WASATCH INTEGRATED WASTE MANAGEMENT DISTRICT

Minutes of the meeting of the Administrative Control Board of Wasatch Integrated Waste Management District held September 4, 2019 at 5:00 p.m. at 1997 East 3500 North, Layton, Utah 84040.

Conducting: Board Vice Chair, Mayor Mike Gailey

ADMINISTRATIVE CONTROL BOARD PRESENT:

Vice Chair, Mayor Mike Gailey, Syracuse
Secretary, Council Member James Bruhn, West Bountiful
Mayor Clark Wilkinson, Centerville
Council Member Vern Phipps, Clearfield
Commissioner Lorene Kamalu, Davis County
Commissioner Randy Elliott, Davis County
Mayor Jim Talbot, Farmington
Mayor John Pohlman, Fruit Heights

Mayor Katie Witt, Kaysville
Mayor Scott Freitag, Layton
Council Member Tony London, Morgan
Council Member Mike Newton, Morgan County
Mayor Len Arave, North Salt Lake
Mayor Jo Sjoblom, South Weber
Mayor Erik Craythorne, West Point
Council Member Wally Larrabee, Woods Cross

ADMINISTRATIVE CONTROL BOARD MEMBERS EXCUSED FROM ATTENDING:

Board Chair, Commissioner Bob Stevenson, Davis County
Mayor Mitch Adams, Clinton

Mayor Howard Madsen, Sunset

STAFF PRESENT:

Nathan Rich, Executive Director
Adam Hacker, Accounting Manager
Kathy Hammerle, Scale Manager
Preston Lee, Landfill Manager
Todd Quinley, Purchasing Manager
Chad Staples, Project Manager
Juli McIntosh, Recorder

VISITORS:

Larry Jenkins, Kirton McConkie

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 August 30, 2019. 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 August 30, 2019.
Welcome

Board Vice Chair, Mayor Mike Gailey, welcomed board members, staff, and visitors to the meeting and excused the Board Chair, Commissioner Bob Stevenson, who is out of town.

Minutes Approval

Vice Chair Gailey presented minutes of the June 5, 2019 board meeting to the board for approval.

Upon motion duly made and seconded, minutes for the June 5, 2019 board meetings were approved. Voting in favor of said motion was unanimous. Vice Chair Gailey, Secretary, Council Member James Bruhn, Council Member Vern Phipps, Commissioner Lorene Kamalu, Commissioner Randy Elliott, Mayor Jim Talbot, Mayor John Pohlman, Mayor Katie Witt, Council Member Tony London, Council Member Mike Newton, Mayor Len Arave, Mayor Jo Sjoblom, Mayor Erik Craythorne, and voted yea.

Public Comment Period

There was no public comment.

Director's Report

Mr. Rich recognized and thanked staff, especially Mr. Larry Jenkins, Attorney for the District, who has worked on behalf of the District longer than anyone.

Mr. Rich reported that construction of the receiving building and transfer station, awarded to Stout Construction of Bountiful Utah, is complete with the exception of connection of power and a few minor punch list items. Stout has done a good job on the project which will be completed well within the budgeted $4,700,000 amount, with a current contract value of $4,347,473.

Construction of the Education Center and Employee Facilities, also awarded to Stout Construction, is well under way. That facility will likely be completed in December of this year.

Valley Design & Construction of Layton, Utah and CP Group of San Diego, California are moving forward with design and construction of the Mixed Waste Processing Facility. Final design of the equipment has been completed and building permits have been issued by Layton City for construction. We are looking forward to the project being operational during the first quarter of 2020.

The Davis Landfill has been issued a renewed permit to operate a Class I Landfill by the Division of Waste Management and Radiation Control. The renewed permit is for a period of 10 years and will expire on August 14, 2029.

Wasatch recently completed a feasibility study for the installation and operation of a Renewable Natural Gas (RNG) project at the Davis Landfill which was presented to the Board in April of this year. As a follow up on that project we have begun a conversation with Dominion Energy as a potential customer for the RNG and we are also exploring the possibility of partnering on a project. Mr. Rich said he expected to execute a confidentiality agreement within the next month as the conversation continues.

WASTECON will be held in Phoenix, Arizona during the week of October 21, 2019. Several board and staff members plan on attending this year. Mr. Rich asked that board members let us know as soon as possible if they would like to attend. It is an excellent show and team building opportunity. There will continue to be a lot of focus on material recovery facilities and recyclable markets.

Committee Meetings were last held on August 27th and 28th, 2019. Committee meetings are next scheduled for September 24th and 25th, 2019.

The Utah Association of Special Districts will hold their annual convention on November 6-8, 2019. This is a great opportunity to receive training for board members of Special Service Districts and catch up on issues important to the District and municipal governments. Mr. Rich attached a copy of the agenda for board members’ information. He requested board members let Juli know if you would like to attend.
Mr. Rich reviewed operational reports for June, July, and August 2019 which he attached to the update. District Wide Waste Acceptance, in tons was 29,792 in June, 29,387 in July, and 29,632 in August.

He reported that overall waste acceptance rates in 2019 are strong, up around five percent over the same period in 2018. In particular, residential waste, out-of-District waste, and construction and demolition waste is strong.

He said that product sold at the Green Waste Facility, in scoops was 2,842 in June, 1,307 in July, and 1,120 in August.

Overall sales of compost and wood chips are up slightly over the same period last year.

Vice Chair Gailey noted that Mayor Clark Wilkinson, Mayor Scott Freitag, and Council Member Wally Larrabee joined the meeting after roll call.

Financial Report

Mr. Adam Hacker gave the financial report, including the Disbursement Review, which included checks from May 1, 2019 through July 31, 2019. Checks over $10,000 represented 89 percent of disbursements, totaling $4,542,989.31. Disbursements totaled $5,082,849.27.

Upon motion duly made and seconded, disbursements were approved. Voting in favor of said motion was unanimous. Vice Chair Gailey, Council Member Bruhn, Mayor Clark Wilkinson, Council Member Phipps, Commissioner Kamalu, Commissioner Elliott, Mayor Talbot, Mayor Pohlman, Mayor Witt, Mayor Scott Freitag, Council Member London, Council Member Newton, Mayor Arave, Mayor Sjoblom, Mayor Craythorne, and Council Member Wally Larrabee voted yea.

Mr. Hacker presented financial statements through June 30, 2019 and credit card receipts dated May 23, 2019. Mr. Hacker also explained some updates to the financial statements. He explained that, due to an inadvertent error, bond interest owed by the District was shown as a revenue rather than an expense in the Non Operating Revenues (Expenses) section of the Operating Budget, but bond interest should have been shown as an expense in the Non Operating Revenues (Expenses) section of the Operating Budget. This error did not affect the District's bottom line, but it was necessary to modify the budget to accurately reflect the projected revenues and expenses of the District.

In response to a question, Mr. Rich said that five percent retainage is held on construction until the end of the project. He said that the auditor noted that retainage should have been added to the capital project account during the audit.

Mr. Rich reported that the thrift store has made $51,379, year to date, which was not included in the budget. Additionally, outside District waste is up, largely due to an increase in construction and demolition waste.

In response to a question, Mr. Rich explained that the thrift store pays for itself when it makes approximately $80,000 per year, which it is on target to do. He added that employees working at the thrift store are also staffing the HHW, which they were doing prior to the opening of the thrift store.

In response to a question about the status of the audited financial statements, Mr. Hacker said that the field work is done and the auditor’s at Keddington & Christensen are wrapping up. He also said that the auditor’s look at new account transactions as part of their auditing duties.

After brief discussion, board members agreed that, when reviewing credit card transactions, it is not necessary to include all back up of credit card transactions, the summary pages of credit card transactions are sufficient.

Mr. Rich also explained that, although the District has exceeded its Capital Budget, the auditors believe that because capital is appropriately budgeted through depreciation, the District fully complied with state statute by properly accounting for purchases in the Operating Budget and that the Capital Budget, as it is used, is a management tool only. Mr. Larry Jenkins and the bond attorneys all agreed with the auditors’ assessment.
Resolutions

Vice Chair Gailey presented Resolution 19-20, Amending Fiscal Year 2019 Budget. Mr. Rich reiterated Mr. Hackers comments, explaining that amending the budget is necessary in order to correct an inadvertent error but does not affect the District's financial position.

In response to a question regarding the budget line item, Transportation/Waste Disposal, Mr. Rich explained that this is for waste residue coming out of the material recovery and transfer facility. The District does not plan to purchase trailers for distance waste hauling in 2020. An RFP will be issued early next year for hauling and disposal of the waste.

Upon motion duly made, Resolution 19-20, Amending Fiscal Year 2019 Budget, was approved. Voting in favor of said motion was unanimous. Vice Chair Gailey, Council Member Bruhn, Mayor Clark Wilkinson, Council Member Phipps, Commissioner Kamalu, Commissioner Elliott, Mayor Talbot, Mayor Pohlman, Mayor Witt, Mayor Scott Freitag, Council Member London, Council Member Newton, Mayor Arave, Mayor Sjoblom, Mayor Craythorne, and Council Member Wally Larrabee voted yea.

General Business

Vice Chair Gailey reminded board members that board officers for 2020 will appointed at the November board meeting. He asked for volunteers to serve on a nominating committee. Mayor Katie Witt, Mayor Mitch Adams, and Commissioner Bob Stevenson were chosen to serve.

Adjournment

Upon motion duly made and seconded, the Administrative Control Board meeting was adjourned at 5:54 p.m. Voting in favor of said motion was unanimous.

 Commissioner Bob Stevenson, Board Chair

Nathan Rich, Executive Director