WASATCH INTEGRATED WASTE MANAGEMENT DISTRICT

Minutes of the meeting of the Administrative Control Board of Wasatch Integrated Waste Management District held June 3, 2026, 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: Vice Chair South Weber Mayor Rod Westbroek and
Board Chair Morgan County Commissioner Mike Newton

ADMINISTRATIVE CONTROL BOARD PRESENT:

Centerville Mayor Clark Wilkinson
Clearfield Councilmember Nike Peterson (online)
Clinton Mayor Marie Dougherty
Davis County Commissioner John Crofts
Davis County Commissioner Lorene Kamalu
Layton Mayor Joy Petro
Morgan City Councilmember Tony London
Morgan County Commissioner Mike Newton (Board Chair)
North Salt Lake Mayor Brian Horrocks
South Weber Mayor Rod Westbroek (Vice Chair)
Syracuse Mayor Dave Maughan
West Bountiful Councilmember Jenn Nielsen
West Point Mayor Brian Vincent
Woods Cross Councilmember Wally Larrabee

ADMINISTRATIVE CONTROL BOARD MEMBERS EXCUSED FROM ATTENDING:

Davis County Commissioner Bob Stevenson
Farmington Mayor Brett Anderson
Fruit Heights Mayor Jeanne Groberg
Kaysville Mayor Tami Tran, Kaysville (Secretary)
Sunset Councilmember Nakisha Rigley

STAFF PRESENT:

Executive Director Preston Lee
Financial Officer Adam Hacker
Human Resources Manager Penny Hobbs
Purchasing Manager Todd Quinley
Safety Superintendent Dan Ramos
Landfill Manager Jesse Simonson
MRF Manager Chad Staples
Sustainability Specialist Collette West
Board Clerk Deanne Chaston

VISITORS:

Attorney Jonathan Burt
Rachel Pierce

Notice of time, place, and agenda of the meeting was sent to each member of the Administrative Control Board via e-mail; The agenda was also posted at Wasatch Integrated Waste Management District Administrative Offices on May 29, 2026;on the Utah Public Notice Website at www.utah.gov/pmn; and on the District's official website at https://www.wasatchintegrated.gov/board-information.

Welcome

Vice Chair South Weber Mayor **Rod Westbroek** welcomed everyone to the meeting.

Minutes Approval

Westbroek presented minutes of the May 6, 2026, board meeting to the board for approval, Executive Director **Preston Lee** mentioned non-substantive changes proposed by newly hired Administrative Assistant and Board Clerk **Deanne Chaston**.

MOTION: Upon motion duly made and seconded, minutes for May 6, 2026, board meeting were approved. Centerville Mayor Clark Wilkinson, Clearfield Councilmember Nike Peterson, Clinton Mayor Marie Dougherty, Davis County Commissioner John Crofts, Davis County Commissioner Lorene Kamalu, Layton Mayor Joy Petro, Morgan City Councilmember Tony London, North Salt Lake Mayor Brian Horrocks, South Weber Mayor Rod Westbroek (Vice Chair), Syracuse Mayor Dave Maughan, West Bountiful Councilmember Jenn Nielsen, West Point Mayor Brian Vincent, and Woods Cross Councilmember Wally Larrabee voted aye. Voting in favor of said motion was unanimous.

Public Comment Period

No members of the public stepped forward to offer comment.

Financial Report

Financial Officer **Adam Hacker** reviewed the Disbursement Report for April 1 to April 30, 2026, which totaled $516,279.05 and represented 68% of total disbursements. He pointed out the $51,255 fuel invoice; Thomas Petroleum invoices of $49,832 and $48,641; and $79,793 Utah Public Employee Health Program (PEHP) invoice. The next report in the Board's handout detailed $755,495 in disbursements. **Hacker** said that the April credit card statements and logs were previously sent out to Board members.

MOTION: Upon motion duly made and seconded, the disbursements were approved. Centerville Mayor Clark Wilkinson, Clearfield Councilmember Nike Peterson, Clinton Mayor Marie Dougherty, Davis County Commissioner John Crofts, Davis County Commissioner Lorene Kamalu, Layton Mayor Joy Petro, Morgan City Councilmember Tony London, North Salt Lake Mayor Brian Horrocks, South Weber Mayor Rod Westbroek (Vice Chair), Syracuse Mayor Dave Maughan, West Bountiful Councilmember Jenn Nielsen, West Point Mayor Brian Vincent, and Woods Cross Councilmember Wally Larrabee voted aye. Voting in favor of said motion was unanimous.

The statement of net position as of April 30, 2026, included $24.9 million in current assets. Title Nine minimum fund balance requirements for Fiscal Year 2026 have been met. The report also included $60.6 million in noncurrent assets. The minimum fund requirement on Row 170 (Capital projects fund-landfill closure account-restricted) is $8,885,628. Total assets are $86,956,578. Accounts Payable is $1,973,505, which includes the loader invoice of close to $450,000. Total current liabilities is $2,837,068. Row 270 (landfill closure and post closure liability) is $8,624,537. Total noncurrent liabilities is $23,263,186. Total liabilities is $26,113,683. Total liabilities, equity, and current surplus is $86,956,578.

Next was the statement of revenue, expenses and changes in net position ending April 30, 2026, which is about 83% of the way through the year. Household containers are $9,222,615. Tipping fees are a little low at $5,491,488. The Recycled Material Recovery facility is $965,997, which is a little low and represents 73.32% of what is budgeted. The $16,948,634 in total operating revenues represents 80.27% of what is budgeted.

Regarding operating expenses, in personnel there is $6,392,786, which is 76.74%. Supplies are at $1,363,841, or 74.98%. In waste disposal, there is $1,361,821. Maintenance is $1,245,944. Total operating expenses are currently under budget at $17,292,177. Interest is $1,002,653. The report surplus is $265,539. **Hacker** said fuel is included in Row 410 under supplies.

Morgan City Councilmember **Tony London** asked about the rising cost of fuel and its effect on the District. Purchasing Manager **Todd Quinley** said it is not as bad as could be assumed. However, it is higher than it was in 2022. All fueling is done on site. If any fuel drop is over $30,000, **Lee** must sign off on it. He has signed off on the last three fuel drops, which is not typical. The Davis County Material Recovery Facility (MRF) goes through 4,500 gallons of fuel each week. The landfill gets 7,000 gallons twice per month.

Regarding the Fiscal Year 2026 Capital Budget Report ending April 30, 2026, **Hacker** said the total renewal and replacement expenses are at $1,702,817; total capital projects are at $1,053,569; and total capital budget is $2,756,386 ending April 30, 2026.

Hacker presented the annual Fraud Risk Assessment, where the District scored moderately with 315 out of 395. Separation of duties earned 200 points, while various written policies earned a total of 45 points. A member of the management team having a bachelor's degree in accounting earned 10 points while a yearly signed ethical statement accounted for 20 points. A fraud hotline earned another 20 points.

The area that could use improvement is members of the governing body completing entity-specific online training. **Lee** said two individuals missed training. West Bountiful Councilmember **Jenn Nielsen** said she is new to the board and would like to complete that training before school starts in August. Technically, board members must complete training within four years. **Lee** said he would provide **Nielsen** with the training materials.

Lee recently reviewed bank statements from July 2025 to April of this fiscal year, which helped with Number 5 on the Basic Separation of Duties form. Board members and management reviewing disbursements and financials help provide mitigating controls for review of general ledger account reports, but **Lee** will improve on that in the future.

<u>**Director's Report**</u>

Westbroek presented this agenda item, introducing **Lee**. **Lee** said the Board has three resolutions to consider, one of which is the Ameresco Wasatch RNG LLC reorganization. He asked Attorney **Jonathan Burt** to introduce this resolution authorizing the executive director to consent to the reorganization transaction and waive the 30-day notice requirement under the landfill gas purchase agreement.

Burt said the District has a current contract with Ameresco for landfill gas rights that began in June of 2024 for a term of 25 years. There are no termination rights in the contract for the District, which was recently notified that Ameresco is planning a reorganization to create a subsidiary. All assets will be transferred to the subsidiary that will continue to operate under that 25-year contract. Section 17 of the contract requires the District to consent to assignments including assignment to a subsidiary and transfer of ownership. An assignment without the District's consent would be void. However, the District may not reasonably withhold consent for an assignment to an entity succeeding Ameresco by way of reorganization if the new entity is financially capable of fulfilling the obligations of the agreement.

Burt said the options are to either consent to the assignment or withhold consent. The second option would likely lead to litigation about whether the District's withholding of consent was reasonable or not. The District would be responsible for all attorney fees spent in litigation with no chance to recover those fees even if successful. He does not feel this reorganization presents a clean opportunity to get out of the agreement. Also, in his legal analysis, there is no indication that the new organization is not financially viable. There is also an option to reach out to Ameresco seeking clarifying information about what the reorganization is going to look like on a day-to-day basis.

Morgan County Commissioner **Mike Newton** joined the meeting.

Clearfield Councilmember **Nike Peterson** addressed the Board online. She said it does not sound like Ameresco has provided documentation for review in order to assure the subsidiary has the financial ability to operate as before. The District needs assurance that outlines their operational capabilities under the reorganization. This is worthy of more thorough review and consideration, and she doesn't feel comfortable accepting the resolution at this point.

Burt said the District only received notice of a reorganization without a lot of details, and **Lee** was able to find a press release. No financials of the new subsidiary were provided. The Board can request from Ameresco that they have proof the subsidiary has the financial ability to continue to service the contract.

Peterson said requesting this basic information is the bare minimum of the due diligence they should be doing, and the request should not be seen as hostile. Syracuse Mayor **Dave Maughan** agreed, saying he doesn't have enough information to give his support.

The 30 days will be up on June 11. In order to handle this issue, **Lee** said the Board may have to schedule another meeting before the regularly scheduled September meeting. Waiting until September may delay construction they have planned.

Peterson said she isn't trying to put a burden on anyone, but she wants to be cautious using the threat of timing. She suggested a Zoom meeting if needed. Layton Mayor **Joy Petro** said Ameresco has been in the driver's seat every time, and she doesn't think another month will hurt. She agrees with **Peterson** that more due diligence should be done.

West Point Mayor **Brian Vincent** asked if it was normal not to have terms to terminate in a contract, and wondered if that could be added. **Burt** answered that this reassignment doesn't open up the contract for renegotiation. Things could be added through mutual agreement, but not unilaterally.

Maughan said if Ameresco is changing their structure, it changes the terms of management. Not all contracts are transferrable. **Burt** said the contract's assignment clause covers this situation. **Peterson** said provisions should be made to handle exit strategies if future conflicts develop. Ameresco fought hard to get this contract, and it has not been collaborative. Ameresco is forcing a reconsideration because they are doing what is best for them and their business model. However, the Board's needs should be considered as well.

London asked if the contract mentions a project start date. **Lee** said Ameresco has already hit milestones early on in the contract including one that involves an Enbridge easement. **Newton** commented that Ameresco expected to consummate the reorganization in May, which has passed.

Peterson would like to withhold consent while issuing a statement that Ameresco did not provide the information necessary for the Board to make a decision. She would like Ameresco to provide an explanation and demonstration of the subsidiary's financial stability.

Burt suggested that rather than withholding consent, the Board neither accept nor deny while requesting more information. This is a more cautious approach. **Maughan** prefers an action one way or another. The Board could say "no" while communicating their willingness to reconsider if given the chance. **Burt** said asking for the information shows that the Board is engaged and therefore not unreasonably delaying a decision. The defense would be that the Board couldn't properly consider this item without more information.

London would rather table or continue this agenda item. **Maughan** said inaction is less defensible than an action.

Lee said there is no office remodel in the Final Budget for the Fiscal Year Ending June 30, 2027, and there is no proposed fee increase.

Lee mentioned that the Weber County Transfer Station will cease operation on July 1, 2026. Waste Management (WM) will lease that property and assume facility operations. That means that WM will be evaluating landfill options for its 90,000 tons of self-haul and commercial waste. They met with Northern Utah Environmental Resources Agency (NUERA) on Monday and determined that since the waste originates from outside its boundaries, WM will be invoiced through Wasatch Integrated Waste or another NUERA member. As of July 1, 2026, Bayview's tipping fee will be $13.50 including an administration fee per ton. WM has an option to go to Intermountain Regional Landfill (IRL) in Eagle Mountain, Utah County, which is charging $14 per ton.

Lee informed Board members of a recent fire on the tipping floor of the Material Recovery Facility caused by a lithium battery. The team responded quickly, smothering it with dirt. This is not out of the ordinary, but it is a good opportunity for education.

Asphalt work was recently completed at both the Landfill and the Transfer Station, which will help prevent dust. The Thrift Store hit an all-time monthly sales record high, bringing in $25,598 in revenue from store sales. **Lee** said waste receipts continue to trend downward, indicating that out-of-district waste and another life-sustaining policies are working. Since commercial waste has been flattening over the last 49 months, **Lee** will continue monitoring the situation.

<u>Resolutions</u>

Board Chair **Newton** presented Resolution 26-05 Authorizing Executive Director to Consent to the Ameresco Reorganization. This was discussed earlier during the Director's Report. Clinton Mayor **Marie Dougherty** asked if the Board wanted to consider renegotiating the contract. North Salt Lake Mayor **Brian Horrocks** said this would be going against legal advice provided that evening. **Burt** said the 30 days was a notification requirement for Ameresco, not necessarily a deadline for the Board's response. If the Board withholds its consent today, **Burt** said litigation is likely.

MOTION: Upon motion duly made and seconded, Resolution 26-05 Authorizing Executive Director to Consent to Ameresco Reorganization was tabled pending request for financial information from Ameresco concerning their reorganization.

Centerville Mayor Clark Wilkinson, Clinton Mayor Marie Dougherty, Davis County Commissioner John Crofts, Davis County Commissioner Lorene Kamalu, Layton Mayor Joy Petro, Morgan City Councilmember Tony London, Morgan County Commissioner Mike Newton (Board Chair), North Salt Lake Mayor Brian Horrocks, South Weber Mayor Rod Westbroek (Vice Chair), West Bountiful Councilmember Jenn Nielsen, West Point Mayor Brian Vincent, and Woods Cross Councilmember Wally Larrabee voted aye.

Clearfield Councilmember Nike Peterson and Syracuse Mayor Dave Maughan voted nay. The vote carried 12-2.

Maughan said he voted on the basis of insufficient information to make a decision. He feels tabling it will be considered a nonaction, which is a weaker position.

Newton presented Resolution 26-06 Adopting a Budget for Fiscal Year Ending June 30, 2027.

Hacker reviewed the highlights of the budget. Household containers are 4.66% while tipping fees are 3.08%. The Recycled Material Recovery Facility items being sold is down 9.45%. The total operating revenue is $22 million overall. Under operating expenses, personnel is a 3.87% increase. Temporary labor will bring the budget down 7.41%. Supplies will be a 6.52% increase at $1,932,950. Waste disposal is $2,020,000, a 9.78% increase. Maintenance is $1,717,720. Depreciation is $5,615,900. Total operating expenses are $23,457,571. Regarding non-operating revenues, interest is $1,210,000, which is down from last year's $1,325,000. Total non-operating revenues (expenses) are $1,052,280. The net negative is $402,913, which is a loss. The office remodel was removed from the budget.

The final capital budget for Fiscal Year 2027 includes a day cab for $205,000; a trommel replacement of $470,000; and D8 dozer for $1.3 million. The total renewal and replacement capital budget is $2,810,000. Capital projects include the $116,000 fuel station; $125,000 landfill water truck; $200,000 service truck with crane; and $250,000 safety modification to citizen pad. The total capital projects budget is $958,000. Both renewal and replacement as well as capital projects come to a total of $3,768,000.

Hacker presented Title 9, Application of funds for fiscal year ending June 30, 2027. Title 9, Application of Funds, of the District Code requires the Administrative Control Board set by resolution, as part of the annual budgeting process, minimum fund balances to be maintained within the system of funds and accounts for the financial management of the District. The revenue fund of the operating account is $4,334,000, which represents three months of operating expenses in the capital budget for 2027. The bond account is zero, funded twice a year with interest. The capital projects fund landfill closure account is $9,275,000 calculated off of accrued liability.

The $6,985,000 renewal and replacement account and $11,254 capital projects account are part of the District's five-year plan. The extension and repair fund is $500,000; rate stabilization is $2,500,000; and total required minimum fund balances is $34,848,000.

Lee said he appreciates feedback from the committees regarding the size and appropriateness of the proposed office remodel, which has been removed from the budget.

The PUBLIC HEARING was opened at 6:16 p.m. to consider the adoption of the budget for the Fiscal Year ending June 30, 2027, allowing an opportunity for any interested parties to be heard. The public hearing was closed after nobody chose to address the Board on this matter.

MOTION: Upon motion duly made and seconded, Resolution 26-06 Adopting a Budget for Fiscal Year Ending June 30, 2026, was adopted.

Centerville Mayor Clark Wilkinson, Clearfield Councilmember Nike Peterson, Clinton Mayor Marie Dougherty, Davis County Commissioner John Crofts, Davis County Commissioner Lorene Kamalu, Layton Mayor Joy Petro, Morgan City Councilmember Tony London, Morgan County Commissioner Mike Newton (Board Chair), North Salt Lake Mayor Brian Horrocks, South Weber Mayor Rod Westbroek (Vice Chair), Syracuse Mayor Dave Maughan, West Bountiful Councilmember Jenn Nielsen, West Point Mayor Brian Vincent, and Woods Cross Councilmember Wally Larrabee voted aye. Voting in favor of said motion was unanimous.

Newton presented Resolution 26-07 Authorizing the District to Dispose of Surplus Personal Property including Edge Trommel, Doppstadt Trommel, CAT dozer D8T, 40 yard roll-off bins, and Peterbilt day cab truck.

MOTION: Upon motion duly made and seconded, Resolution Authorizing the District to Dispose of Surplus Personal Property passed.

Centerville Mayor Clark Wilkinson, Clearfield Councilmember Nike Peterson, Clinton Mayor Marie Dougherty, Davis County Commissioner John Crofts, Davis County Commissioner Lorene Kamalu, Layton Mayor Joy Petro, Morgan City Councilmember Tony London, Morgan County Commissioner Mike Newton (Board Chair), North Salt Lake Mayor Brian Horrocks, South Weber Mayor Rod Westbroek (Vice Chair), Syracuse Mayor Dave Maughan, West Bountiful Councilmember Jenn Nielsen, West Point Mayor Brian Vincent, and Woods Cross Councilmember Wally Larrabee voted aye. Voting in favor of said motion was unanimous.

General Business

The next Administrative Control Board will be held September 2, 2026.

Adjournment

Upon motion duly made and seconded, the Administrative Control Board meeting was adjourned at 6:41 p.m. Voting in favor of said motion was unanimous.

Commissioner Mike Newton, Board Chair	Preston Lee, Executive Director