



Board Meeting May 16, 2024

Meeting Location: Trans-Jordan Landfill

Attending:

Kane Loader, Chairman – Midvale City
Troy McDougal – Riverton City
Brian Clegg – West Jordan City

Mike Gladbach, Vice Chairman - Sandy City
Chris Sayler– Draper City

Dave Newton - West Jordan City
Glen Kennedy – Midvale City

Cary Necaie – Riverton City
Paul Browning – Sandy City

Brenda Bingham – Secretary

Jordan Hensley - Treasurer

Also Attending:

Jaren Scott – Executive Director
Josh Hill – Murray City Employee
Ryan Kump – Sandy City Employee
Grant Denham – Trans-Jordan Cities
Chris Bowen, SLCoHD
Hayley Shaffer*, SLCoHD

Craig Hall* - Counsel
Rawley Thacker – South Jordan City Employee
Jason Turville – Trans-Jordan Cities
Jill Fletcher – Trans-Jordan Cities
Cherie Anderson - IRL
Dwayne Woolley* – South Jordan City Resident

*Indicates on-line attendance

Absent

Murray City (Voting Member)

South Jordan City (Voting Member)

1. Welcome and Roll Call

Kane Loader called the meeting to order at 7:30 a.m. and welcomed all in attendance. A verbal roll call was taken and all in attendance are listed above for the record.

2. Public Comment

Kane opened the meeting to public comment. No public comments were made.

3. Approval of April 2024 Meeting Minutes

The floor was open to comments or requested revisions to the April 2024 Minutes. No revisions were requested.

Troy McDougal made a motion to approve the April 2024 Board Meeting Minutes and *Mike Gladbach* seconded the motion. The motion passed unanimously.

4. Financial Report

Jordan Hensley reported on the financial statements. A financial breakdown of the items discussed are covered in the presentation attached in the file. A few notable items from the report:

Credit Card Board Audit – Jordan spoke about the quarterly review of our credit card purchases by a Board Member. Jason Rasmussen has been performing this function for the Board but we do need to have another Board Member volunteer to take over this audit. Dave Newton volunteered to review the credit cards.

Lease Receivables – Craig Hall asked why the Lease Receivables line on the financial statements is so large (\$225,711) when the annual lease payments from Zipline total around \$83,000. Jordan explained that GASB requirements require the full lease amount to show on the financial statements so the figure represents the 5-year lease. In the past we put lease revenue as a footnote on the financial statements but with the change in GASB requirements we now have to show the amount in this way.

April Demand – The demand for landfill services this April was above the previous April. There was a 32.2% increase in tonnage and 15.8% increase in the number of loads. Year to Date we have seen a 11.6% increase in tonnage and 16% in loads compared to the previous Fiscal Year to Date. The increase is due both in a jump in demand from both member cities and commercial customers.

Revenues – Currently we are outpacing budgeted revenues for the fiscal year so we anticipate that we will be over budget for the year.

Expenses – We are under budget on all overall expense areas thus far this fiscal year.

5. Proposed Fiscal Year Budget 2024 – 2025 Presentation

Jordan and Jaren gave the Board a preview of the proposed FY Budget 2024 – 2025. Jordan explained that no substantial changes to the proposed budget have been made since it was initially presented to the Board in April. The presentation attached in the file outlines the full details given to the Board. The following is a summary of the major areas discussed:

- **Proposed Rates** – Jaren noted that these rates are based on the Lewis and Young financial model that has been presented to the Board. The rates for the Transfer Station have been used to compile the budget but the actual rates can not be set and approved until we are ready to open the facility.
 - Landfill = Member City rate increase to \$26 per ton (\$24 per ton currently), Commercial \$41 per ton (\$39 per ton currently)
 - Transfer Station = Member City rate \$36 per ton, Commercial Rate \$51 per ton. The additional cost is based on transportation from the Transfer Station to the Landfill. These rates for the Transfer Station are anticipated rates and will not be set and approved until we get closer to the opening of the facility. The above numbers have been used to create the budget.
- **Minimum Fee Increase** – A discussion regarding a change in the method for minimum fee assessment was held in the March and April 2024 meetings. Jordan noted that the minimum fee increase and structure has not been put in place to receive more revenue as the proposed changes are anticipated to be similar in current revenue. The additional revenue shown in this area is due to increased demand and the gate rate / per ton increase. Jaren reviewed how currently scalehands have to estimate the amount of trash a load has for disposal to determine if it is a minimum load or will need to be weighed out which creates arguments at the window. In addition, the benefit of having less weigh out loads is crucial as our outbound queuing space at both the landfill and transfer station are limited and creates bottleneck situations. Many facilities use this method based on gross vehicle weight in order eliminate the “estimating” situation. Jaren reminded the Board that any rates associated with the Transfer Station is for estimating purposes to complete the budget but the final rates will not be set and approved until the Transfer Station opens. The Board asked how this change will affect city vouchers to which Jaren explained that the vouchers all expire at the end of June and the new vouchers will be adjusted to the new minimum fees and structure.
 - Landfill Minimum Fees:
 - GVW 0 – 10,000 pounds = \$15.00
 - GVW 10,001 – 15,000 pounds = \$30.00
 - GVW Over 15,001 pounds = Weighed in / out at the per ton rate
 - Transfer Station Minimum Fees:
 - GVW 0 – 10,000 pounds = \$20.00
 - GVW 10,001 – 15,000 pounds = \$40.00
 - GVW Over 15,001 pounds = Weighed in / out at the per ton rate

- 89 • **Personnel** – The proposed changes in the personnel line item include a 4.0% COLA and 3.5% Merit
90 Increase. The overall budget request is 11.5% above the current budget but does include the proposed
91 increases in wages, increase in insurance rates and 6 months of personnel costs at the Transfer Station.
92 The Board asked what the figures for the COLA and Merit are based on. Jordan explained that he called
93 and surveyed his counterparts at the member cities and looked at the national figures for inflation and
94 recommended the numbers to Jaren. Jaren also noted that last year we had a 5% COLA so this figure
95 has been decreased by 1% compared to the previous year.
- 96 • **Workers Compensation** – We have been able to reduce the budget for Workers Compensation even
97 though we are increasing the number of personnel with the transfer station. Our rates have gone down
98 due to our improved EMOD, which is now down to 1.26 as a few high dollar incidents have now dropped
99 off our history.
- 100 • **Fuel** – We anticipate that we will have to use less fuel at the transfer station than we did at green waste
101 so our overall fuel estimate for the budget has been reduced.
- 102 • **Overall Expenses** – This budget is going from a \$10 million budget to a \$12 million budget mostly due to
103 the inclusion of opening the transfer station for half of the budget year.
- 104 • **Equipment Capital Outlays** – A few notable items that we are looking at doing a compactor rebuild
105 rather than buying a new unit, which is a significant savings. In addition, we are looking at leasing the
106 equipment for the transfer station rather than purchasing those units which will be more beneficial for
107 our cash flow.
- 108 • **Capital Improvements** – Our last cell, and biggest cell, Cell 6C needs to have the bottom liner laid next
109 fiscal year at an estimated cost of \$2,000,000. In addition, we need to change how we handle the
110 leachate collection as we no longer have an area for open pond evaporation therefore, we need to
111 install a Leachate Piping System which is estimated to be \$525,000.
- 112 • **Reserve Projection FY 2024 – 2025** – Jordan reviewed our Cash Flow / Reserve Projection with the Board
113 which will be at an estimated \$2,099,000 at the end of the next fiscal year. If we run into a situation
114 over the next 12 months where we need to have more cash on hand there are a few options to do so.
115 Jordan reviewed the following options with the Board:
 - 116 ○ **Increase in Tipping Fees** – Jordan doesn't recommend this option as we would need to raise the
117 tipping fees by a large amount. In addition, any cash crunch we have is due to the building of
118 the transfer station and should not be a long-term problem so raising rates is not the best
119 solution.
 - 120 ○ **Ask Member Cities for Funds** – This option would be a last resort and Jordan would also not
121 recommend this course of action.
 - 122 ○ **Additional Debt** – We could take on additional debt, which would not be advantageous with the
123 interest rates as they are currently.
 - 124 ○ **Closure / Post Closure Account** – We currently have \$5.6 million in our closure / post closure
125 account that is earmarked for closing the landfill. That money is in an account at Zions Bank
126 which is invested in CD's and Government Bonds. After researching options, we have found out
127 that there is no penalty to financially closing this account. This money could be placed in a
128 separate PTIF account than our current account. We would not use any of the post closure
129 money unless we have an unanticipated need for cash. The money is still accessible where it
130 currently is but the timeline to access the cash would be longer. The Board discussed the
131 benefits of the PTIF vs. the current Zions account. No matter where the money is held, we
132 would have to get approval from the DEQ to use the funds and at that time we would have to
133 provide some type of assurance to the State which may cost some money. After the discussion
134 the Board gave direction to management to move the money to the PTIF.

135
136 **Troy McDougal** made a motion to move the closure / post closure money from Zions Bank to
137 the PTIF and **Chris Sayler** seconded the motion. The motion passed unanimously.

138 **6. Approval of Resolution #24-02, Adoption of the Tentative Budget for 2024 - 2025**

139 *Troy McDougal* made a motion to approve Resolution #24-02, Adoption of the Tentative Budget for 2024 - 2025
140 and *Chris Sayler* seconded the motion.

141 Roll-Call Vote:

142 Draper City = Yes	Midvale City = Yes	Murray City = Absent	Riverton City = Yes
143 Sandy City = Yes	South Jordan City = Absent	West Jordan City = Yes	

144 **7. Legal Report**

145 Craig Hall and Jaren Scott reported on the following:

146 *Property Title*– The sewer district has filed a quiet title action for property bordering the Bacchus Highway. Craig
147 and Jaren have looked at the parcel in question and we have no interest in that property. A resolution has been
148 prepared for the Board to consider that states that Trans-Jordan does not have interest in this property.

149 *Zipline Agreement* - Zipline has been operating for three years now and it is time to look at the agreement.

150 Zipline has requested a change in hours to which we have no objection. This agreement would extend the lease
151 term for two additional years and hours of operation to 7am-10pm.

152 *E-Waste Legislation* – Craig and Jaren attended a legislative hearing for E-waste where Senator Kennedy was
153 gracious enough to support the E-Waste effort in the summer interim session. During the hearing Jaren
154 summarized the presentation which was provided to the committee a week in advance. The subject matter was
155 well received. The discussion also included the issue of solar panels. Senator Kennedy said that they will return
156 in July or August with some suggestions on how to proceed. We also believe that we have a possible advocate
157 in the House of Representatives in addition to Senator Kennedy’s support.

158 **8. Approval of Resolution #24-03, Resolution Authorizing the Chairman to Execute A Disclaimer of Interest in**
159 **Real Property Along U-111**

160 *Mike Gladbach* made a motion to approve Resolution #24-03, Resolution Authorizing the Chairman to Execute A
161 Disclaimer of Interest in Real Property Along U-111 and *Troy McDougal* seconded the motion.

162 Roll-Call Vote:

163 Draper City = Yes	Midvale City = Yes	Murray City = Absent	Riverton City = Yes
164 Sandy City = Yes	South Jordan City = Absent	West Jordan City = Yes	

165 **9. Approval of Resolution #24-04, Resolution Authorizing the Chairman to Execute The First Amendment to**
166 **the Lease with Zipline International, LLC**

167 *Mike Gladbach* made a motion to approve Resolution #24-04, Resolution Authorizing the Chairman to Execute
168 the First Amendment to the Lease with Zipline International, LLC and *Troy McDougal* seconded the motion.

169 Roll-Call Vote:

170 Draper City = Yes	Midvale City = Yes	Murray City = Absent	Riverton City = Yes
171 Sandy City = Yes	South Jordan City = Absent	West Jordan City = Yes	

172 **10. Best Practices Training and Disclosure Statements**

173 Due to the length of the meeting the decision was made to postpone the Best Practices Training and Disclosure
174 Statements to the June 2024 Meeting.

175 **11. Executive Director’s Report**

176 Jaren Scott reported on the following:

177 *Transfer Station Update* – Jaren updated the Board on the construction progress of the transfer station. The tilt
178 up walls will be poured in the upcoming week.

179 **HHW Facility** – Jaren was invited to tour the new HHW Facility (adjacent to the new transfer station) which is
180 substantially complete. The facility is impressive and is a state-of-the-art. The new monument sign for the HHW
181 Facility and the transfer station has been installed and looks great. The section for the transfer station will be
182 covered until we open our facility.

183 **Bayview / NUERA Update** – Pinecreek continues to work on the GCCS system at Bayview and have offered to
184 put in additional methane collection at their own cost.

185 **HHW Fee Increase** – We have received notification from SLCoHD regarding a proposed fee increase beginning
186 2026. The current per ton fee that we pay to the SLCoHD is \$1.85 per ton. The following items were listed as
187 reasons for the increase:

- 188 • Increase in industry wide disposal costs
- 189 • No more industry sponsorship of e-waste recycling
- 190 • Expected increase of HHW collection for disposal with the new HHW facility opening Spring 2024.

191 With this proposed increase Jaren plans on requesting an audit of the fee collection system for waste generated
192 in Salt Lake County to ensure the fee is collected on all the waste that is leaving the county.

193 **SWANA Tour of the Dry Creek Transfer Station** – SWANA will be having a tour of the new Dry Creek Transfer
194 Station (SUVSWD in Utah County) on May 21st and all Board Members are invited.

195 **12. Chairman's Items**

196 Kane discussed the upcoming meetings with the Board.

- 197 • Fee Increase and Budget Hearing is scheduled for June 12, 2024 at 6:00 p.m.
- 198 • Next board meeting will be held on June 20, 2024.

199 **13. & 14. Executive Sessions**

200 No Executive Sessions were held.

201 **15. Adjournment**

202 *Troy McDougal* made a motion to adjourn and *Mike Gladbach* seconded the motion. The meeting adjourned at
203 9:03 a.m.