

**SPECIAL MEETING OF THE ANOKA CITY COUNCIL
ANOKA CITY HALL
CITY COUNCIL CHAMBERS
JULY 17, 2023**

1. CALL TO ORDER

Mayor Rice called the special meeting of the City Council to order at 5:03 p.m.

2. ROLL CALL

Present at roll call: Mayor Rice, Councilmembers Scott, Skogquist, Wesp, and Weaver.

Staff present: City Manager Greg Lee, Senior City Planner Clark Palmer, Assistant City Engineer Ben Nelson, Assistant City Manager/City Clerk Amy Oehlers, and City Attorney Scott Baumgartner.

Absent at roll call: None.

3. COUNCIL BUSINESS AND/OR DISCUSSION ITEMS

3.1 Organized Garbage Collection with Residential Haulers.

Assistant City Manager/City Clerk Amy Oehlers shared a background report stating the City Council has directed that the City will follow the process outlined in Minnesota Statute §115A.94 regarding moving to organized hauling. She outlined the steps by Statute that included providing notice to the public and to the licensed collectors that the City is considering implementing an organized collection system, which was completed for the February 27, 2023 Worksession and the April 24, 2023 Worksession. She said tonight's meeting will be completing Step 2 of the process and licensed collectors were notified of this meeting via USPS mail in a letter dated July 7, 2023, and via email on July 13, 2023. The purpose of Step 2 is to meet and discuss waste collection issues, including but not limited to road deterioration, public safety, pricing mechanisms, and contractual considerations unique to organized collection. She said Step 3 of this process is the beginning of a negotiation period with the licensed collectors. This 60-day negotiation period will begin on July 18, 2023. The purpose of this negotiation period is to allow the licensed collectors to develop a proposal in which they, as members of an organization of collectors, will collect solid waste from designated sections of the City. Any proposal reached must contain identified City priorities, including issues related to zone creation, traffic, safety, environmental performance, service provided, pricing, and must reflect existing collectors maintaining their respective market share of business as determined by each hauler's average customer count during the 6 months before the beginning of the 60-day negotiation period. If an agreement with not reached between the City and the licensed collectors during the 60-day negotiation period, the City must

form a Solid Waste Collection Options Committee which would be Step 4 in the process. She noted the Council was requested to complete Step 2 of the process by discussing waste collection issues, including but not limited to road deterioration, public safety, pricing mechanisms, and contractual considerations unique to organized collection.

Sharon Doffing, 2659 Pine Ridge Drive and lead petitioner in favor of keeping competitive waste management hauling system for the City of Anoka, submitted their proposed petition language which was similar to the City of Bloomington that was challenged in Bloomington and won through the Minnesota Supreme Court and said they were proposing the voters be allowed the opportunity to be heard on this issue through a ballot question.

Mayor Rice said the City would respond to a petition once a formal petition was submitted then noted he was not opposed to a ballot question but noted the importance of public education on the topic. Ms. Doffing said they wanted to encourage the City not to put in so much time and effort into the City's negotiation process knowing a petition will be submitted soon.

Councilmember Weaver said he was in favor of competitive hauling and would support a ballot question then said how can a company in good faith negotiate a contract knowing a ballot question was coming forward and suggested waiting to see the outcome of the petition instead of spending money on attorney's fees during this process.

Mayor Rice said he welcomed a petition sooner than later and felt strongly we should move towards organized hauling but the City cannot just wait and trust a petition will be submitted.

Councilmember Weaver asked if Mayor Rice was challenging the petition to be done sooner. Mayor Rice said he was not challenging but actually encouraging them to continue with the petition.

Councilmember Wesp asked about the process for a petition. City Attorney Scott Baumgartner advised the Council regarding initiating a Charter amendment and that once signatures were obtained the Charter Commission must propose that the question be added to the ballot.

Councilmember Wesp said if the City receives the required number of signatures on a petition what happens to the process. Mr. Baumgartner said if a valid petition is received then the City could not pursue both avenues at the same time, adding during the Bloomington case the law allowed that canceling a contract wasn't a violation under law.

Councilmember Weaver suggested waiting and review the petition before beginning the 60-day clock. Mr. Baumgartner said nothing suggests the Council

has to take a step back at the moment as there is no submitted petition but assuming the signatures are submitted the Council will likely want to pause the process.

Councilmember Scott shared a similar process is occurring in Mounds View but said their Council intends to continue the path of single hauler.

Councilmember Skogquist noted the 60-day clock is a minimum time but not a maximum and did not see the harm beginning the process, adding it was important to educate the public and we need to know what the haulers will propose, including rates, and be ready with a contract contingent upon voter approval if needed. He said this would be done as a Charter amendment instead of an ordinance and it was important to know what a contract would look like for Anoka.

Motion by Councilmember Wesp, seconded by Councilmember Weaver, to postpone negotiations for organized hauling for 30 days to allow for a petition to be submitted.

Upon a roll call vote: Councilmember Weaver and Wesp voted in favor. Mayor Rice, Councilmembers Scott and Skogquist voted nay. Motion failed.

Mayor Rice spoke about the factors of organized hauling that included road deterioration, public safety, pricing mechanisms, and contractual considerations unique to organized collection and asked if anything should be added or discussed.

David Wiggins, Ace Solid Waste, referred to the 60-day negotiation period and how Statute states the period is at least 60 days, adding it will be difficult to have an agreement presented in 60 days with summer schedules and said the City will need to provide what it wants included in order to submit any proposal. Mayor Rice acknowledged the process will likely take longer than 60 days and hoped the haulers' experience could shorten that process.

Mr. Baumgartner noted Statute also addresses inclusions such as zone creation, traffic safety, and other factors and most haulers are familiar with contracts in other cities so it should be easy enough to review other agreements for inclusion.

Councilmember Scott asked if the same process was used when single hauler recycling was implemented. Mr. Baumgartner said he was not sure if the recycling process was similar likely was but noted the topics are listed in Statute regarding single hauler.

Councilmember Skogquist spoke about elements such as eliminating haulers to one day and those are some of the items he'd be interested in seeing such as eliminating traffic and noise and how he did not want to be specific on how a

contract would be designed but would approach it broader for affordability to the residents.

Bev Mathison, Republic Services, suggested the City of Richfield may be a good resource for the City to review, stating the process starts with staff identifying what's important such as service levels then haulers meet to present a proposal. She said the process doesn't start with the haulers but that they are here to work with the City.

Mayor Rice said the City is divided into four geographic areas and he envisioned that would continue and while he may not get his current provider as we try to organize one hauler in one area. He said the other piece is we could reduce the number of trucks if all residents hauled their cans to the same side of the street, adding it has to be better for the hauler to cover an entire area instead of selected addresses on a block.

Councilmember Scott said consideration needs to be made for rate reduction for snowbirds who leave for the winter. The haulers present confirmed rate reduction is currently being done for snowbirds.

Councilmember Skogquist asked if the haulers currently operate organized hauling in other cities. Representative from Curbside Hauling indicated they did not and added that the only organized they have is organics in Robbinsdale.

Councilmember Skogquist spoke about the possibility of road deterioration and shared an example how it shortens the life of a street and noted similar to the electric utility the City is less expensive by far than others and disagreed that having government involved will increase the price for hauling.

Councilmember Scott spoke about road deterioration and the resulting costs such as the emergency road repair this year, adding both garbage trucks and buses should be addressed based on the exponential factors of axle weight on roads based on data from the American Association of State Highway Officials. He said public safety is paramount and that he trusted implementing organized hauling would reduce the opportunities for a vehicle to get into an accident. He said pricing will have to be discussed more as well as zoning.

Nora Wyman, petitioner, said she lived on South Street in Anoka which is across the street from Coon Rapids and how on Tuesdays and Thursdays there are many trucks who drive carefully but the school buses go too fast as well as large pickup trucks. She said she was not in favor of organized hauling but was unhappy with current traffic. She shared the website *AnokaVote.com* for more information on organized hauling and said even after the petition is submitted it will be important to inform voters of all the facts.

Mayor Rice said one Councilmember changed their mind about organized hauling and then there was an election so the vote of the Council was different, which is why the question wasn't included on a ballot after the 2015 neighborhood meeting in Green Haven. He spoke about the challenge of moving cans and the need for buses to use collector streets if not full of children.

Councilmember Scott shared he had been in two accidents with school buses and know how impactful school buses can be.

Councilmember Weaver said the petition language has to be reviewed and accepted and asked when the petitioners will know the petition was sufficient. Mr. Baumgartner explained the petition would be submitted to the City Clerk and noted the proposed language was different tonight then submitted before, adding staff had scheduled to meet with the petitioners as directed by the Council to review the proposed language.

Ms. Oehlers said staff will inform the petitioners if the proposed language was appropriate, adding the draft petition was not formally rejected as it wasn't an actual petition which resulted in the upcoming meeting. She said staff can't state any potential question is valid, adding there is a difference between language in a petition and a full petition, but will discuss this with the sponsors.

Mr. Baumgartner noted staff cannot write the question for petitioners but can provide approval of proposed language.

City Manager Greg Lee responded asked if Anoka County is involved in any way. Ms. Oehlers said the County was not involved until the City actually submits a question for inclusion on the ballot, which would be best to submit by July 1, 2024. She said State law requires submittal 74 days before the election but due to how difficult it can be for the County to amend a ballot submittal is preferred sooner where possible.

Councilmember Skogquist noted two things had changed since 2015 including current Councilmembers and that Anoka was truly an open bidding process and is now limited to currently four haulers which in his opinion was the worst of all scenarios as it was neither limited or free market.

Councilmember Weaver asked if adding a license would make the process more competitive. Councilmember Skogquist responded no as he believed the best solution was full organized hauling and noted pricing is less than what is currently being paid and if we added a license, we'd likely result in the same four haulers the City currently has.

Mayor Rice said to be fair he's had three of the four haulers for his home and was never dissatisfied with their service and was pleased with their pricing, adding he always received good response but felt single hauling is the best for our City and

while it seems the haulers prefer the competitive system he thought it was strange since it was not the most efficient process.

Councilmember Weaver said the haulers like the competitive process because free enterprise is the best way to compete in business.

Councilmember Scott agreed but said even with organized hauling they have to compete as in an HOA, which is a free market transaction you can walk away from, but noted garbage hauling is necessary and if we want true competition, we have to have a true free market. Councilmember Weaver noted that is what homeowners in an HOA signed up for.

Mayor Rice said the goal of the Council was to compromise.

Scott Lawson, Anoka, said he was not sure how you can go from three or four haulers to one and be a better market and asked what happens if he didn't like the hauler selected by the City. Mayor Rice said there would be an RFP where any business would be allowed to bid.

Councilmember Weaver said he did not think we can tell a business if they have contracts that they were no longer allowed to service the City as outlined in Statute.

Mr. Lee noted the process would be similar to organized recycling currently in place.

Councilmember Wesp said in Bloomington if haulers were tied up in competitive markets, they could not pick up a certain percentage of their city and that residents may not get the service they want. He said the competitiveness is what keeps the free market going and suggested opening to all haulers and change ordinance which would help with pricing and embrace the spirit of the ordinance in 2015 which was a compromise.

Councilmember Weaver said he proposed attrition in the first place and it has worked and while the argument has no weight will second the motion.

Motion by Councilmember Wesp, seconded by Councilmember Weaver, to amend ordinance from 2015 to allow for unlimited licensed haulers.

Councilmember Wesp agreed with the compromise done through a unanimous vote and while he understood Councils change over time this Council unanimously wanted to allow the people to decide then we changed their minds and now two Councilmembers said if we had open hauling they would support.

Councilmember Scott agreed partially, stating he preferred open hauling to our current system but still preferred organized hauling that allows for a competitive bids and free market. He said he was not proposing a sanitary department as he

still wanted the private market to thrive through competitive bids but if it fails would then prefer fully open.

Councilmember Skogquist echoed Councilmember Scott's comments, stating this does not alleviate his concerns as pricing is important but there are many other items that were important such as emergency road repair costs. He shared how he has had concerns with haulers in the past and could contact the City to address through licensing then asked if there's an issue we still have to deal with as an HOA and that is what is being proposed.

Councilmember Wesp commented it was interesting that Council voted to put the question to the voters but now two Councilmembers had changed their minds and want while they just said they would support open hauling they will be voting against that too.

Councilmember Scott disagreed, stating he was disappointed in the current system as it was not a true free market and an organized system would be free market with competitive bidding, similar to an HOA, but on a larger scale.

Mr. Baumgartner clarified the motion was to amend the current ordinance regarding Section 70-115 to eliminate the limitation on the number of licenses.

Upon a roll call vote: Councilmember Weaver and Wesp voted in favor. Mayor Rice, Councilmembers Scott and Skogquist voted nay. Motion failed.

Councilmember Scott said he appreciated the discussion by both the public and Council and wondered why the same discussion didn't occur during organized recycling.

Motion by Councilmember Skogquist, seconded by Councilmember Scott, to direct staff to continue the process to start the negotiation period with the haulers.

Upon a roll call vote: Mayor Rice, Councilmembers Scott and Skogquist voted in favor. Councilmember Weaver and Wesp voted nay. Motion carried.

ADJOURNMENT

Councilmember Weaver made a motion to adjourn the Special Council meeting. Councilmember Skogquist seconded the motion.

Vote taken. All ayes. Motion carried.

Time of adjournment: 6:23 p.m.

Submitted by: Cathy Sorensen, *TimeSaver Off Site Secretarial, Inc.*

Approval Attestation:

Amy T. Oehlers, City Clerk