

Minutes of the Centerville City Council **work session** held Tuesday, March 3, 2015 at 5:15 p.m. at the City Hall Council Chambers, 250 North Main Street, Centerville, Utah.

MEMBERS PRESENT

Mayor Paul A. Cutler

Council Members Ken S. Averett
Tamilyn Fillmore
John T. Higginson
Stephanie Ivie
Lawrence Wright

STAFF PRESENT

Steve Thacker, City Manager
Blaine Lutz, Finance Director/Assistant City Manager
Lisa Romney, City Attorney
Jacob Smith, Management Assistant
Paul Child, Assistant Police Chief
Jeannine Teel, City Accountant
Mike Carlson, Public Works Deputy Director
Katie Rust, Recording Secretary

VISITORS

Dawn Beagley, Ace Disposal
Richard Hamik, Ace Disposal

DISCUSSION WITH ACE DISPOSAL REGARDING WASTE COLLECTION CONTRACT

In June 2010 the Council approved a 5-year agreement (retro-active to July 1, 2009) with Ace Disposal to provide regular garbage collection, curbside recycling and green waste collection, with the possibility of two 2-year extensions if mutually agreed upon by the parties. The agreement required Ace Disposal to notify the City by January 1, 2014 if they desired to extend the contract beyond July 1, 2014. Apparently Ace assumed the expiration was July 1, 2015 and, therefore, did not send the written request for extension until January 1, 2015. City staff also assumed a July 1, 2015 expiration of the 5-year period. Ace has continued to provide services per the terms of the 5-year agreement, but technically there is no binding contract in place at this time. Richard Hamik with Ace Disposal explained the contract lapse. He stated that he feels Ace Disposal's rates are competitive. Mayor Cutler asked about the current recycling market. Centerville currently has 88% participation in the recycling program. Mr. Hamik reported that Ace Disposal is losing money on recycling. Centerville has a subscription green waste program with approximately 30% participation.

Mr. Hamik explained that the quality of the collection trucks makes a big difference in the life span of the individual cans. Ace Disposal has high quality, compressed natural gas (CNG) trucks. Councilwoman Fillmore asked if there is an analysis tool to measure the energy benefits of recycling and green waste collection versus the additional gas and truck use. Mr. Hamik responded that using CNG trucks in Centerville makes the carbon footprint more favorable. Ace Disposal is a strongly green company. Council members Fillmore and Wright praised the service provided by the individual drivers in their neighborhoods.

Mr. Hamik proposed that the City complete the first two-year extension period of the original contract with Ace Disposal, with no fuel surcharge and no CPI increase this summer. He estimated that a bid process and implementation with a different company would take approximately three or four months. Councilman Wright stated that Ace has already proven good service, and he would be in favor of approving the two-year extension retroactively.

Councilman Higginson responded that it is important to follow a bidding process to ensure citizens receive the best rate. Councilman Wright agreed that if it looks like there is a significant difference in rates available with different companies the City should switch, but he suspects the best choice will be to remain with Ace. The Council asked staff to do a little more research and make a presentation for Council consideration in two weeks. Dawn Beagley with Ace Disposal commented that Centerville staff is excellent to work with.

STAFF PRESENTATION REGARDING UPDATED PROCUREMENT POLICY

Lisa Romney, City Attorney, expressed appreciation for the committee of staff members that provided input during the City Procurement Policy update process. Ms. Romney presented a Policy overview, and explained the approval and bidding threshold portion of the updated Procurement Policy. Jake Smith, Management Assistant, presented comparative data from other cities. Councilman Higginson mentioned that he met with staff and recommended the approval thresholds be increased even further, considering the time required by staff. The Council and staff discussed the checks and balances necessary. Councilman Averett stated he would be in favor of raising the level of spending requiring Council approval to \$25,000.

Jeannine Teel, City Accountant, briefly explained asset financial management, and Mr. Smith explained departmental inventory management, with input from Public Works Deputy Director Mike Carlson and Assistant Police Chief Paul Child. Councilman Wright stated he feels the departments should be internally checking physical asset inventory quarterly. Assistant Chief Child responded that in the course of operations it becomes obvious if inventory is missing, and there needs to be a balance between the effort and the value of the result. Mr. Thacker said he would prefer to leave the decision regarding appropriate frequency of inventory checks up to the individual departments, with the exception of the required annual inventory report.

ADJOURNMENT

Mayor Cutler thanked staff members who participated on the Procurement Committee, and adjourned the work session at 6:52 p.m.


Marsha L. Morrow, City Recorder

3-17-15
Date Approved


Katie Rust, Recording Secretary

