

MINUTES

Tuesday, October 4, 2016

Informational Meeting 4 PM at Carnegie Town Hall

Sioux Falls City Council 235 West Tenth Street

Members Present: Michelle Erpenbach, Rick Kiley, Greg Neitzert, Rex Rolwing, Marshall Selberg, Pat Starr, Theresa Stehly

Members Absent: Christine M. Erickson and Mike T. Huether

Staff Present: Tom Greco, City Clerk; Dave Bixler, Budget Analyst

1. Call To Order

Council Chair Rex Rolwing called the meeting to order at 4 p.m.

2. City Council Open Discussion

There was none.

3. Presentations

Landfill Ordinances by Diane Best, Assistant City Attorney; Dustin Hansen, A. Landfill Superintendent; and Trent Lubbers, Utilities Operations Manager
Presentation: Approximately 20 minutes followed by discussion.

Dustin Hansen, Landfill Superintendent, presented: Background about the Landfill; an Overview of Chapter 57 - Garbage and Recycling Ordinance Revisions; the Ordinance Review Process; Proposed Revisions for Commercial Construction & Demolition (C&D) Hauler License, and Vehicle Inspections; and, Benefits for Customers and Haulers.

Diane Best, Assistant City Attorney, continued by presenting: Insurance; Financial Assurance; and Benefits of Insurance and Financial Assurance Changes.

Council Member Michelle Erpenbach asked Best to describe the type of public input the Solid Waste Planning Board received when these proposals were presented. Best described the extent to which the proposals were discussed and stated that the haulers, to her knowledge, had no objection to the C&D License Requirements, Vehicle Inspections, or Insurance (they typically have it already.) She indicated that the Financial Assurances triggered a significant amount of debate and discussed some of the concerns raised. Erpenbach then asked Best to describe financial issues with the city faced by haulers in the past. Best explained that there are currently no haulers that are past-due 60 days and went on to discuss previous instances.

Council Chair Rex Rolwing noted that there were haulers in the audience and asked the Council if they had additional questions prior to them providing input. Erpenbach made a point of clarification that public input is not generally taken during informational meetings, stated her preference that the presentation be taken as informational, and noted that public testimony is a decision of the Chair.

Vice Chair Rick Kiley asked Hansen for clarification about C&D License Fees and Vehicle Inspections. Hansen clarified the C&D Licensure Fee requirement and explained why vehicle inspections are required within 30 days. Kiley asked that the inspection be completed earlier.

Councilor Greg Neitzert clarified with Hansen that the 60-days past-due accounts would become cash accounts, which Hansen agreed.

Erpenbach asked if we've compared our rates to other similar communities, particularly with respect to financial assurance. Best stated "yes" and discussed some examples.

Council Member Theresa Stehly asked Best how many garbage haulers are in Sioux Falls; Best provided the number. Stehly then asked if they have an association of any kind; Best stated that she was unsure. Stehly asked what percentage of haulers pay cash. Best stated that they all have credit accounts and that one or two haulers indicated that they may be willing to go to a cash account. Stehly then asked about the ordinance readings and stated that she was open to additional time to consider the issue.

Jesse Douett, AOK Sanitary Service, stated that his biggest concern is the bond requirement because it was an additional cost that would be passed on to customers. He proposed an alternative that required a bond only for companies that were required to go to cash accounts (those not in good standing.)

Council Member Marshall Selberg asked Douett what an approximate cost to customers would be for the financial assurance requirement. Douett did not have figures. Selberg also asked about trends in competition. Douett explained that he believes the number of haulers has consistently been at 21 for several years.

Greg Dix, DJ Sanitary Service, explained that the majority of haulers would likely pre-pay and does not see a need to go to the bond.

Kiley asked Best to provide an estimate of the average amount of money haulers would have to pay under the proposed financial assurance requirement. Best provided a range and explained that bond costs are variable based upon a variety of factors. Discussion followed.

Erpenbach asked Best to explain the difference between surety bonds, escrow, and letters of credit. Best provided an explanation.

Stehly asked if it would be possible to write a violation clause into an ordinance to address companies in good standing. Best explained the rationale for the proposed ordinance.

Kiley asked for more clarity on the cost of the bonds to assure there would not be an undue burden on the haulers and their customers. Best explained the factors associated with bond rates.

Rolfing asked Hansen what the typically monthly fees are. Hansen provided a range.

4. Adjournment

Council Chair Rex Rolfing adjourned the meeting at 4:50 p.m.

Thomas M. Greco

City Clerk