

# Council Questions/Comments and Staff Responses Report for October 28, 2013

*as of October 28, 2013 at 3:53 am*

## GENERAL COMMENTS:

**Alderman:** Jim Fruin

**Comment/Questions:** Are there additional/past meeting notes on these individual subjects beyond what has been provided? Having John Kennedy in attendance would be helpful and appreciated.

**Staff Response:** John Kennedy will be in attendance.

## WORK SESSION:

**Alderwoman:** Judy Stearns

**Item:** Solid Waste Fees

**Question/Comment:** For decades, refuse collection was paid for with property taxes or other taxes paid by citizens.

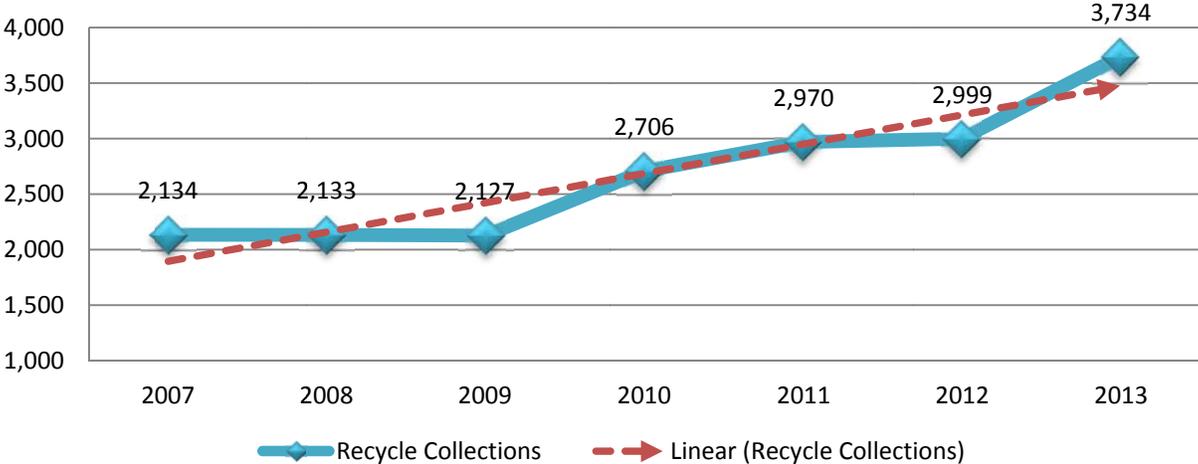
1. Why are we now making the assumption that we should not subsidize solid waste when we do subsidize most other city services?
  - a. **Staff Response:** In 2010, the City Council adopted the FY2011 budget which established the Solid Waste Fund as an enterprise fund used to account for the solid waste services provided by the City. In the subsequent Fiscal Years the City has lowered the subsidy amount coming from the General Fund to the Solid Waste Fund. This policy and practice has reduced the need to raise additional general fund tax revenues.
2. How do we pick and choose what should or should not be subsidized?
  - a. **Staff Response:** Staff will make a recommendation and Council will make a decision.
3. Please define bulky waste?
  - a. **Staff Response:** As stated in the Solid Waste Reports: Bulk Waste is classified as furniture, items of waste generated by cleaning out a house (other than food waste), garbage, basement, interior and exterior remodeling debris, and yard waste debris. The report does not suggest or recommend charging additional for leaf collection.
4. Are we looking at simply charging for refuse by the actual container with extra charges for extra bags across the board without discriminating for the type of building?
  - a. **Staff Response** Currently, multi-unit buildings are charged per month per unit. Any change to this would require Council action.
5. How will the new proposed charges for bulky waste prevent the unsightly stacks of household items that can be put on the parkway at any time? These stacks can be damaging to the neighborhood look.
  - a. **Staff Response:** The proposed new charges for bulky waste are intended to incentivize customers to containerize their refuse. The motivation behind this incentive is the cost to the City for collecting bulk waste. The report reveals that bulk waste is **10 times more expensive** to collect than containerized curbside collection.

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- 6. Please compare the recycle diversion rate with the rate from one year ago and two years ago?
  - a. **Staff Response:** This information is provided in the Solid Waste Analysis Reports which is available to the public on the City's website. 2013: 3,734 tons; 2012: 2,999 tons.

**Total Tons Recycle Collection**



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7. What is the current recycle price per ton? What is the current cost of disposing of refuse by the ton? How many tons of each are we seeing per month currently?
- a. **Staff Response:** Current price per ton for recycle is \$2.60. The City receives this revenue as a commodity rate which is highly volatile as it is influenced by market demand. Refuse disposal costs are represented by the tipping fees charged to the City by the landfill. The current rate is \$44.44. Per contract, this rate has increased 4% annually. See table below.

<u>2013 Garbage and bulk</u>						
May 1 - September 30	May	June	July	Aug	Sept	2013 Total
Sept \$ per ton = \$44.44*	2,365	2,063	2,045	2,039	1,857	10,369
<b>*Tipping Fees</b>						
<u>2012 Garbage and bulk</u>						
May 1 - September 30	May	June	July	Aug	Sept	2012 Total
Sept \$ per ton = \$43.15*	2,236	2,107	2,038	2,125	1,892	10,398
<b>*Tipping Fees</b>						
<u>2011 Garbage and bulk</u>						
May 1 - September 30	May	June	July	Aug	Sept	2011 Total
Sept \$ per ton = \$41.49*	2,457	2,551	2,077	2,323	2,234	11,642
<b>*Tipping Fees</b>						
<u>2013 Recycle</u>						
May 1 - September 30	May	June	July	Aug	Sept	2013 Total
Sept \$ per ton = \$2.60*	425	372	387	361	377	1,922
<b>*Commodity Rate</b>						
<u>2012 Recycle</u>						
May 1 - September 30	May	June	July	Aug	Sept	2012 Total
Sept \$ per ton = \$11.82*	286	243	244	263	243	1,279
<b>*Commodity Rate</b>						
<u>2011 Recycle</u>						
May 1 - September 30	May	June	July	Aug	Sept	2011 Total
Sept \$ per ton = \$57.02*	277	267	222	250	240	1,256
<b>*Commodity Rate</b>						
<u>Recycle Diversion Rate</u>						
	May	June	July	Aug	Sept	2013 Total
	0.15233	0.152772	0.159128	0.150417	0.168756	0.156375
	May	June	July	Aug	Sept	2012 Total
	0.113402	0.103404	0.106924	0.110134	0.113817	0.109532
	May	June	July	Aug	Sept	2011 Total
	0.101317	0.094748	0.096564	0.097163	0.097009	0.097379

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**Alderwoman:** Karen Schmidt

**Item:** Solid Waste Fees

**Question/Comment:** I sent an e-mail out to my list regarding the proposed changes, asking for feedback. Also, lots of good feedback on the pay-as-you-throw sticker concept. A landlord has asked me how this works with tenants. Something for us to consider in terms of advising for best practices if we implement this feature.

1. How is the automated pick-up going to work in our older neighborhoods, where it is already difficult to meet the guidelines for recycling and trash (i.e., 10 foot space between carts and parked cars)?
  - a. **Staff Response:** If the service level remains the same in the older neighborhoods and with multi-family units, City staff will have to exit the automated truck more often to move containers as needed in these crowded areas. Operations may require the use of part-time labor to provide this service. This will lower efficiency and decrease employee safety but it is the balance needed to maintain a high service level and good customer service if that is the direction the City Council wants to go.
2. How will the city handle yard/garden waste?
  - a. **Staff Response:** Yard and garden waste is currently part of the City's Brush Collection. It was recommended by Raftelis Financial Consulting to begin charging for all bulk waste. Brush waste is part of the City's bulk waste program. The report did not recommend charging additional for leaf collection. Charges for Brush Collection will be a Council policy decision.
3. Can we provide the total monthly cost, including General Fund underwriting, for the program so we are comparing apples to apples? If we are charging people \$16/month, what is the actual monthly cost? The comment I received is that people will be better able to understand what a \$19-\$20/month fee means if we understand what it really cost us now.
  - a. **Staff Response:** FY2014 Solid Waste Program expenses are anticipated to be \$7,625,840. With a customer base of ~25,000 the monthly fee for service in a uniform rate structure would be \$25.42 per month ( $\$7,625,840/25,000 \text{ customers} = 305.03/12 \text{ months} = \$25.42$ ).
4. We have talked about the new trucks and garbage cans as a cost savings to the taxpayers, so why are we now talking about raising the rates? I understand that the overall costs will decrease, but that is not evident in the consultant's report. How can we clarify this very important message point?
  - a. **Staff Response:** The new trucks and containers are expected to be a cost savings over time. Staff anticipates reductions in workers compensation claims due to the more efficient collection methods as well as a reduction of the number of staff necessary to perform the service. Higher rates are needed to reduce the general fund subsidy and cover the rising costs to the City such as personnel, fuel, containers, vehicle debt service, volatile commodity rates, etc. Previous Solid Waste Budgets have been unrealistic due to the City avoiding the inclusion of capital maintenance and replacement of the existing solid waste fleet. Future subsidy levels and the fees for service will be a Council policy decision.
5. Downtown residents continue to ask how this is going to affect/benefit them. Our downtown residential population is solid and growing, and many are paying this fee but not getting the same level of service (no recycling or bulk waste collection; trash collection is via the corner public

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waste receptacles.). We have to come up with a game plan for the downtown. One idea suggested is that we give DT residents the carts and ask them to roll them to the end of the alleys on collection day. Right now, the only recycle option for residents, other than going to Normal drop-off locations, is thanks to the Tilton's and their recycling receptacles. Repeating the common refrain I hear: DT residents are paying for services they do not receive.

- a. **Staff Response:** The recommendations from staff would prevent Downtown customers from paying for other resident's bulky waste in their fees. Currently, every customer pays \$16.00 per month to participate in a highly robust solid waste program which includes bulky waste collection. If they are not currently receiving this service their fees are still going toward funding the most expensive operation within the solid waste program.
6. If we charge for all bulk waste, feedback says that we have to keep our central yard open at convenient hours for people who are looking to save money and handle it themselves.
- a. **Staff Response:** I'm not sure a response is necessary. I believe this is just a general statement to the reader.

**Alderman:** Jim Fruin

**Item:** Park Renaming

**Question/Comment:** I'd like to see more than the allocated 10 minutes to discuss the Park Naming Policy and the ONE PENDING inquiry!

**Staff Response:** Staff would suggest that the Council at least decide tonight if they want to consider this request. If the majority wants to consider renaming Sunnyside Park then additional time can be allocated on a future work session agenda.

## CONSENT AGENDA

**Alderwoman:** Judy Stearns

**Item 6C:** Purchase Three (3) Police Pursuit Vehicles Utilizing State of Illinois Joint Purchasing Contract

**Question/Comment:** Given the number of vehicles, will delivery be free or a gas credit issued? Why was the formal bidding process waived?

**Staff Response:** No, The State of Illinois Joint Purchasing Contract is a competitive bidding process.

**Alderwoman:** Judy Stearns

**Item 6D:** Request to Approve of One (1) Pursuit Package Chevrolet Tahoe for the Fire Department

**Question/Comment:** What happens to the budget surplus? Why was the formal bidding process waived?

**Staff Response:** Budget surplus funds in the General Fund stay in the same fund. The Northwest Suburban Purchasing Cooperative Contract is a competitive bidding process.

**Alderwoman:** Judy Stearns

**Item 6E:** Purchase of Playground Equipment for Pepper Ridge Park and Suburban East Park

**Question/Comment:** Can the existing playgrounds be recycled or relocate? Why was the formal bidding process waived?

**Staff Response:** Staff will reach out to entities that specialize in removal and reusing playground equipment in disadvantaged areas. This will depend on their availability and interest in our equipment. If not, staff will have the items recycled. This is a grant program currently offered by only one manufacturer. Staff reviewed pricing from other manufacturers and joint purchasing contracts and found that the net cost utilizing this grant to be the lowest prices found.

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**Alderman:** Rob Fazzini

**Item 6E:** Purchase of Playground Equipment for Pepper Ridge and Suburban East Parks

**Question/Comment:** Why was the competitive bidding process waived?

**Staff Response:** This is a grant program currently offered by only one manufacturer. Staff reviewed pricing from other manufacturers and joint purchasing contracts and found that the net cost utilizing this grant to be the lowest prices found.

**Alderwoman:** Judy Stearns

**Item 6G:** Annual Water Billing Software Maintenance Agreement

**Question/Comment:** Will this software allow for self service on the web?

**Staff Response:** This is a maintenance agreement, not a self-service agreement. The existing water billing software does facilitate payments via the web but does not offer other self service functions.

**Alderwoman:** Judy Stearns

**Item 6H:** HoJo Pump Station Gravity Sewer Feasibility Study

**Question/Comment:** What type of development will this work support? Once the new homes or apartments are built, what is the forecast for new property taxes?

**Staff Response:** The design work is for the replacement of the HoJo pump station with a gravity sewer. This work is not being driven for a new subdivision.

**Alderman:** Rob Fazzini

**Item 6I:** Professional Engineering services Contract with Knight E/A, Inc. for Intersection Improvements and Traffic Signal Installation Design Services

**Question/Comment:** Is the \$122,111 included as part of the \$350,000 budgeted for each of the Traffic Signal installations at the three intersections?

**Staff Response:** The budget for each of the traffic signals includes the cost for the design. With the funding coming from the Motor Fuel Tax account, there are additional steps for coordination with the Illinois Department of Transportation. The largest additional step is the preparation of an IDS (Intersection Design Study). This takes additional funding that wouldn't have to be done if general fund dollars were used.

**Alderman:** Judy Stearns

**Item 6I:** Professional Engineering services Contract with Knight E/A, Inc. for Intersection Improvements and Traffic signal Installation Design Services

**Question/Comment:** Why are the competitive bids not disclosed?

**Staff Response:** The following statements are included in the Council Memo:

- In accordance with The Brooks Act – Federal Government Selection of Architects and Engineers (Public Law 92-582), the Illinois Local Government Professional Services Selection Act (50 ILCS 510) and the Architectural, Engineering, and Land Surveying Qualifications Based Selection Act (30 ILCS 535), the Quality Based Selection Process must be followed if federal state grants, loans or any other federal or state monies are used to fund any portion of the project.

Knight E/A, Inc. was selected using the Professional Services Quality Based Selection Process. This process involved:

1. Sending out Request for Qualifications (RFQ) specific to the project.
2. Reviewing the submitted Statement of Qualifications based on criteria outlined in the RFQ and narrowing the twelve (12) submittals down to three consultants.
3. Interviewing these three consultants, and
4. Selecting a top consultant and negotiating a fee with them.

In addition, it also says “A list of the engineering firms that submitted Statements of Qualifications and the three engineering firms that were selected for interviews are attached to the Council Memo.”

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**Alderman:** Judy Stearns

**Item 6T:** Petition from FOB Development, Inc., Requesting Approval of a Final Plat for the Empire Business Park Subdivision, Sixth addition

**Question/Comment:** When will Cornelius road be completed?

**Staff Response:** Cornelius Drive when it is completed will connect Airport Road on the west to Ekstam Drive on the east and will be a total of 4400 feet long. The missing three (3) lane section that has not been constructed yet is about 1400 feet long. Currently 68% of the road has been constructed. The road is a developer obligation to construct with the City being obligated to paying for oversizing to widen the road to 39 feet from the required 30 feet. The budget estimate for just the City's obligation for oversizing in Empire Business Park is \$170,000. In addition there is 120 feet of Cornelius next to Wingover Apartments that the city will be paying to construct. The developer of Wingover Apartments paid the City \$19,140 in 2012 for their obligation for the south half of the road. The developer of McGraw Park will be required to pay the City for north half when it is constructed. There are no other budget estimates for the rest of the road at this time, but a very rough estimate based on \$500 per lineal foot is \$700,000. Cornelius will provide better east-west connectivity in this area which could be considered both a positive and negative since it could result in increased traffic on Cornelius and Ekstam Drives. Undoubtedly, traffic will continue to increase in this area of the City since much of the land in Empire Business Park and Hawthorne Business Park remains undeveloped at this time.

Prepared by: Barbara J. Adkins, Deputy City Manager