

WORKSHOP SESSION – CAIRO MAYOR & COUNCIL – JULY 18, 2017

The July 18, 2017 Workshop Session was called to order at 5:00 p.m. in the Council Room at 101-B North Broad Street by Mayor Pro-tem Ernest W. Cloud, Jr. Present were Council Members James H. Douglas, Jerry L. Cox, Robert L. Gwaltney, and Lannis Thornton. Mayor Robert B. Burns, Sr. was unable to attend the meeting. Staff Members in attendance were City Manager Chris Addleton and City Clerk Carolyn Lee. Attorney Thomas L. Lehman joined the meeting at 6:00 p.m. Cairo Messenger Editor Randy Wind was present until 5:45 p.m., and Reporter Mesha Wind joined the meeting at 6:05 p.m. Also in attendance were Mr. Chris Taylor of Taylor Waste, Inc. and Attorney Joshua Bell.

The Invocation was given by Mayor Pro-tem Cloud.

The workshop was held to consider the proposed contract with Taylor Waste, Inc. for solid waste collection and disposal services. The contract was considered page by page, and discussion, questions, and requests for revisions included the following:

Page 5 & 6 – Section 5. Purpose and Intent-Legal Relationship of Parties. Councilman Douglas asked for a correction in the second paragraph to change the second occurrence of the word “solid” to “yard” so as to specifically include yard waste.

Page 6 – Section 15. Contract Terms. A request was made to change the completion time-frame for negotiations to extend a contract, or for a new contract, from 120 days to 90 days prior to the end of the contract term.

Page 6 – Section 15. Contract Terms. At a later point in the meeting, Councilman Cox asked if the start date of August 1st should be changed, and it was the general consensus that it should be changed to September 1st.

Page 6 – Section 20. Incorporation of Exhibits. Councilman Douglas asked that an exhibit be added specifying the pick-up schedule.

Page 10 & 11 – Section 25. Definitions – Special Services – (b) Other Discretionary Services. Councilman Douglas inquired what these services included. Examples were given that included an extra can, extra pick-ups, or pick-up of construction/demolition waste; all of which would incur additional charges. It was noted that requests for other services should be made first to the City rather than to the Contractor, and a change in that wording was requested. Mayor Pro-tem asked if Mr. Taylor would provide pick-up for disabled households as the City did currently, with Mr. Taylor responding affirmatively. City Manager Addleton stated that there was one pick-up weekly for residential, and he would prefer to keep it at one. If two pick-ups were needed, they could have two cans to be picked up once per week instead.

Page 12 – Section 30. City Responsibilities. Councilman Cox asked if there would be any reduction of personnel, or any cost savings, in the billing and collections area; with City Manager Addleton responding that there would not be a reduction since the work was spread among billing and collection employees. There would be no impact on the original cost savings.

Page 13 – Section 35. (h) 1, 2, and 3. Contractor’s Responsibilities. Councilman Douglas asked what the difference was in this Section and Section 430. Attorney Bell advised that he could remove one of the sections, if necessary, or combine them into one. Councilman Cox added that any petition for an increase would be presented by the Contractor, but the City would need justification and could request to have information that lead to the petition for an increase.

Page 15 – Section 55. (b) Vehicles Used in Collection. Councilman Douglas requested that the City’s customer service phone number be required to be included on the vehicles. He believed that the City should document the types of calls coming in.

WORKSHOP SESSION – CAIRO MAYOR & COUNCIL – JULY 18, 2017

Page 16 – Section 60. (a) Spare Vehicles. Councilman Douglas requested removal of the last sentence which referred to spare vehicles being counted toward the average age of the fleet. Atty. Bell stated that he could remove that sentence.

Page 17 – Section 85. Contractor’s Office. Councilman Douglas noted again that he felt that complaints should go through the City’s customer service phone number. Councilman Gwaltney suggested that a flyer be sent out with bills informing customers as to where to call.

Page 18 – Section 104. Garbage collection. With regard to the Landfill becoming full and/or inoperable, Councilman Douglas noted that the second paragraph related to information already in Sections 35 and 430 and asked that they all be incorporated into one section, with Atty. Bell agreeing to do so.

Page 19 – Section 106. Yard Waste Collection. Council discussed the size of trees and stumps that would be picked up, and the reasons for the size limitation was discussed. Councilman Thornton suggested removing the stipulation that trees and stumps should not exceed 12 inches in diameter and 4 feet in length, but it was noted that the dimensions were the same as stipulated in the City’s current ordinance. Mr. Taylor stated that the reason might be that logs over six feet in length had a tendency to turn sideways and get caught when unloading. It was noted that the City picked up yard debris not to exceed 5 cubic yards once per week, and anything more would require Special Service at an additional cost.

Page 19 – Section 110. Additional Receptacles. It was requested to remove the word “one” from the sentence which would allow customers to request more than one additional receptacle.

Regarding the collection of yard waste, Councilman Douglas stated that the City should resolve issues with the streets being torn up by the knuckle boom and repair those areas before Taylor Waste took over. Mr. Taylor commented that it was impossible not to get some dirt during that process.

Mayor Pro-tem Cloud asked if Taylor Waste would supply an extra can in the case of a death in a family as the City did, with Mr. Taylor responding that he was currently doing that at no charge.

Page 20 – Section 116. (d). Force Majeure Clean Up. Councilman Douglas pointed out that the Contractor would be paid an additional fee for services performed in excess of the obligations required under the contract in the case of storm or disaster debris pick-up. Councilman Cox stated that he knew the City would have to cover those unexpected issues, but asked where the City would be on the priority list, with Mr. Taylor replying that the City would be his largest customer. Councilman Cox stated that the City should cover the additional costs, but not added margins. Mr. Taylor commented that he would like to add wording to the contract that the City would waive Landfill tipping fees for him in these types of events on a case-by-case basis.

Page 21 – Section 134. Holiday Schedule. It was noted that collection must occur at least once during a Holiday week.

(Attorney Lehman joined the meeting at this time).

Page 23 – Section 142. Contract Receptacles. Councilman Douglas asked what would happen if the Contractor defaulted, and how would the City get the receptacles. Atty. Bell referred to the contract that stated that they would not be pledged as security for any financing. Councilman Douglas asked what would happen if the IRS placed a lien on them. Atty. Lehman advised that it might be possible for the City to own the cans and lease them to Taylor. Atty. Bell noted that the cans could not be removed per the contract, but a UCC lien could be placed on the cans to protect the City’s interest, with Atty. Lehman agreeing that it might be the best option. Councilman Cox added that certain risks were always associated with outsourcing, but he believed this to be a slim risk.

Page 26-27 – Section 410. Payment Procedure. (Second paragraph). Councilman Douglas asked at what point the City would be notified of service changes to the customer, and how should the City notify the Contractor that a service had been cut off. Council discussed and felt that the City should

WORKSHOP SESSION – CAIRO MAYOR & COUNCIL – JULY 18, 2017

be in charge of taking requests for any changes in service so that billing could be kept up-to-date and then notifying the Contractor.

Page 27 – Section 430. (b). Rate Adjusts Due to Significant Changes. With regard to the City acknowledging and agreeing to a rate adjustment, it was noted that there “may” be and not “will” be an increase in rates. It was requested that the word “increase” be replaced with the word “change” in the last sentence, with Atty. Bell to consider removing and combining with Section 35.

Two spreadsheets were presented with factors affecting the Contractor’s costs and projected rates after Landfill closure. Councilman Cox noted that it was what he was looking for, and he knew that the numbers would change; but the factors such as tipping fees, fuel, labor, and trucks would be used to determine increased costs and wanted those categories included in the contract. Mr. Taylor noted that the City’s rates were the lowest of several others cities that were compared. Councilman Cox added that he would not want to see an increase in rates just because the City’s rates were low but would only want an increase that was for a reason.

Page 29-30 - Section 520. – Insurance. Councilman Douglas stated that he assumed the contract included the standard for insurance. Councilman Cox noted that the City and its employees were included in an endorsement as additional insureds. Atty. Lehman asked Mr. Taylor to check to see what the cost would be to increase the umbrella coverage from \$1M to \$2M.

Page 31 – Section 600. Assignment/Subcontracting/Delegation of Duties. Councilman Cox asked if the City needed to stipulate that, should the Contractor decide to sell the business, a new owner had to adhere to the contract 100%. Atty. Bell advised that this was covered in Section 600 (b).

Councilman Douglas suggested scheduling an Amnesty Day for white goods before the start date, and thereafter, it would fall under special services.

Councilman Cox asked Mr. Taylor if he had a succession plan, with Mr. Taylor replying that his wife was a member of the corporation; and along with a supervisor and assistance from a friend in the same business, she would assume leadership of the company.

After discussion, Council requested that the start date be changed to September 1st, and Atty. Bell was to make revisions and send the contract back to the City.

ADJOURN: There being no further business, motion to adjourn was made by Councilman Gwaltney, seconded by Councilman Douglas, and unanimously approved by all Council Members.

APPROVED:

ATTEST:

ERNEST W. CLOUD, JR., MAYOR PRO-TEM

CAROLYN B. LEE, CITY CLERK