

COMMITTEE OF THE WHOLE

January 31, 2018

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Members Present:

Barney (Mayor), Jantzer, Olson, Podrygula, Sipma, Straight, Wolsky

Members Absent:

None

To the Honorable Mayor and All Aldermen:

Following are the recommendations of the **Committee of the Whole** meeting called to order at 4:15 p.m. on January 31, 2018:

- 1. The City Council allow the Fire Department to move forward with the request for bids on the Self Contained Breathing Apparatus (SCBA) fill station compressor. (FD0068)**

The above motion by Alderman Sipma, seconded by Alderman Olson, and carried by the following roll call vote: ayes: Barney, Jantzer, Olson, Podrygula, Sipma, Straight, Wolsky. nays: none.

- 2. The City Council allow consumption of alcoholic beverages at the South Hill Complex and Sertoma Complex parking during weekend adult softball tournaments.**

The above motion by Alderman Sipma, seconded by Alderman Olson, and carried by the following roll call vote: ayes: Barney, Jantzer, Olson, Podrygula, Sipma, Straight, Wolsky. nays: none.

- 3. The City Council approve the final payment amount of \$52,046.91 to CC Steel for the Lift Station Rehab project. (4010)**

The above motion by Alderman Sipma, seconded by Alderman Olson, and carried by the following roll call vote: ayes: Barney, Jantzer, Olson, Podrygula, Sipma, Straight, Wolsky. nays: none.

- 4. The City Council authorize Public Works to advertise for engineering services for future SWIF CIP levee repair work on existing levee system.**

The above motion by Alderman Sipma, seconded by Alderman Olson, and carried by the following roll call vote: ayes: Barney, Jantzer, Olson, Podrygula, Sipma, Straight, Wolsky. nays: none.

- 5. The City Council allow the Fire Department to move forward with the request for bids to replace all self-contained breathing apparatus (SCBA) for the department. (FD0067)**

The above motion by Alderman Wolsky, seconded by Alderman Sipma.

Alderman Wolsky called attention to the Fire Chief and congratulated her for being awarded the \$272,000 grant.

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Whereupon a vote was taken on the above motion by Alderman Wolsky, seconded by Alderman Sipma, and carried by the following roll call vote: ayes: Barney, Jantzer, Olson, Podrygula, Sipma, Straight, Wolsky. nays: none.

6. The City Council authorize the Fire Chief to move forward with the bid process for the remodel of Fire Station #3.

The above motion by Alderman Sipma, seconded by Alderman Olson.

Alderman Wolsky asked about the funding sources for the much needed Fire Station remodel. The Finance Director replied by saying, funding was requested from the FAA for the Airport side but has not yet been secured. Approval was given by the City Council at last month’s meeting to proceed with the process in order to avoid missing out on a construction season. Alderman Wolsky mentioned that the remainder of the funding is budgeted from the sales tax improvements fund and asked, if that source wasn’t available, if the funds would come from property tax revenue. The Finance Director stated, it would come from debt service or property taxes. Alderman Wolsky continued by saying, the sales tax revenue improvements fund essentially equates to property tax relief. In his opinion sales tax is a systemic problem contributing to the growth of our government. He said, the growth in spending has been masked by the increase in sales tax revenue, which is now declining.

The Finance Director clarified his previous statement by saying, the funding in the budget is coming from property tax levy and the sales tax funding is the backup in case the FAA funding falls through.

Whereupon a vote was taken on the above motion by Alderman Sipma, seconded by Alderman Olson, and carried by the following roll call vote: ayes: Barney, Jantzer, Olson, Podrygula, Sipma, Straight, Wolsky. nays: none.

7. The City Council adopt the Ward County Debris Management Plan.

The above motion by Alderman Sipma, seconded by Alderman Straight

Alderman Straight asked about debris indirectly caused by disasters such as future unwanted manufactured homes on the east side of town. He wondered if they would be included in the debris management plan if they had to be demolished and sent to the landfill.

The Public Works Director stated, the debris plan is put in place with Ward County Emergency Management to leverage an extra 3% in the event of an emergency. He said, if the debris doesn’t go to the landfill, he isn’t sure what else to do with it. The state doesn’t allow facilities of our size to burn anymore. It is recommended we salvage and recycle as much as possible.

Whereupon a vote was taken on the above motion by Alderman Sipma, seconded by Alderman Straight, and carried by the following roll call vote: ayes: Barney, Jantzer, Olson, Podrygula, Sipma, Straight, Wolsky. nays: none.

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- 8. The City Council allow the Transit Advertising Contract with Lutheran Social Service/Kelner Communication to expire on April 10, 2018 and to not renew this agreement.**

The above motion by Alderman Olson, seconded by Alderman Podrygula.

Alderman Podrygula said he is glad the City is tightening up collection action and addressed the issue of numerous overdue accounts, particularly in sanitation. He said, at one point he was aware of over \$158,000 that was 60 days overdue. He said it is important to be consistent and would like the City to crack down on other accounts that owe thousands of dollars. We owe it to the citizens of Minot to tighten up our fiscal controls.

Whereupon a vote was taken on the above motion by Alderman Olson, seconded by Alderman Podrygula, and carried by the following roll call vote: ayes: Barney, Jantzer, Olson, Podrygula, Sipma, Straight, Wolsky. nays: none.

- 9. The City Council award the bid for a lease on a new landfill dozer to RDO Equipment Co in the amount of \$37,745.15 per year for 5 years. (4302)**

The above motion by Alderman Sipma, seconded by Alderman Straight.

Alderman Wolsky asked about the expectation for the landfill dozer, to buyout or lease after five years. The Assistant Public Works Director said, the City has bought out the equipment before but at that point in the lifespan of the equipment, it is pretty maintenance intensive. They have found it is best to use it for five years and then purchase new. He responded to questioning about the bid differences by saying, not all salespeople look at it the same way. One company might not want the old equipment back after five years and give it away at the end of the lease and others see more value in it.

Whereupon a vote was taken on the above motion by Alderman Sipma, seconded by Alderman Straight, and carried by the following roll call vote: ayes: Barney, Jantzer, Olson, Podrygula, Sipma, Straight, Wolsky. nays: none.

- 10. The City Council concur with the award of the improvements at the Minot water plant expansion and approval of 35% cost share.**

The above motion by Alderman Sipma, seconded by Alderman Straight.

Alderman Wolsky asked about the preference for the RDP Tekken lime slaker opposed to the Merrick lime slaker, which the recommendation states is a justified additional expense. The Public Works Director explained, a lime slaker takes lime and turns it into a paste which is pumped into the system for water treatment. The RDP is a much more accurate piece of equipment and the original design for the project was created using the RDP lime slaker. Merrick introduced a competitor with similar specifications so it was bid as an alternative. He continued by saying the RDP system has proven to be

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reliable and offers operational simplicity whereas the Merrick lime slaker is not installed anywhere to be analyzed for accuracy and maintenance. The State Water Commission agreed with the preference. Upon further questioning the Public Works Director stated the cost difference equates to about 10% of the lime slaker portion but that does not account for any additional costs associated with using a different system from what the design was created for.

Alderman Wolsky compared the decision to a recent discussion about choosing the lowest bidder for the supplier of lime to the Water Treatment Plant.

Alderman Jantzer clarified, the motion requests the Council to concur with the bid accepted by the State Water Commission and approve the 35% cost share.

Whereupon a vote was taken on the above motion by Alderman Sipma, seconded by Alderman Straight, and carried by the following roll call vote: ayes: Barney, Jantzer, Olson, Podrygula, Sipma, Straight, Wolsky. nays: none.

11. The City Council approve the construction engineering contract with Houston Engineering; and authorize the Mayor to sign the agreement on behalf of the City. (3135.2D)

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The above motion by Alderman Straight, seconded by Alderman Olson.

Upon questioning by Alderman Straight, Mr. Jonasson described the project. He said, the culverts have been televised and Houston Engineering has identified the deficiencies throughout the 25 locations. He explained, some pipes are missing the flap gates which prevent water from flowing back. There is some structural damage and missing sections. This contract will give Houston Engineering the authority to design repairs and bid the construction work. He continued by saying, some pipes have been in place since the 1960's and 1970's. There are pipes which have been completely silted in and metal has rusted.

Alderman Straight said he would like to see water flowing into the dead loops. He believes it is a worthy cause to make some improvements to the mistakes that were made by the USACE in the past.

Mr. Jonasson agreed and said the Corps has admitted a few times that what they did wasn't the best course of action.

Whereupon a vote was taken on the above motion by Alderman Straight, seconded by Alderman Olson, and carried by the following roll call vote: ayes: Barney, Jantzer, Olson, Podrygula, Sipma, Straight, Wolsky. nays: none.

12. The City Council approve the contract amendment in the amount of \$411,440.00 for Apex Engineering to conduct construction phase services for the Wastewater Treatment Hydraulic Improvements project. (4202)

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The above motion by Alderman Sipma, seconded by Alderman Olson.

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Alderman Wolsky asked for some clarification on the contract amendment. Mr. Jonasson responded by saying the general engineering agreement with Apex was entered in 2012 and the task orders were added afterwards. The contract was renewed in 2017. The initial RFQ was done in 2012 for all of the wastewater projects. The general agreement gets renewed every three to five years.

Alderman Wolsky made a note that the State Water Commission requires RFQ's be reissued every three years. He wanted to call attention to the policy set forth and said it is a practice the City should work towards.

The Public Works Director said, the City tries to do RFQ's every three years except when the project is ongoing. From a staff standpoint it is easier to let them go longer rather than getting a new engineer up to date. He said, he finds it interesting the SWC requires them to be issued every three years because they do not follow that policy. He mentioned the Flood Protection project which hasn't done an RFQ since its inception but they have continued to renew the contract.

Whereupon a vote was taken on the above motion by Alderman Olson, seconded by Alderman Podrygula, and carried by the following roll call vote: ayes: Barney, Jantzer, Olson, Podrygula, Sipma, Straight, Wolsky. nays: none.

13. The City Council award the bid to Wagner Construction in the amount of \$5,968,520.00 for the (Wastewater Treatment Facility (WWTF) Hydraulic Improvements project. (4202)

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The above motion by Alderman Podrygula, seconded by Alderman Olson.

Alderman Podrygula asked about the money going toward improving the sewage lagoons and if that would be wasted if we are required to build a new wastewater treatment facility. Mr. Jonasson said, the improvements would not be wasted and the piping gives the additional capacity to get the water from the aeration ponds to the lagoons for treatment to help create additional capacity and utilize the lagoons to the fullest. When we need to build the wastewater treatment facility it can be tied into the new system. He continued by saying, when the population reaches about 57,000, we won't be able to treat through lagoons and wetlands anymore. The other possibility is that the State could change the permitting limits to make them stricter and the City would have to look at mechanical type treatment. We have at least five years before the next permit renewal. He estimated the total cost of that facility to be \$70 million.

Upon further questioning, Mr. Jonasson said, Minot may be the only facility within several states using wetlands to treat before we discharge. He said he hopes to eventually build a facility that can be upsized when the need arises. We can utilize the lagoons and wetlands until the state or the EPA impose stricter limits.

Alderman Wolsky asked if the lagoons can be used as a landfill when they are no longer usable for water treatment. Mr. Jonasson said, it has been considered. Staff is looking at costs and conclusions and will provide an update as it becomes available.

Whereupon a vote was taken on the above motion by Alderman Podrygula, seconded by Alderman Olson, and carried by the following roll call vote: ayes: Barney, Jantzer, Olson, Podrygula, Sipma, Straight, Wolsky. nays: none.

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14. The City Council pass an ordinance which strikes Section 14-103 and adds highlighted language to section 14-126 of the Minot Code of Ordinances.

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The above motion by Alderman Sipma, seconded by Alderman Straight.

The City Manager explained, the recommendation strikes the language about mandatory collection which caused consternation in the community. He added, he has asked staff to contemplate franchise agreements to allow private haulers as well as the City sanitation service to be offered where appropriate but have better controls over the cost, consistency, requirements of the service. It would be done through an RFP process where companies could submit proposals and ensure all sanitation companies that was to provide service are doing it in a fair and equitable way by the standards that we set for the community. This is standard across the country and is a best management practice according to the Public Works Association. There are advantages that can be explained once the staff has done more research.

Mayor Barney voiced his concerns about the term franchise and said the Franchise Committee deals almost exclusively with monopolies that do business in the city. He wanted to ensure the City is not setting up a monopoly for the service.

The City Manager said we would be conscientious of that and would not create monopolies by any one service but rather would evaluate all proposals based on pricing and qualifications.

Alderman Straight suggested including consistent late fees in the agreements. Mr. Barry responded by saying a franchise agreement will put more strength behind those types of issues.

Alderman Podrygula shared his concerns that the City offers an interest free line of credit to haulers with no security it will be paid. He said he does not want the taxpayers to be on the hook for the large companies who owe thousands of dollars to the City. He wants to protect the citizens and the City's assets. He also complimented the City Manager for implementing best management practices.

Alderman Wolsky stated, the message to the citizens is that there is no immediate change until we become confident there is an improvement to the process.

Alderman Olson said, she supports the ordinance because the people spoke and the Council is listening. She shared some communication she had with a citizen who said they appreciate the new system. The citizen said their neighborhood looks clean and the garbage pickup is efficient but within a block of her house there are four plexes that receive collection from a private hauler. She notices trash blowing around and believes the ordinance should pass as originally planned. Alderman Olson said she believes if the residents have private haulers they should be held to the same standards as the City.

Mr. Barry said the franchise agreements will set those standards in the contract and provide the benefit of full control over the waste district.

Whereupon a vote was taken on the above motion by Alderman Sipma, seconded by Alderman Straight, and carried by the following roll call vote: ayes: Barney, Jantzer, Olson, Podrygula, Sipma, Straight, Wolsky. nays: none.

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15. Recycling Presentation

Jason Sorenson, the Assistant Public Works Director, gave a presentation revisiting recycling implementation. He began by describing a survey that took place in 2014. Of the 1,031 respondents, 974 were single family homeowners, meaning they would be affected by implementing the service. Seventy percent stated they do not recycle and the most popular response was because it was not convenient without a curbside program. Nearly 100% stated they thought recycling was good for the community and 72% said they would be willing to pay an additional fee for curbside recycling.

He continued by explaining, the Mayor formed the Recycling Ad Hoc Committee in March 2016, who met to discuss recycling and held a public meeting on the topic. The committee discussed the most economic ways to implement recycling in Minot and the issue was generally well received. The first phase of implementing recycling included the automated collection service which rolled out in July 2017. On July 26, 2017, the Community Development Committee awarded \$766,956 toward construction of a recycling transfer facility but in September, 2017, \$2.25 million for the transfer facility construction costs was removed from the budget. Mr. Sorenson said, he wanted to address the Council to find out what they want to see moving forward.

He then addressed some questions raised in a blog post by Alderman Wolsky. Mr. Sorenson explained the environmental impacts of hauling recyclables to Minneapolis versus disposal in the local landfill. Landfills are constantly filled with products that could serve another use. He said, virtually every recycled material uses less energy than its virgin component and shared statistics on various products. He listed the oil consumption savings of recycling different products and said the environmental footprint from hauling is miniscule when compared to that of harvesting raw materials.

The next question concerned hauling glass and the effect on hauling costs, considering the weight of the glass. Mr. Sorenson responded by saying, it is not the weight of glass that doesn't make it economical, it's the fact that the raw material, which is sand, is cheap. He explained how glass is a net loss when sending materials to a MRF. A lot of states leave the glass in because their goal is to get as many tons diverted from their landfill as possible and glass makes up a heavy portion. It is something for the City to consider once we decide if we will recycle.

Mr. Sorenson then addressed the possibility of building a MRF in Minot. He said, after conducting a fair amount of research, he believes the plan that has been put together is the best option for Minot. The feasibility of constructing a MRF in Minnesota versus expecting that to work in North Dakota are very different things. Minnesota has a mandate for recycling which guarantees a significant volume of recycling will be processed compared to North Dakota. A 20,000 ton per year facility is the smallest practical size for single stream sorting. A facility of that size, which Clay County is pursuing, will cost \$3-4 million to construct a building and \$5-7 million on equipment. If a MRF was built in Minot, the regional volume would only collect about 8,000 tons per year which is not enough to justify the time, labor and equipment costs. The return on investment never reaches a point to be beneficial for Minot. Even if we had the ability to sort materials in a MRF, we would still be 500 miles away from the nearest end market.

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He discussed the need for a strong education campaign once a decision is made on recycling. There is a program called Green Grades in which an education coordinator visits classrooms to encourage kids to bring their parents on board with recycling. He brought up the possibility of a bottle bill but said it is not recommended because a state without a mandate on recycling is not likely to be successful and could hurt a curbside recycling program. He also said it's good to have a mix of products in your recycling stream, the valuable ones pay for the ones that aren't so valuable.

Mr. Sorenson then addressed the issue regarding China, who imports a lot of the products that are sorted in MRFs in other countries. The China National Sword initiative will take effect March 1, 2018 which will decrease the allowed contamination from 2% to 0.5%. This means a MRF may need to spend more on additional labor and equipment costs to meet the new requirements. China will also be restricting their import licenses, resulting in less U.S. exports and an abundance of domestic supply. The net result will increase the cost of recycling.

The City Council discussed the need for recycling in Minot and agreed that it is long overdue. They explained that because of the financial situation during the last budget cycle, the construction costs of the transfer facility were removed for the 2018 budget. There is still funding available for design of the facility and it could be used to hire a consultant to develop a plan to find the most economical and efficient solution for Minot. They all expressed the desire to move forward but are cautious to make sure it is done properly. They encouraged staff to think creatively and to coordinate the effort with the rest of the region who impact the amount of waste in the landfill. Recycling should help divert waste from the increasingly scarce landfill space and all surrounding counties need to be on board. The Council also suggested looking into the possibility of using rail to make Minot a regional transport facility and the potential for economic growth.

The City Manager shared some of his experience relating to recycling in other communities. He said staff can develop a business case analysis with a feasibility study to evaluate how and what practices will be best moving forward. He suggested hiring a consultant to determine the most cost effective method to achieve what the Council desires. A consultant contract can be brought to the Council for approval using the funding set aside for this purpose.

There being no further business, the meeting was adjourned at 6:19 pm.

Respectfully Submitted,
Kelly Matalka,
City Clerk