Minutes of the meeting of the Administrative Control Board of Wasatch Integrated Waste Management District held May 2, 2018 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, Mayor Bob Stevenson

ADMINISTRATIVE CONTROL BOARD PRESENT:

Board Chair, Mayor Bob Stevenson, Layton
Vice Chair, Mayor Len Arave, North Salt Lake
Secretary, Council Member Tony London, Morgan
Mayor Clark Wilkinson, Centerville
Mayor Mitch Adams, Clinton
Commissioner Randy Elliott, Davis County
Commissioner Bret Millburn, Davis County
Mayor Jim Talbot, Farmington

Mayor Katie Witt, Kaysville
Council Member Ned Mechem, Morgan County
Mayor Jo Sjobom, South Weber
Mayor Howard Madsen, Sunset
Councilmember Mike Gailey, Syracuse
Council Member James Bruhn, West Bountiful
Mayor Erik Craythorne, West Point
Council Member Wally Larrabee, Woods Cross

ADMINISTRATIVE CONTROL BOARD MEMBERS EXCUSED FROM ATTENDING:

Council Member Vern Phipps, Clearfield
Commissioner Jim Smith, Davis County

Mayor John Pohlman, Fruit Heights

STAFF PRESENT:

Nathan Rich, Executive Director
David Van De Graff, Controller
Kathy Hammerle, Scale Manager
Preston Lee, Landfill Manager
Todd Quinley, Purchasing Manager
Juli McIntosh, Recorder

VISITORS:

Lorene Kamalu, Kaysville City Planning Commissioner and County Commission Candidate, Seat B

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 27, 2018. 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 27, 2018.
Welcome

Board Chair, Mayor Bob Stevenson welcomed board members, staff, and visitors to the meeting.

Minutes Approval

Chairman Stevenson presented minutes of the February 7, 2018 board meeting to the board for approval.

Upon motion duly made and seconded, minutes for the February 7, 2018 board meeting were approved. Voting in favor of said motion was unanimous.

Public Comment

There was no public comment.

Director's Update

Mr. Rich reminded board members about WASTECON 2018, the week of August 20, 2018 in Nashville, Tennessee, the Solid Waste Association of North America's annual waste convention. He invited all interested board members to attend. He also reported on the board retreat, held April 20-21 in Park City, the proposed transfer station plans; site programming for the proposed transfer and processing facility and design of the receiving building and transfer station are complete. An RFP has been issued for construction of the transfer station; due date for proposals is May 11, 2018. Mixed waste processing and engineered fuel production equipment is expected to cost approximately $15 million.

Conversations continue with WRR and the South Davis Sewer District to develop a partnership in which they would accept a portion of our organic waste at their Anaerobic Digester and WRR would dispose of their inorganic waste fractions at District facilities. Staff is currently working on a Memorandum of Understanding with WRR. The digester, at WRR, is currently under construction and scheduled to be operational in October or November 2018.

Committee meetings were not held in April due to the retreat. Committee meetings are scheduled for May 29 and 28, 2018.

Construction of Final Cover on a portion of Phase V of the landfill, which is closest to the residential neighborhoods in South Weber and Layton, is currently scheduled for construction beginning next week. The $1,500,000 project should be completed in early July. Final cover in this area should help lessen odors in adjacent areas and will also reduce the visual impact of the landfill.

Operational Reports for January, February, March, and April 2018 summarize key operational numbers:

District Wide Waste Acceptance (tons):

<table>
<thead>
<tr>
<th>January</th>
<th>February</th>
<th>March</th>
<th>April</th>
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<td>17,125</td>
<td>14,622</td>
<td>18,333</td>
<td>24,028</td>
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Total waste delivered to the District during the first quarter of 2018 was trending slightly below waste receipts during the same period in 2017. Green waste and construction and demolition waste appear to be where the lower tonnage is observed.

Waste Diverted to the Green Waste Facility (tons):

<table>
<thead>
<tr>
<th>January</th>
<th>February</th>
<th>March</th>
<th>April</th>
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<tbody>
<tr>
<td>296</td>
<td>300</td>
<td>519</td>
<td>1,752</td>
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WRR is constructing their Anaerobic Digester (AD) in the City of North Salt Lake adjacent to the South Davis Sewer District facilities. Chairman Stevenson asked City of North Salt Lake Mayor Len Arave to explain the anaerobic digester process and use.

Mayor Arave explained that primarily food waste from institutions and commercial and retail facilities will be collected and processed through the AD where microorganisms break down biodegradable material in the absence of oxygen. This fermentation process will result in the management of organic wastes while producing fuel which can be sold. WRR has a 10 year contract with British Petroleum to sell the gas.
He went on to explain a secondary process of running waste water through glass tubing. Algae growing within the tubing further cleans the water.

Mr. Rich added that with the necessary equipment, Wasatch Integrated will have the ability to supply up to 40,000 tons per year of organic waste to the AD, with the additional benefit of having diverted that waste from the landfill. He said that although the waste diverted is not ideally suited to the AD, it is still useful to the digestion process.

**Financial Report**

Mr. David Van De Graff reviewed District Code for board members. He reminded them that the District Code was on the flash drive distributed to all board members at the retreat. There is also information pertaining to Local Districts, as defined by Utah Code. He explained that the Utah Money Management Council (the Council) was created within Title 51, chapter 7 of Utah statute, to regulate the investment and management of assets of governmental agencies within the state.

Mayor Len Arave asked if the District has considered other private banking and investment options.

Mr. Van De Graff said that private banking and investment cannot match the liquidity and flexibility of the State.

Mayor Arave requested that other investment options be investigated.

Mr. Van De Graff reviewed the financial reports of the District.

He presented disbursements for February, March, and April 2018. Disbursements for the months of February, March, and April totaled $1,275,431.13. Checks over $9,000, for the months of February, March, and April totaled $988,466.93.

Mr. Van De Graff also presented purchasing card statements and receipts for January, February, and March.

Council Member Tony London asked if cats are kept at the landfill.

Mr. Rich said yes, there are two cats, one of which earns its keep.

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

Mr. Van De Graff reviewed financials through March 31, 2018 reporting that out of district fees, implemented last year, have resulted in a 10-15 percent reduction in overall scale transactions at the landfill. Ten percent of transactions are out of district but Layton transactions are down 10-15 percent.

**Resolutions**

Chairman Stevenson presented Resolution 18-08, Adopting Fiscal Year 2019 Tentative Budget and setting a public hearing.

Mr. Van De Graff explained the tentative budget.

In response to a question, Mr. Rich said that personnel costs are up approximately five percent while severance packages and unemployment costs associated with closure of the energy recovery facility were still showing in the 2018 budget.

Closure and post closure expenses have changed due to the landfill design changes; costs are based on the percentage of landfill used.

In response to another question, Mr. Rich explained that employee pay increases are always merit based, there is no Cost of Living Allowance (COLA) given to employees, only the merit increase based
on performance, and most allowed this year was five percent with the average performance increase between 4 and 4.2 percent.

Mr. Rich said that large equipment purchases, appropriately budgeted, may then be purchased by staff within the budget year without additional approval of the board.

Additional discussion included Title 9, which explains future financial plans of the District and how they will be funded, future projects, and financing of a facility to sort recycling and create engineered fuel. Mr. Rich said that the District has not had to borrow money for facilities or capital improvements since the incinerator was built.

Upon motion duly made and seconded, Resolution 18-08 Adopting Fiscal Year 2019 Tentative Budget and setting a public hearing for June 6, 2018, was approved. Voting on said motion was unanimous.

Chairman Stevenson presented Resolution 18-09, Authorizing a Contract with Whittaker Construction for Stage B cover system and Phase 3 liner tie-in.

Mr. Rich explained that project costs will cross fiscal years so additional funds have been added to each fiscal year budget to ensure the project remains within budget.

Upon motion duly made and seconded, Resolution 18-09 was approved. Voting on said motion was unanimous.

Chairman Stevenson presented Resolution 18-10, Amending Personnel Policies of the District.

Mr. Rich reviewed the changes, as discussed in the previous committee meetings, which amends the personnel policies to provide that the company will match an employee's contribution to a qualified Health Savings Account dollar for dollar up to an amount roughly equal to the savings in premium the company would realize if an employee elects to participate in the high deductible health plan option currently offered by the company.

Upon motion duly made, amended, and seconded, Resolution 18-10 was approved. Voting on said motion was unanimous.

Chairman Stevenson presented Resolution 18-11, Disposal of Surplus Property.

In response to a question about selling a 2016 Ford F-250, Mr. Rich said that the truck suspension is extremely tight resulting in a very rough ride.

Upon motion duly made and seconded, Resolution 18-11 was approved. Voting on 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 6:04 p.m. Voting in favor of said motion was unanimous.

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Mayor Bob Stevenson, Board Chair

Nathan Rich, Executive Director