

SOLID WASTE SPECIAL SERVICE DISTRICT #1 (SWSSD1)
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Consistent with provisions of the Utah Open and Public Meetings Act, Utah Code Ann. §54-2-207(4), the Administrative Control Board of the Solid Waste District has decided to continue to hold electronic meetings without a physical anchor location. Due to the health and safety risks related to the ongoing COVID-19 pandemic and considering public health orders limiting in-person gatherings, the Solid Waste District has continued to hold meetings by electronic means.

**MINUTES: REGULAR MEETING OF THE
SWSSD1 ADMINISTRATIVE CONTROL BOARD**

THURSDAY, JULY 8, 2021, 4:00 PM

BOARD MEMBERS PRESENT: Kalen Jones (Chair), Kevin Fitzgerald (Vice Chair), Mary McGann (Treasurer), and Diane Ackerman (Member). Chad Harris was not present.

Others present: Evan Tyrrell (District Manager), Jessica Thacker (District Program Manager/District Clerk), LJ Blackburn (District Executive Assistant), Chris Scovill (District Facilities Supervisor) and Sara Melnicoff (Moab Solutions).

These minutes are presented in the order of the agenda and not necessarily in the order of discussion. The board packet is available on the District's website located here:
<https://swssd1.org/board-meetings-and-minutes/>.

REGULAR MEETING – CALL TO ORDER (4:00PM)

Kalen Jones called the meeting to order at 4:01pm.

CITIZEN'S INPUT

Sara Melnicoff (Moab Solutions) provided the following verbal comment:

I wanted to address some things that I have heard from current and past Board members and its regarding the TRT money. It has been suggested that you guys (the Solid Waste Special Service District #1) could go without that money and that would be a positive thing. I think it would be the opposite of positive, to not take that money that is due to the organization for the express purpose of dealing all the horrendous need to mitigate all the waste and recycling that has come about from tourism. I think there is endless possibilities or ways to make that money pay for itself and increase understanding of recycling, better recycling, recycling done right. If you will bear with me for a second, I just want to read something: We all know recycling conserves resources, conserves energy, reduces greenhouse gases, and reduced production of toxins. It does this by reducing the primary need for extraction of materials and some secondary manufacturing. When fewer toxins are produced, there are fewer emissions to land, air, and water. Those reductions are a positive impact for human health. It's often hard for us to tell this story in a way that is easily understood by the general public and policymakers, but this new study (referring to the Lancet Study on Pollution) offers some help in that regard. Recycling can really save us if it's done properly and understood by more people. You guys are uniquely positioned to make that happen and I think the TRT money would be vital. I'm not saying you're giving it up or suggest that it would be something positive, but I am calling in to say that I don't get that.

APPROVAL OF MEETING MINUTES

A. MAY 20, 2021 REGULAR MEETING

MOTION: Mary McGann motioned/Kevin Fitzgerald seconded to approve the draft minutes for May 20, 2021 as written in the July 8, 2021 Board packet. Roll call vote: Diane Ackerman, Kalen Jones, Mary McGann, and Kevin Fitzgerald each voted yes. Motion passed 4-0.

TREASURER/FINANCIAL

B. ACTION ITEM: APPROVAL OF EXPENDITURES FOR THE MONTH OF MAY 2021

Evan Tyrrell provided a brief summary of the expenditures for the month of May explaining that certain costs associated with the new third-party payroll reports are difficult to extrapolate (also applicable to the month of June's expenditures) and had to be lumped together into a single entry. He stated major non-routine expenditures were the cylinder replacement for the Community Recycle Center's (CRC) horizontal baler, a lease payment for the motor grader at Klondike Landfill (KLF), the Veolia payment for the Household Hazardous Waste event, some acquisition related payments, and general operations expenses such as fuel deliveries. He stated that expenses associated with due diligence for the acquisition of Monument Waste Services, LLC's Utah-based operations were pending reimbursement via the established Trust fund and would be captured in future depreciation schedules. Kevin Fitzgerald questioned if there would be anymore legal costs associated with the acquisition process/due diligence and Evan Tyrrell responded in the negative.

MOTION: Mary McGann motioned/Diane Ackerman seconded to approve the expenditures for the month of May 2021 in the amount \$243,073.92. Roll call vote: Diane Ackerman, Kalen Jones, Mary McGann, and Kevin Fitzgerald each voted yes. Motion passed 4-0.

C. ACTION ITEM: APPROVAL OF EXPENDITURES FOR THE MONTH OF JUNE 2021

Evan Tyrrell provided a brief summary of the expenditures for the month of June with both routine expenditures, including two payroll periods, a tax payments, and third-party payroll services. He stated that fuel expenses have increased along with an additional cost of utilizing the trash collection accounting system. Other expenditures include the replacement of the tracks and bushings on the D8 dozer, rental cost of a hammer drill for road development at Moab Landfill (MLF), water truck rental for compaction needs and dust suppression, and payment for delivery of single-stream recycling to the Waste Management (WM) Materials Recovery Facility (MRF) in Salt Lake City. Kevin Fitzgerald asked if the delivery fee to WM was fixed and Evan Tyrrell responded that those rates are variable and that he was waiting on confirmation from WM and trends in the recycling commodity market. Evan Tyrrell also noted that due to a date stamp error

on the last payroll period, some expenses related to July were included on June expenses. He stated that a Memorandum of Record had been added to document this event.

MOTION: Diane Ackerman motioned/Mary McGann seconded to approve the expenditures for the month of June 2021 in the amount \$294,054.04. Roll call vote: Diane Ackerman, Kalen Jones, Mary McGann, and Kevin Fitzgerald each voted yes. Motion passed 4-0.

REPORTS FROM BOARD AND STAFF

D. DISTRICT STAFF REPORTS

Evan Tyrrell provided a staff report with specific focus on the operational and administrative transitional items associated with the acquisition of Monument Waste Service’s Utah-based operations such as dealing with day-to-day operations, completion of IT integration, resolution of credit card payments issues, and addition of an online payment system. He stated that LJ Blackburn has been working consistently with the PEHP representative to resolve any ongoing insurance issues along with the conclusion of the third-party financial audit, indicating an overall positive response and is currently waiting on the draft report from the auditors. Evan Tyrrell also reported some changes in staffing and that the District is currently seeking new staff, the successful completion of the Thompson Springs Cleanup Event and associated disposal volumes and budgeted costs, and reported on disposal volumes observed at all facilities. He stated that UDEQ quarterly inspections had been completed and that three of the reports had been received, all providing an overall positive report. Evan Tyrrell reported on a number of other events and activities such as his attendance of the Waste Expo in Las Vegas, the successful fire watch at MLF for the Fourth of July fireworks show, a panel appearance on a Utah PBS show on recycling, ordered new Canyonlands Solid waste Authority (CSWA) shirts for staff, received order of rebranded trash and recycling poly carts, informed the Board of his upcoming vacation and his upcoming annual presentation to the Grand County Commission on August 3rd.

Jessica Thacker provided a brief staff report stating that she attended the Waste Expo convention in Las Vegas, currently developing a new series of updated educational advertisements and videos, assembling DOT compliance records, and acknowledged a reduced participation in moving the CRC Sponsorship Program with plans to re-address efforts. She stated efforts in moving other items such as the drafting of a landfill design and engineer study Request for Proposal (RFP), completed sending out charge account applications to all CWSA and Transfer Station accounts, and the process of pursuing the potential of solar power feasibility at all facilities.

Chris Scovill provided a brief staff report and stated that he had attended the Waste Expo convention in Las Vegas, indicated that plans had been made to convert the empty space of the administrative building located at 1000 Sand Flats Road into a potential space for future board meetings and an operator gathering area, and successfully replaced a forty-foot culvert at the Klondike Landfill.

LJ Blackburn provided a brief staff report and stated that she had been working diligently to streamline accounting and payroll idiosyncrasies, researching phone systems to assist in communications between all facilities, and working to address any issues between staff and their insurance.

E. BOARD REPORTS

Diane Ackerman provided a brief board report on the water schedule for the Native Garden and requested enhanced communication between CSWA staff and herself in the future regarding this watering schedule. Diane Ackerman explained the process behind the water schedule to the Board members and the Board brainstormed some ideas on how to address assistance on this process. Mary McGann wondered if Sara Melnicoff or Moab Solutions volunteers could help with the garden.

No other Board reports were provided.

OLD BUSINESS

F. PLANNING DISCUSSION ON UPDATING THE DISTRICT'S BYLAWS

Evan Tyrrell opened a discussion with the Board members regarding the outdated nature of the District's Bylaws and once an updated draft was completed, a legal review would be conducted. He then provided a brief outline to the Board of how this process is accomplished while stating that one of the recent items under discussion with Board Members related to the authorized persons for notarizing payments from accounts payable. He suggested the potential authorization of himself including Board members as the signatories for outgoing checks to eliminate the need for two Board members to review and sign checks every two weeks. Kevin Fitzgerald agreed that the District Bylaws should be reviewed and updated to address these items and questioned if a Board committee should be formed to discuss these changes. Evan Tyrrell agreed and both Kevin Fitzgerald and Diane Ackerman offered to assist with moving this item forward once these items had been drafted.

G. PLANNING DISCUSSION ON DISTRICT INFRASTRUCTURE AND CAPITAL IMPROVEMENT NEEDS

Evan Tyrrell opened a discussion with the Board members regarding District infrastructure and capital improvement needs that had originally been discussed at a Board retreat back in September 2019 with the addition of items such as the development and improvement of the Transfer Station administrative office and expansion of fleet and hauling vehicles that deal directly with the recent acquisition of Monument Waste Services' Utah-based operations. Mary McGann suggested that a simplified list detailing the appropriate level of priority and associated cost be drafted and that list utilized to move forward with purchases while also re-scheduling the Board budget workshop accordingly. She also suggested that the priority list be divvied up to reduce workload on a particular employee. Both Mary McGann and Kevin Fitzgerald voiced support of this action and requested this task be prioritized. Evan Tyrrell provided reasoning for some of the items provided on the list and agreed that some items needed to be updated to reflect

current needs. Chris Scovill reiterated the necessity of this list as providing an overall picture to the Board rather than piecemeal requests. Mary McGann stated that per the requirements of the acquisition, some form of budget needs to be presented. Evan Tyrrell acknowledged this requirement and responded that the District was waiting on some items from an external accountant before a profit and loss statement could be generated.

H. *POSSIBLE ACTION ITEM: DISCUSSION AND APPROVAL FOR INCREASING THE MONETARY LIMITS FOR PROCURING A WATER TRUCK AT A HEAVY EQUIPMENT AUCTION*

Diane Ackerman voiced concern over the large price increase from previous Board discussions. Kalen Jones voiced concern as well, indicating that research he had completed did not match the requested cost as well as concern over available funds to cover the cost of this purchase. He stated that without a clear understanding of our current financial status along with the reality that the District has operated without a water truck up to this point. Mary McGann voiced a similar concern. Kevin Fitzgerald stated that it was his understanding that a specific portion of the bond was to be utilized for the purchase of such critical equipment. Diane Ackerman requested the reasoning behind the cost increase from \$25,000 (as discussed in a previous Board meeting) to the current number of \$80,000. Chris Scovill stated this was due to researching a specific type of auction, based on California compliance laws, and the price increase is due to expanding parameters on available water trucks that are appropriate for District operational needs. He stated that the purchase of a water truck, regardless of cost, extends the life span of equipment affected by high levels of dust. Mary McGann stated she understood the process of expanding equipment options and associated pricing when it came to auctions.

MOTION: Mary McGann motioned/Diane Ackerman seconded to approve the purchase of a used, fully-functioning water truck that will serve the District’s current and perceived needs at the discretion of the District’s Facility Supervisor in consultation with the District’s Master Mechanic and District Manager in an amount not to exceed \$80,000. Roll call vote: Kalen Jones, Mary McGann, and Kevin Fitzgerald each voted yes with Diane Ackerman abstaining. Motion passed 3-0.

NEW BUSINESS

I. *POSSIBLE ACTION ITEM: DISCUSSION AND APPROVAL OF INTERNAL FRAUD RISK ASSESSMENT QUESTIONNAIRE FOR FISCAL YEAR 2020*

Evan Tyrrell opened a discussion with the Board members regarding the internal fraud risk assessment questionnaire for Fiscal year 2020 through the Utah Local Governments Trust as an annual obligation and stated he completed it to the best of his ability based on provided information. He stated some of the policies we have are somewhat ambiguous and was unsure of the applicability of certain items. Despite scoring a lower score, Evan Tyrrell felt the District had several internal controls that addressed certain actions that may not have been included into the questionnaire. He admitted that some policies, such as a credit card purchasing and reporting fraud, still needed to be physically developed while other policies he was unsure of.

MOTION: Mary McGann motioned/Kalen Jones seconded to approve the Fraud Risk Assessment questionnaire for fiscal year ending 2020 as contained in the July 8, 2021 Board packet and authorize the District Treasurer and District Manager to sign all associated documents. Roll call vote: Diane Ackerman, Kalen Jones, Mary McGann, and Kevin Fitzgerald each voted yes. Motion passed 4-0.

J. *POSSIBLE ACTION ITEM: DISCUSSION ON EMPLOYEE RECRUITMENT, RETENTION, COMPENSATION RATES, REFERRAL BONUSES, AND POTENTIAL SIGN-ON BONUSES FOR NEW EMPLOYEES*

Evan Tyrrell opened a discussion with the Board members regarding appropriate employee compensation, recruitment, retention, and potential bonuses. He stated that Moab is currently suffering a labor shortage, high cost of living, and associated competitive wages. Evan Tyrrell stated the District is short-staffed and finding staff has been difficult, especially in the solid waste industry. Kalen Jones agreed that this is an issue across multiple industries and stated that research does not label sign-on bonuses as particularly effective but he was open to conducting compensation studies. Kalen Jones provided a motion to solicit bids for a District employee compensation study and Kevin Fitzgerald voiced support of this plan of action. Mary McGann voiced concern over the motion, stating that the demand for labor is critical, time-sensitive, and could be adversely affected by the time needed to conduct said study. Kalen Jones acknowledged the additional work that a study would require and encouraged prioritization of this project. Evan Tyrrell also acknowledged the need for this study and suggested adjusting the requirements to potentially speed up the study. Kevin Fitzgerald suggested creating flexible job descriptions to kickstart the process, a requirement for providing a basis to cost analysis of appropriate compensation. Evan Tyrrell agreed that might be a possible solution and also suggested possibly limiting the study to hourly staff only. Mary McGann stated this study is necessary but should be postponed in favor of reaching out to other similar communities to determine how they are addressing their own labor shortage crisis and applicable compensation rates. She also asked for clarification on the sign-on and referral bonus suggestion, in which Evan Tyrrell provided.

MOTION: Kalen Jones motioned/Diane Ackerman seconded to direct District staff to solicit bids, review qualifications, and enter into an agreement with a third-party consultant to conduct a District employee compensation study, including best recruitment practices, in an amount not to exceed \$5,000.

SUBSTITUTE MOTION: Mary McGann motioned/Kalen Jones seconded to direct District staff to develop a written policy for employee referral bonuses and new employee hire sign-on bonuses for a gross amount not to exceed \$500 per occurrence. Roll call vote: Diane Ackerman, Kalen Jones, Mary McGann, and Kevin Fitzgerald each voted yes. Motion passed 4-0.

K. PRELIMINARY DISCUSSION ON A DISTRICT EMPLOYEE DISCOUNT POLICY FOR SOLID WASTE RECLAMATION, RECYCLING, AND DISPOSAL SERVICES

Evan Tyrrell opened a discussion with the Board members regarding District employee discount policy for solid waste services, stating that no written or formalized policy had been determined. He stated that the lack of a system could potentially invite abuse of services and asked if the Board had any recollection of previous discounts. Kalen Jones stated he had no knowledge of discounts and Mary McGann stated that the District research what other district's policies are. Diane Ackerman, Evan Tyrrell, and Chris Scovill briefly discussed some examples of ongoing discount practices. Kalen Jones felt whatever employee discount that was implemented in the future should be equitable, regardless of costs. Evan Tyrrell stated that it would be nice to offer discounts to staff but a formal policy should be in place, along with limitations to avoid abuse of those discounts. He stated that staff have been increasingly posing questions about potential discounts and Mary McGann suggested deferring the acknowledgment of discounts until a policy has been established and costs have been evaluated.

L. POSSIBLE ACTION ITEM: DISCUSSION AND APPROVAL TO PURCHASE A USED MOBILE LOADING RAMP FOR PRIMARY USE AT THE MOAB COMMUNITY RECYCLE CENTER

Evan Tyrrell provided a brief explanation of the necessity and usefulness of a mobile loading ramp at the CRC while stating that an appropriate forklift would eventually need to be purchased in tandem.

MOTION: Kalen Jones motioned/Diane Ackerman seconded to approve the purchase of a used mobile loading ramp from Altitude Recycling Equipment in an amount not to exceed \$10,000. Roll call vote: Diane Ackerman, Kalen Jones, Mary McGann, and Kevin Fitzgerald each voted yes. Motion passed 4-0.

M. POSSIBLE ACTION ITEM: DISCUSSION AND APPROVAL OF SUPPORTING COMMUNITY REBUILDS' WASTE REDUCTION EFFORTS THROUGH FEE REDUCTIONS OR WAIVERS FOR THE COLLECTION AND HAULING OF RECYCLABLES AND NON-RECLAIMABLE SOLID WASTES GENERATED AT COMMUNITY REBUILDS BUILD SITES AND STUDENT HOUSING LOCATIONS

Diane Ackerman questioned how long it would take to develop a policy regarding in-kind donations for non-profit organizations. Mary McGann stated she would prefer a presentation from Community Rebuilds that provides more information and the extent of their needs. Diane countered that Community Rebuilds had provided a detailed letter explaining their intention and do not necessarily need to provide a presentation, but did agree that a policy does need to be developed. She asked for a time frame on which this could be completed and Evan Tyrrell stated that at this time, the development of a policy regarding in-kind donations to non-profit organizations was not considered a high priority due to ongoing accounting priorities and other ongoing transitional items. Kalen Jones provided input on the methods for providing donations

from public entities and Mary McGann agreed that the District should look into what it is legally allowed to do.

MOTION: Kalen Jones motioned/Mary McGann seconded to postpone the consideration for Community Rebuilds fee reductions and waivers until the District develops an in-kind donations policy for non-profit organizations. Roll call vote: Diane Ackerman, Kalen Jones, Mary McGann, and Kevin Fitzgerald each voted yes. Motion passed 4-0.

N. POSSIBLE ACTION ITEM: DISCUSSION OF THE SOLID WASTE DISTRICT'S ROLE IN PACK CREEK COMMUNITY CLEANUP EFFORTS FOR PRIVATE PROPERTY DAMAGED OR DESTROYED AS A RESULT OF THE PACK CREEK FIRE

Evan Tyrrell stated this is a difficult conversation since these homes are more than likely covered by homeowners insurance, located in San Juan County outside of the District's jurisdiction, and that the District does not receive funds from San Juan County as it does from Grand County such as TRT and Mineral Lease monies. He stated he has been contacted multiple times regarding the disposal and what is our role in potential cleanup efforts. Mary McGann suggested the discussion be postponed until discussions between San Juan County and Grand County officials have been completed.

MOTION: Mary McMann motioned/Diane Ackerman seconded to postpone this item until San Juan County and Grand County entities have had an opportunity to get together and discuss the path forward. Roll call vote: Diane Ackerman, Kalen Jones, Mary McGann, and Kevin Fitzgerald each voted yes. Motion passed 4-0.

MOTION: Mary McGann motioned/Diane Ackerman seconded to go into closed session to discuss the character, professional competence, or physical or mental health of an individual(s) and strategy session to discuss pending or reasonably imminent litigation. Roll call vote: Diane Ackerman, Kalen Jones, Mary McGann, and Kevin Fitzgerald each voted yes. Motion passed 4-0.

Closed session began at 6:16pm.

CLOSED SESSION

O. DISCUSSION OF THE CHARACTER, PROFESSIONAL COMPETENCE, OR PHYSICAL OR MENTAL HEALTH OF AN INDIVIDUAL(S)

P. STRATEGY SESSION TO DISCUSS PENDING OR REASONABLY IMMINENT LITIGATION

MOTION: Diane Ackerman motioned/Mary McGann seconded to exit closed session. Roll call vote: Diane Ackerman, Kalen Jones, Mary McGann, and Kevin Fitzgerald each voted yes. Motion passed 4-0.

CLOSING ACTIONS / ADJOURNMENT

Q. FUTURE CONSIDERATIONS

The next Regular ACB meeting is scheduled for August 19, 2021, beginning at 4:00 pm.

R. ADJOURNMENT

MOTION: Mary McGann motioned/Diane Ackerman seconded to adjourn the meeting.

The meeting adjourned at 6:51 p.m.

Respectfully submitted to the Board,

Jessica Thacker
District Clerk, Solid Waste Special Service District #1