PUBLIC WORKS COMMITTEE
JANUARY 15, 2013
4:30 P.M.

Councilman Rico, Chairman, called the Public Works Committee to order with Councilpersons Ladd, McGary, Berz, Gilbert, Murphy, Benson, Robinson and Scott present. City Attorney Michael McMahan and Shirley Crownover, Assistant Clerk to the Council, were also present.

Others present included Johnny Feagans, Tony Boyd, Lee Norris, Dennis Malone, Jim Templeton, Mike Patrick, Alice Cannella, Justin Holland, Joachim Volz, Mo Minkara, Daisy Madison, Steve Leach, Bill Payne, Vickie Haley, Dickie Hutsell, Richard Beeland, Stan Sewell, Gary Hilbert, Chief Parker, and Danny Thornton.

On motion of Councilman Gilbert, seconded by Councilwoman Ladd, the minutes of the previous meeting were approved.

Adm. Leach stated that he wished the Police Chiefs had not left; that he wanted to thank the Police and Fire Department for helping during this flood condition that we have; that South Chickamauga and Lookout Creek have flood warnings. We have 5" of rain, and the ground is getting saturated. He stated that after the agenda items, his department had three short briefings.

Ordinance 5(a) adopts the 2009 Edition of the International Energy Conservation Code. This is the final reading on the blower testing. Councilwoman Scott asked if this had been happening? Adm. Leach responded that the visual test had been happening. Mr. Hilbert explained that under the 2009 Code, the visual test was required but the blower test was optional; however under the 2012 Edition it is required. She asked if this had been discussed with local contractors, and if they understood this? Mr. Hilbert stated that it had been discussed with the Homeowners' Association, and they had no objection to this; that they would rather do this than adopt the 2012 Code.

Ordinance (d) is an abandonment in the 6400 Block of Old Hixson Pike.

Ordinance 6(a) related to special containers and was handled by Justin Holland. He stated that they had received requests for recycle carts and showed an example of the cart. It is the same as the garbage cart and residents typically want a storage place for recyclables. The cart costs the City $46.00, and the same cart would sell at Lowe's for $100. Residents purchasing the recycle carts will be optional—they can still use blue bags. Mr. Holland felt this was a good option to increase the volume of collecting recyclables and a way for people to store them in their homes. He noted that 30% of all landfill material is paper and also the can would transfer if people move within the city. He noted that garbage carts cost from $60.00 to $75.00 and the recycle carts will cost $50.00.

Councilman Gilbert stated that he appreciated the recycle carts—that they are needed but wanted to know if bags are placed in them if they have to be a particular color? Mr. Holland responded that any color of bag could be put in the container.

Councilwoman Scott stated that in this particular Ordinance if people have two garbage cars, they will not have access to both going forward. She noted that they had spent money to be given a second can. Mr. Holland responded that we are requesting people to recycle, and it is a good example to incentivize by making changes, and it is a good solution for storage.

Councilwoman Robinson clarified that the recycle can is separate from the garbage can. She asked if items in the recycle can needed to be bagged or could they be loose? Mr. Holland responded that they encouraged them to be bagged. She asked about glass. Mr. Holland reminded that we don't accept glass curbside.

Councilman Benson asked if a person has two garbage cans now and had to pay for the second one, that they can't have the second one? He asked if we would be taking away one can and making them recycle? Mr. Holland responded "yes". Councilman Benson felt like this would be "trouble". Mr. Holland stated that they felt it was a step in the right direction. Councilman Benson did not feel we should take something away from someone who had paid for it. Adm. Leach stated that we could hold this until next week.

Resolution (d) was discussed last week for screen design.

Resolution (f) authorized an Operating Agreement with Santek Environmental, Inc. for the operation of a scale house at Birchwood Landfill. This was part of the discussion last week. Adm. Leach noted that Attorney Bobo and Lee Norris (Honest Abe) had been working on this. Two employees will run the Scale House.

Councilwoman Scott acknowledged "Honest Abe" and referred to information at the last meeting—the Scale Operator was responsible for about $30,000 a year, and this person was paid $40,000 to guard $30,000—cash collections alone. She noted that an Audit by the Internal Auditor showed $6.3 million generated last year—that that one person works the scales for over $6 million that runs through the city property, and the same truck and driver handles refuse over the same scales (public and private). She thought that we should hear from the City's Internal Auditor to see if he could add anything. She stated that there was a "bad smell" about this.

Chairman Rico called Councilwoman Scott "out of order", that she was just supposed to ask a question. She responded that she was making a comment, which he told her was not proper, to which she responded that five members of the Audit Committee thought this was a bad idea and that she would not vote for it—that it was a risky way to run city business.

AGENDA ITEMS FOR JANUARY 22, 2013

Resolution (b) is for an Agreement with Campbell and Associates, Inc. for design services of laboratory renovations for Moccasin Bend. **Resolution (c)** authorizes an Agreement with Thompson Engineering for structural analysis. Councilwoman Scott mentioned fractures and pre-stress concrete walls under Thompson Engineering 15 years ago and an impending lawsuit. She wanted to know if this was part of the lawsuit? Ms. Canella did not recall the lawsuit and noted that this was a failure on one of the large beams; that they went in to provide structural "beefing up" 8 years ago; other panels are not in bad condition, and it has been several years, and they wanted to make sure there was no other deterioration. Councilwoman Scott stated that she understood the reasoning and asked if Ms. Canella was saying that portion was not related to the filter press—the answer being "yes, it was not".

Resolution (d) is a Partnership Agreement with Terry Jump of the Center for Integrative Medicine for a Streetscape Project in the southside area near the Crash Pad. **Resolution (e)** is a slight increase in the contract with Service Electric Co., Inc. of $13,200. **Resolution (f)** authorizes a change order with Garney Companies, Inc. for an increased amount of $54,576.49. **Resolution (g)** comes as a result of the HVAC System being installed and the need for specific coils. **Resolution (h)** appoints Richard Perrin as a Special Unarmed Police Officer for Public Works.

MS4 PERMIT STATUS

Bill Payne and Mo Minkara were available for a Status Report on the MS4 Permit. Mr. Payne noted that this permit year follows the fiscal year and goals and requirements were met. This report was compiled by the Staff in a professional manner, reviewed, and submitted to the State. Mr. Payne hit the highlights of the report, noting that in 2010, we completed the Commissioner's Order and were on track with compliance requirements. He went over the updated Enforcement Response Plan, noting that a baseline score was done, and the elements reflect Best Practices. By April of this year, we will be required to have Land Disturbing Permits that mirror the State and by December of 2014, there will be a Run-off Reduction Standard. The final element is the Supplemental Environmental Project where they had identified two partners—Airport Runway and the Eastgate Ring Rd. and would be coming back to the Council within the coming weeks. He noted that if they completed Task 1 they would move forward to the next step and funds were available. Task 3 is the Education and Outreach and a video has been created.

Councilwoman Scott asked if the road around the Ring area was our road—that it looked as if the City did not own it. Mr. Payne responded that this was the entire purpose of this—something not required by the City but a private road—that it was to be non-city property. She questioned focusing on private roads before focusing on city property. Mr. Payne explained

that the money has to be used this way—that it is a benefit to the city. She wanted to know if it could be done for residential property? Mr. Payne responded that that was left up to the individual applicant—that with residential property, more staff would be involved; that we were fortunate in this case. She still questioned us making these improvements on property that we do not own. Mr. Payne explained that we provide the idea, and they make the improvements; that we agreed to do education and outreach.

Councilman Benson stated that he appreciated Ring Rd. around Eastgate; that it was private property but was publically used by all, and he appreciated this.

Mr. Payne continued with Runoff Reduction Standards, which he categorized as a "tall order"—that this would require specific action by the Council. He mentioned a 2013 incentive Program that would make credits available. Councilwoman Scott noted that it seemed that 1" on site was a new increase that developers had to adhere to. She wanted to know how long it would stay at 1"? Mr. Payne responded that 1" was the standard the State of Tennessee implemented—that the decision at the Federal level should in the 95 percentile; that until EPA issues the final rule, he was not sure. She wanted to know the position of the city if it granted credits for meeting the 1" and then EPA goes to the 95 percentile—would those having the credit be exempted? Mr. Payne explained that all who have developments under the old standard are allowed to stay. She asked about the incentive. Chairman Ladd interjected that if someone changes regulations, they would have to provide a site plan. Mr. Payne questioned if Councilwoman Scott was referring to the Pilot Studies? Councilwoman Ladd thought what she might be getting at was if a developer jumped in quickly before regulations changed to get something approved, wanting to know if they could "dance" around an upcoming change? Mr. Payne explained that they recognized this—that all regulations are coming—that developers know it might cost them more but asked that we not "spring" it on them; that if the Council adopts them late this year, there might be a window for the benefit of the staff and contractors, and we can set a date for submittal of documents far enough out to allow them to make business decisions—that we can set it all out for them. Councilwoman Ladd stated that the Water Quality Board should be apprised of this, asking if this information could be shared with them? Mr. Payne assured that the Stormwater Regulation Board knew about this and had seen this in even more detail.

LANDFILL REVENUES—EXPENDITURES

Joachim Volz was present to go over this and he handed out a sheet, which is made a part of this minute material, showing expenditures, tonnage received from City operations, paid Waste/Tipping Fees, the total revenue and revenue over expenditures. This was in answer to a question by Councilwoman Scott last week. Expenditures were in the amount of $l.6 million. He showed a surplus over expenditures of $525,000. Councilwoman Scott asked if this included

subsidies? He responded "yes"—from the General Fund, prompting her to say that then it was not totally self-sufficient, asking if it included the liability of G.O. Bonds? Mr. Volz responded that they only looked at the operation and not debt service. She wanted to know if debt service was not a part of this and what was paying debt service? Mr. Volz noted that it was part of the surplus—that not everything was applied to the landfill. She asked what his meaning of an Enterprise Fund was, and he responded "a self-supporting fund"—that revenue from the landfill gives a surplus. She again asked if it did not include liability and where the money was coming from? He responded "a city subsidy". She asked where this came from and was told the General Fund, prompting her to say "then it is subsidized". She wanted to know if they were playing word games, prompting Mr. Volz to say that she asked a question and she had gotten her answer. She explained that her concern was when you carve out an Enterprise Fund and then say it is self-sufficient—that would mean no tax dollars and that it would be run like a business—they were coming back to the General Fund to make up the difference, which made it not truly an Enterprise Fund—that it is a liability to the General Fund. She stated that it could be explained any way they wanted, but it did make a difference and urged that they not call it an Enterprise Fund unless it could carry its own weight.

Ms. Madison came to the podium and apologized that she had not gone over these numbers. She explained that there was a time when the Solid Waste Fund subsidized the General Fund and the tipping fees were more than enough money, and the General Fund benefitted; State regulations had changed this and an infusion of cash was not available, and the debt could not have been included in the fee. She stated that Councilwoman Scott was right—it is subsidized by the General Fund; that for the Enterprise perspective, the current users would be paying a rate—that practically speaking, Councilwoman Scott was right, but there was an explanation for this and if the Council would recall, two years ago, in the Capital Budget, dollars were set aside for this.

This meeting adjourned at 5:30 P.M.