



WASATCH INTEGRATED WASTE MANAGEMENT DISTRICT

Minutes of the meeting of the Administrative Control Board of Wasatch Integrated Waste Management District held September 7, 2016 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
Vice-Chair, Mayor Mitch Adams, Clinton
Secretary, Council Member James Bruhn, West Bountiful
Mr. John Higginson, Centerville
Council Member Vern Phipps, Clearfield
Commissioner Bret Millburn, Davis County
Commissioner Jim Smith, Davis County
Mayor Don Carroll, Fruit Heights

Mayor Bob Stevenson, Layton
Council Member Tony London, Morgan
Council Member Ned Mecham, Morgan County
Mayor Len Arave, North Salt Lake
Mayor Tammy Long, South Weber
Councilmember Mike Gailey, Syracuse
Mayor Erik Craythorne, West Point
Council Member Wally Larrabee, Woods Cross

ADMINISTRATIVE CONTROL BOARD MEMBERS EXCUSED FROM ATTENDING:

Mayor Jim Talbot, Farmington
Mayor Steve Hiatt, Kaysville

Mayor Beverly Macfarlane, Sunset

STAFF PRESENT:

Nathan Rich, Executive Director
David Van De Graff, Controller
Preston Lee, Landfill Manager
Juli McIntosh, Recorder

STAFF EXCUSED:

VISITORS:

Larry Jenkins, Kirton McConkie
Lt. Alex Davis, Layton Police Department
Sgt. Jeff Roderick, Layton Police Department

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 September 2, 2016. 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 September 2, 2016.

Welcome

Board Chair, John Petroff welcomed board members, staff, and visitors to the meeting.

Minutes Approval

Chairman Petroff presented minutes of the June 1, 2016 board meeting to the board for approval.

Upon motion duly made and seconded, minutes for the June 1, 2016 board meeting were approved. Voting in favor of said motion was unanimous.

Public Comment

At the invitation of Wasatch Integrated, two representatives from the Layton Police Department, Lt. Alex Davis and Sgt. Jeff Roderick from the Code Enforcement Division, discussed litter along roads leading to the landfill due to unsecured loads, how Layton City intends to update their municipal code to mirror state code regarding enforcement of litter ordinances, and citizen complaints about litter. Landfill staff and Layton City have been discussing how to best manage litter and have agreed to work together toward a solution, likely charging an additional fee for uncovered loads delivered to the landfill and as well as instructing police officers to enforce municipal code.

Mr. Nathan Rich expressed his appreciation to Lt. Davis and Sgt. Roderick for their interest in this issue. He said the board will discuss enforcement policy in future committee meetings for approval in the November Board Meeting.

Chairman Petroff suggested that board members might want to inform their cities of the upcoming changes and make sure that are aware that city loads will also be subject to the additional charge and should arrive covered.

Annual Board Member Training

Larry Jenkins, legal counsel for the District provided required annual training on GRAMA and open meetings to board members, as required by Utah State Code.

Director's Update

Mr. Rich discussed conceptual design and costs estimates which have been developed for the addition of equipment to recover recyclable material at the mixed waste pre-processing facility. The new equipment would provide for recovery of cardboard, steel, aluminum, and some plastics from the residential waste stream. Based upon current estimates of capital and operating costs the project could be implemented with an additional charge of \$2 per month per garbage can. The expanded facility may provide a cost effective supplement or alternative to the curbside collection of recyclables within the District.

The total capital cost of the project is approximately \$7 million and would require financing to accomplish. Part of the project would include construction of the first phase of a transfer station at the energy recovery facility. Design and cost estimates sufficient to support a Request for Proposals (RFP) will be complete with the next two weeks for discussion at committee meetings over the next two months and the November 2016 board meeting. If the board decides to move forward with the project a series of open houses will be scheduled where city managers, council members, and other interested parties can get information before a final decision is made.

Mr. Rich explained that curbside programs are effective but, based on local residential waste studies, recover less than half of recyclables from cities with curbside recycling.

Hill Air Force Base has notified the District that it is pursuing the installation of a small Combined Heat and Power (CHP) unit through an Energy Saving Performance Contract (ESPC). The unit would generate approximately 3.5 megawatts of electrical power using natural gas and would also generate about 20 klbs of steam per hour. The contractor is currently preparing in Investment Grade Audit (IGA) for the project which will be completed about this time next year. If the project is completed it could reduce HAFB steam purchases from the energy recovery facility by about \$1,500,000 while reducing the amount of renewable energy used by the installation. We are working with HAFB to

determine if there are better ways to provide the Air Force with grid independent energy without financially impacting the District.

Current legislation being considered by the federal government could impact the “renewable” status of the energy generated by our energy recovery facility. Mr. Rich wrote letters and is in contact with staff for both Rob Bishop and Mike Lee, asking for their assistance with this issue. The concern is that unless every city delivering waste to the energy recovery facility has a curbside recycling program, all waste incinerated would no longer be considered renewable. A copy of that letter is attached to the update.

The annual maintenance shutdown at the energy recovery facility began during the last week of July and is just being completed. Work was completed with no injuries and Unit B is operating well. Unit A is expected to be operational by September 8, 2016.

Annual Stack Testing at the energy recovery facility is scheduled for the week of September 19, 2016. The units appear to be operating very well and no issues are anticipated.

Committee Meetings were last held on August 30th and 31st, 2016. Committee meetings are next scheduled for September 27th and 28th, 2016.

Financial Report

Mr. Van De Graff to present the financial reports of the District.

Mr. Van De Graff presented disbursements for June, July, and August, 2016. There were 494 disbursements for the months of June, July, and August totaling \$2,308,059.81. Checks over \$15,000, for the months of June, July, and August, represented 72 percent of disbursements and totaled \$3,215,361.01.

In response to a question, Mr. Rich explained that it is likely that slagging has been reduced due to glass being separated before incineration but impossible to determine if ammunition has decreased since ammo usage (used to remove slag) is purchased quarterly and has not been reordered since the mixed waste processing facility began operations.

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

Mr. Van De Graff presented yearend financial statements, ending June 30, 2016. He reported that operating revenues were at 106 percent and operating expenses were at 86 percent of the budgeted amount.

Mr. Van De Graff reviewed the balance sheet, which is at \$19.6 million, capital assets at \$42.2 million, total assets at \$61.8 million, current liabilities at \$1.28 million, and long term liabilities at \$7.9 million.

Consent

Resolution 16-07, Resolution Authorizing the Execution of a Project Participation Agreement for the Northern Utah Environmental Resource Agency Bayview Landfill Project.

The project will ensure the District’s long term disposal requirements, at a regional landfill, when that time comes. Also, sharing in a landfill which is handling larger tonnages will substantially reduce the operating cost (tipping fee) for participating entities as well costing a fraction of what it would cost to construct our own landfill. The cost to participate is \$1,562,500 which is included in our current budget.

Mr. Rich explained that Weber County will not participate due to anticipated hauling costs, currently estimated at approximately \$12 per ton. The current annual landfill operating budget is \$2.6 million.

Mr. Rich also explained that North Pointe Solid Waste District will begin immediately hauling 30 percent of their waste to Bayview, with the remaining 70 percent to be hauled when North Pointe’s contract with Republic Services expires, June 30, 2018.

Tipping fees at Wasatch Regional Landfill, owned by Republic Services, are not published but negotiated on a case by case basis.

Mr. Rich reminded board members that the District will need to consider transferring waste in seven to ten years, keeping the current landfill open for citizen drop off, green waste recycling, and ash from the energy recovery facility. And that there is rising concern that residents living near the landfill will, at some point, no longer tolerate odors associated with large scale landfill operations.

Mayor Bob Stevenson reminded board members that the City of Logan has spent \$10 million dollars to site and construct a landfill and they are still not operational.

Regarding operation of the Bayview Landfill by NUERA, Mr. Rich said that tipping fees will be set to cover the cost of operations. Landfill operations will not be subsidized by NUERA members. When all four entities who intend to use Bayview (North Pointe Solid Waste, Trans-Jordan Cities, South Utah Valley, and Wasatch) the tipping fee is expected to be around eight to ten dollars per ton.

Landfill ownership has always been about the ability to control costs for District cities and residents over the long term.

Commissioner Jim Smith agreed that the Bayview Landfill purchase is a great option for \$1.5 million.

Mayor Stevenson commented on the ability of privately owned landfills to charge more when no municipal option is available.

Mayor Erik Craythorne said that as soon as the private companies realize the District has no landfill options the price will go up, which makes Bayview a good option

Upon motion duly made and seconded, Resolution 16-07 was approved. Commissioner John Petroff, Mayor Bob Stevenson, Mayor Mitch Adams, Council Member Tony London, Council Member James Bruhn, Council Member Ned Mecham, Mr. John Higginson, Council Member Vern Phipps, Mayor Tammy Long, Commissioner Bret Millburn, Councilmember Mike Gailey, Commissioner Jim Smith, Mayor Erik Craythorne, Mayor Don Carroll, and Council Member Wally Larrabee, voted in favor of Resolution 16-07. Mayor Len Arave voted against.

Resolution 16-08, Authorizing the Executive Director to Execute an Option Agreement with Layton City for purchase of 25 acres at the approximate street address of 3900 North Fairfield Road, was presented to the board for approval.

Upon motion duly made and seconded, Resolution 16-08 was approved. Voting in favor of said motion was unanimous.

Resolution 16-09, Amending Title 3, Purchasing Policy, of the District Code, was presented to the board for approval.

Upon motion duly made and seconded, Resolution 16-09 was approved. Voting in favor of said motion was unanimous.

Other Business

There was no other business.

Adjournment

Upon motion duly made and seconded, the Administrative Control Board meeting was adjourned at 6:48 p.m. Voting in favor of said motion was unanimous.



Commissioner John Petroff Jr., Board Chair



Nathan Rich, Executive Director