

CONSERVATION COMMITTEE REPORT

October 19, 2011

9 a.m. to 10:00 am

Council Chambers, 140 West Pine Street

Members Present: Strohmaier, Wilkins, Haines, Mitchell, Marler, Childers, Walzer, Rye, Jaffe

Members Absent: Wolken

Others Present: Donna Gaukler, David Selvage - Parks and Recreation

I. ADMINISTRATIVE BUSINESS

- a. Minutes of the [8-24-11](#), [8-31-11](#), [9-7-11](#) meetings were approved.

II. ANNOUNCEMENTS

- a. Donna Gaukler announced Fall Family Fest on Saturday, October 22. She also announced the Parks Department has hired a new urban forester, Greg Howe; he has been with the City for about three weeks. Greg will be introduced to the Conservation Committee in the upcoming months as he becomes more familiar with Missoula's forestry program.

III. CONSENT AGENDA ITEMS

- a. Approve and authorize the Mayor to sign the agreement with MRP for procurement and transfer of wood waste to support the Missoula Sawmill Site Wood Waste Reclamation Project, per the DNRC Wood Waste Grant awarded the City of Missoula. ([memo](#))—Regular Agenda (Alan White) (Referred to committee: 06/27/2011) **(REMOVE FROM AGENDA)**

MOTION: THE COMMITTEE RECOMMENDS THE CITY COUNCIL APPROVE AND AUTHORIZE THE MAYOR TO SIGN AN AGREEMENT WITH THE MILLSITE REVITALIZATION PROJECT, LLC, FOR PROCUREMENT AND TRANSFER OF WOOD WASTE TO SUPPORT THE MISSOULA OLD SAWMILL SITE WOOD WASTE RECLAMATION PROJECT, PER THE MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION WOOD WASTE GRANT AWARDED TO THE CITY OF MISSOULA.

Donna Gaukler - Staff Report: As the referral shows, this is a three-part agreement. The first part is a DNRC grant to research whether the wood waste at the former Champion mill site could be reclaimed for something of value. The grant research indicated that it could be reclaimed for compost/soil amendments. The City then had permission to apply for \$300,000 resource development program grant through DNRC. In May, the department learned the project was funded in full for \$300,000. The legislature encouraged the City to contract out the composting rather than do it on site. The wood waste has to be removed at the former mill site as part of methane abatement by the Millsite Revitalization Project, LLC. So now we have the grant, and an agreement Millsite Revitalization Project. The purpose of the project, as outlined in the referral, is that the City has waste to remove, a site to develop, and a grant to pay for it.

The Millsite Revitalization Project agreement states the City contributes \$45,000 of the DNRC grant, plus \$10,000 in impact fees which are earmarked for Fort Missoula to haul wood waste to EKO Compost. The overall hauling costs based on the Jensen bid are \$122,500. So, the City would be contributing \$55,000, 45 plus 10.

Marilyn Marler asked: What is the \$122,000 and who paying the difference? Gaukler said \$122,000 is the actual cost of hauling the wood from the mill site and the Millsite Revitalization Project is paying the difference.

Gaukler said the agreement with Millsite Revitalization Project also states that once the wood hauled to EKO Compost, it becomes property of the City of Missoula. EKO is in great need of bulking agent to add the Wastewater Treatment Plant bio-solids, and Parks is in great need of soil amendments compost for improving turf fields, water retention in those fields, organic matter, porosity and all those things that make healthy turf. Approval of the Millsite Revitalization Project agreement is contingent on finalizing the EKO Compost agreement. Gaukler had hoped to bring all three agreements to the committee at once, but some of the parties were out of the country. She expects to have the EKO agreement before the committee in the next few weeks.

The Millsite Revitalization Project agreement says the city will pay \$55,000 for hauling the wood to EKO. EKO then has the product, and the details of the EKO agreement not yet finalized. Final numbers will be close to the draft EKO agreement included in the referral. The City would get back a top-dressing compost, similar to EKO's Glacier Gold, and a standard compost to be used at Fort Missoula Regional Park and at Silver Park. The standard compost will be used to change elevations and soil mix at both parks.

Marler said: I don't think we need to go into details about the different types of compost, let's focus on what's the money going toward. To recap, we have \$55,000, some grant fees, some impact fees to move this wood waste from Silver Park and the mill site to EKO Compost, and the City owns it at that point. Then, EKO Compost will get bio-solids from the wastewater treatment plant, per an August agreement with the Council. That leaves a lot of money left. What happens with the money?

Gaukler said: The balance of the money is in Items #4 and #5 of the referral memo. EKO will process the product.

Marler said: So then we pay for processing. Gaukler said yes, EKO gets the product, they get paid to process it, and then it will be returned to the City at a very significant discount—about \$14 per yard versus the standard City rate of \$23 per yard. Item #5 of the budget, \$10,000 for operations, monitoring and quality testing funded by a RDG grant, is to make sure that all the quantities, qualities and the reporting meets all the standards of the DNRC grant.

Renee Mitchell said: If we didn't have this wood waste to start with, this process wouldn't even be on the table. How much would you be spending annually on compost any way? It looks to me like it says that you're going to get just over \$500,000 in the value of the compost.

Gaukler said: Parks regularly spends \$5000 to \$15,000 a year on soil amendments at existing facilities, but that figure does not include any of the department's construction projects. Construction projects can be quite a bit more for soil amendments. If the department can get this product back over a number of years, TIF funds can be used to transport it. The City would be using the DNRC grant to get the product nearly free as far as it reflects on the City budget, and only has to pay for trucking the product to the sites where it's needed.

Mitchell asked: So trucking fees will be there anyway, right? Gaukler said yes, it's one of the major costs in a construction project—hauling anything.

Marler said: In case it has not been clear from presentation, the unique thing about this is that Fort Missoula Regional Park areas don't really have any topsoil and it would be very difficult to physically get that amount of topsoil. So this solves a problem for Millsite Revitalization Project, because they have all this stuff that has to be removed from the site, and meanwhile, the City would appreciate having have piles and piles of compost at Fort Missoula. It's good for both parties but it's expensive in the middle. It would be hard to justify it if it was all coming out of the city budget, but there's a grant involved to subsidize it. The private businesses are getting a good deal out of it and the City has a chance to get soil. The concept is great, but she wants to be clear on where the funds and the product are coming and going.

Pam Walzer said: If you look at referral, there's a project net benefit or value to city: it says the value of this compost and other materials, if purchased at the current City rate, is \$517,000. Our direct out-of-pocket for all the different things the City is producing is \$132,000 and even if you add in the \$300,000 grant, there's actually less cost with the grant included, for the value of what we are getting. It does solve two big problems, the mill site redevelopment, trying to deal with all of that, and not even including the cost of trucking the material away from the site. And, then we desperately need compost at the Fort, so I am really excited about it.

Walzer moved the committee approve and authorize the Mayor to sign the agreement with the Millsite Revitalization Project for procurement and transfer of wood waste to support the Missoula Sawmill Site Wood Waste Reclamation Project, per the DNRC Wood Waste Grant awarded the City of Missoula.

Jon Wilkins said: I am for the motion, because I know how valuable topsoil is in this part of country. I guess the only problem I have, is I don't know why any funding should be coming out of the City. I know MRA has been involved and this has been a thorn in their side for a long time, how come they're not contributing with some of their monies that are designated for that area?

Gaukler said: The way I grouped City input in the attached budget, it could be tax-increment financing. We have talked to MRA and they are very aware of this project. As outlined in the referral, \$90,000 in trucking costs will likely be covered in large part by MRA through tax-increment financing to haul the product back to the park when it's ready.

Wilkins said: So it might be covered by MRA, but for certain, you don't know that answer yet.

Gaukler said: Well I know we have enough funding sources that are outside the general fund with park development projects to cover expenses, and I also know that we have a small portion of our general fund budget that we regularly use for top-dressing of fields.

Wilkins said: Well I hope MRA steps up and pays for that part, because it would be nice to use that small amount in the general fund for better maintenance in parks.

Gaukler said: I think where the project is eligible to use MRA funds, MRA will contribute to the project.

Dick Haines asked: Are the bio-solids mentioned in the referral typically human waste?

Gaukler said: The bio-solids are the clean product that's left over from the Wastewater Treatment Plant that EKO uses to makes its compost. Marler said: It's processed human waste.

Haines said: How will they make the compost? What I'm getting at is are we going to have an odor problem?

Gaukler said: The City-County Health Department is very excited about this project, because they think it will help reduce the odor problems, by adding an additional bulking agent to EKO's compost process.

Haines said: Using these kinds of bio-solids and mixing it that way—do we know if other cities are doing this? Gaukler said yes. She believes Whitefish/Columbia Falls has a pretty significant wood waste to compost operation.

Haines asked: And they're putting it on playground-type areas? Gaukler answered yes. Haines said: I hope we don't have a public relations problem with this concept. It may be perfectly legitimate and perfectly safe, but you may have some strong questions about it.

Gaukler said: That issue is covered in part #5 of the budget, testing. We will know if it's the right product at right place.

Marler said: There is already human waste in EKO Compost. She said the reason EKO might have an odor problem is because materials from the wastewater treatment plant are very high in nitrogen. In composting, you are limited by the amount of carbon in the mix, because without enough carbon, composting stalls and can have an odor. She thinks it will help with the odor and the finished product will not have odor. She said it just smells like soil.

Walzer said: This is one of few opportunities we have in the City to actually recycle—this is true recycling. This process is not unique to Missoula or Montana and is regulated by the EPA to standards for killing of any human pathogens. This project is a triple-win and as the discussion of the wastewater treatment plant's and EKO's odor has brought to light, the product that we buy and put on our gardens has human waste in it, as many other composts do. It is treated and they meet all the standards.

Marler asked: Under projected net benefit to city and direct costs to city—what are “KR” credits? Is that Knife River credits? Are we using Knife River credits for trucking? Gaukler said yes.

Marler said: When you lay out all those sources, the \$132,000 is not all coming out of General Fund in one year. Can you speak to why we don't have a better accounting of what is funding what? Is it just too much detail too far in advance?

Gaukler said: At this point she does not know how much of the material Silver Park will need, so she doesn't know how much TIF would be used for transportation of the material. She also doesn't know exactly how much will go to Fort Missoula, although she expects the bulk of the material will go there. She says the department wants to use some of the compost on athletic turf at Playfair, McCormick, and existing Fort Missoula athletic fields for high-quality top dressing. It's needed badly at all sites.

There was no public comment.

Marler called for the question. The motion carried unanimously.

I. REGULAR AGENDA ITEMS

- a. Approve and authorize the Mayor to sign contract for 2011 GPS/AVL purchase and installation contract with Montana Electronics Company in an amount not to exceed \$16,000 and on-going AVL/GPS reporting and tracking services with Montana Electronics Company in the amount not to exceed \$14,652.00 ([memo](#))—Regular Agenda (David Selvage) (Referred to committee: 10/17/11) **(REMOVE FROM AGENDA)**

MOTION: THE COMMITTEE RECOMMENDS THE CITY COUNCIL APPROVE AND AUTHORIZE THE MAYOR TO SIGN CONTRACT FOR 2011 GPS/AVL PURCHASE AND INSTALLATION CONTRACT WITH MONTANA ELECTRONICS COMPANY IN AN AMOUNT NOT TO EXCEED \$16,000 AND ON-GOING AVL/GPS REPORTING AND TRACKING SERVICES WITH MONTANA ELECTRONICS COMPANY IN THE AMOUNT NOT TO EXCEED \$14,652.00.

Staff Report from David Selvage: This proposal is funded with energy credit funding from the federal government for the installation and purchase of the units. City funds would be utilized for ongoing reporting services via a web-based application. The \$14,000 is the fee for the units to report to the website.

The GPS units would help identify inappropriate use of vehicles, location of vehicles, mileage, and savings. We will be installing these units on 52 vehicles, but all will not reporting in all year long because we have a seasonal fleet differential, so we do get a different rate when those units aren't reporting. Unused units could be utilized in other departments.

Bob Jaffe asked: Will they be used in other departments and have you made plans with other departments to do that?

Selvage said: No plans with other departments have been made yet. He has discussed this with Jack Stucky; the department wants to make sure the units meet performance measures before sharing with other departments.

Jaffe asked: What is the anticipated savings from this analysis? It seems \$14,000 in savings would be hard to make up every year.

Selvage said: All of the GPS providers claim different levels of savings, but we reasonably expect 10% savings on fuel and maintenance costs. There will also be savings in dispatch, but fuel will be the largest area of savings.

Jaffe said: Do we have any metrics to measure savings, what will we do with the information and what are the estimated returns?

Selvage said: We have base fleet information about miles driven and fuel consumption. We will measure that against our first full year of operation of the units.

Jaffe: Do you have any kind of baseline to measure dispatch efficiency?

Selvage said: We don't currently have those baselines, the first year we will be setting baselines. Fuel will be the primary focus of the first year.

Dave Strohmaier said: I don't know that I am completely sold on this yet. I have always been a bit dubious on these types of installations and benefits. We've done this with other departments, Wastewater Treatment was one. It seems like we could take some common sense measures like directing staff to take conserve fuel without installation of this equipment. He asked Selvage to explain some of the listed benefits, such as additional safety, reduced risk exposure, deterred vehicle theft, and enhancement of staff safety. Strohmaier asked: Are we losing vehicle to theft frequently? What is enhancement of staff safety?

Selvage said: We receive multiple reports of staff having done "something" while driving—crowded a cyclist, sped through an intersection, speeding. This device gives us the ability to monitor and enforce appropriate behaviors.

Strohmaier asked: And staff safety?

Selvage said: The units will allow us to quickly locate staff in field if there's an emergency. There are staff members who might face health risks in field when alone.

Mitchell said: I also am going to need a little more selling on something like this. Who will be analyzing the reports and at what cost?

Selvage said: The program is web-based; it generates monthly reports, and can be set up for vehicle alerts. The program monitors the vehicles for you.

Mitchell said: You might gain reduced costs and fuel efficiency, but at what cost to staff morale? They're going to feel like "Big Brother" is breathing down their throat. Have you talked with staff that will be monitored, to see what some of their ideas on this are? Sometimes it just takes talking with staff to improve fuel efficiency and telling them we don't want to have to go to a monitoring system. Have you ever had this conversation with staff?

Selvage said – We have discussed with staff that with GPS on its way. Our intention at management level is to ensure that we are monitoring for fuel savings and route efficiency.

Mitchell said: Did you ask for their feedback? Selvage said staff feedback was minimal.

Mitchell said: I can believe that. They're not going to be too oppositional, because after all, they do have good jobs and they would not be willing to jeopardize a good job by speaking up. She said she can think of other vehicles which need monitoring more than Parks. Some of the complaints she gets regarding people who are not using time wisely or being where they are supposed to be are not across the board, but focused on certain individuals. She said she does not feel everybody in a department should feel tagged and monitored and followed because of the few. She is just not sold on this right now.

Haines asked: How long is does the \$14,000 per year contract continue?

Selvage said: The contract would be renewed annually by this body.

Haines said: He wishes the committee had a clearer picture of how the GPS information would be used. Who in the city will use it, and how will they use it? That isn't clear to him. It seems like an interesting experiment but he would have a hard time justifying the cost to do this.

Marler said: Back to Bob's question—do we anticipate getting \$14,000 a year savings? Are we going to be spending \$14,000 a year to save \$12,000? In your opinion?

Selvage said: In my opinion, we will improve service, reduce fuel consumption and will improve our responsiveness to citizens.

Marler said: You mentioned 10% of fuel costs. What is 10% of the fuel budget? Selvage said that would be approximately \$7000. Marler said the issue of "spying on employees" always comes up, which is common when discussing GPS monitoring. However, she could see another use for this system. Due to the distribution of parks in Missoula, it is somewhat inefficient that all staff comes into Clegg Lane and gets sent out from there. This GPS system could be used to help decentralize park operations and strategize where in the City park maintenance outposts could go in the future.

Ed Childers said: He understands this is a tool for improving efficiency in administration and among the rank and file. He said he appreciated Mitchell's questions about feedback from rank and file staff. He said due to fluctuations in fuel prices, projected savings really need to be reported in gallons and hours and not dollars. He asked how long the federal grant was available. Gaukler said this is the City's last chance to qualify for this grant. He said he thinks this is a reasonable thing to do for maybe a year or two. He thinks he can support this but it's essential to have baselines so we can all measure. If citizens are concerned that the City is wasting vast amounts of time and money, it would be nice to have this information to give them.

Gaukler said: Regarding being "Big Brother" to our staff and staff input: Yes, operations staff has been involved in this discussion. The response to installing GPS units was not significant. Installation of time clocks caused much more upheaval among all staff. The Parks Department uses cameras in some facilities, even sometimes at the request of staff. What Parks management finds with monitoring systems is that staff who are committed and loyal to the City appreciate them. In addition, Parks has had an instance where an employee fell into a pit when working in the field, and he could have been knocked unconscious. In a situation like that, having a way to quickly locate staff would be essential. The system will allow the department to prove staff are doing the right thing and allow management to accurately investigate citizen complaints. It will also tell management how can we better deploy staff and how the department is using City vehicles and fuel.

Walzer said: She hears people complaining, in these chambers, that people at parks are wasting time and many parks employees are doing nothing. It's a he-said she-said thing. We have Parks employees who have low morale because

people say Parks employees are inefficient, now they can prove they are working hard and being careful with the people's money. This is type of thing where people say government should act more like business; business has been doing this for years, especially trucking companies.

Walzer motioned to approve and authorize the Mayor to sign contract for 2011 GPS/AVL purchase and installation contract with Montana Electronics Company in an amount not to exceed \$16,000 and on-going AVL/GPS reporting and tracking services with Montana Electronics Company in the amount not to exceed \$14,652.00.

Mitchell said: So am I hearing we'll spend \$14,000 a year to save \$7000?

Marler said: Yes, \$7000 in fuel costs but there are other savings.

Mitchell said: That is not taking into consideration with staff time. She is not going to support the motion; she doesn't think it's worth spending money on now.

Jaffe said: He is dubious of whole the concept. He would like to see what's been done with this information in other departments. He doesn't think Council has ever seen GPS reports from the street sweeper units. The biggest selling point of this system would be other its' success or failure in other departments. He would like to see the information from this and the City's other GPS installations.

Gaukler said: Parks will provide all the data gathered from this GPS system.

There was no public comment.

Marler called for the question. The motion carried with 5 ayes, 2 nays, 2 abstentions.

II. HELD AGENDA ITEMS

- a.** Update from Greenhouse Gas Energy Conservation Team. (memo)—Regular Agenda (Ben Schmidt and Marilyn Marler) (Referred to committee: 04/11/2011)
- b.** Discuss the city's strategy to complete a boundary survey of Greenough Park. (memo)—Regular Agenda (Dave Strohmaier) (Referred to committee: 04/04/2011)
- c.** Award contract for design, procurement and installation of park pavilion and concrete pad in Maloney Ranch Park Project 11- 07MRP. (memo)—Regular Agenda (Alan White) (Referred to committee: 07/18/2011)(**REMOVE FROM AGENDA**)

III. ADJOURNMENT

The meeting adjourned at 10:08 a.m.