

PUBLIC WORKS COMMITTEE MEETING
TUESDAY, DECEMBER 11, 2018 – 6:30 P.M.
MUNICIPAL SERVICES TRAINING ROOM
MINUTES

I. ROLL CALL/CALL TO ORDER

Chairman Raymond Buschmann called the meeting to order at 6:30 P.M. Aldermen Michelle Moreno and Melanie Rummel were in attendance.

Staff in attendance included Michael Thomas, Director of Public Works; Dan Martin, Superintendent of Public Works; Bob Ells, Superintendent of Engineering; Matt Brugioni, Streets Supervisor; Ron Gramer, Fleet Supervisor; Brian Pogachnik, Sanitation Supervisor; Corey Wierema, Forestry Supervisor; Tim Gehring Police Commander; Greg Maxwell, Senior Vice President for Resource Management and Jim Lockefer, Management Analyst.

II. APPROVAL OF THE OCTOBER 30, 2018 PUBLIC WORKS COMMITTEE MEETING MINUTES

Alderman Rummel moved to approve the October 30, 2018 Public Works Committee meeting minutes subject to the minor typos she explained to Management Analyst Jim Lockefer prior to the meeting. Alderman Moreno seconded the motion, which carried unanimously.

III. PRESENTATION / DISCUSSION OF RECYCLING MARKET & CURRENT TRANSPORTATION AND PROCESSING AGREEMENT – MICHAEL THOMAS & GREG MAXWELL, SENIOR VICE PRESIDENT FOR RESOURCE MANAGEMENT

Director Thomas provided the Committee with background information on the topic and introduced Greg Maxwell, Senior Vice President for Resource Management. He explained that Mr. Maxwell prepared a detailed presentation on the recycling market. He explained that after Mr. Maxwell's presentation he would be reviewing another staff presentation on the topic with the Committee.

Mr. Maxwell provided the Committee with a review of how China and their recent decisions on recycling has negatively impacted the market. Mr. Maxwell reviewed individual recyclable material categories and the past revenues and / or expenditures associated with processing and selling the material. The materials reviewed included mixed paper, aluminum cans, steel cans, PET containers, HDPE natural & color containers, glass containers. He explained that the China decisions have most negatively impacted the value of mixed paper.

The Committee and Mr. Maxwell had discussions on the recycling market and its future.

Mr. Maxwell reviewed the issue of recycling contamination. He explained the major issue in the increased recycling contamination was and is the recycle cart. In the past, residential recycle bins were much easier to monitor for contaminates. The recycle cart may contain contaminants at the bottom of the cart that go unseen. Mr. Maxwell reviewed items that contaminate recycling and cause stoppages at the Resource Management recycling facility. Mr. Maxwell reviewed a chart that showed a history of recycling contamination

levels in Chicago suburbs and how they have continually gone up on an annual basis. Mr. Maxwell reviewed a chart that illustrated recycling material value versus contamination processing costs.

The Committee, Mr. Maxwell, and City staff had a discussion on Lake Forest contaminated recycling levels. Communities who have lower contamination levels and what they are doing was also discussed.

Mr. Maxwell concluded his presentation by reviewing the support needed from communities in order to decrease the contamination level in recycling. He explained that the main objectives Resource Management promotes are education, tagging contaminated recycling as a warning to the homeowner, and, if the behavior continues, leaving the contaminated recycling behind.

The Committee and City staff had discussions on Lake Forest recycling education initiatives and the process if an employee comes across contaminated recycling.

The Committee had discussions about a future educational campaign. Director Thomas explained that he would meet with Communications Manager Susan Banks about sending homeowners and residents updated recycling information.

The Committee and City staff had discussions about changing the City's current list of materials allowed to be recycled in an effort to combat contamination. City staff explained that this would be a significant challenge.

The Committee and Mr. Maxwell had discussions about reducing the City's contamination and if the City would receive a better cost from Resource Management if this was accomplished. Mr. Maxwell explained that if the City was able to reduce the contamination level in the materials being sent to Resource Management that the cost would be reflected by Resource Management.

Director Thomas reviewed his presentation with the Committee. He explained that the reason this topic is before the Committee tonight is because the agreement with Resource Management needs to be renewed or the City needs to begin the process in selecting another processing firm.

Director Thomas provided the Committee with a review of City recycling history. He reviewed the Compost Center transfer ramp and when the City introduced the residential recycle carts.

Director Thomas reviewed a detailed history of refuse disposal and recycling processing costs. He provided the Committee a review of the past 20-month recycling costs.

Director Thomas reviewed the current recycling challenge the City faces with the China decisions and increased costs.

Director Thomas reviewed single stream recycling processors in the area that could process the City's recyclable materials for the City. He reviewed a detailed chart of different processing options with the only two single stream recycling processors in the area, Resource Management and Waste Management. He reviewed the costs associated with each option.

Director Thomas reviewed the benefits in keeping and moving forward with Resource Management as the City's recycling processor. He explained the following benefits:

- Arrangement and agreement have worked well for 10 years (responsive, accommodating, honest)
- If / when market changes, higher revenue received from Resource Management; with Waste Management, SWALCO is given % of revenue
- Increased fuel and maintenance to Sanitation equipment
- Loss of dumping flexibility compared to Compost Center
- Loss of on-street collection time (dumping at Compost Center vs. round trip to Grayslake)
- Additional hauls of weekend Compost Center recycling
- Maintain two Recycler's snow response time
- Resource Management has confirmed markets to sell material

Director Thomas reviewed the recycling initiatives identified in the City's Sustainability Plan and Strategic Plan.

Director Thomas concluded his presentation by reviewing the following potential options in moving forward:

- Continue to transfer and process material with Resource Management
- Further Investigate transferring and processing material to Waste Management
- Modify the list of material collected
- Discontinue recycling & direct haul material to landfill

The Committee had discussions on the Sanitation fee and potentially increasing the fee. The Committee discussed how the fee could potentially be structured.

Chairman Buschmann recommended that any Sanitation fee discussion is discussed with the entire City Council.

The Committee and City staff had a discussion on potentially bidding out the recycling processing agreement and how the refuse tipping fee agreement was not placed out to bid but negotiated.

Chairman Buschmann recommended proceeding in continuing the current Resource Management arrangement. He requested that language is included in the agreement that explains that there is an economic incentive to the City that would reduce costs paid to Resource Management if the City brings less contaminated materials to Resource Management. There was Committee consensus to move forward with the recommendation.

IV. DISCUSSION REGARDING USE OF BEET JUICE FOR THE CITY’S SNOW REMOVAL PROGRAM – DAN MARTIN

Superintendent Martin reviewed a PowerPoint presentation on calcium chloride versus Beet Heet in snow and ice operations. Superintendent Martin reviewed the City’s current salting policy and the City’s current deicing practices and procedures. He explained the costs associated with those practices and procedures.

Superintendent Martin reviewed the Beet Heet product and how it is a deicing alternative to calcium chloride. He reviewed the composition of Beet Heet and how Beet Heet is less corrosive and more environmentally friendly than calcium chloride. He reviewed local municipalities who utilize the Beet Heet product and how the municipalities utilize the Beet Heet product as part of their regular deicing program.

Superintendent Martin reviewed how the City’s regular deicing program would change and the costs associated with a full implementation of Beet Heet. He explained that like the other municipalities who utilize Beet Heet, the City would not have to purchase and use the calcium chloride concentrate.

Superintendent Martin reviewed the following chart that highlights the City’s existing program and how the Beet Heet product would change the program:

Program Type	Deicing Substance	Utilized During	Cost per Gal	Avg. Gal. Used per Seas.	Cost	Total Cost
Current	90% Salt Brine / 10% Calcium Chloride	December >15°F	\$0.20	12,500	\$2,500	\$7,708
	32% Calcium Chloride Concentrate	January February March <15°F	\$0.62	8,400	\$5,208	
Beet Heet	100% Salt Brine	December >15°F	\$0.14	12,500	\$1,750	\$8,218
	50% Salt Brine / 50% Beet Heet Concentrate	January February March <15°F	\$0.77	8,400	\$6,468	

Superintendent Martin concluded his presentation by reviewing a trial snow plow route that the Beet Heet product is going to be tested in the 2018 – 2019 snow season. He explained that snow command is going to be monitoring the trial route very closely. If the trial is successful, Beet Heet would be fully implemented during the 2019 – 2020 snow season.

The Committee and City staff had discussions on how the Beet Heet concentrate is mixed in order to get the proper Beet Heet / salt brine ratio.

Alderman Rummel and the Committee thanked staff for looking into Beet Heet as a potential, more environmentally friendly, option.

V. REVIEW & RECOMMEND APPROVAL TO CITY COUNCIL THE F.Y. '20 PROPOSED CAPITAL EQUIPMENT – MICHAEL THOMAS

Director Thomas provided a review of all the materials related to the F.Y. '20 proposed capital equipment that were included in the meeting packet. Director Thomas reviewed the ten year capital equipment schedule for all the City departments and sections. Director Thomas reviewed the entire City-wide inventory of capital equipment.

Director Thomas reviewed line graphs that illustrated the annual amount budgeted for capital equipment in the General, Parks & Recreation, Water, Cemetery, and Golf Funds going back to F.Y. 1998.

Director Thomas reviewed the proposed F.Y. 2020 Capital Equipment List. He reviewed each piece of equipment being replaced by funding source. Equipment being proposed for replacement was further outlined by department, equipment details, and budget costs. Director Thomas reviewed detailed replacement forms for each piece of equipment that included:

- Police Department, General Fund, Four Marked Police Cars
- Public Works Department, Streets Section, General Fund, Five-Yard Plow Truck
- Public Works Department, Sanitation Section, General Fund, Four Garbage Scooters
- Parks & Recreation Department, Forestry Section, Parks & Recreation Fund, Log Loader
- Public Works Department, Water & Sewer Section, Water Fund, Five-Yard Plow Truck.

The Committee and City staff had discussions about each of the proposed equipment and the regular duties the equipment is needed for.

Director Thomas discussed the timing associated with bringing the topic to City Council and ordering the equipment if the Committee recommends approval to City Council. He reviewed the joint bid organizations and processes the equipment is bid through in order to competitively purchase the equipment.

Director Thomas explained that City staff believes the trade-in values associated with the plows and log loader are low. He explained that if the City sells the equipment outright the City may receive a higher return. He explained the challenge in doing so is that the trade in value for the log loader is \$15,000. The cost of the replacement is \$265,000. The budget for the loader is \$250,000. The loader replacement will not be available to the City until the Fall of 2019. The Forestry Section will need to utilize their current loader until that time. Therefore, the current loader will not be sold until the replacement is ready. City Council will need to approve the over budget amount, understanding that the loader will technically be over budget until the equipment can be sold. At the time the equipment is sold the item will be under budget.

The Committee discussed and explained that they were ok with the process as long as the log loader explanation is included in the City Council write-up.

Alderman Rummel motioned to recommend approval to City Council the F.Y. '20 proposed capital equipment. Alderman Moreno seconded the motion, which carried unanimously.

VI. PUBLIC COMMENT

There was no public comment.

VII. NEXT MEETING – TBD

Chairman Buschmann discussed projects that require the waiving of the bid process and the comments shared by Alderman Reisenberg at the December 3, 2018. The Committee had discussions about the process to waive the bid process and when waiving the bid process is justified.

Dr. Thomas explained that the majority of projects go through the competitive process. He explained that only in a few cases will staff request to waive the bid process. If that request is made to waive the bid process there is justification to support that request.

The Committee discussed how agenda items that require the waiving of the bid process should be discussed, reviewed, and wrote up at City Council meetings and in the agenda.

The Committee recommended that if the bid process is being requested to be waived that the justification for waiving the process should be detailed in the City Council write-up so that it is very transparent to the public.

The Committee and staff had discussions about the date and time for the next meeting. It was decided that next meeting date would occur on January 8, 2019. Alderman Moreno explained that she would not be able to attend the meeting due to being out of the country. She explained that she will try to call in.

The Committee and staff had a discussion about inviting the Forest Hill area neighbors to the next meeting to review the Old Elm & Timber Storm Sewer and Forest Hill Watermain Project in an effort to manage expectations.

VIII. ADJOURNMENT

Alderman Rummel moved to adjourn the meeting of the Public Works Committee at 9:51 P.M. Alderman Moreno seconded the motion, which carried unanimously.

Respectfully submitted,

Jim Lockefeer Jr.
Management Analyst