



## **WASATCH INTEGRATED WASTE MANAGEMENT DISTRICT**

Minutes of the meeting of the Administrative Control Board of Wasatch Integrated Waste Management District held December 12, 2024 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  
Council Member Nike Peterson, Clearfield  
Mayor Brandon Stanger, Clinton  
Mayor Brett Anderson, Farmington (online)

Mayor John Pohlman, Fruit Heights  
Council Member Tony London, Morgan  
Mayor Rod Westbroek, South Weber  
Mayor Ken Romney, West Bountiful  
Council Member Wally Larrabee, Woods Cross (online)

### **ADMINISTRATIVE CONTROL BOARD MEMBERS EXCUSED FROM ATTENDING:**

Commissioner Randy Elliott, Davis County  
Commissioner Lorene Kamalu, Davis County  
Commissioner Bob Stevenson, Davis County  
Mayor Tami Tran, Kaysville

Commissioner Mike Newton, Morgan County  
Mayor Brian Horrocks, North Salt Lake  
Council Member Nakisha Rigley, Sunset  
Council Member Jordan Savage, Syracuse

### **STAFF PRESENT:**

Nathan Rich, Executive Director  
Penny Hobbs, HR Generalist  
Preston Lee, Operations Manager  
Todd Quinley, Purchasing Manager  
Chad Staples, MRF Manager  
Collette West, Sustainability Specialist  
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 December 5, 2024. 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 December 5, 2024.

## **Welcome**

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

## **Public Comment Period**

There was no public comment.

## **Director's Update and Resolutions**

Mr. Rich explained the primary reason for this meeting was to approve Resolution 24-22, Authorizing Executive Director to Execute First Amendment to Landfill Gas Purchase Agreement which addresses a request from Ameresco to lower the royalty paid to the District under the recently executed Landfill Gas Purchase Agreement.

Mr. Rich said that Wasatch is nearing the end of a 20 year landfill gas purchase agreement with Ameresco under which landfill gas has been used to generate renewable electricity at Hill Air Force Base. The District began a procurement process in October 2022 to prepare for expiration of the current contract on January 13, 2025. Award of the contract in August of 2023 was protested and the Procurement was cancelled.

A second procurement process was started and three qualified developers were preapproved. Ameresco was selected based on their commercial proposal, which was deemed to bring greatest revenue to the District. Ameresco was notified on January 2, 2024 of their selection as highest ranked bidder and a final contract was executed on June 18, 2024.

Following contract execution, Ameresco completed certain due diligence to confirm quantity and quality of gas being produced by the landfill. Based on their due diligence Ameresco has determined that the project is not financially viable without concessions from the District in the form of lower royalty payments.

As part of the conversation, staff has asked Ameresco to commit to a firm schedule for operation of the new facility. The current schedule provided by Ameresco contemplates commercial operation in February 2027 with no contractual guarantee.

Additionally, we were informed via email last week that Ameresco has no plans to operate the existing landfill gas to energy facility located at Hill Air Force Base beyond the end of 2024.

Mr. Rich directed the board to the presentation given to staff by Ameresco on November 18, 2024, for their information

Staff recommend that the Board not approve the first amendment to the landfill gas purchase agreement with Ameresco.

In response to questions, Mr. Rich said that Wasatch cannot cancel the contract, however Ameresco can; the contract is for 25 years with one five-year extension; originally Ameresco proposed a 2,000 cfm plant but their current plan is to build a 1,000 cfm plant, which may not be large enough to utilize all of the landfill gas produced; if Ameresco cancels, the bid would be awarded to the second highest bidder, which is Waga.

Mr. Jenkins said that the District must give Ameresco time to complete their due diligence. He reiterated that the District cannot cancel the contract. Ameresco is the only one who may cancel the contract.

Chairman Petro presented Resolution 24-22, Landfill Gas Purchase Agreement Amendment.

A motion was made to not make changes to the current Ameresco contract leaving it as is, thereby rejecting Ameresco's bid to reduce Wasatch's royalty from the sale of landfill gas. The motion was seconded and Resolution 24-22 Landfill Gas Purchase Agreement Amendment was not approved. Chairman Petro, Vice Chair, Mayor Clark Wilkinson, Secretary Mayor Brian Vincent, Council Member Nike Peterson, Mayor Brandon Stanger, Mayor Brett Anderson, Mayor John Pohlman, Council Member

Tony London, Mayor Rod Westbroek, Mayor Ken Romney, and Council Member Wally Larrabee voted yea, rejecting passage of the resolution. Voting was unanimous.

Mr. Rich introduced Resolution 24-23, Authorizing Executive Director to Negotiate and Execute Services Agreement with Anew Environmental, LLC, which allows the Executive Director to finalize and execute an agreement to use the services of Anew Environmental to find potential buyers for emission reduction credits owned by the district and to facilitate transactions related to the potential sale of those credits.

Mr. Rich explained that emission reductions meeting strict requirements at the Davis Energy Recovery facility in 2003 and 2017 were banked by the District. Those banked emissions may now have substantial value as any new large source of air emissions located in the Salt Lake PM2.5 Nonattainment Area must demonstrate offsetting emission reductions. This can be accomplished by actually reducing qualifying emissions from an existing source within the area or by purchasing banked emissions.

There are currently only three entities that have qualifying emissions banked in the Salt Lake PM2.5 Nonattainment Area and current interest from several large corporations in interested in building projects within the Salt Lake PM2.5 Nonattainment Area is generating demand. The summary of State of Utah Banked Emissions for the Salt Lake PM2.5 Nonattainment Area and Davis County is attached to the Director's Update.

Because of the potential large dollar value and complexity of the market, using a broker to solicit, negotiate, evaluate, and expedite proposals is in the best interest of the District. The District has a long relationship with Anew who has marketed the District's carbon credits over the past 10 years.

Any potential sale of banked emissions would need final approval from the Administrative Control Board.

In response to questions, Mr. Rich said that the District has negotiated a fee of 3.5 percent fee, which is not unreasonable; any decision to sell would be brought before the board; there is no annual retainer or fee for their services; the contract is for two years with renewal options and cancellation may be initiated by either party.

Upon motion duly made and seconded, Resolution 24-23, Authorizing Executive Director to Negotiate and Execute Services Agreement with Anew Environmental, LLC was approved. Chairman Petro, Vice Chair, Mayor Clark Wilkinson, Secretary Mayor Brian Vincent, Council Member Nike Peterson, Mayor Brandon Stanger, Mayor Brett Anderson, Mayor John Pohlman, Council Member Tony London, Mayor Rod Westbroek, Mayor Ken Romney, and Council Member Wally Larrabee voted yea. Voting in favor of said motion was unanimous.

Mr. Rich presented Resolution 24-24, Amending Fiscal Year 2025 Capital Budget. This resolution amends the 2025 Capital Budget to account for the purchase of 17 additional trailers required to legally haul waste to the Bayview Landfill. The proposed amendment will add \$1,300,000 to the current budget and will be funded with money currently held in the Rate Stabilization Fund. Amending the budget now will allow adequate time for delivery of the new trailers prior to expiration of our current contract at the Tekoi Landfill in late April 2025.

Mr. Rich explained to board members that WM is not interested in a long-term contract as it is likely to close the Tekoi Landfill some time in the near future. They are operating the landfill primarily to protect their hauling interests. The District intends to begin hauling to Bayview in May and purchasing the trailers now ensures delivery by April, in time for the switch to Bayview.

Mr. Rich explained the need to purchase 17 additional trailers. He said that the District has been hauling doubles to Tekoi, both 45' long but recently found out that hauling more than one mile off the interstate is not allowed per Federal Department of Transportation rules. 45' doubles may be hauled on the interstate and certain designated highways. In order to remain legal, the District intends to purchase 17 trailers that are 31' in length. By hauling one 45' trailer and one 31' trailer, the overall length will be within legal hauling limits on all roads, including roads to Tekoi and Bayview.

In response to a question, Mr. Rich said that the District gets value from controlling operations at Bayview; that although the length of loads will be reduced by 20 percent, the load tonnages will not

be reduced by that much. Bridge weight calculations on two 45' trailers will not allow all available volume to be filled so the tonnages are hauling one 45' trailer and one 31' trailer are reduced by approximately five percent rather than 20 percent.

In response to another question, Mr. Rich said that the current rate of \$10.50 per ton for member entities at Bayview will likely be raised within the next year or two but will surely be raised if Wasatch does not bring their waste in May. With Wasatch's additional tonnages, the rate will remain lower for longer.

There was additional conversation regarding hauling to Tekoi versus Bayview, primarily regarding costs of each.

Council Member Nike Peterson asked for a detailed cost comparison between the two landfills and suggested that the resolution should be tabled until the February board meeting.

Mayor Brandon Stanger said that he did not believe that hauling two 45' trailers is against DOT regulations.

Council Member Peterson made a motion to table Resolution 24-24, Amending Fiscal Year 2025 Capital Budget until she had more information.

Mayor John Pohlman made a substitute motion to purchase six trailers only in order to haul the three loads per day that are going to the Tekoi Landfill.

Mayor Stanger made a second substitute motion that the District not purchase any trailers until the Utah Highway Patrol, whom he had contacted, get back to him to confirm or deny the legality of hauling two 45' trailers on highways.

Chairman Petro said that Mayor Stanger's motion was essentially the same as Council Member Peterson's.

At Chairman Petro's request, Council Member Peterson withdrew her motion.

Mayor Pohlman clarified that he did not intend to tell staff how to run the transporting of waste and did not want to stymie operations, however he was concerned about purchasing 17 trailers due to the cost.

There was additional discussion regarding how many tractors are pulling trailers and what the District needs to continue transporting waste at its current rate, which includes filling trailers while others are transporting.

Mr. Rich clarified that Bayview has made plans to purchase a trailer tipper at a cost of \$650,000 and hire an additional two full time employees to handle Wasatch's waste.

In response to a statement made by a board member, Mr. Rich said that the District does not pay for 25 percent of Bayview's operations. Bayview's operations are paid for by tipping fees. The District does not subsidizing Bayview operations in any way.

Mayor Ken Romney asked for clarification on the number of trailers needed to cover current operations legally.

Mr. Rich confirmed that fourteen 31' long trailers are needed now to continue operations legally.

Mayor Romney made a motion that Resolution 24-24, Amending Fiscal Year 2025 Capital Budget be passed but that District staff be authorized to purchase fourteen 31' long trailers rather than the requested 17 trailers, if upon further investigation staff confirms that the current configuration of two 41' long trailers cannot legally operate on the Bayview haul, as confirmed by legal council.

Council Member Wally Larrabee asked if operations would be hampered in any way if 14 trailers were purchased rather than the 17 requested.

Mr. Rich said that operations can proceed legally, and as usual with the purchase of 14 trailers. The remaining three can be budgeted in the 2026 budget. In response to a question regarding where funding for the trailers would come from, Mr. Rich said that funding will come from the District's Rate Stabilization Fund, the current balance of which is \$5 million.

Upon motion duly made and seconded, Resolution 24-24, Amending Fiscal Year 2025 Capital Budget was approved. Secretary Mayor Brian Vincent, Mayor Brandon Stanger, Mayor Brett Anderson, Mayor John Pohlman, Council Member Tony London, Mayor Rod Westbroek, Mayor Ken Romney, and Council Member Wally Larrabee voted yea. Chairman Petro, Vice Chair, Mayor Clark Wilkinson, and Council Member Nike Peterson, voted nay. Voting in favor of said motion was eight to three in favor of Resolution 24-24, Amending Fiscal Year 2025 Capital Budget.

**Adjournment**

Upon motion duly made and seconded, the Administrative Control Board meeting was adjourned at 5:16 p.m. Voting in favor of said motion was unanimous.

  
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Mayor Clark Wilkinson, Board Chair

  
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Nathan Rich, Executive Director