



**AMENDED MINUTES
CITY OF NORCO
NORCO CITY COUNCIL
SPECIAL MEETING
CITY COUNCIL CHAMBERS
2820 CLARK AVENUE
NORCO, CA 92860
SEPTEMBER 25, 2013**

CALL TO ORDER: Mayor Azevedo called the meeting to order at 4:08 p.m.

ROLL CALL: Mayor Kathy Azevedo, **Present**
Mayor Pro Tem Berwin Hanna, **Present**
Council Member Kevin Bash, **Present**
Council Member Herb Higgins, **Absent**
Council Member Harvey C. Sullivan, **Present**

PLEDGE OF ALLEGIANCE: Council Member Bash

1. CITY COUNCIL PRESENTATION / DISCUSSION ITEM:

- A. Presentation and Discussion Regarding Refuse Rates and a New Franchise Agreement with USA Waste of California, Inc. for the Provision of Integrated Waste Management Services.

City Manager Okoro introduced the item for continued discussion regarding the City's solid waste contract with Waste Management. The current contract expired on June 30, 2013. Staff representing Waste Management (WM) in attendance included Darrell Kato – Director of Operations, Mark Stackle – Director of Community Relations, Robert Ricci – District Manager, and Julie Reyes – Public Sector Services Manager. Lori Askew, Director of Public Works and Bill Thompson, Water/Sewer Manager, also participated in the presentation.

Following is a brief synopsis of the presentation:

Background:

Original Agreement Entered into on March 18, 1993

Amended on April 15, 1998

- 15 years, with 5 year option
- Expired June 30, 2013
- Extended to December 31, 2013 for negotiations

Workshops – March 25 and May 6, 2013

- Addressed Scout Service
- Reviewed new program offerings
- Discussed how manure collection helps City to meet diversion requirements
- Council voted to continue negotiations and amend contract

Legislation:

Assembly Bill 939 (1989)
SCAQMD Fleet Rule 1193 (July 2010)
Assembly Bill 341 – Mandatory Commercial Recycling

Uniqueness to Serving Norco:

Service Comparison Variances

- Property lot sizes
- Dead end streets
- Excessive backing
- Low density

Manure Service Variances

- Eight additional trucks for manure
- Capital expense to replace eroding bins
- Low density
- Heavy waste - multiple trips to disposal sites

Monthly Residential Rate Comparisons:

Norco proposed rate at \$23.84

Monthly Commercial Rate Comparisons:

Norco proposed rate at \$150.00

Scout Service:

Overview

A minimal monthly fee is charged to customers with scout service, spread the remainder of the costs throughout the entire rate schedule; proposed that rates for scout service phased in over a 3-year period; and 75% of the current customers have one manure bin that is picked up one time a week.

Phase in Pricing (One Pick Up per Week)

Year 1 = \$6 (Per Bin/Service/Per Month)

Year 2 = \$12 (Per Bin/Per Service/Per Month)

Year 3 = \$18 (Per Bin/Per Service/Per Month)

Agreement Features and Enhancements:

Contract Terms

10 year fixed term, with a 5 year option to extend

Programs

Senior Rates – Basic Service

Discounted rates for 65 years or older with 64 gallon carts; recycling Revenue Sharing; WM will share revenue from the sale of recyclable materials; street Sweeping; and WM will provide street sweeping services within the City, including all main arterials on a monthly basis.

Electronic Waste Collection

Three times per year at no charge

Residential SHARPS Collection & Disposal

The first mail back container is free, additional containers may be requested for \$5.00; training for City employees; WM will conduct an annual solid waste and recycling service training at no cost to the City; battery & fluorescent light tube recycling; and City facilities will be provided with containers for recycling used batteries and light bulbs.

Public Education Outreach Program – Bi-Annual

Customers will receive updates and recycling information

Eliminate Commingled Bins & Promote Recycling

Bins are dumped as trash and taken to landfill; illegally dumped waste will be collected within 48 hours; special event rates; and WM will offer a 20% discount on roll-off rates for non-profit organizations hosting events at Ingalls Park or Silverlakes.

Financial Incentives:

- Increased Franchise Fees by \$500,000 Annually.
- Revenue from City Billing - \$78,000 Annually
- Street Sweeping by WM - \$30,000 Annually
- Recycle Revenue Sharing - \$4,000 Annually
- Public Education Outreach Program – Valued at \$7,500 Annually
- Battery & Fluorescent Light Bulb Disposal – Valued at \$7,000 Annually
- Low Scout Fee Compared to Other Cities

Why Waste Management:

Established Service Record

- Horse Friendly Service Provider
- Minimal Service Complaints
- Premium “Monday” Service
- Understands the Community

Industry Leader

- Financial Strength
- Competitive Rates
- Guaranteed Landfill Space at El Sobrante
- Partnership in Future Technologies

Dedicated Community Partner

- Christmas Parade
- Concerts in the Park
- Day of the Cowboy
- George Ingalls Veteran’s Memorial
- Horsetown USA Hall of Fame
- Horseweek Rodeo

- Horsemen's Association
- Norco Mounted Posse
- Norco Fair

Next Steps:

Initiate Public Hearing Notice

Proposition 218 – 45 Day Notice

Approve Reinstated & Amended Agreement

November 20, 2013 – Public Hearing

Council Member Sullivan commented on diversion rate requirements and asked if any cities in the Inland Empire have been fined for not meeting those requirements. In response, Ms. Reyes noted that she only knew of a few in Los Angeles County. Council Member Sullivan noted that he would have a hard time selling this to the residents. He also commented on the cost of a second bin at the senior rate. In response, Ms. Reyes noted that the cost would be nominal and the senior rate for a second bin would not be discounted.

Mayor Azevedo commented on affixing reflectors on the large bins. In response, Ms. Reyes noted that some language could be added to the agreement.

2. PUBLIC COMMENTS:

Greg Newton. Mr. Newton commented on his position on competitive bidding. He further commented on the monthly residential rate comparison and asked if the street sweeping component is built into the contract. In response, City Manager Okoro noted that the cost of street sweeping is included in the proposed rates at approximately \$.16 per resident. Ms. Reyes added that WM uses Dixon Sweeping.

Karen Leonard. Ms. Leonard commented on the use of co-mingle bins in the City. She further commented on the non-profits that receive money for holding e-waste disposals. She stated that it is not fair for residents to assume the expense for scout service if it is not used.

Bob Leonard. Mr. Leonard commented on the \$30,000 rebate to the City for street sweeping, noting that the residents are being charged for that service and nothing is being rebated. He further commented on the cost for extra pick-ups for his manure bin. He noted that the contract should be sent out to bid.

Ted Hoffman. Mr. Hoffman commented on the proposed scout service charges, noting that persons that do not even own a horse end up picking up the fee for a horse-keeping person, and adding that this is going to be difficult to sell to the residents that do not use the scout service. He also commented on the assembly bill regarding the diversion requirements.

Katherine Grossman. Ms. Grossman commented on the bins being dumped into one truck on her street, including the manure. She further asked why this was happening and what will be done in the future to prevent this. In response, City Attorney Harper briefly commented on the issue and stated that communication would be sent out from the City in the near future.

COUNCIL CONTINUED COMMENTS:

Mayor Azevedo commented on the scout service, noting that there will be an additional amount of \$.29 cents being charged.

Council Member Bash commented on the City being a recreation city and noted the large lots in the City. He stated that the scout service enables the City to have those large lots and preserve the lifestyle, adding that this is a key service. He added that he agrees with Council Member Sullivan that now is the time to begin the process to discuss a manure-to-energy project. In regards to not being satisfied with the proposed contract, he stated that we can bale if we want to.

Council Member Sullivan commented on commercial bins, noting charges to a specific business on Sixth Street. Ms. Reyes responded that this would be addressed. Council Member Sullivan commented on the rates for the scout service, asking if the rates will be for all customers. In response, Ms. Reyes noted that the rate would be available for all customers.

Council Member Bash commented on the risk of being out of compliance for manure disposal, noting the value of diversion.

Mayor Azevedo commented on the excellent job staff has done with negotiating, adding that she believes it is the right choice to move ahead with Waste Management.

3. ADJOURNMENT: There being no further business to come before the City Council, Mayor Azevedo adjourned the meeting at 5:55 p.m.

BRENDA K. JACOBS, CMC
CITY CLERK