



Board Meeting May 16, 2013

Meeting Location: 10873 S. Bacchus Hwy (U-111) South Jordan, UT 84095

Attending:

Dave Newton, Vice Chairman – West Jordan City	Rick Smith – Sandy City
Russ Kakala – Murray City	Steve Siddoway – Draper City
Keith Ludwig – Midvale City	
James Scott – Treasurer	Brenda Bingham - Secretary

Also Attending:

Craig Hall – Counsel	Dwayne Woolley – General Manager
Steve Elms – Board Auditor	Aaron Sainsbury – South Jordan City
Teresa Gray – SLCoHD	Dan Moore – SLCoHD (came in after verbal roll call)
Phil Markham – Ace Disposal	

Absent:

Kane Loader – Chairman	Riverton City – Voting Member
South Jordan City – Voting Member	

1 - 4 Welcome, Roll Call, Public Comment and Approval of Meeting Minutes

Dave Newton called the meeting to order at 7:30 a.m. and excused *Kane Loader* from the meeting. A roll call of those in attendance was taken and noted above.

No public comments were made.

Dave asked if anyone had recommended changes to the April 2013 Meeting Minutes. No changes were requested.

Russ Kakala made a motion to approve the April 2013 Meeting Minutes and *Steve Siddoway* seconded the motion. The motion passed unanimously.

5. Treasurer's Report

James Scott reported on the following:

Financial Statements – James reviewed the financial statements with the Board. It is projected that we will make 100% of our budget for revenue and will run around 80% of budget on expenses. Some of the individual line items may be showing over budget but overall most are under. At this point there is not a need to open the current budget for any adjustments; however, if the decision is to open the budget, adjustments can be made to fixed assets. There were no capital purchases made in the previous month. There were no questions from the Board regarding financials. Dave expressed appreciation to Dwayne and the staff for keeping costs down.

36 **6. Legal Report**

37 Craig Hall reported on the following:

38 *NURLA* – No changes have been made on the status of joining NURLA. NURLA is in the process of both re-doing
39 their by-laws and their Interlocal Agreement for their June meeting.

40 **7. General Manager's Report**

41 Dwayne Woolley reported on the following:

42 *Solar Station RFP* – Dwayne gave the RFP to the review committee (Kane Loader and Dave Newton) and they are
43 still in the process of looking at the proposal. Granger also met with Dwayne and was looking at possibilities for
44 expanding with Solar so that could be a good partnership. If there is interest with Granger we can look at it
45 amending the partnership. The benefit that Granger brings is already having the facilities and while Hecate
46 (proposal) would have to build the entire infrastructure. The biggest issue we face with a solar project is that
47 Utah is not the best market to sell electricity in because of the current low pricing. The bottom line is that we
48 are looking at upwards of \$50,000 for a good year in lease payments. The committee will continue to look at the
49 proposal and options. Dave noted that he believes that if Trans-Jordan does not have to put anything financially
50 into the project it is worth looking at the options.

51 *Drilling / Capping / Piping RFP's* – The drilling for the top of Cell 4 started yesterday. Dwayne said that we are
52 under budget on the overall project however there was a miscalculation on the amount of sand we will need for
53 the project so we will be over budget on that line item about the same amount we anticipate coming under on
54 the other contracts. Because of weather delays we will have to move money from the current budget into next
55 year's budget to complete the piping contract.

56 *Sandy City Project Update* – Rick said that they are tying up loose ends on the agreement and in a month or two
57 would like to bring someone out to make a presentation to the Board.

58 *Tarping Information* - Dwayne reminded the Board of the conversation on sending out information to citizens on
59 tarping. South Jordan put something out in their newsletter and Dwayne passed out the article as an example.

60 *WASTECON* – If you plan on attending WASTECON please let Brenda know so reservations can be made.

61 *Budget Preview for FY 2013 – 2014* – Dwayne made a presentation to the Board, a copy of which is in the file.

62 The following items were highlighted:

- 63
- 64 • Dwayne showed tonnage trends over the past several years. Other landfills are experiencing a decrease
65 in tonnage while we are staying about even. The difference is that we still have growth in our area. The
66 growth in our area keeps up with the recycling that would normally contribute to a decrease in tonnage.
67 It is unknown where we will be in the next few years because of different possible alternatives such as
68 the Sandy City project but in any event we will still need to have Trans-Jordan as a backup disposal site.
69 This type of unknown makes it very difficult to budget.
 - 70 • Dwayne covered the changes that have been made to the budget from what was presented in the
71 previous month. The updated budget does not have a price increase for the cities. Dwayne still
72 maintains that we need to start raising the city rates to put money where we need for the future
73 however; we do not need the money to balance our budget right now. The main reason it was removed
74 from the proposed budget is because we are not raising the gate rate the anticipated \$2.00 per ton
75 because the larger SLVSWMF rate increase has been postponed. If SLVSWMF does re-instate the
76 proposed increase, which may be done January 2014, we can look at changing our rates then. Dwayne
77 suggested that the cities do not remove the increase out of their budgets because if the increase comes
78 January 1, 2014 then we can be prepared to change our rates. The Board was reminded that we do
need to have more money in the bank for future projects so we can either step up the member city rate

79 slowly or a big increase later. Dwayne spoke about costs vs. expenses and that if we have lower tonnage
80 our rates will need to increase. Rick suggested that rates be left alone for now and let the cities decide
81 what they want to do with their own budgets as he believes that SLVSWMF will raise their rates January
82 1, 2014 in which case we would follow. The Board decided to postpone the rate increase for six months
83 and Dave suggested the Board report back to their cities. Rick said that SLVSWMF may even look at a
84 higher rate than initially proposed and we will need to decide what our rate increase would be at that
85 point.

- 86 • Dwayne is putting in an increase in Freon extraction from \$8.00 to \$9.00 as our contractor costs has
87 recently increased. We have been covering the extra cost but starting July 1, 2013 we would like to
88 increase this price on our fee structure. The Board agreed to change the fee to cover our cost.
- 89 • Another change to the budget from the previous preview is that money will need to be rolled over to
90 finish the lining and piping projects next fiscal year due to weather delays.
- 91 • The budget reflects the postponement of two equipment purchases because we have taken good
92 enough care of our machines that we feel we can push back the replacement of these units for one
93 more year.
- 94 • Revenue is projected to be the same next year as it was this year.
- 95 • Dwayne asked for the member cities to look at their assessments and make sure it is in line with their
96 own projections. West Jordan was increased by \$55,000 because of the change in how we will be billing
97 for the greenwaste cleaning fees. This is offset by the discontinuation of the separate billing for green
98 waste sorting that West Jordan has been paying as a separate line item in approximately the same dollar
99 amount.
- 100 • The budget shows \$410,000 being pulled from the restricted reserve account for equipment and
101 \$80,150 put back into prior year earnings.
- 102 • Summary of cash resources is \$6,094,850 for the FY 2013 – 2014.
- 103 • No additional staff is recommended in the new budget. Group health insurance rates increased 3.5%.
104 The budget does include 2% for merit increases (or other adjustments) and 2% for COLA. The total for
105 personnel is up 1.8% from last year even though these other areas show 3.5% and 4% increases we have
106 been refining our budget in these areas and feel that only a 1.8% increase is needed to cover these
107 costs.
- 108 • Travel & Training is down 3.7% from the previous year because of where the conferences such as
109 WASTECON are being held.
- 110 • Professional Services is up 4.2% as James has recommended that we increase our IT budget by \$5,000
111 along with an additional \$5,000 in bank fees.
- 112 • Property Services is down 3.4%.
- 113 • Equipment Maintenance is down 10.9% because we had things happen this current budget year that we
114 did not anticipate.
- 115 • Insurance liability is down 16% which has been adjusted to be more in line with what we have been
116 experiencing.
- 117 • The “other” category has been reduced by 73% due to the lining being done in the current budget.
- 118 • Transfer to Other Agencies is down 2.9%. This line does not include the previously discussed increase in
119 SLCoHD fees because that will not be in effect until July 2014.
- 120 • Dwayne reviewed the summary of new equipment to be purchased next year:
 - 121 ○ Office equipment = \$15,000

- 122 ○ 2 Pickup Trucks = \$54,000
123 ▪ 2 trucks will be purchased to replace one fleet truck and the old bronco that is used for
124 salting and snow removal.
125 ○ Snowplow Assembly = \$4,500
126 ○ Water Truck = \$160,000
127 ○ Integrated Tool Carrier = \$250,000
128 ○ GPS Updated System = \$50,000
129 ○ Misc = \$10,000
130 • Dwayne discussed the need to look at moving two of these equipment expenses up and including them
131 in this current year budget. The IT went down this week and we are looking at options to fix it so that
132 we can be up and running quickly. This is a piece of equipment that we use on a daily basis so we will be
133 putting bids out soon to get this process started. The other is the GPS system which we need to
134 upgrade. It has been decided that we will not pursue the CAES system that we have been testing
135 because the anticipated payback in fuel will take five years to recover. However, part of this CAES
136 system was to replace our GPS system and since we are not pursuing that purchase we need to look at
137 that replacement separately. The system is old and is currently not up to regulations because the FCC
138 has banned the radio system it runs on. This estimated \$50,000 in capital expenses is not included on
139 the paperwork passed out to the Board today because it was only added last night. Dwayne said that he
140 would have bids go out on both of these items and bring them back to the Board for discussion next
141 meeting.
142 • Overall expenses are down 14% from the current year
143 • Improvements include litter fence netting for \$9,500 (which is on a capital line now and will need to be
144 moved to maintenance) and \$25,000 in miscellaneous improvements.
145 • Capital Expenditures were reviewed in comparison to last fiscal year.
146 • Summary is that we balance expenses with revenue for a budget of \$6,094,850. Dwayne also went over
147 the restricted reserve fund accounts.
148 • Overall, the ten year plan is still intact but uncertain because of potential changes in projects that may
149 affect Trans-Jordan.

150 The Board will now need to pass the resolution that a proposed budget has been presented. The final budget
151 will be up for public comment next month. No questions were asked.

152 *Glass Recycling* – Several Cities have started glass recycling by placing bins out for public drop off. We have
153 included that information on our website for Draper, South Jordan and Sandy. If any other cities begin a glass
154 recycling program let us know so we can update as appropriate.

155 **8. Resolution #13-03, Adopt Tentative FY Budget 2013 – 2014**

156 *Rick Smith* made a motion to approve Resolution #13-03 for the Adoption of a Tentative Budget for Fiscal Year
157 2013 – 2014 and *Russ Kakala* seconded the motion.

158 Roll Call Vote

159 West Jordan City – Yes

160 Sandy City – Yes

161 Riverton City – Voting Members Absence

162 South Jordan City – Voting Members Absence

163 Murray City – Yes
164 Draper City – Yes
165 Midvale City - Yes
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167 **9. Resolution #13-02, Support of SLCoHD Fee Increase**

168 Dave spoke about the letter that was given to the Board to review along with the Resolution to Support the
169 SLCoHD Fee Increase. The letter states that it is important that SLCoHD continue to look at other alternatives to
170 a fee increase. No objections to the Resolution or accompanying letter were made.

171 *Russ Kakala* made a motion to approve Resolution #13-02 and *Rick Smith* seconded the motion.

172 Roll Call Vote

173 West Jordan City – Yes
174 Sandy City – Yes
175 Riverton City – Absent Voting Member
176 South Jordan City – Absent Voting Member
177 Murray City – Yes
178 Draper – Yes
179 Midvale City - Yes

180 **10. Executive Session**

181 *Russ Kakala* made a motion to enter an Executive Session to discuss Personnel and *Steve Siddoway* seconded the
182 motion.

183 Roll Call Vote

184 West Jordan City – Yes
185 Sandy City – Yes
186 Riverton City – Absent Voting Member
187 South Jordan City – Absent Voting Member
188 Murray City – Yes
189 Draper – Yes
190 Midvale City - Yes

191 The Board’s minutes for the Executive Session are in a separate file. The Board returned to regular session.

192 **11. Chairman’s Items**

193 *June Meeting Date* - The June meeting was scheduled for June 13th which has some challenges for attendance.
194 The Board will explore other options for meeting times and change as necessary.

195 No other business was discussed.

196 *Keith Ludwig* made a motion to adjourn and *Russ Kakala* seconded the motion. The meeting adjourned at 9:21
197 a.m.