

**SPECIAL MEETING OF THE
PUBLIC WORKS AND FACILITIES COMMITTEE**
May 8, 2018, 12:00 PM
Assembly Chambers

I. CALL TO ORDER

The meeting was called to order at 12:00 noon.

Members Present: Maria Gladziszewski, Norton Gregory, Loren Jones, Beth Weldon.

Members Absent: Carl Green, Planning Commission

Staff Present: Rorie Watt, Mike Vigue, Mila Cosgrove, John Bohan, Bob Bartholomew, Michele Elfers, Laurie Sica.

Others Present: Eric Vance and Matt Stern, Waste Management; Chris Gerondale, CMI; Geoff Larsen, Alaskan Brewing.

II. INFORMATION ITEMS

A. RecycleWorks Site Options

Mr. Watt introduced Mike Vigue, new Engineering/Public Works Director and others present.

Mr. Watt said the issue of long-term planning for waste management, funding, programmatic decisions and site consolidation was at a decision point for the Assembly. This matter was before the COW in January, and the Assembly forwarded the concept of the selling CBJ property to the brewery and consolidation of solid waste recycle operations on the CMI property to the Planning Commission. The Planning Commission was favorable to the idea. He asked the PWFC to take make a site visit to the properties and recycling operations in Lemon Creek. He would also offer the same opportunity to other Assembly members. His goal was to hear from the PWFC if it has enough information for the Assembly to make a decision. The CMI property will not be available forever. The old incinerator building needs to come down. It is currently housing the recyclable material. If we don't act soon we will not have an active program and we don't want to lose the traction we have with the public in our effort to extend the life of the landfill through recycling.

Ms. Elfers said the long term program goals are to extend the landfill. Once the landfill is full, a transfer station will likely be built by a private company to ship trash out. This will increase the cost of waste disposal, so all efforts to reduce trash going into the landfill will extend its life.

Mr. Watt referred to a "red folder" handout entitled, "RecycleWorks Site Decision." The choice now is either Waste Management provides private property and a cooperative use agreement, or CBJ purchases a site and manages the program on public property. He asked the committee to provide him with its first review of the information to determine its sufficiency for Assembly decision making.

Ms. Elfers explained that CBJ began the current source separated recycleable collection site at Waste Management's site before the private company, Alaska Waste, began offering co-mingled curbside collection. She spoke about the difference in collection and processing the different waste streams.

The PWFC discussed the effectiveness of curbside recycling, gaining participation for the program through making it easy for people to participate, mandatory garbage / recycling, about the use of crushed recycled glass, and education on recycling to increase participation.

Questions raised included the cost for CBJ to pay for each residence to receive a co-mingled can for pickup by Alaska Waste, to find out how many people are paying for trash/recycle service now, and specific questions about the spreadsheets provided by staff on cost comparisons of the options.

Mr. Eric Vance of Waste Management said their intent is to manage a future operation as close to the current operation as possible. We are proposing to replace the current building with a new site plan. We responded to an RFP to consolidate all recycling operations on our property. If they can have the green light by June, they can have a replacement building up and operational by this fall. We will renovate the Quonset hut, change the traffic lanes, and provide a minimum 5 days a week service for homeowners and commercial. They can operate both simultaneously. They can provide "recycle right" materials to educate the public. Recycle markets change quickly. To make this feasible, they need a long term contract. There have historically been 3-year contracts with extensions and we propose a ten year contract with five year renewals - which will make financing a new building more feasible. We have run the numbers, they are solid, and they include removal and installation of the building. We are willing to look at composting options. We want to give you a proposal with known costs. Matt Stern said the worldwide market for recyclables is in disarray. China is the primary market and they are changing their environmental philosophy - so in short term - there will always be an aluminum and tin can market. Paper and plastics are more volatile. WM has the world's largest brokerage network for finding markets for recycle materials. WM brokers Alaska Waste's recyclables as well as the source separated from CBJ.

Mr. Watt said sale of the property to the brewery makes sense as the current use of the property doesn't meet our needs. Waste Management can take our products to market, regardless of where they collected, in a way that we can't, and we will always need that type of assistance. If we do the CMI property, we have not gone into that discussion, but WM is best situated for this service. Mr. Watt said a sub option is WM may continue to manage the recycling at the CMI site. Mr. Watt said one option includes purchase CMI property and putting out a solicitation for who wants to manage the site. If we do the Waste Management site option, we pass an ordinance that outlines the terms of a contract with a private operator.

Mr. Chris Gerondale said WM is a good customer, and we purchased the CMI property for internal company reasons and have had ongoing discussions about a sale to the city. Their preference is to sell the property to the city, or we will use it for our current operations. There are two other pieces of property that we can purchase in the area for our expansion. He has personal thoughts on recycling, but said CMI was only in this discussion regarding the real estate aspect. CMI is a heavy equipment dealer, they are currently located across the street from Costco.

Mr. Geoff Larsen said the property owned by CBJ abutting the brewery has been of interest to his company for several years. The city staff has done a good job of creating efficiencies which is making some of that property superfluous. This would put the property on the tax rolls and allow them to do necessary expansion. They have been patient in waiting for the CBJ. The

brewery regularly recycles and was taking on forty foot container to the dump every week and through a recycling program they have reduced this to one every five weeks through use of their bailers. They site separate all of the materials, containerize, and send them to a facility in Fife which distributes the various types of recyclables. We take the glass to the WM facility and they use it for road and capping material.

The committee inquired about separating the sale of property to the brewery from the rest of the discussion. Mr. Watt said CBJ staff has been working on sales agreements. The Water Utility staff has to move into the old street maintenance shop, and CBJ needs to find a location for the hazardous waste collection program. There is a matter of timing for moving and when the brewery would take ownership.

Mr. Watt said this issue would return to the Committee of the Whole on May 21, and out of that discussion anticipated any ordinance to be introduced to the Assembly on June 4 with a public hearing on June 25 for resolution of this matter.

B. Site Tour: CMI Property, Waste Management

Chair Jones noted that the group would meet at 1:15 p.m. at the CMI property in Lemon Creek and then visit the Waste Management recycling operations. All four Assembly members on the PWFC committee attended the site visits.

III. ADJOURNMENT

The meeting adjourned at 12:34 p.m. for site visits.

Submitted by Laurie Sica, Municipal Clerk.