

TOWN OF HILTON HEAD ISLAND PUBLIC FACILITIES COMMITTEE SPECIAL MEETING

Date: October 13, 2009

Time: 4:00 P.M.

Members Present: John Safay, George Williams, Drew Laughlin

Members Absent: None

Staff Present: Steve Riley, Curtis Coltrane, Greg DeLoach, Scott Liggett, Jill Foster, Sarah Skigen, Julian Walls, Brian Hulbert, Jayme Lopko, Heather Colin, Teri Lewis

Others Present: Tom Peeples, *Mayor*, Bill Harkins, *Councilman*, Carol Murphy and Walter Becker, *Beaufort County Recycling*, Peter Kristian, *General Manager, Hilton Head Plantation*, Howard Fister, *Waste Management*, Jim Frey, *Resource Recycling Systems*

Media Present: Josh McCann, *The Island Packet*

1. Call to Order.

The meeting was called to order at 2:00 P.M.

2. FOIA Compliance:

Public notification of this meeting has been published, posted and mailed in compliance with the Freedom of Information Act and the Town of Hilton Head Island requirements.

3. Committee Business:

None

4. Unfinished Business:

Recycling Program Research and Recommendations

Sarah Skigen, Town of Hilton Head Island Natural Resources Associate advised staff started the process with a series of interviews with local haulers here on the Island and as we proceeded with the information we gathered and then proceeded to draw up the memorandum the Committee has before them today. The largest theme we got when we interviewed the haulers was to make it a viable system and to migrate to an effective recycling system overall, we need volume. Each hauler needs volume to bring price down for the individual residents. We are now moving forward with the recommendation to give haulers the volume they need by either proposing one signal zone or two separate zones for the entire Island in terms of residential at this point. Moving forward first with single family and those one or two haulers would handle all of the single family residential for their respective area and at that point we hope to bring down prices for recycling.

Ms. Skigen stated staff recommends Town Council revise the existing recycling regulation by requiring all trash haulers provide each non-commercial customer

with a trash cart (approximately 64 gallon) for a reasonable fee and also provide recycling bins free of charge. Further, the revisions to the Code would allow customers the option to increase cart size to a larger trash cart (approximately 96 gallon) for an increased fee.

Our first proposal is to go forward with an RFP (Request for Proposal) process. The RFP process is going to give us an idea of what the prices are and whether our recommendation is really what it is so that we can in fact lower prices for recycling by providing haulers with the volume that is needed to bring those prices down. The RFP would give us those numbers and give us an idea of how much we are lowering the cost for single family residential island wide.

Chairman Safay asked if you are an individual homeowner and this program is enacted then you would be paying directly to the trash hauler that has been given the franchise for the Island? Ms. Skigen stated that was correct. Chairman Safay stated should you decide to use the recycling center and haul your own trash you are under no obligation or mandate to be involved in this program.

Councilman Williams asked whether the recycling would be single stream or dual stream. Ms. Skigen answered that whether it would be single or dual stream would be up to the hauler and not up to the Town to designate. Dual stream is where they separate the cardboard and paper from everything else

Councilman Williams asked how long staff would expect it to take to start handling commercial and condominium complexes. Ms. Skigen said they were looking at another year for non-single family.

Councilman Laughlin stated the impression he got when we talked about this before was with the exception of cardboard and paper there was no profit to be made in selling the recycled materials. Ms. Skigen stated from what she has heard, the markets have rebounded a little bit. They are nothing close to what they used to be, but the markets have rebounded. There is a growing market again although it may not be as profitable as it was a couple of years ago.

Councilman Laughlin said he has a concern about commercial service. If we reduce the residential haulers down to one, what effect is that going to have on competition and for commercial service? Ms. Skigen said she doesn't know, but assumes that the competition would still be there for commercial service, although I do know some haulers on the Island primarily deal with single family. With a franchise agreement, we would be potentially compromising a hauler's ability to work on the Island. Councilman Laughlin stated that means we will end up with fewer commercial haulers as well, which is a concern he has. Councilman Laughlin stated he also has a concern about taking this away from communities. In his community they have a hauler who takes the trash and recycling for a cost that is quite modest. Aren't we taking that away from residential communities? Ms. Skigen said from what she understands, most of the communities on the Island have a preferred hauler system rather than an exclusive hauler system. In most plantations, there is a preferred hauler and that does not mean that you have to go with that single hauler.

Chairman Safay stated he was going to open up the meeting for public comment, but wanted to confirm staff was looking only for a recommendation yes or no only to put this out to bid. We are not making an obligation to anything so theoretically if bids come back and we find the bids are more costly than what people are currently paying or we think appropriate, we do not have to do anything. If, however, the bids come back and it appears to be satisfactory – lower than what people are paying with enhanced service, then we can decide whether or not we go forward. We are not making the final judgment now, nor will we for a number of months.

Peter Kristian, General Manager of Hilton Head Plantation, advised his Board of Directors is on record as advocating a program be put in place where each hauler, whether it be a single hauler or multiple haulers be required to provide recycling as part of the service. Mr. Kristian advised they did a survey last spring and 87% of the folks in Hilton Head Plantation who answered the survey said they recycle either at the transfer station or by contracting with their hauler.

Chairman Safay stated 87% in Hilton Head Plantation is certainly commendable; however, County statistics come back and tell us that Island wide we are at the dismal 9% of recycling.

Mr. Bill Libertoff a Hilton Head Plantation resident advised he is happy with the service he now gets from a private hauler and does not want to give that up.

Mr. Brian Leonard voiced his concern that if you make it easier for residents to recycle in a single stream fashion and take that volume out of a Waste Management owned landfill and take a single stream recycle into their facility, is that going to hurt them if they are not in the franchise? If you take the revenue out of their landfill and you are giving them a bunch of commingled recycle that is worth nothing, what will prevent them to tell that current hauler we don't want it. Then, what would we do with the recycling?

Howard Fister from Waste Management clarified that currently the Hickory Hill MRF (Materials Recycling Facility) does take commercial recycle. Beaufort County has a contract with the MRF which is a joint venture with the processing and selling of the goods for the convenience centers throughout the County and also the residential homes.

Councilman Laughlin questioned how much of the glass, aluminum cans and plastic that are collected actually gets recycled and reused. Mr. Fister stated each commodity that comes in goes to different facilities. Cardboard and mixed paper currently gets shipped to China, plastic gets bailed and shipped to REI in Raleigh, NC, glass is shipped into North Carolina as well and aluminum gets shipped to Charleston to be processed.

Resident Dee Marion stated she lives in Hilton Head Plantation and has lived in 9 states where they had some form of recycling. Ms. Marion questioned how much money the County is making on the recycling center? Carol Murphy, Beaufort County Recycling Coordinator advised the Convenience Center on Hilton Head Island is provided by the County through residential tax dollars. The commodities taken from the Convenience Center are taken to the Hickory Hill MRF where we

pay \$24.00/ton to have material processed and bailed up and shipped off to the various commercial entities that manage those products and then turn them back into bottles or carpet, etc. Beaufort County has no intention of closing that Center. The land was donated by the Town, but the operations are provided through County funding.

Chairman Safay advised what they are trying to do is determine whether this Committee sends a recommendation to Town Council to have staff create the RFP so we can finally get answers. Chairman Safay also stated staff is looking for guidance. They have come up with a concept and from there; they are asking us if we want them to move forward with this concept. There are a million moving parts, but this is how you learn exactly what the answers are going to be. Chairman Safay stated his presumption is when we get these bids back we will not do anything if it is going to cost more than we are doing now. No one wants to spend more money. They are hoping to find a program that will provide a lower cost with this enhanced service and if that means that we can move forward, that would be the only way to go. There are a variety of advantages to doing this. It is going to be limited in scope to those defined single family residences because we cannot combine everything together in one big shot. The multi-families, the apartments and the commercial will have to wait until we get this thing put together, presuming we go forward. Chairman Safay reminded all that if you do not want to do it, you do not have to do it. You can certainly continue to use the Convenience Center. For the majority of people who want to continue with trash service and be able to recycle, this may be a solution that would fit for this limited scope on Hilton Head Island.

Councilman Williams said he believes the Committee should ask staff to go forward with an RFP because he doesn't think anyone in this room or on Council has enough information to know whether this is a good or bad idea or we're wasting our time.

Councilman Williams moved the Public Facilities Committee forward this to Town Council with a recommendation to direct staff to go out with an RFP and see where we go from there. Councilman Laughlin seconded the motion. Councilman Laughlin stated if you are talking about single family homes on Hilton Head Island he is having a hard time escaping the thought that what we have here is a solution in search of a problem. He stated he does not believe that only 9% of single family homes on Hilton Head Island recycle. Councilman Laughlin stated if we have a problem with recycling here, it is not with single family homes. I don't like the idea of saying that Hilton Head Plantation, Spanish Wells Plantation, Long Cove Plantation, Shipyard, etc. cannot deal with this in their own way. I don't like the idea of presiding over a monopoly on anything and do not like the idea of franchising. With no further comments, the Committee voted unanimously to forward this item to Town Council.

5. New Business

None

6. Adjournment:

Having no further business, the meeting was adjourned at 5:20 p.m.

Respectfully Submitted,

Karen D. Knox
Senior Administrative Assistant