

City Council Chamber, City Hall, Monday, April 2, 2007

A Special Meeting of the Houston City Council was held at 2:30 p.m. Monday, April 2, 2007, Mayor Bill White presiding and with Council Members Toni Lawrence, Jarvis Johnson, Anne Clutterbuck, Ada Edwards, M. J. Khan, P. E., Pam Holm, Adrian Garcia, Carol Alvarado, Peter Brown, Sue Lovell, Ronald C. Green and Michael Berry; Mr. Anthony Hall, Chief Administrative Officer, Mayor's Office; Mr. Arturo Michel, City Attorney; Mr. Terence H. Fontaine, Deputy Chief of Staff for Operations; and Ms. Marty Stein, Agenda Director; present. Council Member Addie Wiseman absent on city business.

Note: Council Member At-Large Position 3 vacant.

At 2:40 p.m. Mayor White called the meeting to order. Council Members Johnson, Holm, Garcia, Brown and Berry absent.

Mayor White stated that this was an extraordinary hearing, one of only several that they had done operating as a committee as a whole and that was because it was just an important topic; that when he came into office he asked each of the former living Mayor's what was the most important piece of advice they could offer, some gave multi part advice and Mayor Louie Welch was to the point and said that number one just make sure that the trash was picked up; that they take for granted to often the outstanding work done by the Solid Waste Collection Department in the City of Houston which was very cost effective with a lot of hardworking people out there, that from time to time they as elected officials encounter difficult and thorny issues where they needed to call on the very best and brightest in their community to help advice and help them chart direction for the City and make sure that they were looking for the future of Houston well past the time of term limitations where they would be making decisions, for that reason he, with recommendations from many Members of City Council, had asked some of their most outstanding citizens if they could help them think through the future of the Solid Waste Department in the long run, and in particular focus on two issues; that the first issue that they would hear about in more detail had to do with who they collected their solid waste stream from and as many of them were aware there was an inconsistency between the legal ordinances of the City concerning who they would offer service to and who they actually provided service to based on a long history on the so called issue of private streets, that he would tell Controller Parker that there were meetings that went on at some length in his office talking about the nuances and the balancing of interest and he could remember that day where Anthony Hall said that they needed a Solid Waste Task Force and they all needed some of the best minds in the community that were brought to bear to think through the particular issue because it combined issues of equity, efficiency and their ability to grow in the central part of their urban area, that was one issue that they presented to the task force; that the second issue concerned the long run financial future of the Solid Waste System and the task force honed in on the issue of the large amounts of services which were offered in Houston which were not offered in some communities and costs which were not of the magnitude that they had in Houston, and the fact that they were filling precious landfill sites at a fast rate and they needed to make some investments in trying to minimize those waste streams over the long run so that in 10, 15 and 20 years they would not have as many citizens asking at the microphone why were they expanding the dumpsites all around the City and jeopardizing their neighborhood; that they were fortunate to have two of their finest citizens who served as co-chairs, that he would introduce them and turn it over to them to introduce a number of the members of the task force which worked very diligently with some of the City employees that he was sure that Mr. Bain and Controller Parker would recognize, that they all knew City Controller Annise Parker and her distinguished public service on this body as well as in her role as City Controller, that those who knew her, whether they agreed or disagreed with her on a particular issue knew that she came to positions well prepared, that she was a Member of the Texas Commission on Environmental Quality, Municipal Solid Waste Advisory Committee, a student of public policy, and he really

wanted to thank the Controller for her service and leadership in dealing with one of the thorniest issues; that they all knew Lorne Bain, former CEO of Sanifill, which was now part of Waste Management, that he served on the boards of many public corporations and where he first got to know him was through his service on non profits, including Saint Lukes Episcopal Health System, that he had done so much for the community over a long period of time; that he did not know when he asked those two to chair how genuinely affective they would be in working as a team and in leading a team of outstanding citizens which had made to them a unanimous recommendation concerning the direction in which they would go; that for those who may watch ultimately there were decisions that the body would make, they may agree or disagree with some of the points in the task force report, which was very thorough and they did go through a number of alternatives, that right now today the purpose of the hearing was to give an overview, that there would be other opportunities, he thought Chairman Green was holding a hearing and they were not going to decide anything at all today, that what they did want to do was make sure that one of the most important reports the task force had done, at least in the several years since he had been Mayor, had the opportunity to be presented to him and the Council at the same time and the same format because of it's importance, so it was the beginning of a conversation about where they were going with Solid Waste in the future, that they wanted on one set of issues to promote equity among various people in Houston, to make sure they revised the law so that their practices as a the City complied with the law, and to make sure they could continue to have a growing vibrant urban core; that the second issue had some really ethical issues about minimizing waste over the long run so they could be a City whose growth was not limited, this decade and the following, by the fact that they dumped a lot of stuff in the solid waste sites which they did not have to dump in those waste sites; and Mayor White recognized Chair's Bain and Parker and turned the program over to them. Council Members Holm, Garcia and Berry absent.

Mr. Bain stated that he wanted to thank Mayor White for the privilege to serve on the task force and introduced those of the task force members of the task force present today and asked that they stand and be recognized and thanked them for their service, that there was a listing of departmental personnel that had been very helpful to them including people from the Houston Galveston Area Council staff; and Ms. Parker stated that there were several other committee members who were not here today but had put in work. Council Members Holm, Garcia and Berry absent.

Mr. Bain and Ms. Parker reviewed the task force report, a copy of which is in the City Secretary's office for review, and Mr. Bain stated that they had recommended that the code be revised to allow service to developments with private streets which abutted and had direct access to a public street, if number one, there were no more than 20 unites, and number two, one or more units must abut a public street and provide at least 5 feet of public street frontage per unit, and number three, collection of all rolling cans for that development was on the curb line of public street frontage and allowed cans to be placed on five foot centers, that the reason for the 5 foot centering was to give the trucks amble room to operate; that they had in the book, under Tab 5, illustrations of various developments that may or may not, depending on the application, comply; that in order not to inconvenience their citizenry unnecessarily the task force was recommending that the implementation of the cessation of service take place on January 1, 2008 or there abouts; that they had been working with the Legal Department and the Planning Department and there was substantial concurrence about what needed to be done and he was sure they looked forward to bringing specific recommendations to them. Council Members Holm and Berry absent.

Upon further review, Ms. Parker stated that she chaired the part of the work dealing with how they paid for the issue, that they did not recommend that the City establish a General Garbage Fee, that contrary to rumor they were not recommending that the City establish a

General Garbage Fee; that they concluded that the standardized service with the side loading trucks and one driver was very efficient and very effective and kept their cost down and provided an amazing level of service with very few complaints, that they got the trash picked up and they got it done, however there were other aspects that the department did that were in complete disarray and were problematic, that Buck's people did a yeoman's work day after day dealing with heavy trash but the heavy trash system was broken and excessive, that some neighborhoods, they considered, were under attack in terms of both commercial dumping in front of properties, but also illegal dumping where people were bringing their trash in and dumping it in other neighborhoods; that they thought there were solutions and thought if they tackled the heavy trash problem in a reasonable, systematic and sensitive manner that they could not only save money within the Solid Waste system but also provide a very necessary service to a number of neighborhoods; that they hope that Council would concur with their recommendations in terms of the type of service they provided. Council Members Johnson, Holm and Berry absent.

Ms. Parker further stated that they believed that the City of Houston should gradually move from a monthly heavy trash pickup, revision of service, to either a twice a year or on call level of service; that they believed it was possible to begin an enforcement program and a gradual shift starting with neighborhoods with very little use of the monthly heavy trash and transitioning them off and keeping that monthly heavy trash service with extensive enforcement in the neighborhoods that were targeted and under attack, that through a period of incremental change they could take 30% of the Solid Waste budget, which was represented by the Solid Waste pickup and save perhaps half of that amount even with an increase in enforcement efforts and increased funding to their differential response teams or the Police Department to help make that transition effective; that even with these proposed changes to heavy trash they may not be able to free up enough funds or programs that had been not only popular in the City of Houston, but also important to the City of Houston in their long range development; that the City of Houston was going to need to optimize it's use of neighborhood depositories, that they had a mothball neighborhood depository now that could very quickly be reopened but the neighborhood depositories also provided an opportunity to encourage those who were misusing their heavy trash for commercial use of organic materials, tree limbs, branches and so forth; that there was an opportunity for some creative thinking in terms of bringing organic materials to the neighborhood depositories where they perhaps open it up to commercial operators for a clean organic waste stream instead of Solid Waste Department personnel picking them up at a very heavy premium in front of houses in neighborhoods; that to encapsulate their recommendations, to continue to provide household trash collection to eligible residential units under the current service plan with the uniformed service of the side loading trucks and the rolling bins and to pay for that out of the General Revenue Fund as it was now, that over some phased period of time move all other service segments, heavy trash, neighborhood depositories, dead animal collection, recycling and yard waste to an Enterprise Fund or similarly dedicated fund for the purpose of waste reduction and neighborhood protection, effective eventual substantial savings and efficiencies by a reduction of the heavy trash service level accompanied by substantial enforcement in abused and abusing neighborhoods, that they would like to see any fines generated by the stepped up enforcement going into the Solid Waste Enterprise Fund, that they would also hope they could tie it into the CIP with some upgraded street lighting in abused neighborhoods as a cost effective way to help deter illegal dumping of heavy trash, that they would like to see the City institute an effective and responsible recycling program and restart the composting program, revenue from sales of recyclable materials, again, to the Waste Reduction Enterprise Fund, open up more additional neighborhood depositories for recyclables and heavy trash, consider allowing access to depositories by commercial operators to drop off yard waste, tree trimmings and similar organics, if end uses could be found for a clean waste stream, revamp current public relations to achieve more effective user education and recognition of the benefits of recycling and the preservation of landfill air space; that to move to any changes in

the heavy trash system they were going to have to educate their citizens and make sure everyone was involved; that finally create a dedicated Waste Reduction Fee charged to each unit eligible for City Solid Waste Collection Service, that because the recommended fee would be insufficient to cover all costs supplement the dedicated fund with General Revenue Funds until costs savings and fees allowed the system to be self supporting, that the fee was if needed and depending upon the level of service Council Members would like to see in the Waste Reduction Program, that the committee thought that a \$3.50 per month fee would be the maximum that could be charged, but she would tell them that fee would not create a self supporting system and it was simply a target number so they could work from it in terms of generating some cash flow scenarios; that again they believed that the current provision of Solid Waste Services from the General Fund without a fee was working well and should not be changed but a combination of changes to the Heavy Trash System and a Waste Reduction Enterprise Fund that would allow them to be a little more entrepreneurial in what they did and take advantage of some of the opportunities they saw coming in terms of the organic materials in the waste stream, and finally to restore services to the citizens of Houston that had been taken away over the last few years in terms of yard waste reduction and recycling would be very beneficial to the City of Houston. Council Members Johnson, Holm and Berry absent.

Mayor White stated that he wanted to thank them for their public service and would say to each member of the task force, on behalf of a grateful City, thank you, and to Ms. Parker that he took it from her comments that she saw some advantages to recycling at or even greater than their levels and finding something to do with the yard waste, like leaves and grass, that were currently going into their dumps and all the branches and trees if they could find a market for those chips and obviously it saved them some money in the long run, but those steps, like any other investment, like a CIP project, would require an investment in the short run to get that long run benefit and she sat around the table as Chair of the Finance Committee and was a senior leader of the City and had seen cases in the past where they did not make investments in those things to save them money in the long run because for example the principal role of their property taxes was public safety, which was the number one thing in City government, and asked if their proposal help them have the financial where with all to make those investments based on their own merits out of the fund, partially funded by the waste minimization fee or tell them what she thought about waste minimization fee as opposed to raising property taxes. Council Member Berry absent.

Ms. Parker stated that it all depended on the level of service that Council wished to provide to it's citizens; that they did not want to penalize the Solid Waste Department, which was doing a great job, they did not believe that the Solid Waste Department should have to squeeze out changes from it's current budget, that there was a possibility of substantial savings in that budget if they changed the way they did heavy trash, that if they compared their City to any other city the level of heavy trash service they provided was absolutely excessive and yes they had a long growing season and people were used to it but the system was abused on a regular basis, that if they simply eliminated the abuse they free up funds for many other things, that they did not believe it would be sufficient to really implement a first class recycling program, that they did not know whether it would be sufficient to completely restore the yard waste recycling program that they had in the past which was why they had added the option of a fee in there, but they thought that the possibility existed, particularly with the innovative thinking that had existed in the Chamber over the last year or so of ways to both maximize the return on the neighborhood depositories by perhaps commercial applications and revenue generation but also new ways to get citizens engaged in making it a greener City, however sometimes they had to spend money in order to make money, that in order to either cut back on the heavy trash or to expand the yard waste program they had to have those neighborhood depositories opened up, that no one wanted a new one in their neighborhood but she could tell them that they would be more happy to have a neighborhood depository than they would to have an expansion of the

landfill, and that was the tradeoff they had to make and she believed that Houston had the opportunity to really become a leader in the whole composting program, the recycling of yard waste and she would challenge Council Members, that they had what they thought was a good proposal but there was more to be done and she thought there were a lot more opportunities here but they were very clear as a committee in the direction they needed to go. Council Member Berry absent.

Upon questions by Council Members, Ms. Parker stated that they started from the current level of service, the once a week garbage pickup, and in consultation with the Solid Waste Director and looking at both complaints and citizen feedback on the service itself, and again they were the experts around the table in terms of the weekly garbage service, they found very few complaints among citizens, that heavy trash, a constant source of complaints and problems; that they were not recommending any change in garbage service nor were they recommending any fee for regular garbage service, they really envisioned splitting the department into the normal household trash and then the other services, such as recycling and solid waste to make it an enterprise fund with the possibilities of some entrepreneurial uses of that fund, that the level of service determination was made strictly by the task force; that they were appointed by the Mayor; and Council Member Edwards stated that she would like to have a commitment to having serious discussions on landfills and neighborhood depositories, and Mr. Bain stated that those discussions were for the City Council to determine.

Upon further discussion and questions by Council Members, Mr. Bain stated that with respect to the 25% and 50% reduction in heavy trash costs on pages 2 and 3 behind that tab, the 25% was based on underachieving a goal that was achievable, which was 50% over time, and that was not an unstudied number but neither was it scientific, that it was a number that they developed in cooperation with Mr. Buchanan and his staff and their general knowledge base that they picked up about the level of abuse that was involved with the heavy trash, that he thought that 50% was achievable and thought it was going to take a great deal of enforcement to change habits for a few years, that was why they had set up 25% in year two and 50% in year three and that would make them much more consistent with other cities; that the recommendation of a \$3.50 fee was styled as a waste reduction fee and was meant to start acclimating the citizens to the reality that their system of collection was large compared to other cities and was expensive and that they began the process of a journey over time to perhaps a revamping of the way solid waste services were delivered in the City. Council Members Edwards and Berry absent.

After further discussion Mayor White stated that they were going to have further hearings, that he thought could be happening as soon as tomorrow, that some of the alternatives were, next year where they had increases in public safety expenditures, that because of those increases there would be some type of subsidized services which either they would not do or reduce and those included the current subsidized service of recycling, they could decide they were going to eliminate that, that they could decide that it would be business as usual on filling up the Solid Waste sites and postponing the day of reckoning until another City Council on the yard waste they dumped into the dump without making an initial investment, that they could decide that they would not have any recycling of half of all the waste stream that were trees and big branches and just fill up the dumps with it and then wait until somebody else explains to the citizen; that they could pass on having centralized neighborhood depositories, they could pass on the additional enforcement, that was an option that they would cut back on the current waste minimization things or they could decide that they wanted to expand those, that many of them did not want to expand those at the expense of public safety, nor did they want to expand those at the expense of the basic level of residential service, so there was a series of choices which individual Council Members were just going to have to make based on what they thought their judgment was on a constituent, what were the extent and level of these activities that they

wanted to do, and should they do it by cutting the basic service to the residences, he and the task force says no, should they do it by cutting public safety expenditures which were 66% of the operating budget of the City from the General Fund, or should they do it based upon some kind of waste minimization revenue stream that was dedicated to that, and of course the level of that waste minimization they could do would depend on the revenue stream itself. Council Members Edwards and Berry absent.

Upon further questions, Ms. Parker stated that the high cost of heavy trash pickup she would say first and foremost was the absolute volume, and if they compared them to other cities the amount of trash that they allowed people to put out on the curb was extreme and absolutely excessive, and then they were a large spread out City and trucks were trolling up and down the streets, they were burning gas and polluting the air while they were doing it and the whole system was inefficient, that they compared other cities in Texas but they also had backup material from cities around the Country and how they did it, that they would not propose that the City go to a twice a year or on call service immediately, they did propose that certain neighborhoods be immediately transitioned to an on call provision; that they thought there were neighborhoods who would love to have the opportunity to have an on call service, particularly as areas got built more densely and they had the in fill development where they were not putting tree limbs out there, they were moving once a year and putting a sofa out in front and just wanted it to go away, that they knew when they put a fee amount in the report that people would keying on that fee, that they considered that part really like a menu, that Council Members would be able to set policy for the City of Houston on the type of opportunities in terms of greening the City, whether it was recycling, yard waste, composting, whatever, they may be able to achieve everything with solid waste savings if they committed to those solid waste savings, that they may not be able to and may need to supplement with a fee but Council Members would be able to chose.

Upon further questions, Mr. Bain stated that there were communities in Texas that did not provide heavy trash service as a matter of right such as the City of Houston provides monthly, instead they did provide the service but they call in for it and pay the nearly \$300, that he thought it would be an interesting matter to consider but their City had lived so long in the manner it has that he thought it would be extremely disruptive to switch to that kind of service level now, that much of the heavy trash that was picked up, about 50%, were tree trunks and heavy limbs, the other was an amalgamation of things running from carpeting pulled out of a house to appliances to couches, that as they knew they had a large sector of their City within the city limits that rented or they were here for a brief period of time and a great deal of solid waste that was picked up by the heavy trash operators was just that sort of situation, that he did think it was a service to the community in having heavy trash service available to reduce those eyesores and everything else that went along that could be associated with that heavy trash, that he did not see it as something to eliminate, he thought it was something that they needed to reform and recast and then take another look at it a few years after they had made good progress; and Ms. Parker stated that as much as they did not like the idea of opening their neighborhood depositories to the commercial operators, small commercial operators, the yard services and so forth, just having them bring their clean organics to a neighborhood depository would save over time millions of dollars and if they set a fee on them it would have to be a fee that would still encourage them to bring it rather than dump it or pay a penalty but they would have to have that enforcement in the neighborhoods first.

After further discussion Council Member Johnson moved to suspend the rules to allow Ms. Ruby Mosley to give her input on what her feelings were on what they were discussing today, seconded by Council Member Khan. All voting aye. Nays none. Council Member Wiseman absent on city business. MOTION 2007-0328-2

Ms. Mosley appeared and stated that Acres Homes was a dumping ground, not just of the citizens who lived out there but they had other folks who were coming into their area, they had everything from dogs, horses, cows, to boats, big boats and tires, that there was no house in Acres Homes who could accumulate that many tires, that in any given day that they wanted to go down through Acres Homes they could find tires and everything that was dumped; that the other problem they were having, and was why they talked about a fee and utilizing a Neighborhood Protection team, was that the only way they were going to stop some of this stuff was to hit those folks where it hurt and that was at the pocketbook, that they could definitely use the Neighborhood Protection team and the Police Department in a more efficient way in helping them to get the word out to those folks that enough was enough; that also to help to educate their people in the community that when they saw things not to just turn their head but be proactive and take a greater concern and all keep Houston clean, they had a nice City and they wanted to keep it clean but they were pleading to them to use every tool that they had to make the program work. Council Member Holm absent.

Mayor White stated that they did have a grant for a couple of thousand dollars, Stop Trashing Houston, but it was a limited amount of funds and asked if she thought they ought to have a sustained initiative like that over time with education enforcement, and Ms. Mosley stated that yes, they should and they also needed more of the signs, that they contacted Mr. Buchanan and stated that they needed more signs. Council Member Holm absent.

After further discussion Mr. Bain stated that he thought the system which had been in place since apparently 1980, called sponsorships, was a good system for the City, it was a good economic deal, that if they looked on their report they would see under one of the tabs a breakdown of the cost of service and it was under tab 9; that his personal view was that the program should not be changed; and Ms. Parker stated that there may be some neighborhoods where they would not be providing services that they were currently providing under the three prong services, they would not be receiving sponsorship because they were not eligible for service but if they were eligible for service and would rather have the sponsorship they recommend that they continue to do that. Council Member Green absent.

After further discussion Council Member Edwards asked Mr. Buchanan if she could get from his office a definitive list of what heavy trash was so they could make sure their seniors were clear on it, that if they went to the community on this she needed to be very definitive as to what they were asking them to do and how was it different from what they were doing now. Council Members Holm, Garcia, Green and Berry absent.

After further discussion Council Member Clutterbuck asked what was the timeline for it and where were they going after this, and Mayor White stated that was one of the issues that he would like some feedback from Council Members on and he thought perhaps Ms. Stein and Chairman Green and others could be thinking and communicating about that, but he would say that they did have some timelines, that they had a clock that they were racing against, in terms of their FY08 Budget, that they would need to be thinking in terms of the next budget about the choices they wanted to make, that he did not think there was any need to make any decisions and they needed inputs for a week, so they were all going to have to tell him a little bit, and different Council Members may want to slice it in different ways, that he would say that within a month or so they ought to try to develop a consensus among the menu of services, that nobody had advocated for a cutback on the weekly garbage service, that nobody had advocated that they put the whole thing in an enterprise fund, like they did in most cities, and create any fee for basic service, but it was some of the enhancement to the service, to increase the long run cost, that they would need to be focusing on. Council Members Edwards, Holm, Garcia, Alvarado, Brown and Berry absent. (NO QUORUM PRESENT)

After further discussion Mayor White stated that he thanked Ms. Parker and Mr. Bain and other members of the task force, and asked Ms. Stein to visit with Council Member Lawrence and thought that was a good issue that they could take up separately in that committee. Council Members Lawrence, Holm, Garcia, Alvarado, Brown and Berry absent. (NO QUORUM PRESENT)

There being no further business before Council, the City Council adjourned at 4:52 p.m. Council Member Wiseman absent on city business. Council Members Lawrence, Holm, Garcia, Alvarado, Brown and Berry absent. (NO QUORUM PRESENT)

DETAILED INFORMATION ON FILE IN THE OFFICE OF THE CITY SECRETARY.

MINUTES READ AND APPROVED

/S/Anna Russell

Anna Russell, City Secretary