

SUMMARY OF ADMINISTRATIVE MEETING
October 14, 2015 – 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, Haque-Hausrath and Haladay were present. Staff present was: City Manager Ron Alles; Executive Assistant Sarah Elkins; City Attorney Thomas Jodoin; Police Chief Troy McGee; Public Works Director Randall Camp; Assistant Public Works Director Phil Hauck; City Engineer Ryan Leland; Utilities Superintendent Kevin Hart; Community Development Director Sharon Haugen; Administrative Services Director Glenn Jorgenson; HCC Coordinator Judy Garrity and City Clerk Debbie Havens.

Others in attendance included: HCC Representative Dick Sloan; John Hilton, Helena Recycling, IR Reporter Al Knauber; Mary Jo Olson; Jeremy Stringer; Patrick Johnson; Dave Duffy, Tri-County Sanitation; Rick Farrow, Pacific Recycling and Monica Tranel.

2. September 23 and 30, 2015 Meeting Summaries – The September 23 and 30, 2015 administrative meeting summaries were approved as submitted.

3. Commission comments, questions – Commissioner Elsaesser thanked the Street Division for getting the neighborhood streets swept. He acknowledged the public meeting scheduled for October 21st for the creation of the TIF District.

Commissioner Elsaesser announced there will be a public recognition for the donation of right of way for Centennial Trail West on Friday, October 17th at noon. The event will be held where the trail crosses Joslyn.

Commissioner Haladay referenced the article in the paper regarding the tobacco ban in city parks; this issue was not raised by city staff or him, but was raised by County Commissioner Good-Geise.

Upcoming appointments – There are no appointments on the October 19th city commission meeting agenda.

4. City Manager's Report – City Manager Alles reported this Friday, the Department of Natural Resources is having a meeting to discuss forming a collaborative group, somewhat in line of the City's Tenmile/South Collaborative Committee. There may be a benefit with forming a committee in regards to receiving grants. There will be a city staff person present.

Manager Alles reported on Friday, October 9th there was a fire in the pit at the transfer station, five of the ten cameras were lost and are being replaced. There has been good feedback on the change of only accepting type one and two plastics at the transfer station.

Commissioner Elsaesser referenced the memo on the capital projects for FY16. He then addressed the following items and asked for an update:

- Z-wall for clean/sorted Construction and Demolition Waste (allow additional diversion options for soft fill and other C&D Waste that could be used in construction projects, otherwise diverted, or sent to the lower cost C & D pit at the landfill; this would also prevent staff time needed to prevent damage to specialized tractor trailers used to transfer waste to the landfill)
- Convenience bin for customers with smaller loads of trash (this could also allow for more flexibility in staffing facility; for example, Sundays in the Winter could be staffed with fewer personal by not having to open up the transfer station pit/floor, but allowing residents to still recycle and bring household levels of trash)
- Shelter for the e-waste collection (and workers of!) and recycling area, including compactors for plastics program, and consolidation of bins (would provide better working environment, allow residents to make fewer stops to recycle)
- Removal of loader bay/shed for operations of transfer station floor

- Some structure for the loader that could double for recycling and events such as HHW collection (for limited events, the full structure could be used with the loader stored at pit floor)

Manager Alles stated during the budget discussions, the commission approved a Preliminary Engineering Report (PER) to assure the area is redesigned for traffic flow. Maybe the existing location of the recycling could be consolidated or covered and traffic could be moved through the recycling area.

Commissioner Elsaesser asked if the items are in the works, does the commission need to set policy to assure they are. Manager Alles described the process staff is recommending and asked if the commission wants to see the PER. Commissioner Elsaesser stated it is good to hear the update, he personally agrees with the direction described by Manager Alles.

Commissioner Haque-Hausrath asked if the PER could be completed by city staff. Public Works Director Camp stated a consultant with solid waste experience would be staff's recommendation. It should not be an expensive contract.

Commissioner Elsaesser stated it is his understanding with the projects he is describing; the work could be done in house or through a small contract. Essentially it would be installing a Z wall so heavier solid waste (construction waste) could be pushed into a roll-off.

Mayor Smith asked Manager Alles to move forward with the PER.

5. **Department discussions:**

Shared Sewer Services – City Manager Alles, Director Camp and City Engineer Leland reported staff has recently seen an influx of failed shared and long wastewater service lines. There have been four cases of shared sewer services that have gone across other people's property and connect into an existing service. Several of the services go under buildings and the service needs to be relocated. There are two examples of long service lines that go across other people's property without an easement. Staff will be at the meeting to present each example. City Code 6-3-6 (Rule 3) and 6-3-6 (Rule 16) require the sewer services to be separate and connect from the lot perpendicular to the main. These wastewater rules were last updated in 2001. Similar requirements exist for all major Montana cities.

Some the areas affected by lack of mains, shared services or long services are:

1. Flowerree - There are three shared services that go across private property underneath a driveway and connect to the manhole. There is no main located in the street.
2. Rodney - There is a failed long service that goes across adjacent private property and would have to be relocated in City ROW. The plumber quoted the relocation at \$20,000+. There is no main located in the street.
3. Lewis – There is two different shared services that could benefit from a sewer main extension. The shared service on the south side of the street goes underneath a building.
4. Hoback – A main extension could benefit three properties. The closest property is a failed shared service with an adjacent property owner. That property owner does not want to have a shared service and will charge for an easement for a long service line across his property. The plumber quoted \$35,000 to \$50,000 to extend the one service.
5. Idaho – This property has a failed shared service that will have to be relocated and extended in City ROW.
6. Washington Street – These properties had two long services. One that ran underneath sidewalks and boulevards before reaching the main. The City installed the main extension to comply with city ordinance.

Numerous other locations have been identified as having long or shared services throughout the City. These locations will eventually have to be addressed whether through failed services or lack of easements. City code will require that mains be extended to serve these locations. City code doesn't specifically address how these improvements will be funded.

The estimated cost for the City to install the needed main extensions is as follows. City Engineering would provide the design and bidding. Estimates include a 10% contingency.

Flowerree -	\$73,000
Rodney -	\$53,075
Lewis -	\$48,895

Hoback -	\$60,170
Idaho -	\$34,804
Washington -	<u>\$46,881*</u>
	\$316,825

*Actual cost

One policy consideration would be for the city to continue to extend mains in the City ROW to comply with City Ordinance and pay for these extensions as these property owners have been paying sewer rates. Homeowners have a general expectation that proper mains have been installed when they purchase a property in the City of Helena.

Staff's recommendation is to install the above mains and pay from the sewer replacement funds. Staff is still trying to identify other shared service lines there may be.

Commissioner Ellison asked as a potential buyer of a house, how someone would know they have a shared service line. Engineer Leland stated this normally doesn't come up with a title search; the best way is to look in the original building file.

Commissioner Ellison noted the cost is \$316,000 and if we move forward, what is the funding source. Engineer Leland stated staff is proposing using utility maintenance funds; which would include installing stub outs for the individual properties.

Commissioner Ellison asked what happens to the old shared service lines. Engineer Leland stated they are abandoned and left in place.

Commissioner Haque-Hausrath asked if these shared services are only a concern if there hasn't been a service line installed in the street and is it safe to assume there are shared service lines if there isn't a main in the street. Engineer Leland concurred.

Public Works Director Camp noted there are other houses adjacent to the shared services that would benefit from the city installing the service lines.

Jeremy Stringer addressed the commission and explained the specific issues for his property on Hoback. Mr. Stringer asked the commission to approve staff's recommendation to install the sewer mains. This situation has caused a lot of problems for him and adjacent property owners.

Commissioner Haque-Hausrath asked if the property on Flowerree is owned by Andy and Betsy Bauer. Engineer Leland stated yes.

Commissioner Elsaesser asked if the plumbing code no longer allows shared services. Director Camp stated the shared service is allowed as long as they are working; however, once they are not working, it would be out of compliance and once they go into failure the share service should no longer be allowed.

Commissioner Elsaesser stated he hopes realtors are aware that the building file should be reviewed if there is a question of shared services. He then asked if a separate unit is built on the lot, is a separate line required. Director Camp noted if it is one property owner on one lot, shared service is allowed; although staff would prefer individual lines.

Commissioner Elsaesser asked what is the commission action being requested. Manager Alles noted the city still has to continue the main replacement program and that needs to be taken into account for FY2017. He stated a fair solution would be for the city to install the sewer mains for the six properties listed, including the stub outs for the individual properties. Therefore, when a system fails the property owner will have to pay for their individual property to hook into the main. He believes the city has the obligation to provide service lines to the residents of the city, who have been paying the sewer maintenance assessment.

Mayor Smith asked if the recommendation is to move forward and install the sewer mains for the six properties and will this apply to any further properties. Manager Alles stated any additional properties will have to be reviewed on a case to case basis and if the same circumstances exist, then the city would install the sewer main.

Commissioner Haque-Hausrath asked if there is a time line for identifying all the streets that do not have mains in them. Manager Alles noted unless there is an issue with a specific property, he is not recommending addressing the entire city at this time. Commissioner Haque-Hausrath stated she agrees with the reasoning; she is uncomfortable with setting policy without knowing the entire fiscal ramifications.

Mayor Smith again stated this action today is not setting a precedent for doing this automatically for future properties. Manager Alles stated he does not believe the action today sets precedent; staff will review each case separately.

Commissioner Ellison referenced a recent action the commission took on a variance for properties on Lewis Avenue. Manager Alles noted the commission approved the variance and noted it was for an amended plat request and not for a failed system. Attorney Jodoin stated it would still be his recommendation to require individual sewer service lines to all properties, unless they get a variance from the city.

Commissioner Elsaesser concurred with Commissioner Haque-Hausrath's concern with setting a precedent. He then asked if a property owner subdivides a lot and service is in the alley, is the city going to run mains down the alley. Manager Alles stated the city has the ability to look at the amended plat and require an easement for service lines, he does not see the city duplicating service lines. Community Development Director Haugen explained in order to create a new lot, it has to go through the subdivision process and part of that is installing water, sewer and access, per city standards. Amended plats require water, sewer and legal and physical access; however, a variance can be applied for.

Commissioner Haladay acknowledged if the city moves forward with the staff's recommendation, there is the potential the sewer assessment would have to be increased to continue the general program. He asked City Manager Alles if he could assure the commission the sewer replacement program will continue. Manager Alles noted the current program will continue and if these shared service continue to be addressed, the rate would have to be increased to fund the current program and address these individual instances.

Consensus Direction to Manager – Move forward with these six properties as recommended by staff.

Curbside Recycling Agreement – City Manager Alles stated the language below shows the responsibilities of each of the parties and the associated costs. This draft framework is the result of several meetings between the city negotiating team and Helena Recycling.

The City will:

1. Own the containers associated with the curbside recycling program and approve the size and type of recycling containers to be used. The City will also specify and approve any identification stamps or stickers that will be used.
2. Reimburse contractor one time for the actual cost of providing up to three recycling containers for every new customer (not to exceed \$45 per customer). Only containers associated with a qualified property owner will be reimbursed. A qualified property owner must own the property, pay a residential solid waste assessment, agree to the subscription, and have the service subscription provided to the same in- city address. Containers will not be purchased for existing Helena Recycling customers as of the date of this agreement/contract.
3. Verify that the residential solid waste assessment and tax bill are current.
4. Bill qualified subscribers on a monthly basis for every other week or monthly curbside collection (the negotiating team & contractor discussed the benefits of just considering every other week collection for the first six months/year before expanding to offer different service levels).
5. Bill qualified subscribers the actual cost of containers if lost, stolen, or become obsolete.
6. Reimburse the contractor monthly an amount no to exceed \$10.95/month for every other week collection or \$7.00/month for monthly curbside subscription services for the first 1,000 customers.
7. Reimburse the contractor monthly an amount not to exceed \$9.95/month for every other week collection or \$6.00/month for monthly curbside subscription services for all customers after the total number of customers exceeds 1,000.
8. Allow advertising of Helena Recycling Services on the City of Helena Website as well as other promotional advertising initiated by the City of Helena.

The Contractor will:

1. Store the containers associated with the curbside recycling program.
2. Provide a property owner signed curbside subscription agreement to the City Utility Customer Service Department. The agreement must include a name, property address, billing address,

3. Provide a monthly excel spreadsheet showing all customer names, property address, billing address, phone number and level of agreed service.
4. Provide a list of current customers prior to beginning this agreement.
5. Purchase and deliver recycling containers to customers for the curbside recycling program.
6. Provide a count of containers and customers to the City Utility Customer Service Department on a monthly basis.
7. Provide either every other week or monthly collection depending on the level of agreed Subscription.
8. Provide collection and containers for paper, metal, and plastic as detailed in the attached brochure. Contractor will also collect cardboard as detailed in the attached brochure if placed under the bins or in a box.
9. Schedule curbside collection days and locate recycling containers so as not to overlap or interfere with the City collection of solid waste.
10. Be responsible for all communication with subscribers and potential customers.
11. Provide the city with monthly diversion totals broken down by each commodity collected.
12. Be responsible for the proper disposition of all recyclables collected.

Manager Alles also referred the commission to the draft Helena Recycling, LLC Service Contract. After review and amendments by the commission, staff will work with the City Attorney to draft an appropriate agreement/contract. The team also discussed proposing a two-year initial agreement that automatically renews in one-year increments not to exceed a total of seven years.

Manager Alles noted the commission has discussed offering an incentive to citizens who choose to sign up for the recycling program. If everything goes well, the program is scheduled to be kicked off January 2016.

John Hilton, Helena Recycling, stated he appreciates city staff and commission working with him on the proposal. He addressed the proposal for monthly pick-up; he would like to keep all customers the same for the first year and then reevaluate. The current customers, through Helena Recycling, will continue to use their current bins.

Mary Jo Olson stated she has been recycling for 35-years and is pleased with the proposal; however, she has never had to pay extra to have someone pick up her recycling. She would rather continue to take her recycling to the transfer station than pay. She also addressed the small amount of trash that is generated in her neighborhood and should be taken into consideration and be off-set somehow on the recycling cost.

Patrick Johnson stated he would like to see recycling be mandatory and billed accordingly. This is a good first step and he commended everyone involved in moving this forward. He specifically thanked Commissioner Elsaesser for taking the lead on recycling.

Solid Waste Superintendent Pete Anderson stated the recycling drop off at the transfer station and the drop off-sties in town will still be in place for citizens to take their recyclables.

HCC Representative Dick Sloan noted this has been a priority issue for the HCC. He asked if the homeowner would get the three bins and still have to mix certain commodities. Mr. Sloan recommended there be a requirement the bins be stored when pick-up is not scheduled. You do not recycle to save money, you recycle to save resources. John Hilton noted eventually the tin/aluminum will be sorted after they are picked up and currently there is a marked for plastics one and two that are combined.

Barbara Harrison commended the commission for moving forward with the proposed curb-side recycling program.

Commissioner Haque-Hausrath stated she has attended most of the meetings and commended both John Hilton and city staff for coming up with the proposal. She noted this is a pilot project for two years and the goal is to expand to a sustainable program citywide. The commission also discussed supplementing the program for \$3.00 to \$4.00 per month per customer which would bring the cost down to \$7.00 per month. Another option in the future would be for citizens to choose bi-weekly trash pickup and would reduce the residential solid waste rate. Commissioner Haque-Hausrath stated City Code 6-1-8 allows for every two weeks pickup.

Commissioner Elsaesser thanked Commissioner Haque-Hausrath for attending the meetings. Commissioner Elsaesser noted what is being proposed was originally suggested by Mayor Smith and he

believes the recommendation is a good first step. While this may be a positive direction, a critical component must not be overlooked. Residents who (A) recycle or generate less waste, (B) use community collection bins (the larger alley bins serving several residents with one truck stop) or do not fill their trash bins every week, and (C) have excess tonnage at the transfer station should be able to choose to pay for a monthly recycling pickup with the savings they provide to the solid waste system. For the city collection utility, these savings are reduced fuel, driver time, and equipment wear for requiring less trash pickups by shared bins or less than weekly pickups for individual bins. For the city transfer station, these savings are less trash by weight being charged by the transfer station and the landfill.

Mayor Smith recommended the commission consider two options; move forward with the initial trial phase and by July 2016 the residents would have the option to choose monthly recycling pickup.

Manager Alles noted there are challenges to the recommendation, 63% of the current residential solid waste customers use the 300 gallon shared containers. Staff can work on a system on picking up the 37% of the residential solid waste individual containers. The commission may choose to go to every other week service for everyone. Manager Alles and staff are aware of the ideas of Commissioner Elsaesser and will continue to look at ways to implement. In the meantime, move forward with the recommended curbside recycling program through a contract with Helena Recycling.

Mayor Smith stated this may be a good direction to go, if the details can be worked out. Commissioner Elsaesser stated he is not advocating eliminating weekly service. He recognized the 63% of customers share containers and this is a very efficient service. However, the 37% would have the option of for bi-weekly service with a couple of gratuity pick-ups. The second component is giving the choice of using the allotted tonnage at the transfer station and using it to help pay for the recycling service.

Mayor Smith stated in the future, there is the potential that 37% could opt for bi-weekly service; however, staff will have work on the details.

Commissioner Ellison thanked Commissioners Elsaesser, Haque-Hausrath and staff for their work on this. He understands a couple things, if this is a curbside program and is not a mandatory program, those who choose not to sign up would not be assessed the \$7.00 monthly fee. Manager Alles concurred. Commissioner Ellison stated this would be a good program for those who want to sign up and he believes this a good first step.

Commissioner Haladay asked if the blue bag program would be discontinued. Manager Alles concurred. Commissioner Haladay noted for those using the blue bag service; they will lose a free service. He also echoed everything that has been commented on moving toward the bi-weekly service. The commission needs to continue to discuss subsidizing the recycling program by the recommended \$3.00 to \$4.00 per month. If the city wants the program to be successful, then an incentive needs to be offered. Commissioner Haladay stated recycling is a community good; the subsidy is a small way to assist those who choose to sign up.

Commissioner Haque-Hausrath stated she thought there was commission consensus to subsidize the recycling program to bring the monthly charge to \$7.00. If the amount of subsidy is \$4.00 the monthly charge would be \$6.95. Manager Alles asked the commission give staff direction today on the amount of the subsidy.

Commissioner Elsaesser agreed with the subsidy; however, it is important to recognize the cost savings and actual costs going forward.

Manager Alles noted John Hilton will track tonnage and monitor what is being diverted from the transfer station; trying to measure the savings will take time after implementation.

Manager Alles stated the recommendation is to move forward with twice monthly pick-up, re-evaluate and discuss monthly pick-up at a later date. The two services, recycling and trash pick-up should be coordinated.

Mayor Smith suggested the commission give the direction to staff to move forward as recommended with the subsidy amount of \$4.00 and the implementation date of January 1, 2016.

Commissioner Elsaesser referred to the memo where it addresses once a month pick-up for recycling. He would like to see monthly pick up implemented by July 1, 2016, as the city is suspending the blue bag program.

Manager Alles again recommended moving forward with the recommendation and re-visit the monthly pick up option in a year, as requested by Mr. Hilton.

Commissioner Haladay asked the commission to set the goal of setting up the recycling service to once a month and implementing it by July 2016. If not possible for Mr. Hilton to offer monthly service, the city may have to offer a reduced rate. Commissioner Haladay stated he sees no problem with setting an internal goal.

Commissioner Haque-Hausrath stated she supports setting an internal city goal of bi-weekly trash pickup rolled out by July 1, 2016. She also added staff should be looking at switching the big containers that are not being filled up to bi-weekly service. It would be voluntary, but an option to offer.

Commissioner Elsaesser suggested language be added that requires the once a month recycling service has to be offered by January 2017. Mayor Smith stated a date certain is what he is trying to avoid; he suggested implementing the program as recommended and then review in one year.

Commissioner Ellison stated he would be reluctant to put specific language in the contract and would support revisiting it next July.

Commissioner Elsaesser asked with the proposal, would there be an option to look at monthly service. Manager Alles noted Mr. Hilton is open to offering monthly service; however, has asked for additional time to implement. Commissioner Elsaesser again stated it needs to be a clear understanding that all parties will re-visit the monthly recycling service again next year and bi-weekly service for residential solid waste pick up.

Manager Alles reiterated that staff and Mr. Hilton will look at the once a month recycling pick-up after he has had time to implement and run the program.

Consensus Direction to Manager – Move forward with the contract with Mr. Hilton, subsidize the fee for recycling by \$4.00 per month, beginning January 2016. In addition, staff will develop a recommendation for biweekly trash pickup by July 1, 2016, and revisit monthly recycling pickup after a year (January 2017).

Transfer Station Fee Resolution – City Manager Alles reported the current Transfer Station rate resolution, effective July 1, 2015, limited the amount of visits to the facility to thirty (30) or 3,000 pounds, whichever came first. This translated into a minimum fee of \$3.10 per trip (\$93 permit credit/30 trips). After a permit holder reached either the 30 trips or 3,000 pounds, the minimum transaction fee would be \$6.25. Since the resolution went into effect, total trips to the Transfer Station have decreased 8,841 for July-September 2015 compared to the same months in 2014 (53,225 to 44,384).

Based on public comment received during implementation, the city commission directed the city manager to explore alternatives removing the 30-trip limitation. The City Manager Alles recommended and the task force and the county commission endorsed the proposal to charge based on weight with a 20lb minimum charge (same as before the current resolution).

The renter recycling permit program will continue as allowed in the residential rate resolution.

Staff is recommending removing the thirty (30) trip limitation and require payment of \$0.62 per 20 pounds for permit holders to be charged against the permit holder's 3000 pound permit credit. There would be a minimum charge of \$6.25 per 200 pounds for non-permit holders.

Permit users will only be limited by the permit credit of 3,000 pounds, and not by the number of trips to the Transfer Station. This resolution should allow more time to explore long-term options regarding pay-as-you-throw.

To allow the change in software, staff is recommending the changes be effective December 1, 2015.

Commissioner Elsaesser stated he was not a fan of this policy; it was a recommendation from city and county staff to set some trip limit. He then suggested 60 trips per year or 30 per half-year.

Manager Alles stated there was a very low percentage of solid waste customers that would have exceeded the 30 trip limit and with a 60 trip limit those numbers would be even lower. Therefore, he recommended removing the trip limit totally and due to the change in software it would be easier to eliminate the trip limit.

Director Camp noted there would be additional administrative work to track those residents who would go over the 60 trip limit. He also recommended eliminating the trip limit all together.

Commissioner Elsaesser asked what has changed on the number of residents when staff originally recommended the 30 trip limit, whatever the reasons were, have they been eliminated.

Manager Alles reminded the commission when staff initiated the original resolution it was based

on the solid waste study. After the initial resolution was approved, the customers expressed their opinion that there should not be a trip limit; that is the reason this is back before the commission.

Mayor Smith stated he supports staff's recommendation. Commissioner Haque-Hausrath stated she too supports the recommendation and recognizing the flaw in the resolution. She is always interested in looking for other efficiencies.

Commissioner Elsaesser stated he is glad this is coming forward for reconsideration. There are other options in the resolution that will improve the service.

Consensus Direction to Manager: Bring the resolution of intention forward to the November 2nd city commission meeting.

6. Committee discussions

- a) Audit Committee, City-County Board of Health, Civic Center Board, L&C County Mental Health Advisory Committee, Montana League of Cities & Towns – No report given.
- b) Audit Committee, Board of Adjustment, Helena Chamber of Commerce Liaison, Information Technology Committee, Transportation Coordinating Committee — No report given.
- c) Non-Motorized Travel Advisory Board, Transportation Coordinating Committee – Commissioner Elsaesser reported the next TCC meeting is scheduled for November 10th at 3:00 p.m. to discuss the city commission's recommendation on the allocation of urban funds.
- d) ADA Compliance Committee, Business Improvement District/Helena Parking Commission, City-County Parks Board, Montana Business Assistance Connection – No report given.
- e) Audit Committee, City-County Administration Building (CCAB), Public Art Committee – No report given.
- f) Helena Citizens Council – HCC representative Dick Sloan reported the HCC supports the elimination of the 30 trip limit at the transfer station.

7. Review of agenda for October 19, 2015 City Commission meeting – No discussion held.

8. Public Comment – No public comment received.

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

10. Adjourn – Meeting adjourned at 5:55 p.m.