

CITY OF LINCOLN
REGULAR COMMITTEE OF THE WHOLE MEETING
TUESDAY, FEBRUARY 9, 2016
7:00 P.M.

AGENDA

- 1. Call to Order**
- 2. Pledge of Allegiance**
- 3. Public Participation**
- 4. Presentation from Abraham Lincoln Tourism Bureau**
- 5. Presentation from Logan County Alliance**
- 6. Presentation from Logan County Joint Solid Waste District**
- 7. Logan County Joint Solid Waste Agency Proposal for Increased Assessment**
- 8. Electric Aggregation Municipal Fee**
- 9. Other Discussion**
- 10. Executive Session**
 - a. Personnel – 2(c)(1)**
- 11. Adjournment**
- 12. Upcoming Meetings:**
 - Council:** Tuesday, February 16, 2016 7:00pm (Due to President's Day Holiday)
 - Committee of Whole:** Tuesday, February 23, 2016 7:00pm

We welcome the participation of persons with disabilities at all City of Lincoln meetings. If auxiliary aid or service is required for most effective participation and communication, please notify the City Clerk's office at 217-735-2815 or cityclerk@lincoln.il.gov no later than 48 hours prior to the meeting time.

MEMORANDUM

TO: Mayor and Aldermen of the City of Lincoln

FROM: Clay T. Johnson, City Administrator



MEETING

DATE: February 9, 2016

RE: Logan County Joint Solid Waste Agency

Included in your materials is a funding proposal from the Logan County Joint Solid Waste Agency (JSWA) who oversees the collection of recyclable materials in the municipalities and unincorporated areas of Logan County. The City of Lincoln has been part of the JSWA since its inception in 1997. The JSWA is funded through two mechanisms, 1) the per capita assessment of each jurisdiction and 2) the proceeds received through the recyclables collected.

Our agreement as part of the JSWA has a term of twenty (20) years and expires in June 2017. Over the course of this agreement, there have been several increases in the per capita assessment up to \$4, where it is currently. With the most recent increase occurring in 2013-2014 from \$3. The City pays \$58,016 annually for the JSWA's services.

In their proposal, the agency states that bin repairs, rentals, vehicle expenses, and processing fees exceed revenues as a reason for the increase. Additionally, recycling markets for items such as metals and glass have bottomed out in recent months limiting some revenue to the group.

However, the increase would be 12.5% our current per capita rate bringing our annual assessment to \$65,268. An increase of \$7,252 annually. This would mark the fourth increase in the last 8 years, where the assessment was \$2.50. A schedule of the increases over the life of the contract is included in your materials.

Seeing as the annual weight of collection has stayed relatively flat, including that of Lincoln, combined with the number of increases to the assessment in recent years, I struggle with a recommendation to approve this increased assessment without some conversation or further explanation from the JSWA. Additionally, considering that this is the last year of the contract, what precipitated the need for the increase that could not be renegotiated next year?

Please do not let this be a question of the service provided by the JSWA, but simply one of making the best sense with the limited dollars on hand. The JSWA is a novel concept and one of the first in the state of Illinois to consider such an operation. They have diverted hundreds of tons of waste from landfills and should be applauded for such efforts.

COW Recommendation: Ms. Mitzi Rohlf's will be present at Tuesday's COW Meeting to discuss the increased assessment. Provided that there have been numerous increases in the recent years to the assessment, I would ask the Council defer the approval of an increase until the end of the current contract.

Council Recommendation: None.

FISCAL YEAR 2017 LOGAN COUNTY JOINT SOLID WASTE AGENCY FUNDING PROPOSAL

Whereas, the Logan County Joint Solid Waste Agency, established in June of 1997, is responsible for the development and administration of programs, as approved by the IEPA, for reducing, reusing, and recycling municipal waste in Logan County.

And Whereas, the Logan County Joint Solid Waste Agency is comprised of representatives from the municipalities of Logan County and the Logan County Board who together represent every citizen of Logan County.

And Whereas, recycling by the citizens of Logan County continues to increase in order to divert materials from landfills, as evidenced by the tonnage of municipal waste collected for recycling and reuse.

And Whereas, the Agency's annual expenses for current programs including bin repairs, bin rentals, vehicle expenses, and processing fees often exceeds revenues, in part because income received for recyclables is minor and unreliable.

And Whereas, the Agency's original and undersized collection infrastructure currently in service is in need of immediate replacement requiring additional funding.

And Whereas, the Agency's current rate of funding at \$4.00 per capita does not allow enough funds for the updating of infrastructure assets used in the operation of the Agency.

Therefore, the Logan County Joint Solid Waste Agency board representing each municipality and the County Board proposes to each member municipality and the County Board that the per capita funding rate be increased to \$4.50 beginning with the 2017 fiscal year. (First installment by July 31, 2016, and second installment by October 31, 2016).

Member Municipality/Board _____

For the Proposal (X) _____ or Against the Proposal (X) _____

Representative's Signature _____

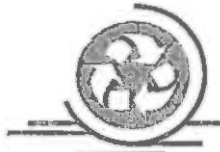
Representative's Title _____

Date _____

Please return to: Mitzi Rohlfs, LCJWSA Coordinator, PO Box 454, Lincoln, IL 62656.
Phone 217-732-9636

YEARLY LCJWSA RECYCLABLE TOTALS

	2011 5 months=Bins	2012	2013	2014 10 months=truck	2015	2016	2017
LINCOLN CO-MINGLED BIN	33,600	100,280	108,420	104,120	115,120		
LINCOLN PAPER BIN	195,020	455,280	448,300	450,920	394,900		
MT. PULASKI PAPER BIN	7,600	56,790	83,260	75,160	70,300		
ATLANTA PAPER BIN	18,040	37,260	48,560	33,880	36,740		
TRUCK / PAPER	182,920	172,460	161,340	113,940	128,620		
TRUCK / CO-MINGLED CO-MINGLE & PAPER TOTALS	58,300 495,480	56,760 878,830	60,320 910,200	43,360 821,380	54,700 800,380		
GLASS	32,380	39,000	48,000	44,000	32,000		
ELECTRONICS / Habitat for Humanity		156,757	144,205	152,195	109,252		
TIRES GOVERNMENTAL COLL		0	9,900	0	0		
SHREDDED PAPER / State Bank of Lincoln		6,100	5,800	10,840	14,630		



**2015
LOGAN COUNTY
JOINT SOLID WASTE AGENCY
COLLECTION REPORT**

PAPER MATERIAL

- Lincoln Bin – 394,900 lbs
- Atlanta Bin – 36,740 lbs
- Mt. Pulaski Bin – 70,300 lbs
- Truck – 128,620 lbs

CO-MINGLED MATERIAL

- Lincoln Bin – 115,120 lbs
- Truck – 54,700 lbs

GLASS COLLECTION

- Co-sponsored with Lincoln Woman's Club, Ardagh Group and the Logan County Fair Association
- Collections held 2nd Saturday of the monthly from May through October
- Collected approximately 32,000 lbs of glass

CONFIDENTIAL PAPER SHREDDING

- Held March 28, 2015 & October 10, 2015
- Co-sponsored with State Bank of Lincoln
- Approximately 14,630 pounds of shredded paper collected

ELECTRONICS COLLECTION

- Electronics Recycling Program began monthly collections in March 2012
- Co-sponsored with Habitat for Humanity – Logan County
- Collections held 2nd Saturday of each month at the Habitat Warehouse
- Collected 109,252 lbs of electronics

Logan County Joint Solid Waste Agency County Assessment Figures 2015-2016

Total County Population: 30,305
Source: U.S. Census Bureau, 2010 Census

Lincoln	14,504 X \$4.00 = (4.00)	\$ 58,016.00
Mt. Pulaski	1,566 X \$4.00 =	6,264.00
Atlanta	1,692 X \$4.00 =	6,768.00
Broadwell	145 X \$4.00 =	580.00
Elkhart	405 X \$4.00 =	1,620.00
Emden	485 X \$4.00 =	1,940.00
Hartsburg	314 X \$4.00 =	1,256.00
Middletown	324 X \$4.00 =	1,296.00
New Holland	269 X \$4.00 =	1,076.00
County Board (Unincorporated Areas)	9,979 X \$4.00 =	39,916.00
San Jose	242	Non-Member
Latham	380	Non-Member

Total Population 30,305

Total LCJSW Membership 29,683 X \$4.00 = \$118,732.00

Payments due: July 31st and October 31st

Saved as: 2015 - 2016 COUNTY ASSESSMENT FIGURES
Revised: 04/20/15MR

ACCOUNT	ACCOUNT DESCRIPTION	PAYEE	ITEM/SERVICE DESCRIPTION	AMOUNT
51001	Coordinator Salary	Michele Rohlfs	Salary / December 2015	\$3,421.72
51007	Hired Collectors	George Fishburn + 2 hrs/Tires 12/17/15	Temporary Help / December 2015 22 hrs @ \$14.00/hr	\$588.00
53001	Postage			\$0.00
53002	Printing			\$0.00
53003	Office Supplies			\$0.00
53008	Auto Mileage New Rate: \$.50/mi			\$0.00
53011	Training and Education Dues, Subscriptions, Conferences			\$0.00
53021	Advertising/Legal Notices			\$0.00
53025	IL-EPA Electronics Grant Expenditures			\$0.00
53041	Committee Expenses			\$0.00
53049	Administration Expense			\$0.00
53059	Materials, Misc.			\$0.00
53060	Processing & Transportation	Midwest Fiber Invoice #'s: 32370 & 36547	Process Co-Mingled Materials Oct '15 and Nov '15	\$441.93
53060	Processing & Transportation	PDC/Area Co - Nov '15 Inv #:3035507,3035508 & 3035512	Atlanta/Lincoln/Pulaski Paper-\$1,383.26 Lincoln Co-Mingled-\$1,208.64	\$2,591.90
53061	Container Rent & Environmental Fee	PDC/Area Co - Nov '15 Inv #:3035507,3035508 & 3035420	Lincoln - \$ 109.00 Atlanta - \$ 54.50	\$163.50
54001	Telephone	Michele Rohlfs	Cellular Service November 2015	\$50.00
55009	Truck Maintenance & Repair	Neal Tire Invoice #: 11828893	Tires (Tubeless) and new rims Front end /IH	\$835.46
55009	Truck Maintenance & Repair			
55010	Container Maintenance			\$0.00
55014	Fuel Expenses	Fuelman Statement #: NP46125099	Fuel Expenses -November '15	\$402.68
			MONTHLY TOTAL	\$8,495.19

The Logan County Joint Solid Waste Agency approves the above listed claims and authorizes its Secretary/Treasurer to submit claims to the Logan County Treasurer for payment this 20th day of January 2016.

LCJWSA Board Member

James Struebing, Chairman

LOGAN COUNTY JOINT
SOLID WASTE AGENCY

JANUARY 2016

ACCOUNT	ACCOUNT DESCRIPTION	PAYEE	ITEM/SERVICE DESCRIPTION	AMOUNT
51001	Coordinator Salary	Michele Rohlf	Salary / January 2016	\$3,440.70
51007	Hired Collectors	George Fishburn + 7 hrs/Transport Truck & Dump	Temporary Help / January 2016 30 hrs @ \$14.00/hr	\$420.00
53001	Postage	Postmaster	Annual Rental Fee for PO Box 454	\$88.00
53002	Printing			\$0.00
53003	Office Supplies			\$0.00
53008	Auto Mileage New Rate: \$.50/ml			\$0.00
53011	Training and Education Dues, Subscriptions, Conferences			\$0.00
53021	Advertising/Legal Notices			\$0.00
53025	IL-EPA Electronics Grant Expenditures			\$0.00
53041	Committee Expenses			\$0.00
53049	Administration Expense	Logan County Treasurer	Administrative Fees FY 16	\$60.00
53059	Materials, Misc.			\$0.00
53060	Processing & Transportation	Midwest Fiber Invoice #: 38751	Process Co-Mingled Materials Dec 2015	\$201.65
53060	Processing & Transportation	PDC/Area Co - Dec '15 Inv # :3065528, 3065533, 3065529 & 3065444	Atlanta/Lincoln/Pulaski Paper-\$1,364.10 Lincoln Co-Mingled-\$1,436.25	\$2,800.35
53061	Container Rent & Environmental Fee	PDC/Area Co - Dec '15 Inv #: 3065528, 3065529 & 3065444	Lincoln - \$ 109.00 Atlanta - \$ 54.50	\$163.50
54001	Telephone	Michele Rohlf	Cellular Service Dec 2015	\$50.00
55009	Truck Maintenance & Repair	R & L Truck and Trailer Repair Invoice dated: 01/02/16	Repair/Replace Turbo Boot Hose. Repair holding bracket	\$279.53
55009	Truck Maintenance & Repair			\$0.00
55010	Container Maintenance			\$0.00
55014	Fuel Expenses	Fuelman Statement #: NP46369435	Fuel Expenses -Dec '15	\$507.77
			MONTHLY TOTAL	\$8,011.50


The Logan County Joint Solid Waste Agency approves the above listed claims and authorizes its Secretary/Treasurer to submit claims to the Logan County Treasurer for payment this 20th day of January 2016.

LCJWSA Board Member

James Struebing, Chairman

MEMORANDUM

TO: Mayor and Aldermen of the City of Lincoln

FROM: Clay T. Johnson, City Administrator 

MEETING DATE: February 9, 2016

RE: Electric Aggregation Municipal Fee

There has been considerable interest by the Council in reducing the costs charged by Ameren for electric services to the city's residents. To provide some background, the residents approved a referendum that allows municipalities to bid out their service to an electric supplier. The City had entered into an aggregation rate previously, but when time came for renewal, the City opted to remain on Ameren's "default" rate. This default rate increased in October 2015, which prompted the discussion of re-bidding our provider for electric service. This seems to be an increasingly attractive opportunity to search for a new rate, as crude oil prices continue to fall. Conversely, however, the capacity charges are abnormally high right now, but the Federal Energy Regulatory Commission has ordered the Midcontinent Independent System Operator (MISO) to adjust its capacity rules which should result in a decrease in capacity charges.

Electric aggregation laws allow municipalities the option of charging a fee for the electric aggregation service of up to \$.002/kWh. This is to, in part, cover the costs of implementing the program, but can have other uses. Establishing a \$.001/kWh rate is not unusual for municipalities participating in electric aggregation. As you can see from the enclosed materials, a \$.001/kWh would generate over \$60,530 annually with 95% participation in the program. To provide some perspective, this rate would mean an additional \$.80 to \$1.06 per customer per month. The average participant in aggregation would pay approximately \$10.25 per year.

To ensure that the fees generated from the aggregation fee go directly back into the community, I would propose that \$50,000 go towards sidewalks annually. This would be a significant enhancement to our sidewalk program, and the Council can choose to put more money on top of this initiative should you so choose.

Also included in your materials is a breakdown of what type of savings would be generated if the City went out for aggregation bids at the beginning of February. This illustration shows the savings over a sixteen (16) month period. Over this term, the homeowner is likely to save \$39.89, no municipal fee included. It should be noted that residents have the option to opt-out of the aggregation program, however the savings that are realized as part of the aggregation are eliminated with such an action.

With sources of revenue drying up, funding sources from the state being threatened, and property tax freezes likely, we should put options on the table to provide the highest level of service for our residents. This is a way to supplement our services and bolster our sidewalk improvement program. Regardless of the decision to institute the municipal fee, the City would not enter into an aggregation program unless it was a savings for our residents.

COW Recommendation: Place this item on the Council's February 16th agenda.

Council Recommendation: Adopt a municipal fee of \$.001/kWh for participating Lincoln residents with the understanding that no aggregation will be considered unless it is a savings for our residents.

Community
Annual Volume (kWh)

Lincoln
63,715,352

Projected Revenue Resulting from Various Cost Adders to Aggregation Rate					
Rate (\$/kWh)	Community Participation Level				
	80%	85%	90%	95%	100%
\$0.00025	\$12,743	\$13,540	\$14,336	\$15,132	\$15,929
\$0.00050	\$25,486	\$27,079	\$28,672	\$30,265	\$31,858
\$0.00075	\$38,229	\$40,619	\$43,008	\$45,397	\$47,787
\$0.00100	\$50,972	\$54,158	\$57,344	\$60,530	\$63,715
\$0.00125	\$63,715	\$67,698	\$71,680	\$75,662	\$79,644
\$0.00150	\$76,458	\$81,237	\$86,016	\$90,794	\$95,573
\$0.00175	\$89,201	\$94,777	\$100,352	\$105,927	\$111,502
\$0.00200	\$101,945	\$108,316	\$114,688	\$121,059	\$127,431

These are the Revenue projections for the City, dependant on % of participation of customer base.

Fixed Aggregation Bid Analysis							
Month	Volume	Ameren Rate		Contract Rate	Ameren Cost	Contract Cost	Aggregation Savings / (Losses)
		<800 kWh	>800kWh				
Mar-16	900	\$0.06717	\$0.04620	\$0.05800	\$58.36	\$52.20	\$6.16
Apr-16	900	\$0.06717	\$0.04620	\$0.05800	\$58.36	\$52.20	\$6.16
May-16	900	\$0.06717	\$0.04620	\$0.05800	\$58.36	\$52.20	\$6.16
Jun-16	900	\$0.05386	\$0.04620	\$0.05800	\$47.71	\$52.20	-\$4.49
Jul-16	900	\$0.05386	\$0.04620	\$0.05800	\$47.71	\$52.20	-\$4.49
Aug-16	900	\$0.05386	\$0.04620	\$0.05800	\$47.71	\$52.20	-\$4.49
Sep-16	900	\$0.05386	\$0.04620	\$0.05800	\$47.71	\$52.20	-\$4.49
Oct-16	900	\$0.05386	\$0.04620	\$0.05800	\$47.71	\$52.20	-\$4.49
Nov-16	900	\$0.05386	\$0.04620	\$0.05800	\$47.71	\$52.20	-\$4.49
Dec-16	900	\$0.05386	\$0.04620	\$0.05800	\$47.71	\$52.20	-\$4.49
Jan-17	900	\$0.05386	\$0.04620	\$0.05800	\$47.71	\$52.20	-\$4.49
Feb-17	900	\$0.05386	\$0.04620	\$0.05800	\$47.71	\$52.20	-\$4.49
Mar-17	900	\$0.05386	\$0.04620	\$0.05800	\$47.71	\$52.20	-\$4.49
Apr-17	900	\$0.05386	\$0.04620	\$0.05800	\$47.71	\$52.20	-\$4.49
May-17	900	\$0.05386	\$0.04620	\$0.05800	\$47.71	\$52.20	-\$4.49
Jun-17	900	\$0.05386	\$0.04620	\$0.05800	\$47.71	\$52.20	-\$4.49

Indicates projected reduction in Ameren Default Prices due to anticipated reduction in Capacity prices from \$150/MW-Day to \$25/MW-Day under new market design ordered by FERC.