

# City of Bloomington Office of the City Clerk

# **CLERK'S CERTIFICATE**

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STATE OF INDIANA

COUNTY OF MONROE

I, Nicole Bolden, being the duly elected, qualified and current Clerk of the City of Bloomington, Monroe County, Indiana, hereby do certify that I am the custodian of the records of the Bloomington City Council and the City of Bloomington, and that the attached copy of the minutes for the July 7, 2010 meeting of the Bloomington City Council is a full, true and complete copy of drafts of the minutes of that meeting and which is kept in this office in the normal course of business.

I affirm under the penalties for perjury that the foregoing representations are true.

IN WITNESS WHEREOF, I hereunto set my signature as Clerk of the City of Bloomington on the date set forth below.

Nicole Bolden City Clerk City of Bloomington, Indiana

Date: 2 December 2020

The attached copy of the minutes for the July 7, 2010 meeting of the Bloomington Common Council of the City of Bloomington, Indiana as presented by the City Clerk was approved on the \_\_\_\_\_ day of \_\_\_\_\_ DECEMBER\_\_\_\_, 2020.

Stephen Volan President, Common Council City of Bloomington, Indiana

In the Council Chambers of the Showers City Hall on Wednesday, July 7, 2010 at 7:30 pm with Council President Isabel Piedmont-Smith presiding over a Special Session of the Common Council.

Roll Call: Mayer, Piedmont-Smith, Rollo, Ruff, Sandberg, Satterfield, Sturbaum, Volan, Wisler

Council President Piedmont-Smith gave the Agenda Summation

The minutes of June 30, 2010 were approved by a voice vote.

Steve Volan introduced the reports by saying that the discussion of a Materials Recovery Facility (MRF) had been going on for at least eighteen months, and said that there were many questions to be considered.

Larry Barker, Monroe County Solid Waste Management District (MSCWMD) Director, presented changes in the district in the last 18 months.

He said the hours of operations have expanded to make recycling more convenient to the public. He added that more types of plastics are recycled, that electronics are being accepted at the district for a maximum of one dollar, and that bulky item days have been moved to the fairgrounds and maintenance garage to increase usage. Barker noted that the Citizen's Advisory Committee had increased to eleven members, and that Educational outreach has increased with more educational presentations, cable TV infomercials and tours of the facility.

Barker noted that the business plan had been written for a Materials Recovery Facility and that the Strategic Development Group had completed an in-depth study of feasibility that showed that the community could support the Facility.

Mayer asked Barker for an overview of the administration of the MCSWMD. Barker said the District was chartered by the State with the mission to reduce waste stream. He said revenue came from the tax base, tipping fees, and sale of recyclables.

Rollo asked about compostable material capture and if it was actually half of the present waste stream. Barker said he thought it might be in the restaurant sector, but in general the portion of compostable materials was about 20%. He added that the MRF would allow the recyclables at a higher dollar value to support composting, apartment recycling, and collecting other materials that should not go into the waste stream. He said that asphalt shingles, mattresses and corporate recycling could be a future emphasis.

Piedmont-Smith asked about tipping fees. Barker noted that the trash collects \$2.71 for each ton of trash according to an agreement with Hoosier Disposal that dated from the time the landfill closed.

Satterfield asked about illnesses caused by dust from heavy metals in recycling electronics, and asked if it was a possibility in the MRF. Barker said the MRF was dedicated to fiber, plastic, aluminum, metal and glass and that it would not be taking apart or crushing any electronic device.

Rollo asked about the Hoosier Disposal contract's fee structure. Barker said the contract signed in 2004 was based on the Midwest CPI and that the gate fee couldn't be raised more than 12% in any three year period.

COMMON COUNCIL SPECIAL SESSION July 7, 2010

ROLL CALL

## AGENDA SUMMATION

APPROVAL OF MINUTES

### REPORTS

- Monroe County Solid Waste Management District (District) Update
- District Strategic Planning Report (April, 2010) – Prepared by Strategic Development Group, Inc.
- District Materials Recovery Facility Cost Assessment (June, 2010) – Prepared by Strategic Development Group, Inc.

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He said that one increment in 2007 met that cap, but there had been no other changes since then. Rollo asked about the raise; Barker said that the CPI was higher then, and that fuel costs could have been part of the raise.

Sturbaum asked what would happen to the Hoosier Disposal contract if the MRF were built. Barker said that this would be a seamless transition on the part of the District, but that he couldn't comment on the City's contracts with the firm. Sturbaum asked about the volatility of pricing for recyclables to which Barker noted that the lowest prices were in December of 2008 but that prices were rebounding now.

Public comment brought Mike Hanna to the podium. He wondered if the District was collecting waste from grease and oil from restaurants to fuel vehicles locally.

David R Grubb said that he understood waste and the collection of such. He requested a list of council members and their hometowns before he was gaveled out of order and asked to be seated.

Brian O'Neil, Senior Project Manager at Strategic Development Group, discussed the study done for the District. O'Neill said that the most up to date figures from the City were not available at the time the report was completed, and were not reflected in the report as written, but would be updated in the electronic version. He said that the actual collection system for recyclables was not in the scope of this assessment, and that the starting point of the report was profitability of a MRF after all recyclables were amassed.

Patrick O'Neil, Project Associate at Strategic Development Group, noted that the report collected data on the university, city and District wide solid waste streams. He said that the analysis of the expenses in processing recyclables found transportation and tipping fees to be the major expenses. He added that the sale of recyclables didn't offset these fees, even though there was value in recycling.

In showing a slide of the three entities he noted that while Hoosier Disposal was handling most of the waste stream, the contracts and management of the three entities did not have similarity in rates or terms. He noted that higher volume of commodities and collaboration of entities involved would make the program more efficient and decrease the overall cost.

He reviewed the amount of recyclables produced by local entities, comparison of net recycling income of the above entities and other communities, the environmental value of recycling, and strategies for recycling infrastructure. He made different recommendations for recycling options.

Volan asked about private haulers.

O'Neil said private haulers very rarely took recycling.

Volan asked if the student housing only created 100 tons of recycling per year.

O'Neil

O'Neil stated yes it was very difficult to recycle.

Volan asked if they knew how much trash was generated per year.

O'Neil said there was no estimate of that.

Volan asked if he could bring up the chart addressing the

commodities markets.

O'Neil said yes.

Volan asked if he believed the market had already recovered from the recession.

O'Neil said yes that was true.

Council Questions:

Volan asked if the figures had climbed more since 2008 and asked if the levels were back to where they were before the recession.

O'Neil said yes however a few were not back to 100%.

Volan asked if the chart did not represent the upward trends of the first half of the year since the report was prepared in April.

O'Neil said that was correct.

Volan asked if on the local market slide how he arrived to the 118,000.

O'Neil said he only had secondary data from Bloomington. He pursued primary data from the City but got no response. He thought he had enough data to prepare the numbers.

Volan asked if the City paid to have their fiber removed and no other recycling and that was why the figures were incorrect.

O'Neil said he could not say until he had the primary data such as budgets and contracts.

Volan asked about the no landfill clause and if the City had one now. O'Neil said he was not aware since he had not obtained any contracts.

Rollo asked about the range on the volatility of prices and asked for O'Neil to bring the chart on market value up and asked what the period of time was over.

Piedmont-Smith asked if he could make the chart full screen. O'Neil said yes. He said this was over a period of five years.

Rollo asked if there was an assumption that that kind of volatility brackets was what they could expect in the future.

O'Neil said the 2009 crash was one of a kind and it coincided with other market problems. He thought another crash was very unlikely.

Brian O'Neil said they could not predict the future but they do try to base their decisions on the information they had and what historically happened.

Rollo said the price would have to fall dramatically to not reclaim their investments. He also asked if it was correct that they only recovered a small portion of the 160 tons in Monroe County of recycling. He asked what percent of the recyclables were recoverable.

O'Neil said half would be very generous. He said a lot of recyclable material was thrown away. He thought it was a very real point that by not covering high density residential area in Bloomington, they are missing a huge part of the recyclable items.

Rollo said they were losing a lot of money on those recyclables.

Volan said he had been working figures since last year and said it was 30% was recycled.

Larry Barker, Waste Management Director, said it was around 37-38%. He said some of the waste was taken directly to other cities so it was hard to know how much recycling they were missing and there are other waste management companies. He said it was difficult to get a handle on the number.

Rollo asked what that percentage represents.

Barker said that was of the recycling stream they captured.

Rollo asked about the relative reduction of transportation and the ability to compact materials.

O'Neil said they would delay that to the second report where they had direct numbers.

Satterfield asked if the fate of this material was destined to leave this country and he said they were not using as much recyclable material as they thought.

O'Neil said it was accurate that Americans do not reuse their recyclables and it was sent to China since they do the manufacturing. He was not advising creating a program that could not sustain a crash. He said it was a very valid concern that we do not reuse our material but it did not pertain to our local policy. In the Midwest, recycling was reused

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### the most.

Satterfield did not believe that Bloomington could affect China's market. He wanted to increase Bloomington's recycling and could they handle it and would it drop the price further.

O'Neil said it would be difficult because they need to look at the future and see what else would affect the market.

Sturbaum wanted to know more about the collaboration with private entities.

O'Neil said the large entities would be like Indiana University and they could increase the material and profit share with the other entities. He said higher volume was better program.

Sturbaum asked if there were other businesses they should be collaborating with.

O'Neil said the city, district, and Indiana University. He said there were smaller players that would be worth working for.

Sturbaum asked if they had researched Vincennes and Seymour. O'Neil said he would like to delay that question to the second presentation.

Piedmont-Smith asked why there was such a large increase in profit on glass recycling from 2009-2010.

O'Neil said he believed it was a change in contract.

Piedmont-Smith asked if they investigated previous attempts to establish a Material Recovery Facility (MRF).

O'Neil said when he worked with Martin County which has a successful program and he discovered a bailer there and it was an operating MRF. He said he believed the decisions with the equipment were not made well.

Brian O'Neil said they were not asked to research the previous attempts.

Volan said the first MRF was mid 1991-mid 1996 and the bailers came later. They were persuaded that it would be better to have the private industry take care of it. He said they bought bailers for garbage which was a bad idea. In the interim, they tried bailing garbage and it turned out to be a bad idea. The second MRF was in 2001 when the district was fiber only.

Piedmont-Smith asked why the second MRF was closed.

Volan said when the landfill caught fire, everything went out the window and the district was no longer viable. Within six months of the fire, the district had to close the landfill.

Piedmont-Smith asked what the cities contract with Hoosier was. Susie Johnson, Director of Public Works, said they currently paid

Hoosier Disposal \$39.76 per ton for co-mingle recycling and they do not collect fiber.

Piedmont-Smith asked what the hauling charge was.

Johnson said that was what they charge us.

Piedmont-Smith said that the City hauled it to them. She asked what the current contract with Hoosier Disposal was.

Johnson said it was through the end of 2012, but she was not sure of the month.

Grub commented on dumping and waste.

Public Comment:

**Council Questions:** 

Brian O'Neil and Patrick O'Neil gave the second portion of the presentation.

Wisler asked if the \$118,000 net loss number was inaccurate. Brian O'Neil asked if the new figure was \$40,000.

Volan said that was probably a question for Johnson, but he believed

it was between \$40,000-\$50,000.

Patrick O'Neil said they were forewarned by the City that that

number was incorrect.

Volan said they were not paying anything for fiber so that was why the number was incorrect.

Wisler asked if that number included the co-mingle and the fiber. Volan said yes, so \$45,000 was probably the correct number.

Wisler asked how Bloomington curbside was still losing less than what Monroe County was when they were already sorted.

Patrick O'Neil said he could not speak for the private companies. Barker said the reasoning was the transportation and processing was included in Monroe County. He said the City of Bloomington was not charged for fiber at all.

Wisler asked if they were getting any financial benefit from having their material already sorted.

Barker said they netted \$29,000 or \$30,000 from the sale of recyclables in 2009. He said they lost a quarter of a million dollars in 2009 on recycling. He said the sorted recyclables gained much more dollars on the market. He said they were losing more money since the community was sorting the recyclables.

Scott Morgan, Operations Director with Solid Waste District, said the Solid Waste's transportation was factored into Monroe County's figures but not Bloomington's.

Wisler asked if there would be no transportation cost since they would relocated to the MRF.

Morgan said the City of Bloomington had a transportation cost but it was internalized.

Wisler asked if the district would have no transportation costs with the MRF.

Morgan said they would have transportation costs.

O'Neil said assuming the county took over they included those transportation costs. They were in the processing costs.

Wisler asked when they figure the costs if they included new transportation costs.

O'Neil said yes.

Piedmont-Smith asked Morgan to go through the chart.

Volan asked him to start with 2009. He said the lines represent different materials.

Barker said they looked at what the district actually collected in 2009, then they looked at an average market price. He explained the chart in detail.

Volan explained the chart including its costs.

Sandberg wanted some comparison between some of the prior MRFs. She asked what years they were run.

Barker said 1991-1996 and 2001-2006 and there were reports available. He also said there was a profit made during both ventures.

Sandberg asked if there were still people around who could attest to these MERFs.

Barker said that Scott Morgan could.

Morgan said he began working at the Solid Waste District in 1994 and started working at the South Rogers facility of the first MRF. Sandberg asked if the first one was covering their costs.

Morgan said he was a laborer at that moment so he was unsure of the finances. He said they were not locked in on how they marketed their materials. He said the City of Bloomington brought their materials to the facility, so it was more of a regional facility.

Rollo asked about some of the equipment they needed. He asked if they bail the plastic and compact it.

O'Neil said yes.

Rollo asked if they considered separating the plastics.

O'Neil said they could get fiber optic sorters since it could not

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realistically be done by hand. He said they are prohibitively expensive. Rollo asked how they keep the stream pure.

O'Neil said the value of their stream would be much poorer than that of a pure stream, but it was the only way to recycle plastics 1-7. He said it's sellable.

Rollo asked about the OTIS building.

O'Neil said one important consideration was space and if it's industrial grade.

Rollo asked about having a zero waste goal and his interest in the future and in an organic sorter. He asked if that location would be able to house an organic sorter.

Brian O'Neil said the OTIS facility had the right space, industrial zoning, incredibly high ceilings, and truck bays. He said it also had the right power supply for operating the equipment. He said it even had 3 foot cement floors and it was a great facility.

Rollo asked about the possibility of an organic sorter.

Patrick O'Neil said it would require another study but when he spoke to other solid waste districts, they said the bigger the better. He said it should be possible for a MRF to operate with about 30,000 square feet less. He said they would need to do another study.

Brian O'Neil said the additional space was essential for storage space. He also said it was a great underdeveloped market in Indiana University and thought they should increase their collaboration with the university.

Rollo asked if they would have room to grow and by what amount. Brian said the minimum was 33,000 square feet and there are 66,000 square feet in the facility.

Volan said in the MRF 1.0 study, he said the district was looking at a building at about 15,000 square feet. The plan said at most that facility could process 5,400 tons per year. He said the district decided to follow O'Neil's advice.

Satterfield asked Johnson if they had done a comparison on the transportation costs compared with what Hoosier Disposal was charging and asked if it was comparable.

Johnson said she did not understand the question.

Satterfield asked what our cost was compared to Hoosier Disposal's cost.

Johnson said she was unaware and had not made the comparison. Satterfield asked if they could do that.

Johnson said sure.

Satterfield asked what special obstacles applied to solid waste and the relationships that needed to be developed.

Patrick O'Neil said it went back to the nature of the business and there was an absolute steady market. He said in a lot of places they were not competing. For example, the district put out a request for proposal and Hoosier Disposal was the only to reply. It had to do with this being a necessary service.

Satterfield said in other words it was not very competitive. Patrick O'Neil said yes.

Satterfield asked if SDG did consulting for the other counties they listed in their report.

Patrick O'Neil said SDG did dozens of reports and he was only a part of the Vincennes plan for their streets and recycling.

Brian O'Neil said their firm did consulting in every county in the state at some point.

Satterfield asked if they used those as resources.

Brian O'Neil said Patrick pulled from the Vincennes report and they did feasibility studies, key informant interviews, web-based research, and site visits. He said it was primary research in terms of actually going out and interviewing people or visiting their facilities. Volan corrected Patrick O'Neil that a few companies responded to their RFP. He said Hoosier Disposal was the only to have a comprehensive plan. He said there was not much competition.

Brian O'Neil said it depended on where the facility was and how far you are from it. He said it must be very close if it was not bailed as well. If it's bailed, then others get involved in the bidding and it could be as far as Wisconsin.

Satterfield asked why they would not shred instead of bail.

Patrick O'Neil said in his experience, shredding was less efficient. It was usually only done in conjunction with bailing. He did not know any MRF that exclusively shredded.

Satterfield thought they could shred then use heat to have a more compact unit.

Patrick O'Neil said it could be true but could be cost prohibitive.

Sturbaum asked if the investment cost would be recovered in three years.

Patrick O'Neil said yes, if not faster.

Sturbaum asked if that would be covered by the income of the recyclables. He said it sounded like they had a pretty easy decision. He asked how essential the City and University's cooperation was to the project.

Patrick O'Neil said there was another layer of planning. He said the City had a co-mingle but the district did not. They only had to operate the bailers. He said as far as this plan, the City's cooperation was essential.

Brian O'Neil said they did not calculate Indiana University but they would be a plus. He said the county's recyclables were already sorted so sorters were only necessary if the City was included.

Sturbaum asked if the solid waste district would make the City an offer.

Brian O'Neil said a negotiation would need to happen. But he said there seemed to be a positive cash flow for both but there would be an additional expense because it required additional sorting and additional staff.

Sturbaum said some of these additional expenses would be up for a discussion.

Brian O'Neil said yes they needed to sit down and discuss it.

Volan asked if the MRF 1.0 would use 12,000-15,000 square feet just to process the district's recyclables.

Morgan said yes.

Volan asked if the space in the OTIS elevator plant was about 60,000 square feet.

Morgan said yes.

Volan asked if there was any other space considered and why they did not just acquire a 30,000 square foot space.

Morgan said they needed to make sure they included aspects such as loading docks, etc.

Volan said since the loading docks were where they were, that was why they chose that space.

Morgan said yes.

Volan asked if there were other options.

Morgan said yes, one was too small and one did not have high enough ceilings.

Volan asked if this plan only makes sense if the City takes part.

Morgan said the City and the university would make the space the most beneficial.

Volan asked if it was not worth renting the space if the university did not take part.

Morgan said it was certainly worth the City and district working

together and he said Indiana University was a wild card.

Piedmont-Smith asked if the cost in the packets was for two bailers on lease and not one.

Patrick O'Neil said yes.

Piedmont-Smith asked if they considered the advance to payments that had to be made before the lease starts.

Patrick O'Neil said yes, they were two upfront payments that come out of their 60 payments. He said the operating expense would increase by those two month expenses.

Piedmont-Smith asked if it was still an operating expense but in the first year.

Patrick O'Neil said yes.

Piedmont-Smith asked if they could look at the comparison between leasing and buying and she asked about the 5 year lease and its cost. She asked what it would cost to purchase both of those machines.

Patrick O'Neil said \$166,000 if purchased directly.

Piedmont-Smith said it was a \$30,000 difference.

Patrick O'Neil said yes.

Piedmont-Smith asked about the possibility of bartering and how it would work.

Patrick O'Neil said they would take offers and the district could simply reject them and hold their material. He said Seymour rejected any offer if it was not \$1 per 100 pounds.

Piedmont-Smith asked why they used that term, bartering. Patrick O'Neil said maybe they should have used a different word. Brian O'Neil said they used it as a slang word for bargaining. Piedmont-Smith said it was a matter of holding the product until the

market price improved.

Patrick O'Neil said it was like negotiating their offer too.

Piedmont-Smith asked about community corrections.

Patrick O'Neil said people sentenced to community service sort the recyclables.

Piedmont-Smith asked if they had a history of using community service.

Morgan said they used a combination of community service workers, workers, and restoration workers.

Piedmont-Smith asked if that supplemented their regular paid staff. Morgan said yes.

Piedmont-Smith asked if they would continue that.

Morgan said he did not see any reason why not.

Piedmont-Smith asked about bailer maintenance and the option of borrowing a bailer from Quincy Recycle.

Patrick O'Neil said that was the system that Vincennes was using and they give you the bailer on the promise that you market their materials through them.

Piedmont-Smith asked about the prices.

Patrick O'Neil said they were reasonable but not strong enough to offset the bailer costs. He said his inclination would be to have your own bailer would be more advantageous.

Piedmont-Smith asked if they used the bailer that they recommend.

Patrick O'Neil said they strongly advocated working with Excel.

Piedmont-Smith asked where they were headquartered.

Patrick O'Neil said Quincy, IL and Marion, IN.

Piedmont-Smith said that would be an option to look at borrowing a bailer.

Patrick O'Neil said Quincy would be one of their more competitive bailers and they were really good at working with districts and they could arrange a contract for their needs.

Rollo asked if they were likely to assume a greater role to transport the recyclables to the facility.

Patrick O'Neil said he did not think so.

Rollo said now when they give it to Hoosier Disposal they take the material to Indianapolis. He asked what they would do with the material now.

Patrick O'Neil said the companies would usually come to them to pick up the material.

Rollo asked if any of the material was transported by rail.

Patrick O'Neil said in some places it was transported by rail but he was not sure about this area.

Barker said the plan would be a rail spur primarily for glass. He said 800,000 tons of glass was processed by NOF in Shelbyville.

Rollo said the option for rail was music to his ears.

Satterfield asked Barker if the amount of recyclable material include the business and apartment complexes. He said if not, do they have a plan to obtain that.

Barker said they do collect recyclables form businesses. The concept was to expand and reach out to other entities in the Bloomington area.

Sturbaum requested that the statistics were reworked so they could get a clearer picture of the savings and so on.

Brian O'Neil said they would email a new copy electronically.

Piedmont-Smith asked what the 37% recycling rate meant. She asked if it meant that for every 100 tons they recycled 37 tons.

Someone answered yes. Patrick O'Neil said that Barker had mentioned the national average was higher. He said that agricultural and industrial areas had massive amounts of waste so from district to district it varies.

There were no public comments.

It was moved and seconded that the reports be acknowledged by the common council.

Volan said the issue was non-trivial and it had taken awhile to compile all Council Comment: the data. He said they finally found out was important for the district and i reducing the amount of waste that went to disposal. He said there was no resolution to go ahead with the MRF because they need to go about bondin for the capital costs. He said he would have any questions ready for the ne meeting. (FORMAT; end of sentences are cut off)

Sturbaum said it sounded like there was a real opportunity hear because th was a waste and money stream and the money was going out of the comm right now.

Rollo thought this was an important service that the government should provide. It distressed him that their other trash goes to another landfill far away. He was very heartened to hear that the director had a goal of a zero waste community in the future. He expressed that an organic sorter was important as well.

Piedmont-Smith thanked them for their time and the information they brou

Brian O'Neil told everyone to stop by their office if they have any questio

The reports were acknowledged by a voice vote.

The meeting was adjourned at 10:27 pm.

APPROVE:

ATTEST:

Public Comment:

ADJOURNMENT

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Isabel Piedmont-Smith PRESIDENT Bloomington Common Council Regina Moore, CLERK City of Bloomington