



WASATCH INTEGRATED WASTE MANAGEMENT DISTRICT

Minutes of the meeting of the Administrative Control Board of Wasatch Integrated Waste Management District held June 7, 2023 at 5:00 p.m. at Wasatch Integrated Waste Management District's Davis Material Recovery and Transfer Facility, 3404 North 650 East, Layton, Utah 84041.

Conducting: Board Chair, Mayor Joy Petro

ADMINISTRATIVE CONTROL BOARD PRESENT:

Chair, Mayor Joy Petro, Layton
Board Vice-Chair, Mayor Clark Wilkinson, Centerville
Secretary, Mayor Brian Vincent, West Point
Mayor Brandon Stanger, Clinton
Commissioner Randy Elliott, Davis County
Commissioner Lorene Kamalu, Davis County
Mayor Brett Anderson, Farmington
Mayor John Pohlman, Fruit Heights

Member Tony London, Morgan
Commissioner Mike Newton, Morgan County
Mayor Rod Westbroek, South Weber
Council Member Chad Bangerter, Sunset
Council Member Jordan Savage, Syracuse
Council Member James Bruhn, West Bountiful
Council Member Wally Larrabee, Woods Cross

ADMINISTRATIVE CONTROL BOARD MEMBERS EXCUSED FROM ATTENDING:

Council Member Tim Roper, Clearfield
Commissioner Bob Stevenson, Davis County

Mayor Tami Tran, Kaysville
Mayor Brian Horrocks, North Salt Lake

STAFF PRESENT:

Nathan Rich, Executive Director
Adam Hacker, Accounting Manager
Preston Lee, Operations Manager
Penny Hobbs, HR Generalist
Todd Quinley, Purchasing Manager
Dan Ramos, Safety Superintendent
Jesse Simonsen, Landfill Manager
Juli McIntosh, Clerk

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 April 28, 2023. 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 28, 2023.

Welcome

Board Chair, Mayor Joy Petro, welcomed board members, staff, and visitors to the meeting.

Minutes Approval

Chairwoman Petro presented minutes of the May 3, 2023 board meeting to the board for approval.

Upon motion duly made and seconded, minutes for the May 3, 2023 board meeting were approved. Chairwoman Joy Petro, Vice-Chair Mayor Clark Wilkinson, Secretary Mayor Brian Vincent, Brandon Stanger, Commissioner Randy Elliott, Mayor Brett Anderson, Council Member Tony London, Commissioner Mike Newton, Mayor Rod Westbroek, Council Member Chad Bangerter, Council Member Jordan Savage, Council Member James Bruhn, and Council Member Wally Larrabee voted yea. Voting in favor of said motion was unanimous.

Public Comment Period

There was no public comment.

Public Hearing

Chairwoman Petro opened a public hearing to allow public comment on the Tentative Budget for Fiscal Year Ended June 30, 2024.

Mr. Nathan Rich reviewed the 2024 Tentative Budget, including Operating and Capital Budgets and Application of Funds (Title 9 of the District Code).

Mr. Adam Hacker reviewed the 2024 Tentative Budget.

There was no public comment and the public hearing was closed.

Resolutions

Chairwoman Petro presented Resolution 23-08, Adopting a Budget for Fiscal Year Ending June 30, 2024.

Upon motion duly made and seconded, Resolution 23-08, Adopting a Budget for Fiscal Year Ending June 30, 2024 was approved. Chairwoman Joy Petro, Vice-Chair Mayor Clark Wilkinson, Secretary Mayor Brian Vincent, Mayor Brandon Stanger, Commissioner Randy Elliott, Mayor Brett Anderson, Council Member Tony London, Commissioner Mike Newton, Mayor Rod Westbroek, Council Member Chad Bangerter, Council Member Jordan Savage, Council Member James Bruhn, and Council Member Wally Larrabee voted yea. Voting in favor of said motion was unanimous.

Chairwoman Petro presented Resolution 23-09, Amending Title 4-Disposal and Fees.

This resolution clarifies that both mattresses and box springs are charged a recycling fee of \$15 per piece. District code was unclear and might have been interpreted to assume that only mattresses were recycled and charged the recycling fee previous to this clarification.

Upon motion duly made and seconded, Resolution 23-09, Amending Title 4-Disposal and Fees was approved. Chairwoman Joy Petro, Vice-Chair Mayor Clark Wilkinson, Secretary Mayor Brian Vincent, Mayor Brandon Stanger, Commissioner Randy Elliott, Mayor Brett Anderson, Mayor John Pohlman, Council Member Tony London, Commissioner Mike Newton, Mayor Rod Westbroek, Council Member Chad Bangerter, Council Member Jordan Savage, Council Member James Bruhn, and Council Member Wally Larrabee voted yea. Voting in favor of said motion was unanimous.

Mayor John Pohlman arrived at 5:09 p.m. in time to vote on Resolution 23-09, Amending Title 4-Disposal and Fees.

Commissioner Lorene Kamalu arrived at 5:11 p.m. after voting was finished.

Fraud Risk Assessment and Financial Report

Mr. Adam Hacker presented the financial report through April 30, 2023 and Disbursement Report for April 2023. Checks over \$5,000 represented 92 percent of disbursements and totaled \$1,761,485.17. Disbursements totaled \$1,920,062.92 overall.

Upon motion duly made and seconded, disbursements were approved. Chairwoman Joy Petro, Vice-Chair Mayor Clark Wilkinson, Secretary Mayor Brian Vincent, Mayor Brandon Stanger, Commissioner Randy Elliott, Mayor Brett Anderson, Mayor John Pohlman, Council Member Tony London, Commissioner Mike Newton, Mayor Rod Westbroek, Council Member Chad Bangerter, Council Member Jordan Savage, Council Member James Bruhn, and Council Member Wally Larrabee voted yea. Voting in favor of said motion was unanimous.

Mr. Hacker reviewed Financials Statements as of April 30, 2023.

Mayor John Pohlman commended Mr. Hacker for the great job he is doing.

Mr. Hacker then reviewed the annual Fraud Risk Assessment. The Office of the State Auditor requires governmental entities to complete a Fraud Risk Assessment once per year and report its score to the overseeing board. Entities are scored on a point system with the lowest categorized as Very High risk of fraud within the entity (under 200 points), High risk of fraud within the entity (200-275 points), Moderate risk of fraud within the entity, Low risk of fraud within the entity (316-355 points), and Very Low risk of fraud within the entity (355 -395 points). Mr. Hacker reported that Wasatch again scored very well with a score of 335 points out of 395, which is the Low risk category.

Mr. Nathan Rich added that procedures have been put in place that require anyone who requests to make changes to a vendor or customer account must have a second member of the accounting team approve the change.

Director's Update

Mr. Rich presented the Director's Update to the Board informing board members that staff is currently working on a scope of services to have Fred Philpot of Lewis Young Robertson & Burningham Inc. update our financial model forecasts. The updated and independently verified models will be used to assist the District in setting rates for the future as we respond to short term inflationary pressures and the long term transition away from reliance on the relatively cheap operation of the Davis Landfill. Mr. Rich stated that his goal is to have a working model to discuss in upcoming committee meetings and to support proposed rate increases in the November board meeting.

Implementation of the new ERP software is moving forward well. Staff, led by Adam, has working hard to ensure the new system performs well as the transition is finalized.

Jacobs Engineering has begun work on implementation of the Integrated Waste Management Plan (IWMP) approved by the Board in November 2022. We have received the first round of hauler contact information from cities and will be reaching back out for additional information where needed.

Mr. Rich reported that at the Material Recovery and Transfer Station (MRF), RRT Design and Construction completed inspection of the MRF this past April 3 – 5 and has prepared a report recommending several improvements to the MRF. Notably, when the MRF is not producing engineered fuel feedstock, only small quantities of mixed fiber are recovered resulting in overall recovery of about 30% of the mixed recyclable stream. The proposed improvements are anticipated to cost about \$2.5 million. Wasatch has retained RRT as Owners Engineer to work with CP Group in developing a robust solution, with cost control, that is in the best interest of the District. A 3D scan of the building and existing equipment is being completed this week and weekly design meetings will start next week.

Mr. Rich added that while the quantity of recyclables is less due to no longer processing recyclables from MSW, the District is already seeing a better quality of material arriving for recycling. However, the market is currently quite soft so revenue from recyclables is down.

There was conversation regarding the ability to manage recycling from outside of the District, which can be managed particularly with the planned equipment upgrades, how a higher diversion rate

might be accomplished over the approximately 30 percent achieved now, which can be accomplished by implementing curbside recycling and green waste programs in cities not currently sponsoring those programs, and whether cardboard can be composted (it can, but it is more valuable as a commodity and does not provide needed nitrogen which our compost needs)

Rawson Development has ceased waste hauling services after completing three (3) years of our current five (5) year contract. We entered into a short term lease for the trucks and trailers and anticipate completing purchase of equipment within the next two weeks per the resolution passed by the Board last month. We have hired four drivers and are continuing to transfer waste from our facility in Layton to the Tekoi Landfill in Tooele County. This acquisition will be important as we transition the system away from the Davis Landfill over the coming years. Bringing hauling in-house is expected to result in substantial savings and an increase in operational control.

There was some discussion regarding how many loads are hauled each day, and the number of trucks and drivers needed. Mr. Rich said that each driver takes two to three trips per day and the District intends to hire two more drivers and purchase two more trucks in order to keep loads moving regularly.

Completion of the Stage D closure (5.8 acres) and temporary cover (13.7 acres) at the Davis Landfill is currently being completed by Whitaker Construction. The work is anticipated to be finished by mid-June 2023.

The District received eight (8) strong proposals for the development of project(s) for the beneficial use of landfill gas when the current contract with Ameresco expires in 2026. Two vendors have been shortlisted, Ameresco and Waga. Staff and members of the Board visited two Waga sites last month and a site visit to two Ameresco sites is scheduled for next week. One of the main questions to answer will be whether to pursue an energy project producing electricity or renewable natural gas.

Carbon Credits, which we develop and sell by destroying methane generated by the landfill, are currently trading at around \$10 per ton. Historically the District has received between \$0.50 and \$1.25 per ton. The increased pricing should generate around \$700,000 in additional revenue this year.


Mr. Rich directed board members' attention to a chart displaying primary waste streams delivered to District facilities over a 49-month period.

General Business

Board members discussed acceptance of sandbags at the landfill. Residents and businesses may deliver filled or empty sandbags to the landfill at the current rate of \$38 per ton.

Adjournment

Upon motion duly made and seconded, the Administrative Control Board meeting was adjourned at 5:50 p.m. Voting in favor of said motion was unanimous.



Mayor Joy Petro, Board Chair



Nathan Rich, Executive Director