

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

THURSDAY, MAY 21, 2020, 4:00 PM

BOARD MEMBERS PRESENT: Kalen Jones (Chair), Kevin Fitzgerald (Vice Chair), Mary McGann (Treasurer), Chad Harris (Member), and Diane Ackerman (Member). Chad Harris joined the meeting at 4:15pm.

Others present: Evan Tyrrell (District Manager), Jessica Thacker (District Program Manager/District Clerk), Chris Scovill (Facilities Supervisor), and Annette Myers (Administrative Assistant/Human Resources).

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 (4:00 pm)
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Kalen Jones called the meeting to order at 4:03 p.m.

CITIZEN'S INPUT (RECEIVED VIA EMAIL)

Due to COVID-19, the District limited public comments via electronic emails only. One public comment was received via email and was read aloud during this section of the meeting and is provided below.

Sara Melnicoff of Moab Solutions wrote:

“I am writing to urge the board to reopen the CRC to its regular hours as soon as possible.

The CRC is a community gem, an enormously beneficial entity, providing the best recycling methods to the public.

I know that we are in tough times. The recycle center has battled through tough times of every possible type for the last 30 years, but somehow always comes through them. The community is devoted to the center, as evidenced by the number of cars visiting the CRC during the 9 open hours each week. Please honor that devotion.

Opening on a schedule other than the regular one will prove confusing and frustrating to the public. And the center needs the support of the public now more than ever.

This is the perfect opportunity for creative partnerships to form, fundraising and grant writing to begin, and revenue producing endeavors to expand or be created.

Thank you for your consideration.”

ADMINISTRATIVE CONTROL BOARD (ACB) BUSINESS
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A. POSSIBLE ACTION ITEM(S): DISCUSSION OF DISTRICT BYLAWS AND ASSIGNMENT OR DELEGATION OF OFFICER RESPONSIBILITIES

Evan Tyrrell stated per the District's Bylaws that certain Officer positions had not been formally delegated and inquired whether these assignments needed to be appointed or tabled for future discussion. Kalen Jones offered to let the Board members decide the path forward. Mary McGann stated that certain Officer positions can be delegated to District employees such as the position of Secretary to Jessica Thacker, the District's Program Manager. Evan Tyrrell stated that per the current District Bylaws the position should be filled by a Board Member, but delegation of duties is possible. Kalen Jones provided further clarification regarding the delegation of the Secretary position by reading the applicable section of the Little Manual for Local and Special Service District (published by the Office of the State Auditor) and suggested holding off on appointing Officer positions until a review of the Bylaws has been completed. Diane Ackerman asked for clarification on the expected duties of the Secretary position. Mary McGann stated these appointments allow the District to properly follow the established Bylaws without incurring extra work for the Board Members. Mary McGann suggested the District and Board move forward with appointments by making a motion.

MOTION: Mary McGann motioned/Kevin Fitzgerald seconded to elect Diane Ackerman as Secretary of the Administrative Control Board and designate Jessica Thacker to fulfill those duties. Roll call vote: Diane Ackerman, Kalen Jones, Mary McGann, and Kevin Fitzgerald each voted yes. Chad Harris was absent. Motion passed unanimously.

No discussion was held regarding the appointment of the Procurement Officer position.

MOTION: Mary McGann motioned/Kevin Fitzgerald seconded to appoint Evan Tyrrell, District Manager, as the District's Procurement Officer. Roll call vote: Diane Ackerman, Kalen Jones, Mary McGann, and Kevin Fitzgerald each voted yes. Chad Harris was absent. Motion passed unanimously.

Chad Harris joined the meeting at 4:15pm and asked for clarification on expected duties as the Americans with Disabilities Act (ADA) Coordinator. Evan Tyrrell explained what the typical duties of the ADA Coordinator entail, and Mary McGann suggested that Chad Harris delegate those duties to Annette Myers. Annette Myers provided the typical duties of the ADA Coordinator.

MOTION: Mary McGann motioned/Kevin Fitzgerald seconded to appoint Chad Harris as the Americans with Disabilities Act Coordinator and designate Annette Myers to fulfill those duties. Roll call vote: Diane Ackerman, Kalen Jones, Mary McGann, and Kevin Fitzgerald each voted yes. Chad Harris voted nay. Motion passed 4 to 1.

No discussion was held regarding the appointment of the Records Officer position.

MOTION: Mary McGann motioned/Kevin Fitzgerald seconded to appoint Jessica Thacker, District Program Manager, as the District’s Records Officer. Roll call vote: Diane Ackerman, Kalen Jones, Mary McGann, and Kevin Fitzgerald each voted yes. Motion passed unanimously.

Evan Tyrrell pointed out the potential need to discuss the delegation of the Treasurer position but can be tabled dependent on the Board’s position. Mary McGann recommended holding off on the above discussion due to the length of the current agenda.

APPROVAL OF MEETING MINUTES

B. APRIL 16, 2020 REGULAR MEETING

Diane Ackerman requested the title of the document she discussed at the April 16, 2020 Regular Meeting to be revised to its correct title: “Household Waste Disposal and Recycling in Castle Valley.”

MOTION: Mary McGann motioned/Kevin Fitzgerald seconded to approve the minutes of April 16, 2020 as written. Roll call vote: Diane Ackerman, Chad Harris, Kalen Jones, Mary McGann, and Kevin Fitzgerald each voted yes. Motion passed unanimously.

TREASURER/FINANCIAL

C. ACTION ITEM: APPROVAL OF EXPENDITURES FOR THE PERIOD OF APRIL 6 TO MAY 5, 2020

MOTION: Mary McGann motioned/Diane Ackerman seconded to approve the expenditures for the period of April 6, 2020 to May 5, 2020 in the amount of \$118,621.87. Roll call vote: Diane Ackerman, Chad Harris, Kalen Jones, Mary McGann, and Kevin Fitzgerald each voted yes. Motion passed unanimously.

D. JANUARY THROUGH APRIL 2020 WORKLOADS ANALYSIS

Evan Tyrrell provided an explanation of District workloads and percentage variations in facility revenue in comparison with the 2020 forecasts. He provided a percentage breakdown of projected versus actual revenue and explained that projections were relatively close based on year to date revenues and quantities, but stated that Moab Landfill is more difficult to forecast. Kalen Jones asked if the seasonal variation in revenue fell within the forecasted percentage or is it a separate factor. Evan Tyrrell stated more research may provide a better understanding of forecasted revenue for seasonal variation by looking at previous years. He also stated that variation in construction, demolition, and special projects also affect the potential forecast for Moab Landfill. Kevin Fitzgerald sought clarification on whether the provided percentage was an indicator of revenue loss or percentage of revenue earned for the year. Evan Tyrrell stated this was just an estimated number that demonstrated a percentage of revenue earned from January to April based on the full year’s forecasts that were built into the 2020 budget.

**E. JANUARY THROUGH APRIL 2020 REVENUES AND EXPENDITURES
(UNAUDITED)**

Evan Tyrrell presented the Unaudited Profit & Loss statement for the first 3rd of the year (January to April) and the reasoning behind the assigned percentages. Evan Tyrrell summarized that the District is currently at a net loss of \$55,000 and had the District received the anticipated mineral lease funds, the District's revenue would more closely match the forecasted 2020 budget.

F. DISTRICT ASSETS AND LIABILITIES AS OF APRIL 30, 2020

Evan Tyrrell presented a balance sheet illustrating the liquid assets that could be utilized as contingency funds in case of potential severe budget shortfalls. Kalen Jones inquired if the funds were immediately available if necessary and Evan Tyrrell confirmed most funds are readily available. Both Chad Harris and Kevin Fitzgerald asked for clarification regarding utilization of the Unrestricted PTIF account with Chad Harris stating the account should be utilized now. Evan Tyrrell explained that we have not reached the point of utilizing the Unrestricted PTIF account and all discretionary operational expenditures have been cut from the preliminary draft 2020 amended budget. Mary McGann expressed appreciation for the presentation of District assets and liabilities. Kalen Jones asked for clarification of certain presented line items and Evan Tyrrell offered to send requested clarifications via email.

**G. DIFFERENTIAL 2020 REVENUE SCENARIOS RELATED TO COVID-19 AND
POTENTIAL ADDITIONAL REVENUE SOURCES**

Evan Tyrrell presented a spreadsheet illustrating different budget scenarios demonstrating the potential impacts of revenue loss from sources such as TRT and the Mineral Lease. Kalen Jones expressed appreciation for the presented scenario and asked Mary McGann's insights to these scenarios. Mary McGann stated that Grand County has been deeply impacted, that the long-term effects are difficult to ascertain, but that a 25% loss in TRT revenues is likely. She suggested the District research ways to increase revenue and that it would be wise to plan for potential larger revenue losses. Kalen Jones agreed and stated that a balance should be found, to keep reserves as healthy as possible, and be prepared to potentially cut more expenses.

Evan Tyrrell provided a list of potential additional revenue sources and stated that the District is identifying potential additional revenue sources such as temporary recycling pickup services. Kalen Jones inquired if this would be in direct competition with existing recycling collection services. Evan Tyrrell said there is no definitive answer but stated it could help the community navigate the CRC's reduced hours and car congestion along with providing relief over COVID-19 exposure concerns. Mary McGann suggested potentially utilizing the litter vacuum truck for cleanup as a potential service to the community and Kalen Jones inquired if that options would be profitable. Evan Tyrrell stated it may not be a sizeable revenue generator, but bulk waste pickup could potentially generate more revenue. Both Kevin Fitzgerald and Kalen Jones expressed support of bulk waste pickup as a potential source of revenue for the District. Mary McGann suggested surveying the community for ideas on improving the CRC facilities and receiving potential concepts for revenue generation.

An additional discussion on a potential CRC membership program was held and received support from the majority of the Board. Evan Tyrrell was tasked with developing a briefing sheet on how a CRC membership program might work for the next Board meeting.

H. PRELIMINARY DRAFT 2020 AMENDED BUDGET

Evan Tyrrell presented a re-forecasted 2020 budget to account for COVID-19 impacts by adjusted predicted landfill intake quantities and their associated revenue, cutting discretionary expenses, and exploring unrealized revenue sources, but clarified that the draft did not include any reductions in staffing. Kalen Jones expressed hope that the impacts would not be long-term or large-scale to the District. He stated the Board should review the Preliminary Draft 2020 Amended Budget and bring any questions to Evan Tyrrell for clarification. Evan Tyrrell stated that after cutting as much expenses as possible, current projections show the District's net losses at \$105,000 for 2020.

OLD BUSINESS

No old business was discussed.

NEW BUSINESS

I. DISCUSSION OF EXTERNAL CREDIT CARD TRANSACTION FEES AND ASSOCIATED FEE REDUCTION OPPORTUNITIES

Jessica Thacker provided a brief presentation of the credit card transactions fees and how these items were generated. She stated that if any Board members required further explanation, it would be provided. Evan Tyrrell stated that due to research completed by Jessica Thacker, measures to reduce associated credit card fees were identified, including ways to simplify the credit card transaction process. A card terminal at the Moab Landfill is being researched and pursued as an additional way to reduce external credit card fees.

J. POSSIBLE ACTION ITEM(S): DISCUSSION OF CURRENT AND FUTURE DISTRICT GRANT OPPORTUNITIES

Jessica Thacker presented a spreadsheet of the grants she had identified and the priority system of grant applications. Jessica Thacker stated that she had already applied to a COVID-19 small business relief emergency grant and would be applying to more once applications opened. Evan Tyrrell stated that Jessica Thacker would also be utilizing the University of Utah's proprietary grants database once granted access by the program. Both Kalen Jones and Mary McGann expressed appreciation and all agreed that grants should be pursued by the District.

K. POSSIBLE ACTION ITEM: CONSIDERATIONS FOR EXPANDED PUBLIC DROP-OFF HOURS AT THE COMMUNITY RECYCLE CENTER DURING THE COVID-19 PANDEMIC

Evan Tyrrell presented several options for expanding the currently limited COVID-19 public drop-off hours at the CRC and requested the Board's feedback. Chris Scovill suggested that resuming regular hours of operations at the CRC would have minimal impact to operations, return costs to normal, reduce traffic congestion, and encourage physical distancing practices.

Evan Tyrrell further elaborated that the current operating hours are cumbersome to all businesses located within the CRC area due to the gate closure and suggested a soft opening. Mary McGann expressed preference for resuming regular hours of operation and suggested a preference towards a potential recycling membership program for residents. Kevin Fitzgerald expressed the final decision should be made by District staff rather than the Board. Chad Harris voiced support for a slower opening process but agreed with Chris Scovill's reasoning behind resuming regular hours and supported the idea of a potential recycling membership program for residents. Diane Ackerman also expressed support of resuming regular hours of operations but suggested that the CRC's donation box be displayed and advertised more prominently. Kalen Jones requested that a proposal for the potential recycling membership program be presented at next month's meeting.

L. POSSIBLE ACTION ITEM: APPROVAL OF EXPENSES RELATED TO GRINDING MULCH AT THE MOAB LANDFILL TO RECLAIM GREEN WASTE AND GENERATE ADDITIONAL SALES REVENUE

Evan Tyrrell and Chris Scovill presented subcontractor quote comparison for grinding mulch at Moab landfill to reclaim green waste and generate additional revenue to the Board and requested feedback. Diane Ackerman inquired if the mulch would be loaded by District personnel. Evan Tyrrell replied stated that is currently being done but needs to be discussed further due to potential vehicle and equipment damage liability. Chris Scovill pointed out that a waiver is being used in regard to loading mulch. Kalen Jones stated that the option of having the mulch loaded is important and asked if the District assessed market validity. Evan Tyrrell stated that if there is not a market for mulch itself than the material can possibly be used for future composting material and feedstock while pointing out that existing mulch is being sold at reduced rates due to its lack of quality, but that sales of the material have been somewhat regular. Chris Scovill stated that mulch generation diverts material from the landfill, generates revenue, and conserves airspace at Moab Landfill. Annette Myers stated that as the community becomes more aware of this commodity then interest will pick up. Diane Ackerman stated that the current offered rates are more affordable and competitive to current mulch suppliers. Chad Harris suggested researching the concept of delivering mulch along with creating it. Kalen Jones stated that he is very supportive of green waste diversion.

MOTION: Mary McGann motioned/Kevin Fitzgerald seconded to approve subcontractor-related expenses for grinding mulch at the Moab Landfill to reclaim green waste and generate additional sales revenue by entering into a contact with Lance Excavating, Inc. in an amount not to exceed \$35,000. Roll call vote: Diane Ackerman, Chad Harris, Kalen Jones, Mary McGann, and Kevin Fitzgerald each voted yes. Motion passed unanimously.

M. POSSIBLE ACTION ITEM(S): CONSIDERATIONS FOR 2020 EQUIPMENT RENTALS, LEASES, AND/OR ACQUISITIONS

Evan Tyrrell stated that the District has always intended to purchase the currently rented Caterpillar 279D skidsteer from Wheeler Cat and that we have a large amount of equity in the machine based on the past one (1) plus years of rental payments. Returning the machine now would be a significant sunk cost and we can potentially resell the machine, if needed, for a larger return on investment. Both Evan Tyrrell and Chris Scovill stated that negotiations with Wheeler Cat on purchase price are ongoing and that we should owe less than \$35,000 at this time. Diane Ackerman inquired if the skidsteer had an assigned mechanic to properly service and Evan

Tyrrell stated that the District does have a master mechanic employed with the District to service all facility equipment.

MOTION: Kevin Fitzgerald motioned/Chad Harris seconded to approve the purchase of the currently rented Caterpillar 279D skidsteer from Wheeler Cat in an amount not to exceed \$35,000. Roll call vote: Diane Ackerman, Chad Harris, Kalen Jones, Mary McGann, and Kevin Fitzgerald each voted yes. Motion passed unanimously.

N. POSSIBLE ACTION ITEM: CONSIDERATIONS FOR TEMPORARY REDUCTIONS IN DISTRICT-FUNDED EMPLOYEE BENEFITS IN RESPONSE TO PERCEIVED BUDGET SHORTFALLS RELATED TO COVID-19

Evan Tyrrell stated that based on 2020 budget discussions within the meeting so far, consideration of this possible action item for temporary reductions in District-funded employee benefits is not something that should be pursued at this time. Kalen Jones expressed that the 2020 perceived budget shortfalls continue to be a concern, but recommended this discussion be revisited at next month's meeting. Kevin Fitzgerald stated that keeping District-funded employee benefits is necessary in supporting staff and moral.

MOTION: Mary McGann motioned/Kevin Fitzgerald seconded to skip Possible Action Item N: Considerations for the Temporary Reductions in District-Funded Employee Benefits in Response to Perceived Budget Shortfalls Related to COVID-19 and move on. Roll call vote: Diane Ackerman, Chad Harris, Kalen Jones, Mary McGann, and Kevin Fitzgerald each voted yes. Motion passed unanimously.

O. POSSIBLE ACTION ITEM: APPROVAL OF UPDATED KLONDIKE LANDFILL FRANCHISE AGREEMENT TEMPLATE

Evan Tyrrell stated the Klondike Landfill Franchise Agreement had received two rounds of legal review and felt it is ready to move forward for approval pending some possible minor changes. Chad Harris asked for clarification on whether an application fee had been associated with the agreement to offset costs of processing new agreements and suggested potentially incorporating a franchise agreement application fee. Evan Tyrrell responded that a fee is not currently in place but language in the agreement does give the District the authority to implement one. Evan Tyrrell stated there is some ambiguity regarding some existing language specifically in regard to notary requirements and inbound material from outside of Grand County, but stated that the new language provides the District greater discretion. Kalen Jones pointed out that he had already provided feedback to Evan who responded effectively and acknowledged that several of his questions were already addressed by the legal review team.

MOTION: Diane Ackerman motioned/Kevin Fitzgerald seconded to approve the updated Klondike Landfill Franchise Agreement template as provided in pages 95 to 102 of the May 21, 2020 Board packet. Roll call vote: Diane Ackerman, Chad Harris, Kalen Jones, Mary McGann, and Kevin Fitzgerald each voted yes. Motion passed unanimously.

REPORTS FROM BOARD AND STAFF

P. DISTRICT STAFF REPORTS

Evan Tyrrell provided a brief staff report in which he expressed that safety continues the District's number one priority and provided updates on District operations such as the upcoming yearly audit, moving forward with the placement of new administrative building, report on a very generous donation from the Ruth Brown foundation for a CRC entrance sign, and a conversation with LeGrand Bitter (Utah Association of Special Districts) on potential COVID-19 federal relief sponsored bills. Evan Tyrrell also presented updates in regards to facility operations such as Moab Landfill's quarterly cover was completed on April 30, an estimated lifespan of 20-30 years for Moab Landfill, and major improvements at the Klondike Landfill such as the removal of the historic high wall other facility-wide improvements in which the currently rented dozer has been instrumental, and fill sequence preparation for Cell 2, which has been mostly dormant for the past several years. Evan Tyrrell also reported that based on conversations with Monument Waste, they have purchased a dormant, preexisting landfill near Mack, Colorado and they are currently developing a new cell via a large excavation project. Kalen Jones and Kevin Fitzgerald expressed appreciation for all the hard work being done at District facilities.

Annette Myers reported that she had been attending human resources training seminars that presented the enhancement of employee benefits, cutting overhead costs, and I-9 compliance and audit training. She also reported cross-training opportunities with Renee Baker (Grand County Human Resources) and appreciation of Chris Scovill and District staff's hard work to reduce operational costs.

Chris Scovill reiterated the overwhelming achievements that have been made regarding the District's landfills over the past year. Diane Ackerman expressed interest in touring the Klondike Landfill. No other District Staff Reports were provided.

Q. BOARD REPORTS

Kevin Fitzgerald expressed gratitude at the re-opening of the CRC and was impressed at how many residents utilized the recycling services at the CRC. No other board member reports were presented.

FUTURE CONSIDERATIONS

No future considerations were discussed.

CLOSED SESSION – CALLED AT 6:51 P.M.

R. DISCUSSION OF THE CHARACTER, PROFESSIONAL COMPETENCE, OR PHYSICAL OR MENTAL HEALTH OF AN INDIVIDUAL IN ACCORDANCE WITH UTAH CODE 52-4-205(1)(A)

MOTION: Mary McGann motioned/Kevin Fitzgerald seconded to go into a closed session to discuss the character and professional competence of an individual. Roll call vote: Diane Ackerman, Chad Harris, Kalen Jones, Mary McGann, and Kevin Fitzgerald each voted yes. Motion passed unanimously.

MOTION: Kevin Fitzgerald motioned/Mary McGann seconded to end the closed session at 7:06pm. Roll call vote: Diane Ackerman, Chad Harris, Kalen Jones, Mary McGann, and Kevin Fitzgerald each voted yes. Motion passed unanimously.

CLOSING ACTIONS / ADJOURNMENT

S. NEXT REGULAR ACB MEETING: THURSDAY, JUNE 18, 2020 AT 4:00 PM

The next Regular ACB meeting will be held on June 18, 2020, beginning at 4:00 pm.

T. ADJOURNMENT

MOTION: Mary McGann motioned/Kevin Fitzgerald seconded to adjourn the meeting. Roll call vote: Diane Ackerman, Chad Harris, Kalen Jones, Mary McGann, and Kevin Fitzgerald each voted yes. Motion passed unanimously.

Kalen Jones adjourned the meeting at 7:07 p.m.

Respectfully submitted to the Board,

Jessica Thacker

District Clerk, Solid Waste Special Service District #1