



Approved: March 12, 2024

CITY COUNCIL WORKSESSION MEETING MINUTES

January 30, 2024 @ 4:00 p.m.

A. CALL TO ORDER Meeting called to order by Mayor Cowan at 4:02 p.m.

B. PLEDGE OF ALLEGIANCE

C. ROLL CALL

Councilors Present: Mayor Scott Cowan, Councilors Dave Harms, Mike Hickam (4:04 p.m.), Mark Raum, and John Sullivan

Staff Present: Kevin Kreitman, City Manager; Janelle Booth, Assistant City Manager/City Engineer; Matt Straite, Community Development Director; Alan Sorem, City Attorney; Sheena Dickerman, City Recorder

D. NEW BUSINESS

4:02 p.m.

Republic services- Julie Jackson introduced her staff that was in attendance; Bret Davis, General Manager; Amie Morgan, Albany Divisions Operations Manager; Kenny Larson, Municipal Administrator; Bruce Edwards, Route Supervisor; and Josh Walesby, Route Supervisor.

Jackson gave a breakdown of complaints and compliments over 2023*.

Councilor Mike Hickam arrived at 4:04 p.m.

Jackson pointed out that most of the complaints were carts that were not serviced. When Republic Services staff looked into it, they learned that a lot of those were regarding yard debris pick up. The difference she noted was that Millersburg operates every other week; half of the City is picked up one week and the other half the other week. There were some complaints that were drivers driving too fast and trash on the ground. There were a couple where customers had incorrect information, she gave an example that if a person has a handicap and are not able to get their cart out, the driver would get out, for trash only, for no additional charge. The person wanted all their carts serviced for no additional charge.

Mayor Scott Cowan asked for clarification on it only being up to six complaints. Jackson replied that there were six complaints for the yard debris and everything else was less than that. Cowan asked the timeframe. Jackson replied that it was for all of 2023. Councilor Mark Raum asked if there were only nine complaints in 2023. Jackson explained that if a person calls that their cart was missed that would not be considered a complaint, it would be considered a service failure. She explained that misses count against a driver and are punitive. Drivers have a standard that they have to meet.

General Manager Bret Davis shared that Republic Services' goal is that there would be seven or less for every 10,000 customers. They usually have around 10 complaints per 10,000 customers, which he believes is still good. He explained that it was difficult to know what true misses are. He shared an example of someone calling to say they had gone camping and forgot to put it out. Recycling trucks are first to go through the route and then the other two trucks. He shared that recycle and yard debris drivers would be in neighborhoods first because there are less carts and can make time faster. Those drivers will see people put carts out behind them and drivers will call it in. Jackson added that typically all three drivers won't miss carts.

Raum asked how many times a driver misses part of a route or an entire route. Jackson replied that there was a driver in Millersburg that was out due to family leave and a new person was driving the route recently and had missed a couple of streets. She said drivers never miss a whole route. Raum said maybe miss a cul-de-sac. Davis affirmed. He said that if someone is out on vacation and someone covers a route they can get mixed up with boundaries and carts can be missed. Councilor John Sullivan asked what the protocol was when that happens and what the customer could expect. Davis said once they know about it, typically, they will go back the next day. Raum said as a customer, when he filed the complaint/issue the night before on the app the feedback was response that within 48 hours someone would take care of it.

Amie Morgan, Albany Divisions Operations Manager, explained that if a service call arrives after 4 p.m. it defaults to the next day and a route is created for the day after. Raum stated that most people get home after 5 p.m. Morgan said that sometimes if they notice that it is a street or two away from another, they will pick up. Cowan clarified that if it was missed on Monday usually the response would be Wednesday. Davis and Jackson affirmed.

Cowan asked if it would be rare to hear that the pickup would be next week. Jackson agreed but explained that for the ice storm Republic Services sent notice that they would take extra trash. Raum asked if that would include yard debris. Jackson replied that typically there is not a lot of yard debris in winter. She mentioned a resident had called because he had put a plastic bag with recycling in it. She explained that Republic Services would never take a plastic bag for recycling, there is no one to open the bags. She said that in the future they will say that they will pick up extra trash. Discussion followed regarding the ice storm, Republics Services response to pick up extra bags during the storm and how Republic Services charges for extra bags normally.

Jackson went through the call volume. She pointed out that there were few calls in 2023, which meant that more people were being taken care of during the first call. She said there are 30 staff handling Oregon calls and two supervisors in Oregon. She highlighted the improvements from 2022 and 2023. Morgan said that AHT is the "average handle time" and includes the entire conversation. Cowan said the customer service side looked excellent. Jackson mentioned that they are working on doing better on communication and getting customers good information, an example was weather delays.

Jackson talked about rate comparisons with other smaller cities*. She said Millersburg was their only City that had weekly recycling but only every other yard debris pick up.

Jackson talked about the 90-gallon cart versus the 32-gallon cart with weekly services and every other week services. She pointed out that in Corvallis and Albany, which have weekly yard debris pickup customers choose the 32-gallon cart.

Jackson said they had put together the benefits of having weekly yard debris. She stated that Millersburg has larger lots and has more organic material in the cart and less in the trash. This might reduce garbage cart size, during leaf season it would also help with the stormwater system and would be easier to remember. Davis mentioned that City of Dallas had interest in going weekly and Republic Services purchased an extra truck to service that area, which could be used for Millersburg.

Jackson shared that in Millersburg there are 35 customers that have 2-yard debris carts and are paying an extra \$10.03 per month. She said most people say that they only need it during the spring, but she pointed out in the chart showing pickup, that January yard debris pickup was over 500 tons. There is a huge spike in April and May, depending on the weather. The average throughout the year is around 1,000 tons a month.

Jackson shared that Millersburg has 650 people with a 90-gallon cart, three people that have a 65-gallon cart, and 535 with a 32-gallon cart, and 11 with a 20-gallon cart. Raum asked if that was residential. Jackson affirmed. She said that they would be willing to offer weekly yard debris pickup for an additional \$1.95 per cart, this is a bargain. She said the reason they are doing it is because they have the truck capacity to do it right now. They would not need to buy another truck or hire another driver. Hickam asked for confirmation that it would be for yard debris pickup every week. Jackson affirmed. She added that if customers went down a size on their garbage cart there would be a \$4.61 savings (90-gallon to the 65-gallon cart). She explained that the savings for a 20-gallon cart was not very much because it costs them the same as a 32-gallon cart.

Cowan asked if these were all the services that the City had a year ago. Jackson explained that the 65-gallon cart was new as of two years ago, but not many people seem to know about it. Cowan said that trash services look good with the options and it is weekly.

Cowan stated that recycling was also weekly. Davis said the cart is a 65-gallon. Commercial customers typically use the 95-gallon cart. Hickam shared he had been to other countries, and it was typically no more than 20 gallons for trash and larger for recycling. He asked what was tying up the recycling system here, that doesn't allow for as many items to be recycled. Jackson said that in 2018 people recognized that all the recycling was going to China and going to riverbanks. There is no recycling going overseas now. The Department of Environmental

Quality (DEQ) has said that it needs to change. The Recycle Modernization Act happens in July 2025. There will be a lot more materials able to be recycled. Republic Services are looking at how items can be sorted. No one wants 20 carts. There is an extended producer responsibility bill, this means the people who make and sell them in Oregon will have to pay for part of the cost of disposal. She shared that they are starting to see beer being sold in reusable bottles. Overall, the bill will cost the consumer more, people will see the cost when they buy those materials. She does not believe it will cost more on the "curbside" end.

Jackson said they have spent hours with DEQ discussing Pringles cans. Davis said that it will be up to the producer of the product to be responsible to have an outlet for the product. Jackson added or to pay for the disposal of the material. Davis said that up until Republic Services built the Polymer Center in Las Vegas, they had never been the recycler but only the hauler. They have been trying to find a market for it. He said if there was not a market for the "#5 butter tubs", then there is no value to it. The new program will make those responsible for producing material to be responsible for disposal.

Kenny Larson stated that recycling education is a huge part of his job. He has a presentation answering the question, "Why can't we recycle more here?". He said companies have lost lawsuits because they said it was recyclable but was not. He said that if there was interest from the Council, he would be willing to do a community presentation on recycling. Cowan thought it would be great. Larson said that he could send Kreitman information and videos. It would be good to start conversations with the community now, because they will be confused in 2025. Hickam stated that in other countries recycling is mandatory. He added that one kitchen bag is the weekly waste in other countries, they recycle everything, including Styrofoam. Jackson stated that today Oregon is one of the leaders in the United States for recycling.

Cowan mentioned that if someone was out of town for a couple weeks, he thought there was the ability for a credit. Jackson clarified that if a customer called ahead of time that they would be gone for three weeks or more their service could be put on hold. Morgan said that it is a minimum of three weeks up to six months, that would not be charged. Davis mentioned that for larger cities Republic Services does offer biweekly, monthly and on-call services as well. Jackson said that on-call is available in Millersburg. She said in Salem they offer every other week for the 20-gallon cart, but it wasn't significantly cheaper because their drivers drive by it every week. Cowan asked if it was offered in Millersburg. Jackson replied no. Cowan asked if he could customize his different than Raum's. Davis said it was based on the franchise agreement. He listed the cart size and on-call service that is listed in the franchise agreement. The franchise could be changed to add monthly or biweekly.

Cowan asked what on-call was for pickup. Davis replied that it is when you call and it is picked up during the normal service day of the area. Cowan asked if someone would be charged a little bit more. Jackson affirmed. Morgan clarified that recycling and yard debris is not included in that on-call rate. The customer would have to pay separately for those services.

Cowan clarified that half the City is picked up one week and the alternating week for the other half. Jackson affirmed. Cowan stated that there have been conversations in the past and where Council wants to land on that. He asked about the cart size. Davis said they are 95 gallons. Cowan stated that he doesn't use that service and asked other Councilors for input. He said that he had an email requesting that it be weekly. He has heard it more often weekly. The City has grown. He said it is a direction that the City might want to move in doing a weekly yard debris. Hickam agreed.

Jackson said that they allow up to 6 inches in diameter for branches. Cowan said that the yard debris is where the food waste would go. Jackson affirmed. She said they would take a turkey carcass, but they do not take liquids, such as oil. They wouldn't take a deep-fried turkey. Sullivan said that oil can be recycled.

Cowan mentioned that he had seen a few Christmas trees on sidewalks. Jackson said that they have done Christmas tree collection for a while. She said they are going to change to picking up the next week after Christmas week. Cowan asked if that was an individual charge. Jackson replied it was free.

Kreitman mentioned that in the Municipal Code and Franchise agreement it is required for weekly pick up of garbage debris, because of odors and health hazards. Cowan said he did not see any nods for reducing services. Sullivan asked if that covered commercial. Kreitman affirmed. Jackson said that commercial could be on-call and the City may want to address that. Kreitman said that City Hall is on call.

Raum asked for confirmation that for a 32-gallon cart that for \$1.95 more they would pick up yard debris every week. Jackson affirmed. Sullivan asked about analysis of the yard debris in Millersburg. Jackson replied it was difficult to know. She said that a DEQ study says 30 percent in landfill is organic, which includes yard and food debris. Sullivan added pizza boxes. Hickam said that on some of the Republic Services paperwork it says pizza boxes can go into yard debris, and some says they can't. Cowan asked how much rinsing for a plastic container. Jackson said that if nothing drips out, it is good. She used the example of a ketchup bottle that has dried on the sides would be acceptable. She said that she runs it in the dishwasher and does not use any water to rinse it. Councilors and Jackson shared what they do.

Cowan said education would be good. Jackson said Larson could do a teams/zoom meeting and allow people to ask questions. Jackson added that for the ice storm they could have called and asked for information to be on the City's reader board. Staff said it was on the website and on the City's Facebook page.

Davis explained the steps taken to decide delaying/not picking up during the ice storm. They have twice as much to pick up, extra riders with the residential drivers, extra hours and it's stressful. They tried to make the best decision for the employees and their communities. Cowan agreed, safety was the right choice, people would have fallen. He appreciated that they picked up extra trash.

Cowan reiterated that what he heard was to go weekly with yard debris and there were some options.

Cowan sought Council and staff's input on rewording for a modern contract.

Sullivan recommended a rate increase of CPI for two years and coming to Council if they need to "shore up" but not having to come every single year.

Sorem stated that this was a work session, and no decisions would be made, but the purpose of the meeting is for staff to listen to Councilors questions and the service provider. The goal is to understand where the target is to bring back a potential draft franchise agreement that would reflect what Council knows as the needs of the community. He said the levels of services and cart sizes are not in the agreement. He said Republic Services comes in with a rate increase and there is an outline of criteria that would go ahead and determine whether it is reasonable. There are things that can be done to streamline the management of those services to further clarify exactly what services the City is expecting from Republic. The City has general rights of inspection of books and reporting requirements. Things can be put in of what does the Council want and how often and what format. The City could formalize the reporting requirements to try and reflect what the services are and what obligations are and what the rights are for the parties. Kreitman added that staff found later documents that included the formula that was agreed upon by Millersburg, Albany, Corvallis and this region is not in the agreement but without being codified.

Hickam asked what was proposed every other year. He thought the rate structure was already CPI. Jackson replied that it is a calculation that is 75 percent CPI and 25 percent on fuel and disposable costs. She said fuel costs can be tricky. The date to make the calculation is June 30th. She said it could be lagging but catches up. She said that if Council wanted to go to a straight CPI that would work as well. She added that in 10 years there were two years with zero increase and another year where it was a .03 percent increase. She explained that prior to that it was larger percentages over a couple of years and Republic felt that smaller was easier for customers absorb the average is 2.5 percent. She said they are open to discussions but strongly recommend keeping it more of an index based.

Hickam explained his frustration the past couple of years on not knowing what Council was voting on, as the price seemed like it was set. He is open to doing CPI and having Republic Services only come if they need to go above that. Sullivan said that however it is set up to keep it simple for the next set of Councilors coming in. Jackson shared that in some communities that if it doesn't go above a certain percentage, and Council agrees with the calculation, then it gets increased. Raum added to have the presentation sooner than November or December. Jackson said her goal is September 1st. Kreitman said that staff received it in September and had hoped to have it at the October meeting but there was a conflict. Jackson said that they are waiting for the financial team to put the calculations together, but she needs to let them know that they need to be in the City's hands by August 1st.

Cowan reiterated that the agreement doesn't have services and those need to be listed out. He heard index based every two years and having the information earlier on. Raum said he is not comfortable with the 6 year roller. Cowan asked if that was normal with other contracts. Jackson replied that for Oregon about 75 percent have rolling term contracts. They do have some fixed contracts that tend to be 10 years. She said a rolling term contract or an 8 to 10 year fixed is more incentive. Sullivan explained the history. There is no bank that would finance if they only had a one- or three-year contract.

Dave Harms asked when the last time was the City used someone else. Sullivan replied it was Newman Disposal in 1978.

Davis said there is some other information that Council could have addressed. The annual clean up, weather and the call blast. Jackson added the annual report and what Council would want to see. Cowan liked having an annual report and face time.

Kreitman asked if Council wanted staff to report back or have a Councilor participate. Sullivan said that Sorem would be great and there are some people to help with getting the contract cleaned up.

Sorem shared that the franchise has their own regulatory scheme. Staff can iron out a memorandum of understanding regarding business concerns. He said it might be in the best interest of the City to engage with a consultant, whether it be an attorney or a consultant with other industry experience, on gathering information and finalizing an agreement. The City has until June.

Kreitman said that if Council wanted to appoint someone it could be done at the next Council meeting or if they wanted to just have staff work on it.

Hickam asked if it could be kept as a rolling contract, but every six years it has to be reviewed and updated. Kreitman explained that the City has a right to request every two years, may want to put a date certain. Sorem explained that there is only so much you can put into an automatic ending. If the City doesn't give proper notice it would automatically renew except for a "for cause" breach. The City would keep that type of structure, and the rate increases. If the City adheres to the rolling contract structure there are limitations on how short the notice can be before it becomes a fixed term contract.

Jackson stated that they are there because they want to do a good job for Millersburg. They don't want to get to a point where the City feels like they are done with them. Davis agreed, he would much rather come to Council quarterly to make sure they are doing what they are supposed to be doing.

Hickam wasn't concerned about a multi-year contract but wanted to ensure that as the City expands there is a mechanism to make adjustments.

Kreitman added that Millersburg has the highest industrial per capita and there was no discussion, that needs to be kept in mind as well. Jackson said that there were no industrial complaints.

Cowan said updating the agreement to industry standards, listing services, allowing flexibility for Council make adjustments as needed in reasonable amount of time and allowing Republic Services to tool up, and face-time annual review.

Jackson recommended that if they wanted to increase the yard debris to give that serious consideration before the spike in Spring. Sullivan asked how long it would take to get it routed. Amy said three to four weeks. Cowan said it would probably be on Council's next agenda. Kreitman asked for a link for what is available for Millersburg for carts and recycling. Larson said he already has a marketing plan that was created for Albany that he could use for Millersburg. Jackson said there is a calendar for Millersburg and will have a link sent. Hickam said that he puts in his address on the website and it gives him the schedule for his address.

G. PUBLIC COMMENT
None

5:21p.m.

H. ADJOURNMENT Mayor Cowan adjourned the work session meeting at **5:22 p.m.**

I. EXECUTIVE SESSION

After the work session meeting, Council adjourned to an executive session in accordance with ORS 192.660(2)(e).

Respectfully submitted:



Sheena Dickerman
City Recorder

Reviewed

Kevin Kreitman
City Manager

*Presentation materials or documents discussed at the meeting that are not in the agenda packet are archived in the record. Documents from staff are posted to the website after the meeting. Documents submitted by the public are available by emailing info@cityofmillersburg.org.