

SUMMARY OF ADMINISTRATIVE MEETING
November 13, 2013 – 4:00 p.m.
Room 326, City-County Building

1. Call to order, introductions, opening comments – Mayor Smith called the meeting to order. Commissioners Ellison, Elsaesser and Thweatt were present. Commissioner Haque-Hausrath was excused. Staff present was: City Manager Ron Alles; Executive Assistant Sarah Elkins; Police Chief Troy McGee; Public Works Director Randall Camp; Assistant Public Works Director Phil Hauck; Solid Waste Superintendent Pete Anderson; Recycling Coordinator Kim Carley; Administrative Assistance Jacob Larson; Community Development Director Sharon Haugen; Human Resources Director James Fehr; City Attorney Jeff Hindoien; Administrative Services Director Tim Magee; and City Clerk Debbie Havens.

Others in attendance included: Lewis & Clark County Landfill Supervisor Cheryl Rhys, John Hilton, Helena Recycling, Jill with Beartooth NBC, IR Reporter Al Knauber, Scratchgravel Landfill Board member Morris Brusette and S.A.V.E. representative Thad Atkins.

2. October 16, 2013 Administrative Meeting Summary – The October 30, 2013 Administrative Meeting summary was approved.

3. Commission comments, questions –

A. Board Appointments – Mayor Smith is recommending the following appointment: **Business Improvement District/Helena Parking Commission** – Linda Reed to an unexpired term on the BID/HPC. Term will begin upon appointment and expire October 31, 2016.

There was commission support for the appointment of Linda Reed to the BID/HPC. Commissioner Thweatt noted Ms. Reed has attended several BID/HPC meetings and he would support her appointment. Commissioner Elsaesser commented Ms. Reed could provide input as a resident of downtown. Commissioner Ellison commented he normally likes to see more than one application; however, with Ms. Reed's interest he would support the recommendation.

B. Commission Comments – Commissioner Elsaesser reported he attended the first hour of the Transportation for All meeting this afternoon.

Mayor Smith commented with Commissioner Haque-Hausrath not being at the meeting, he is not sure how far the conversation should go on recycling.

4. City Manager's Report - City Manager Alles reported the Fish Wildlife & Parks Board meeting is scheduled for November 14th to consider the city's proposal to cull approximately 130 deer; this includes the 60 left from this year and 70 for next year. The program is successful and working well.

Commissioner Elsaesser commented on the success of the program. Mayor Smith asked how the officers who are involved in the program are doing. Chief McGee stated the officers who are involved are doing a great job and the impact is noticeable.

Manager Alles addressed the letter the commission received from HOLMAC and noted staff can do a better job to communicate with HOLMAC. Director of Parks & Recreation Teegarden has put together an educational brochure to assist citizens who may be on the city's right of ways.

Commissioner Thweatt asked how clearly marked is the city's open lands. Manager Alles noted not all open lands are clearly marked with property pins; when appropriate staff will install a fence to avoid conflict. At this time, the city does not identify the property boundary on behalf of the property owners.

Mayor Smith asked if HOLMAC's concerns are centralized to one part of the city. Manager Alles noted it is across the city and scattered across the southern part of town. Manager Alles stated there are several staff members who work with public land encouragements who are willing to work with landowners for temporary easements.

Commissioner Ellison noted there was a recent letter from other homeowners off of South Montana regarding city right-of-way issues. Manager Alles stated staff is working to resolve these issues with the property owner.

Manager Alles reported the Dunwell Report will air the Sunday after Thanksgiving, the topic will be the Upper Tenmile Water projects. Commissioner Elsaesser stated he appreciates what staff is doing to protect the city's watershed.

Manager Alles reported the Water Court Judge has ruled in favor the city regarding the city's water rights. If anyone wants to appeal the decision, it would go to the Montana Supreme Court.

Commissioner Ellison stated Kelli McLane has resigned her position with the HCC and the

recommendation is to wait until January to reevaluate the position; which he supports. Commissioner Elsaesser stated he supports the recommendation and to look at additional duties for the position with other city boards.

5. Department Discussions

Public Works

City of Helena Recycling – City Manager Alles gave an overview of the City of Helena’s Recycling Report, prepared by city staff.

Public Works Director Camp, Assistant Public Works Director Hauck and Solid Waste Superintendent spoke on the content of the report that included the following topics:

- ❖ Solid Waste Recommendations
- ❖ Commissioner Elsaesser’s Proposals
- ❖ Recycling Costs
- ❖ Curbside Blue Bag Program
- ❖ Transfer Station Usage Information
- ❖ Permanent Plastics Recycling Cost Analysis

Due to Commissioner Haque-Hausrath being absent, there was consensus to have a general discussion today with no decisions being made. Commissioner Elsaesser commented it is a comprehensive report and he will have comments on several sections.

Commissioner Ellison thanked staff for the report and agreed there needs to be a full commission to make any final decisions. He also noted Commissioner Elect Haladay will also be on the commission in January and asked that he get a copy of the report.

Staff recommends that the Commission consider separating the recycling function at the Transfer Station from the Tipping Fee, determine a different funding source, and require recycling to operate within its own budget.

General recycling issues are a part of overall operation, recycling is part of solid waste. Not opposed to clarify separate funding sources; however, Commission should establish a mission statement on what they expect on the recycling operations.

Commissioner Thweatt asked how the recycling is currently paid for. Assistant Public Works Director Hauck explained recycling is paid by the tipping fees which are assessed through the solid waste assessments. In addition there are other revenue sources. The blue bag program is paid directly from the residential solid waste assessment.

Mayor Smith stated he is interested in the first recommendation and this very issue was being discussed in 2008. Separate the recycling function from the tipping fee. This requires setting up the recycling function with a different funding source. Director Camp concurred the first recommendation is to separate recycling from the transfer station tipping fees.

Commissioner Elsaesser commented at one point the residential assessment was subsidizing the commercial. At this time he is concerned if recycling is separated from the solid waste operations, then the incentive to recycle may be diminished.

Commissioner Ellison asked if the commission were to create a recycling district, how much would the cost be per resident. Director Camp noted the assessment would depend on what services and options the commission chooses to offer. The level of service is very complicated based on the level of service and the capital needed to implement a recycling program. Director Camp would recommend the transfer station option and privatize the blue bag program.

Commissioner Ellison asked for example if the commission privatized the blue bag program and continued the current program, what would the cost be. Assistant Director Hauck stated he does not have that cost; staff is waiting for commission direction. The tipping fees have the potential to be lowered when the recycling portion is taken out and then the new district assessment would be added.

Staff request a definition of success from commission regarding recycling goals.

Mayor Smith noted the city does not have a perfect program and he would rather look at the success of the program versus tonnage and asked how a successful recycling program looks like.

Commissioner Thweatt stated it all goes back to balancing between services and costs. No definition of success.

Commissioner Elsaesser commented the commission would be recognizing the best effort to divert as much of the waste stream as possible and assure anything that is collected for recycling is

recycled. The residents need to know when they recycle; the proper process will be taken to recycle the waste; it is hard to define a successful program but any program needs to be sustainable.

Mayor Smith suggested the commission needs to ask themselves at what level are they willing to assess the property owners. Director Camp spoke on the enterprise funding for solid waste that needs to drive efficiencies. Staff needs direction to measure success for recycling in an enterprise fund. This discussion goes on everywhere and is very difficult to measure; trying to measure the success is important.

Commissioner Elsaesser spoke on the level of an assessment; the residents of the city and scratchgravel landfill district both pay assessments and part of that is for recycling. The citizens want the opportunity to recycle. He is concerned if recycling is separated from solid waste, it will not survive; management of waste and recycling should not be just about tonnage.

Director Camp stated city residents pay \$186 per year and receive weekly pickup, recycling and 1.5 tons of waste that could be taken to the transfer station. Staff's proposal is to separate and look at new funding sources for recycling.

Commissioner Thweatt stated he does not understand why recycling and waste should be separated. Director Camp noted the recommendation would be for the managing of two separate programs. There has to be accounting for the true costs of recycling. If you do not separate the funding, you are managing two programs under one fund. Solid waste is in the business to accept trash and recycling is to divert tonnage from the landfill.

Commissioner Elsaesser asked if this recommendation is for just the transfer station or the diversion of all recyclables throughout the city (recycling containers). He does not support separating recycling from the solid waste program. Director Camp gave the example of a property tax payer who pays for solid waste and the commission imposes an assessment for recycling and the resident does not agree for whatever reason, it goes back to the city is offering two separate services; solid waste is a fundamental service and recycling is not. Staff is asking what the primary mission is and how far down the road does the commission want to go.

Commissioner Ellison noted the city does not co-mingle the water, wastewater, stormwater funds; they all have separate enterprise funds and are high on the priority of services. In addition the city as an assessment for open space and urban forest and those are separate enterprise funds. Therefore, he would support exploring separating recycling from solid waste. There are a number of options to look at and he does not have any hesitation to create a separate enterprise fund.

Commissioner Thweatt stated what he is paying for is to take the trash away; recycling is the social benefit. He believes recycling and solid waste should not be separated and both provide a service to the citizens.

Mayor Smith asked Commissioner Elsaesser for his recommendations on the five transfer station recommendations that were included in the report. Commissioner Elsaesser gave the following responses:

1. Staff recommends expanding the floor level unloading area from one to three bays as soon as possible. - Commissioner Elsaesser recommended waiting until the joint landfill study is complete.
2. Staff recommends constructing a building large enough to allow for processing of recyclables as well as increasing equipment storage. Commissioner Elsaesser would support looking at contracting out the blue bag program and provide a building for processing the recyclables.
3. Staff recommends more frequent removal/chipping of green waste during the warmer months in order to eliminate odor issues from sour grass clippings, etc. Commissioner Elsaesser stated additional funding may be necessary to pay for the service
4. Staff recommends that the city doesn't host large volunteer events at the Transfer Station due to the Health & Safety (OSHA) risks. Commissioner Elsaesser stated it should not be an event if the city takes over the collection of plastics
5. Staff recommends continuous commodity recycling at the Transfer Station rather than even driven recycling. Commissioner Elsaesser recommended waiting until the joint landfill study is complete.

Director Camp noted the citizens are educated on the types of plastics and the sorting should not be a major factor for current staff if the program is set up right. Discussion was held on the equipment needed to collect plastics and compact them for recycling.

Blue Bag Program – Mayor Smith stated John Hilton with Helena Recycling is present and he would like to hear from him.

Director Camp stated the current blue bag program does not work; it costs more in fuel than what

the benefits are. Many communities are using subscription based services. Staff recommended the elimination of the program and open it up to the private sector. Educate the citizens on what private services are available within the city limits.

Commissioner Thweatt concurred with the recommendation to eliminate the program. Commissioner Ellison also supported staff's recommendation to eliminate the blue bag program. He noted the program is not efficient and there is a private provider who can provide the service.

Commissioner Elsaesser noted the blue bag program has been around a long time and is funded directly from the solid waste assessment; every service provided should be looked at for efficiencies and ways to enhance the program. If the blue bag program is eliminated, you are taking a current service away. The commission discussed putting 2% of the solid waste assessment toward exploring enhancing the blue bag program and this would be a partnership that he would like staff to pursue.

Director Camp respectfully disagreed with Commissioner Elsaesser's comments and would prefer to keep the competition with private companies and not have the city run the program.

Commissioner Elsaesser stated he is not going to debate private versus the public sector. He believes there has been consistent direction from the commission for staff to pursue enhancing the blue bag program. He wants to make sure the blue bag program is an option for discussion when the commission makes a final decision.

Mayor Smith stated when John Hilton picks up the recyclables from his customers; he does not landfill the commodities. John Hilton concurred and stated most of the commodities go to Pacific and the plastics go to Four Corners in Bozeman. Mayor Smith commented the basis for recycling is to keep commodities out of the landfill and he continues to be interested if there a way for the city to underwrite or subsidize the private business. Director Camp referred the commission to the recycling costs in the report.

Solid Waste Superintendent Pete Anderson gave an overview of the city's blue bag program; the commodities are picked up, taken to the transfer station and sorted into bins provided by Pacific, the bins are then loaded and taken to Pacific for processing.

Mayor Smith commented if the blue bag program is discontinued, city employees would not be sorting the commodities. Mayor Smith noted he believes there is the potential for mutual benefits to pursue staff's recommendations on for the blue bag program. Manager Alles concurred there is merit in pursuing staff's recommendations.

Mayor Smith stated the city has an interest in Helena Recycling being successful by keeping recyclables out of the landfill. General discussion was held on how to improve the program either by privatizing the operation and the possibility of offering city vouchers to the companies.

Commissioner Ellison asked how the commission would reach a decision on the blue bag program. Mayor Smith stated he would like all five members present when the commission meeting makes the final decision. Commissioner Ellison suggested staff needs to receive direction to prepare for the next budget process and time to educate the public.

Mayor Smith stated there seems to be commission concurrence to move forward with staff's recommendation. Commissioner Elsaesser stated he wants a more detailed report before making a final decision to eliminate the blue bag program.

Commissioner Thweatt stated if the commission eliminates the blue bag program they would still support recycling by supporting the private businesses to provide the services.

John Hilton noted he has been in business for five years and the business has grown and the best source of funding is referrals. The blue bag program does not make sense and he would support the recommendation to eliminate the blue bag program and to promote the private business. Mr. Hilton volunteered to work with staff to determine a program that will work for the city and all private companies.

Commissioner Elsaesser again reiterated it is important to flush out all the options for the blue bag program. He is not proposing improving the blue bag program and competing with the private businesses. The solid waste utility that reaches every customer may be the best option for recycling.

Glass Recommendations

1. Staff recommends keeping the glass recycling confined to the Transfer Station for efficiency/safety.
2. Staff recommends against glass bins at outlying sites as there are issues with noise and keeping a site safe since broken glass can be a hazard in a non-staff area.
3. Staff recommends continuing to haul glass to Ash Grove Cement if commission desires to continue glass recycling.

Director Camp stated Ashgrove Cement is a huge asset for recycling glass. There are certain requirements/liabilities when accepting glass at drop-off sites.

Commissioner Thweatt concurred to stay with status quo. Commissioner Elsaesser stated there are two outline sites that are on public lands and they could be considered for glass collection. What happens when Ashgrove Cement stops accepting glass, there needs to be backup options.

Plastics Recommendations

1. Staff recommends establishing plastics collection for #1 and #2 mixed plastics at the transfer station.
2. Staff recommends purchasing a compactor for plastics and bringing power to the site should the commission decide to add plastics recycling at the Transfer Station.

Commissioner Thweatt asked what type of bins would citizens drop their plastics into. Solid Waste Superintendent Pete Anderson explained what capital investment would be required to accept plastics and the process from when the plastics were brought in until they would be bailed.

Commissioner Thweatt asked if the bin is an integral part of the compactor process. Superintendent Anderson clarified the bin and the compactor is part of one unit.

Director Camp referred the commission to the plastics recycling cost analysis in the report. The recommendation is to accept plastics #1 and #2 and previously the citizens know how to sort plastics.

Commissioner Ellison concurred with Commissioner Thweatt that the public knows not to mix plastics.

Commissioner Elsaesser stated he looks forward to continuing this discussion; the strength the city has is having this public utility and the costs of any capital purchase can be amortized for a ten-year period.

Mayor Smith stated there is a comfort level with staff's recommendation with for glass, plastics and blue bag programs. The commission will continue to work through the recycling report and will review Commissioner Elsaesser's proposals and staff's responses.

6. Committee discussions

- a) ADA Compliance Committee, Audit Committee, Board of Health, Civic Center Board, Montana League of Cities and Towns – No report given.
- b) IT&S, Non-Motorized Travel Advisory Committee (NMTAC), Board of Adjustment, Pre-Release Screening Committee – No report given.
- c) Audit Committee, City-County Weed Board, Montana Business Assistance Connection (MBAC), TCC– Commissioner Elsaesser reported
- d) BID/HPC, City-County Parks Board, TCC, L&C County Mental Health Advisory Committee – No report given.
- e) Audit Committee, City-County Administration Building (CCAB), Public Art Committee, Intergovernmental Transit Committee – No report given.
- f) Helena Citizens Council – HCC representative Janet Hess-Herbert reported the HCC write-in campaign was successful. Ms. Hess-Herbert spoke on the importance of having a staff person on board when the new members take office. She also spoke on how important recycling is to the citizens and recommended the commission use the HCC to develop a survey to be sent to the citizens.

7. Review of agenda for November 18, 2013 City Commission meeting – No discussion held.

8. Public Comment – No public comment was given.

9. Commission discussion and direction to City Manager – No discussion held.

10. Adjourn – Meeting adjourned at 6:00 p.m.