mayor Adams, Mayor Harbertson, Mayor Todd Stevenson, Mayor Curtis, Councilmember Tony London, Councilmember Sid Creager, and Mayor Shanna Schaefermeyer voted in favor of Resolution 09-10, as amended. Chairman Petroff, Mayor Roundy, Mayor Brent Petersen, Councilmember Alan Clark, Mayor Erik Craythorne, and Councilmember Rick Earnshaw voted against Resolution 09-10, as amended.

Mayor Russell expressed his support for the facility but added that he felt like board consensus should be reached before proceeding further. He felt that further discussion would be beneficial.

Further discussion included, the benefits of the recycle center being located at the landfill and constructing a center for citizens without access to curbside programs, and the potential for the recycle center to be a more effective alternative to the current bin program and how much use the facility might get.

Mayor Harbertson made a motion amend Resolution 09-10, as originally presented, to approve the budget line items for the recycling drop off center, renewable energy option, and baler/compactor, and striking only costs associated with LEED certification.

Upon motion duly made and seconded, the amendment to the previously adopted Resolution 09-10 was approved. Commissioner Millburn, Commissioner Downs, Chairman Petroff, Mayor Russell, Mayor Harbertson, Mayor Stevenson, Mayor Roundy, Mayor Curtis, Councilmember Creager, Mayor Schaefermeyer Mayor Petersen, Councilmember Clark, Mayor Craythorne, and Councilmember Earnshaw voted in favor of the amendment to the previously adopted Resolution 09-10. Mayor Wood, Mayor Adams, and Councilmember London voted against the amendment to the previously adopted Resolution 09-10.

Mayor Roundy presented Resolution 09-11, Authorizing the Executive Director to Execute a Real Estate Purchase Contract, for the purchase of approximately 10 acres in the City of North Salt Lake.

Upon motion duly made and seconded, Resolution 09-11 was approved. Voting in favor of said motion was unanimous.

Government Relations Committee

Councilmember Tony London presented Resolution 09-12, Authorizing the Executive Director to Execute an Agreement with Vitol for the sale of carbon offset credits to be registered on the Climate Action Reserve.

Upon motion duly made and seconded, Resolution 09-12 was approved. Voting in favor of said motion was unanimous.

Operations Committee

Mayor Eric Craythorne presented Resolution 09-13, Amending the District Code.

Upon motion duly made and seconded, Resolution 09-13 was approved. Voting in favor of said motion was unanimous.

Other Business

There was no additional business.

Adjournment

Upon motion duly made and seconded , the Administrative Control Board meeting was adjourned at 7:00 p.m.



Commissioner John Petroff, Board Chair



Nathan Rich, Executive Director