

CITY OF DERBY

RECYCLING/TRASH ADVISORY BOARD

March 26, 2009

2:00 P.M.

UNAPPROVED MINUTES

ROLL CALL

Rebecca Faulk
Larry Gould
Jack Halldin
Heather McCreight
Orpha Parish
Becky Robinson

Staff Present: Kathy Sexton, City Manager
Phil Alexander, City Attorney
Carolyn Morrison, Secretary

Susan Erlenwein, Sedgwick County Environmental Resources

Agenda Item #1 – Welcome & Introductions

Sexton advised that Phil Alexander and Susan Erlenwein will be attending our meetings now and in the future. Also, these proposals are not public documents yet.

Agenda Item #2 – Approve Minutes of 11/18/08

MOTION: Gould moved to approve minutes of 11/18/08. Parish seconded.

VOTE: Motion carried 6-0.

Agenda Item #3 – Review Process going forward & determine which of the 4 proposals proceed to the next stage

Sexton stated that a decision we need to make today is if there are any we want to eliminate to interview. Would like to do interviews the week of April 6 and feels we need to set aside two hours for each interview.

Here are some of the questions we want to ask in the interview:

- Have conversation about transition plan
- Price/cost adjustments
- Staff, additional premium services, exceptions, overview of the company

- The philosophy that came up at the Council Meeting – the idea of multiple companies – how does that effect the price if they don't get the whole city
- Any questions of understanding

Sexton would suggest first talking about are we committed to the program set forth or to look at the situation another way?

Discussion followed on Steve McLeland's proposal, which included doing a survey of Derby residents and a community recycling collection site. It was consensus of group that they didn't feel a survey is appropriate at this time.

Faulk noted that survey data to determine the need for enhanced recycling didn't seem helpful at this time since even just looking at the bins behind Dillon's clearly shows the need.

Erlenwein cautioned that survey results can easily be skewed by how questions are worded and by information campaigns that haulers or others do prior to the survey. She has seen this before. She also suggested the City approve questions if a survey is done.

Gould indicated that while the proposal is well-intentioned, a survey isn't needed at this time

MOTION: Faulk moved to eliminate Steve McLeland's proposal from further consideration. McCreight seconded.

VOTE: Motion carried 6-0.

Sexton will call Steve to explain the Board's decision.

Sexton stated the question today is do we want to talk to all three companies and suggests we go through each one and raise any questions we have.

Waste Management

Parish asked where they take recyclables.

Erlenwein replied International Paper and they have been cutting back on the number of things they take. Commodities markets have fallen out the bottom.

Question: What does International Paper take?

Does it have to be bagged in the container? If not bagged, then wind would blow it.

Gould mentioned that he talked to a friend in another city who thought they were recycling, but it was all going to a dump.

Erlenwein advised that the County staff go out weekly to licensed disposal facilities to inspect them so that they are doing it the right way – they go out and watch operations. When the commodities market changes, you have to re-educate the public on what can be recycled.

Question: When commodity markets change and your ability to take different types of items changes, what is your plan? What will you do when commodity prices change?

- re-educate people?
- make change once a year?

Erlenwein advised that there have been studies done nationally on types of plastic products made from different numbers. Most of the products you buy are plastics 1 or 2. Some of them take it all and throw away 3-7.

Question: What happens to other material?

Sexton brought up trash carts.

Question: How would you reach assumption on what size carts? You won't know what size you may want until 6 months from when you start recycling.

Waste Connections might have a sense on cart size since they have been doing it for several months now.

Faulk suggested we build something in where they would make changes.

Question: If people get the smaller trash cart are they going to charge customer to go back to big cart? If you have more than one cart, would that be considered two changes a year or all one?

Sexton advised that Waste Management will charge \$10 no matter when they change. Waste Connections said one change in cart size per year is free.

McCreight has question on their "buy-in" to the community.

Question: Are they going to invest in our community and events – "community commitment" and what their plan is for Derby? Do they have e-cycling and medical recycling – will they provide boxes and education?

Sexton stated that we should ask that of all the companies.

Halldin asked if they are offering these services in Derby today.

Question: Sharpes and fluorescent tubes – are you offering these services today and will you offer them if requested in the franchise and how much?

McCreight asked about whether the City is open to doing the billing.

Sexton replied that we have old software system and it will take a couple of years. Hopefully within 3 years we will be in a position to do billing, but we will have to find the money for the software. No money is in the budget yet.

Derby Disposal

Robinson stated that the items they would accept are plastics and aluminum – nothing about cans or paper.

Question: Where is their recycling facility, and what they will take? After hours emergency contact? Also clarify their times for answering calls. Ask about recycling – who does it now?

Question: Are they going to out-source all of their trucks – are they proposing to take our business and pass it on to other people to pick up?

Question: Erlenwein suggested asking all three companies how many trucks they will have servicing our area.

Could stated that there is nothing in the proposal regarding citizen education.

Question: Will the cost of education be included or is it additional cost? Are you paying – we don't want to be in the public education business at all.

Sexton stated that it is her intent for tax payers not to take on additional costs for public education. Additional cost would be if the City is delivering a substantial portion of the public education program.

Faulk suggested on those items that were not filled in, make note of “did not address” on the spreadsheet.

McCreight is concerned about how committed this company is since they recently sent postcards to their customers raising concerns about the City franchising.

Question: Who would they contract with if something happens with them – will they have another contract with another company to back them up?

Alexander advised that Hutchinson has a provision that the city could take possession of the equipment and use it themselves if anything happened with the trash company.

Sexton stated the number one thing I hear from people is don't make a decision based on just price. We need to see that they have a system in place, and we need to have a system in place where we can track their performance. There will be a provision in the contract that we can go in and tell them we want to audit their Derby accounts.

Alexander stated on performance bonds, they are not one-size-fits-all. We would need to know the terms of the performance bond – how will bonding company respond?

Sexton asked if we should ask how they determined \$200,000 for their bond. Also, we want to know your bonding company and the terms of the bond. Sexton requested Alexander call Derby Disposal for this information.

Halldin and Faulk inquired what happens if something happens to the owner – it is a small business and we would need some assurance.

Waste Connections

Question: McCreight said they could name organizations in Wichita that they sponsor, but would like to know what they are going to do in Derby.

Concern was expressed about confusion between pages 31 and 35.

Sexton advised we put in the RFP that we wanted automated trucks. The difference between their options on page 35 is simply the truck – they are saying that we shouldn't care what type of truck they use. On page 31, they're showing us the breakdown in how they calculated the base fee and how many customers they assumed would use larger and smaller trash carts.

Question: What is difference between automated vs. semi-automated truck?

Goled asked about city wide clean up.

Sexton replied we wanted bulky waste pick up when asked for – once a year. They would do free drop off at their transfer station. Question on management of program. The coupon – is there expiration date?

Sexton asked Erlenwein if she could check on single axle 42 gross weight. From her perspective – we need to understand if bigger truck is worse on streets or how many trips smaller trucks would have to make – number of trucks, size of trucks. Erlenwein agreed to compare truck specs among the three proposals and against industry norms so as to advise the Board about street damage and what we should reasonably expect.

Question: McCreight asked regarding small business and multi-family plan – would the other two have this? Also, why can't small businesses do Recycle Bank? What is offered for small businesses?

Goled pointed out they will hold up to 4 public meetings and do school presentations.

Discussion on older people and how they would handle determining age and disability.

Question: How would you want people to prove disability? Disaster relief – what would they be willing to do and how much would it cost city? HOA Contract – we need to know what they will do.

Faulk thinks the cost of picking up carts is going to be a real issue.

Question: During transition, which company will let customers ride out their contracts?

Faulk asked how other cities handle the transition issue? Sexton asked Erlenwein about cities that have transitioned in recent years – how did they handle carts and payment when the service was canceled? Erlenwein will get back with information.

Faulk asked about litigation history – are any of these concerns for us?

Alexander replied that this industry is pretty highly regulated, so it would not be surprising that a large firm would be involved in a good deal of litigation.

Sexton asked Alexander to take the lead on reviewing the litigation history of all three firms and possibly call the attorneys.

Faulk suggested in advance of our meetings we could send out a list of questions to the companies.

MOTION: Hardin moved to interview all three companies. Faulk seconded.
VOTE: Motion carried 6-0.

Adjournment

Meeting adjourned at 4:20 p.m.