



**MINUTES OF THE SPECIAL MEETING OF THE
RIDGECREST CITY COUNCIL AND
RIDGECREST REDEVELOPMENT AGENCY AND**

**City Council Chambers
100 West California Avenue
Ridgecrest, California 93555**

**February 10, 2010
6:00 p.m.**

This meeting was recorded and will be on file in the Office of the City Clerk for a certain period of time from date of approval by City Council/Redevelopment Agency. Meetings are recorded for the purpose of preparation of minutes.

CALL TO ORDER at 1.08 pm

ROLL CALL

Council Members Present: Mayor Morgan, Council Member Ron Carter, Tom Wiknich, Chip Holloway, and Taylor

Staff Present: Interim City Manager Harvey M. Harvey Rose; City Clerk Rachel J. Ford; Other Staff

APPROVAL OF AGENDA

Motion to approve agenda made by Council Member Tom Wiknich, Second by Council Member Chip Holloway Motion carried by voice vote of 5 Ayes; 0 Nays; 0 Abstain; 0 Absent

SPECIAL SESSION – 1:00 p.m.

PLEDGE OF ALLEGIANCE

INVOCATION moment of silence

STUDY SESSION

1. P3 Consulting Associates - Presentation

Council will hear a presentation by P3 Consulting Associates for new waste disposal process. The process called K2 "Katalytische Konversion" involves using mixed solid waste (MSW), which includes paper and plastic, and turning it into diesel fuel. Although metal, glass and concrete cannot be used in the process and must be removed before processing, the reduction in the amount of material going into landfills is significant. The City of Ridgecrest has worked diligently to find a solution to the problem of collecting and processing recyclable material. Using a process that has the potential to reduce the amount of refuse being placed in out landfills by as much as seventy-percent and therefore extend the life of our landfill is worthy of consideration. At the same time if this process can create diesel fuel at an economical price for use by the trash companies and school districts a second benefit occurs.

MINUTES - CITY COUNCIL / REDEVELOPMENT AGENCY - SPECIAL

February 10, 2010

Page 2

The firm presenting this project is P3 Consulting Associates LLC a California based organization. They are currently working with EnerTech RD, LLC from Texas and K2 Engineers from Germany. The process is in full commercial operation in Tarragona, Spain.

- Mike Sakamoto of P3 consulting agency gave introduction and PowerPoint presentation of K2 "Katalytische Konversion". A process of converting mixed solid waste into reusable diesel fuel.
 - Challenges include reduced landfill capacity, regulations, unfunded state mandates, low resources, increasing operating cost, worsening economic condition.
 - Goals include new strategies, use existing resources, new revenues, and new jobs.
 - The Con-fuel K2 Process converts mixed waste materials and biomass into renewable diesel fuel.
 - Presentation included a comparison chart of other renewable energy programs currently in effect.
 - Process takes wet garbage and converts into diesel fuel for standard trucks and vehicles.
 - Low heat/low pressure/zero emission/carbon process/hydrogen from waste/catalyst/desulfurization process/diesel polishing system/compliant with ASTM standards/recycles residuals for asphalt and roofing materials.
 - Refinery Process goes back to 1856-1857 Romania and is combined with other processes developed in the 1920s up to 30 years ago.
 - K2 means continuous feedstock. Single batch eliminated and continuous flow of materials into the refinery.
 - 1000 sq. ft. units plus 25% walk around space. More units produce more diesel and is tailored to meet the needs of community reduction needs.
 - Solid Waste System Flow Chart of the CIWMB showing how Con-fuel system/plant would fit into the current process. Could be placed at the landfill or in the City.
 - Benefits: Minimizes landfill use; increased diversion rate; lower green house gases emissions; generates carbon credits; first right of refusal to purchase diesel below market price (schools, waste haulers etc.); reduced dependency on fossil fuel; assists compliance with CWIMB; potential revenue; constant tipping fee; new business opportunity; new jobs.
 - Cost: new 31million dollars and has additional electricity system. 7-8 year payback with 20 year lifetime. Finance options available, company willing to fund if allowed, needs waste stream, city can also use its power to sell debt to finance project and own the project for revenue. Willing to deal with city where they fund and then work with city to transfer ownership.
 - P3 Consulting & Associates has exclusive project developer rights to market this product in the United States.

MINUTES - CITY COUNCIL / REDEVELOPMENT AGENCY - SPECIAL

February 10, 2010

Page 3

- Ask City Council to direct City Manager/Executive Director to work with P3 to develop MOU
- Would like funds budgeted for Council travel to see the process operating in Europe of approximately \$25,000.00. Travel reimbursed with final project approval. City Attorney review
- Partners listed in the PowerPoint. Technology is German based but many partners are US based. Proposals accepted in Vallejo, Ohio and Texas.

Discussion:

- Jerry Taylor – staff provides waste stream generation and is it adequate?
 - City generates 40,000 tons only need 21,000 tons per year.
 - Jerry Taylor – do we have detail of what waste stream consists of?
 - P3 consulting agency – Technology needs source of carbon which can come from oils, plastics, and hydrogen with comes from paper, trimmings. Cannot use inorganic such as aluminum, glass, etc. This is removed before the waste enters the waste stream process. California profile shows approx. 12% is demolition waste like concrete and the other 88% can be used.
 - Jerry Taylor – does that follow our averages
 - Jim McRea – Yes
- Tom Wiknich – is waste stream delivered ready to be used or can you separate.
 - P3 consulting agency – delivered as collected, our machinery separates everything. As trash is picked up, hopefully the haulers deliver to the plant rather than landfill. Enters into closed building and is dumped
 - Tom Wiknich – is it our responsibility to then take unused items away
 - P3 consulting agency – no, our responsibility to contract
- Ron Carter – fascinated and thank you for your presentation. What is time frame from approval to operations
 - P3 consulting agency – 12 months
- Jerry Taylor – state permitting included
 - P3 consulting agency – currently going thru process, you would benefit. Since is closed loop system, feel comfortable will get thru process? Also getting Diesel fuel standards approval
- Chip Holloway – current contract control where haulers take waste now?
 - Harvey Rose – yes
 - Chip Holloway – can we create jet fuel, which is more profitable
 - P3 consulting agency – not studied that, would take 2 days to fill one order for one jet, airlines deliver for 30 days and then send

MINUTES - CITY COUNCIL / REDEVELOPMENT AGENCY - SPECIAL

February 10, 2010

Page 4

- purchase order then takes 60 days to get paid. Gasoline stations pay before delivery.
- Chip Holloway- something to keep in mind with the base facility
 - Chip Holloway – who would get carbon credit
 - P3 consulting agency – currently would be P3 but doesn't have to be done that way, willing to work out what is convenient for City. Currently working with one city who wants to buy the system and own it as a utility. Would like to be part of the process, could fund on front end and run for number of years then gives city purchase option.
 - Chip Holloway – how do you overcome state regulations in sales?
 - P3 consulting agency – not a biodiesel product, different process. We are distillation process which takes solid waste and distills to diesel. After fuel is created, water is removed 99.9% and then pass thru filtration systems so qualifies for legal requirements. Test results show our fuel is fully compliant with State SPECIAL Diesel No. 2 compliance. University of Reno independent laboratory test confirm results.
 - Chip Holloway – profit potential tax component included in presentation.
 - P3 consulting agency – yes
 - Chip Holloway – project cost and 7-8 year payback without pyrogym. What will be added for the electricity component?
 - P3 consulting agency – some communities want the electricity. Payback is approximately the same.
 - Chip Holloway – operating cost
 - P3 consulting agency – don't have that number. Based on ability to sell diesel at below market rate, operation costs change. One thing looked at was 20 year payback and we are conservative with 7-8 year payback
 - Harvey Rose – if we install plant without electricity conversion still looking at over 30 million in debt. You are assuming greater revenue to pay back in 7-8 years. Need to know what the operational cost and expected revenue would be before we could commit to this type of venture.
 - P3 consulting agency – can make that a condition of MOU
 - Harvey Rose – if plant is located next to landfill would be outside RDA so could not use RDA funds. If inside RDA area could use funds.
- Jerry Taylor – is process patented and will you work with engineering firm to represent us as consultant
 - P3 consulting agency – current doing this with Napa Vallejo and would be willing to do the same here. Comfortable will be able to do HDR study available once completed.
 - Jerry Taylor – would want this to be comfortable with project
 - P3 consulting agency – please keep in mind willing to take on entire project

MINUTES - CITY COUNCIL / REDEVELOPMENT AGENCY - SPECIAL

February 10, 2010

Page 5

- Harvey Rose – how much land needed
 - P3 consulting agency – 1 ½ - 4 acres for 2 units and buildings
- Tom Wiknich – demand on water and other resources
 - P3 consulting agency – initial 12 cubic meters then recycles own water in closed loop system
 - Harvey Rose – technology unique to your firm but are other firms using different technologies
 - P3 consulting agency– correct.
 - Harvey Rose – if City interested, would be obligated to solicit other proposals
- Mayor Morgan – getting sense general interest from board to have staff go over possibilities and bring back report to board with suggestions for relationship and due diligences and all options and questions answered including land, funding, other proposals. On this proposal is there any question from public referencing council researching this and coming back.
- Ron Porter – equipment lifecycle
 - P3 consulting agency – 20 years + as components are stainless steel
- Richard Wagner – pyrogin plant would be converting diesel to plant?
 - P3 consulting agency – 2 units and Pyrogin will consume and Pyrogin will consume used tires etc. Enough consumption will still pay for itself in 7-8 years and bring profit.
 - Harvey Rose – air quality control, what kind of waste or fumes from this process
 - P3 consulting agency – process uses heat generated by engines to head feedstock, absence of oxygen, synthetic dust used to fuel engines and second half is condensed into oil similar to home heating oil. Sulfur content is lower than bunker fuel 5 or 6. This is acceptable to USEPA for use by merchant marines or shipping vessels. Bunker Fuel 5 or 6 is prohibited but this can be used at good price lower than they would have spent for Bunker Fuel oil.
- Mike Wright – yield is higher than possible from trash. Doesn't make chemistry sense.
 - P3 consulting agency – those figures provided by Germany from trial runs since 2004. Source of carbons and hydrogen is important. Polymers cut by action of turbines.
 - Mike Wright – would like to see reports, been working with other companies and there are a lot of forward thinking numbers out there.
 - Mayor Morgan – would need actual numbers from operating plants.

MINUTES - CITY COUNCIL / REDEVELOPMENT AGENCY - SPECIAL

February 10, 2010

Page 6

- Stan Retoraj – has council discussed with County for joint effort.
 - Mayor Morgan – will be having discussions with County
 - Taylor – Kern Valley will be included

- Howard Auld – 30 years ago Naval Weapons center developed prototype of converting gas out of waste which worked well, end result was took waste product the size of Detroit to make it work. Not sure Ridgecrest could generate this amount of waste.
 - Mayor Morgan – Thanks to P3 for coming to Ridgecrest, know your schedule was tight and appreciate you taking time to come here and discuss this item.
 - Mike Sakamoto – on behalf of P3 consulting, appreciate you reviewing the project and will be confident in future agreement. Will provide

- Tom Wiknich – what do you need the City for?
 - P3 consulting agency – need the land and waste stream. County could be player because location would determine revenue stream. Tipping fee paid to county near landfill, could eliminate as cost thru negotiations. Willing to explore all options with City and County.

- Ed ? – Met Chip Holloway at League of California Cities and want to share, as elected official we went and investigated technologies available, the comparison shown includes all of those technologies. We are always looking for new things to bring back to communities. That what the League does. Took about 1 ½ years to embrace the technology, Napa Vallejo has now embraced and our agency has a former Chevron employee who also supports the project.

- Mayor Morgan – thank you for helping explain the process elected officials go thru to bring things to our community.

- Jerry Taylor – ask staff to get all numbers, charts and work with P3 to get information.

2. Discussion of Local Assistance Plan

Council and Staff will hear and discuss possible ideas to amend the existing Local Assistance Plan.

- Mayor Morgan – here to discuss local assistance plan and present information gathered in Sacramento. Want to put together a LAP we can work with and get out from under what we are currently operating under.

- Jim McRea – This is study session relative to actions and discussions. Have provided documents. LAP transformation into LIP and CIWMB transforming into Cal-Recycles. Gave overview of attachments provided

MINUTES - CITY COUNCIL / REDEVELOPMENT AGENCY - SPECIAL

February 10, 2010

Page 7

for review, including Cal-Recycles recommendations, Ordinances and resolutions which govern the current LAP. Council has created 2 committees to work with community and Benz to create ways to adjust the current procedures. Highlighted Page 4-7 of the attachments including task 4, 5, and 6. Not proposing substantial modifications to task 4. Specific functions City must do relative to this state requirement which had to be implemented by January 4, 2010. One year monitoring of the program and CIWMB has allowed us to 'tweak' program as necessary providing we continue to meet diversion rates. Have agreed and given examples for modifications during first year of operation. Will be discussing sub-task 5(H) recycling task. Are we going to make improvements and modify LAP to provide exclusions or voluntary components or are we going to do a complete revision of the LAP. Overall feeling is that by implementing 5(H) and agreement modifications, can probably get where we want to go. Just need concurrence and assurance from Cal-Recycles or community will have to switch to another program. Those recommendations or questions relative to MURFF study and LAP can flip between attachments as necessary. Subsequent power point has come to agreement with Benz with regard to vacancies. Enabling legislation and business contract.

- Jerry Taylor - Where are we with working with County on diversion at the dump?
 - Jim McRea – East Kern Solid Waste advisory committee to speak with Kern Board of Supervisors. Mr. Lang indicated willing to do that and reference either self haul or presorted location at the opening of the landfill. Willing to make reduction in cost of gate fee proportionate to waste being dumped. Subsequent meeting planned.
 - Jerry Taylor – any timeline estimate for replicated facility.
 - Jim McRea – ties into trans-load facility.
 - Jerry Taylor – 1 year or more?
 - Jim McRea – no, tied to building. Need something large enough to hold capacity of waste stream to protect against blowing into the desert. Dedicated truck routes. Shaw environmental study showed direct haul is more economical. Lifespan of truck is shorter for Tehachapi. Must submit report to cal-recycles of when and what we are going to do.

- Mayor Morgan – have to get several entities to sign off, each one want to have their own comments. At this point feeling is cal-recycles understands and is willing to give us opportunity to move forward without fines.
 - Harvey Rose – attorney for cal-recycles says possible/doable but requires director's approval.

- Chip Holloway – did you invite county here today?
 - Jim McRea – no

MINUTES - CITY COUNCIL / REDEVELOPMENT AGENCY - SPECIAL

February 10, 2010

Page 8

- Gary Parson – presentation of Ridgecrest Sanitation Vacant Single Family House Exception Program. PowerPoint slide presentation. 2-3 months minimum vacancy time and way to ease burden for vacant property that is generating no trash. Benz and City working to solve other billing issues identified including original billing information flawed and adjusting bills. Have been moving to solve individual issues. Single family vacancy program approach, application for exemptions available at both City and Benz. Completed applications go to City for review, City then forward to Benz and copy to applicant with acceptance or denial. Benz then activates the exemption and does a visual examination of residence to determine if house is vacant. Report to City of any observed concerns. Benz adjusts billing for exception and non-service maintenance rate down to \$15.00 which is ½ of current service fee. Full service occupancy starts service within 30 days and will be required to pay a \$750.00 fine if violates the exemption. City would follow up on any observed violations and fine as necessary. City shall have the right at its own expense to further reduce the vacant house fee. Service maintenance fee is for maintenance of two carts for use at time of start up of service, maintenance of collection equipment for trash and recycling collection and disposal and staff for providing the service, administration costs. Could have a start up fee rather than maintenance fee of estimated \$150.00. Similar to utilities hook-up and disconnect fees. This is draft proposal Benz willing to accept under their agreement. This would give program approach to one issue currently have. Changes could be reviewed. Could be implemented quickly. Also working on multi-family issue levels of service and commercial issues. Trying to figure out ways to take care of these issues.
- Jerry Taylor – comment on Shaw report basic cost per household doesn't rationalize \$15.00 per month fee. Specifically issue is cost of capital and investment, report has number of \$10.58 per household.
 - Jim McRea – did not include capitalization cost. Finite number of truck amortized over number of households served. If not divided amongst all houses, those that do have service will pay higher fee.
 - Jerry Taylor – Mayor has asked for number that we still have not received of real/true costs. If we have the numbers, we are at the point we have some level of understanding of number, need to sit across the table and talk about the numbers with us.
 - Jim McRea – trans-load facility included and at that time did not have \$10.00 figure but 2 million cost for facility.
- Mayor Morgan – all of that has to be taken into account when we make adjustments for billing. We as a board understand that.
- Jerry Taylor – understand if report had come back with fee of XX based on validation of capitalization costs. Did not put that into the bill, know there

MINUTES - CITY COUNCIL / REDEVELOPMENT AGENCY - SPECIAL

February 10, 2010

Page 9

is a cost of investment/capitalization. Need a validated number, not willing to talk about \$15.00 until see the numbers.

- Parsons – currently \$30.00, this is a start by reducing to \$15.00. Number needs to be resolved, but important to get the process resolved so we can insert whatever number settled and the process can be implemented.
- Chip Holloway – where did \$750.00 fine come from?
 - Parsons – tried to pick a number that was high enough to discourage people from working the system. Believe most citizens are honest but reasonable amount for an individual who does try to work the system.
- Mayor Morgan – some photos taken by Benz and by Cal-Recycles who visited our community. When discussing compliance and voluntary programs. Examples included a non-recycle container that had cardboard and was too full; Residential bins too full and recyclables not broken down to close lids; Food waste scattered by Ravens when lids are not closed, Non recyclable material, metals, electrical cords. One picture of Benz truck from Ridgecrest at the dump with a truck that had approximately 30% cardboard. Mayor tells CIWMB we are recycling and they see this type of non-compliance does not help our community in collaborating with this board to comply with the state mandates. No matter what we do, pass Cal-recycles isn't going away, by law they have cognizance over waste stream in California. No matter what we do they will be watching and fining. Want to get our community to the point they say you are doing what you are supposed to do and so we will leave you alone. Suggestions heard today are working on vacant property program. Really appreciate public being here today. Want to hear what you would like to see incorporated into a revised program, for staff to work on. Ask individuals to keep comments relatively brief so everyone will have an opportunity to speak at least once.
- William Johnson – owns a few different properties and has received city bills stating they owe money for trash. Tenant doesn't use, self-hauls. Multi-family units have 3 units and can only fill one. Why not one rather than 3.
 - Mayor Morgan – can't advise on legal standpoint of payment. However one thing being worked on is multi-unit and right-sizing. Need to figure out a way for that to happen and the cost.
- Jim Rachels – recognition of obvious, continuously fail to recognize. 3 relationships. Public/city; city/Benz; and Benz/public. Comments surrounding Parsons Presentation concerning vacant premises. Ordinance is clear, every residence occupied by a person must pay. City/public relationship is defined by ordinance, if unoccupied/don't pay. Concept of paying \$15.00 per month if unoccupied is contrary to

MINUTES - CITY COUNCIL / REDEVELOPMENT AGENCY - SPECIAL

February 10, 2010

Page 10

ordinance. \$750 fine is ridiculous as is \$150 start-up fee. No fee charged before mandatory trash. If before mandatory trash their business motto accounted for these costs, everything over this is profit for Benz.

- Robert Eierman – may just be me but seems you just got presentation that would solve problems completely. Just told no money to city or citizens, company will establish process to handle entire waste stream with 88% diverted, seems a no-brainer. Give them the go-ahead, online in 12 months. All they want is land and waste stream at no cost to City. LAP with cal-recycles is what would go to landfill. No drawbacks and will end the battle with the citizens, council, and Benz. Benz makes profit as hauler, everybody happy. Why investigate other firms, won't get this kind of offer. Work or fail, their money, give them the land and waste stream.
 - Mayor Morgan – agree with that but to err on side of caution to run parallel with hopeful solution is beneficial to Ridgecrest working relationship with State. Have to have backup plan and want to continue with these types of meetings.
- Richard Wagner – not environmentalist, just frustrated citizen. Glad to see democracy in action, grass roots approach but not close to being done. Need to get attention of Sacramento leaders. Need to give ideas to council to battle California. Present projects including education to community; short video clips on channel 6 and DVD format; brochures; more recycling locations including at the landfill; no service/no fee and don't mind start-up but \$150 to steep
 - Jerry Taylor – will have a time scheduled for you to present your projects.
- Brian Waterman – Benz located at maintenance yard for public use? Who pays for pick-up
 - Mayor Morgan – yes and City pays included in our facility bill.
 - Brian Waterman – those accessible and public may use. Those bins overflow a lot, can't understand if I'm able to use bins you are paying for which ultimately residents pay for thru taxes, citizens have to pay for bins at house and could also use those public bins. Can you justifiably expect citizens to pay yet offer those for free?
 - Jerry Taylor – county supervisor controls the dump and that kind of system should be at the landfill, no program allows for divergence at the dump. If county had a program at the landfill, we wouldn't be where we are at today.
 - Brian Waterman – can use recyclable bins, still goes to the dump.
 - Jerry Taylor – you are right, people can go directly to the dump. Should line city property with bins, people do pay taxes. Infrastructure fee, if we set something up like at Big Bear there would be a fee, something to debate at this level.
 - Mayor Morgan – reasoning behind City public center was to try to get those who weren't going to pay, to have a place to put something to help us out. Also for those whose carts were

overflowing was hoping they would bring the excess to the public location.

- Tom Wiknich – therein lays the problem with right-sizing. If we have a bunch of centers where people can buy a smaller can and then haul the balance to our bins, there is a potential for games to be played. Those bins were designed where normal waste is diverted at the home and those rare occasions where you have extra can be taken to the public location. How do you deal with those few people who play games with the system.
- Doris ? – Right sizing – who determined that we need twice as many cans as we originally had? We had 3 cans originally at apartment that were never filled, now have 6 cans never filled. Main problem is price. Not everyone agrees, but if people treated fairly pricewise wouldn't be here. Being robbed without a gun. If you accept that program than problem gets worse. Start-up fee but not monthly fee if I shut of service. Benz charging for doing nothing.
- Dave Matthews – have to second Mr. Eierman's comments. Sounds almost too good to be true but testimonials and they are offering to finance. Say we go for it. Heard Mr. Jim McRea discussion LAP saying board in Sacramento is allowing us to modify plan for a year. Question is if we decide to go with this facility presented which will take a year, would we still be charged for pick-up?
 - Mayor Morgan – no, program would completely change. Timeframe for compliance is for a period of 1 year. If we have a program that will take longer than a year, we are still moving forward, they will talk with us about it and hopefully give us time to get it implemented. Reality is still stuck with what we have until that program comes online. Can't just stop everything now, won't let us do that. Once other is online then have to completely renovate a simpler and cheaper program.
- Dave Matthews – this is what I hear, they will allow to be modified for 1 year after implementation, if takes longer will they allow it?
 - Jerry Taylor – once modified, clock is reset for another year.
- Ray Taylor – keep reading paper and voluntary plan. Not afraid to speak for myself. Voluntary won't work cause locked into contract can't get out of. Furious with Mr. Parsons's plan. Entered into plan that bills vacant property is outrageous. Could not have entered into contract on base above bid going rate. Either illegal or unethical. So far above going rate would be fine, but amortized rates added are wrong. Did not pay above going rate and cost of equipment for a contract. Voluntary system won't work until Council willing to cancel Benz contract.

MINUTES - CITY COUNCIL / REDEVELOPMENT AGENCY - SPECIAL

February 10, 2010

Page 12

- Mayor Morgan – if we put together a voluntary system including level of pickups, add gate fees for county etc, city will have problem with Benz.
 - Ray Taylor – get out of contract and let us choose the service we want. Paying for service doesn't need or want. Will pay for what I use, post fee, will get a recycle bin. Don't care about their equipment.
 - Jerry Taylor – if signed contract to have service provided, would pay for the crane. Did have evergreen signed years ago. If had a defined cost for program, maintenance poor choice, waste management would also have had a cost for providing service to the valley. Infrastructure cost for providing service to this valley.
 - Ray Taylor – partially agree, bid contracts no options. Vacant property still has to pay, do not agree.
 - Jerry Taylor – analogy, vacant property cost of infrastructure not in cost, should everyone else pay more?
 - Ray Taylor – no, only pay for service you receive.
 - Jerry Taylor – you do not feel the capitalization cost to provide this service should be distributed to all citizens?
 - Ray Taylor – you entered into contract I did not agree with, poor contract, poorly written, bad deal. Should have not been locked into this contract. Willing to recycle, charge rate equitable to surrounding area.
- Doug ? – apartment owner, 3 people in triplex, 800 sq. ft., \$30 each for trash and recycling, same as someone with larger property and larger occupancy. Should be able to downsize.
 - Mayor Morgan – do you pay for trash or do the tenants.
 - Doug ? – had to raise the rent, willing to have 1 bin for entire complex. Can't fill 6 cans.
- Dawn Lucas – planning to move to Ridgecrest full-time and business of residential properties, same issue as previous speaker. Separate bills and bins for each unit. Can't increase rent anymore, came from LA to say if there is anything can do to help would be willing, call me 760-375-1188
- Stan Retoraj – understanding there are some communities in California with voluntary trash pick-up. Has staff talked to these cities to see what can be learned from positive experiences and learn what to avoid.
 - Mayor Morgan – staff looked at other community programs and some were presented to Cal-Recycles and they suggested some to us, cal-recycles suggestions did not fit and more trouble. Yes, even Kern County, Shafter, Maricopa, and Arvin. Struggling in conversations with other communities and what they have done.
 - Stan Retoraj – could staff give presentation of what other communities have done to generate more thought? Has cal-recycles provided us any good ideas that we can use?

MINUTES - CITY COUNCIL / REDEVELOPMENT AGENCY - SPECIAL

February 10, 2010

Page 13

- Mayor Morgan – a lot of boilerplate information but haven't had good communication on how we can utilize the ideas. Better opportunity and conversations the last couple meetings with more secondary emails from staff with more input.
 - Stan Retoraj – would like to hope they have partial responsibility in seeing we are successful to implementation level. Encourage we push to get them to give us useful information.
 - Chip Holloway – where Cal-Recycles is concerned, think we finally convinced them we are unique community in a lot of ways, they have accepted that fact. Boilerplate ideas which would not have worked. Our uniqueness has benefited us.
- Hazel Barber – gave detailed list of number of trash pick-ups since November 1. Total of 5 pick-ups for \$120. Recyclables only. Very high fee.
 - Boy Scout Troop 96 – offering to help with recycling program.
 - Mayor Morgan – educational materials which will need to be distributed to the public, door to door campaign, community service badge. City booth at fairgrounds, and asks troop to come up with more ideas.
 - Ron Carter – appreciate offer. Great leadership in the youth of the community. Thank you for stepping forward.
 - Robert Eierman – want to see if can explain something may have confused council for reaction to program. Timeframe similar. A lot of citizens upset with government, Washington, Sacramento. Don't feel listened to and tired of progressive programs shoved down throat. If you think by messaging system will go down, in same position as English parliament, won't happen. Not that you don't work hard, caught up in something bigger than all of us. Basic reason won't get mandatory system in place. Had price been reasonable may have succeeded. You have a lot to do to modify LAP and in 18 days a problem will bury this city. March 1 bill will be presented by Benz for unpaid trash bills. \$5000 dollar a day fine coming to City and citizens won't back down. Price of freedom isn't free. You won't survive, will bankrupt city. Don't know solution to that, maybe can come up with some. Worry isn't voluntary/mandatory. Citizens have different view of voluntary, if they want to purchase service at a price that is reasonable. Unfortunate you didn't get opportunity to view Parsons Presentation. Citizens won't have warm feeling about Benz again, can't get it back. Whole concept of mandatory takes all controls of normal business behavior. Didn't have to be reasonable, responsible, good business. They went wild and sorry entire situation has gotten where it is. They will make things very difficult for City in near future. What will you do with all those bills.

MINUTES - CITY COUNCIL / REDEVELOPMENT AGENCY - SPECIAL

February 10, 2010

Page 14

- Mayor Morgan – staff will take comments and work on them to come back to Council.

- Jerry Taylor – personally comments means we need to sit down with Benz, need the numbers requested, citizen's service. Level of frustration is current contract isn't valid. Curious on process.
 - Mayor Morgan – do you suggest City take over the billing?
 - Jerry Taylor – suggested this some time ago. Program is insane expecting citizens to do application process. Had existing contract and couldn't find anyone to compete. We might as well do the billing. Need to have single customer phase. Not trying to throw Benz under bus, customer service, one-stop shopping. When people get a human to talk to they generally feel better. Want my comments known to look into that option. Trying to make this program better. Want to make larger steps. Blue bin and overflowing, all about making recycling program work, citizens should have as many bins as they want for same fee. Big issue of commercial/residential trash being picked at by Ravens. Throwing out ideas for staff. Potentially look at multiple pickups as needed. Want specific date and schedule from County.

- Chip Holloway – support looking at billing option, city/outside provider. Different price schedule is to right-size and level of service. Before we go public with anything need a reasonable agreement with Benz they will support. County have had several discussions with McQuiston, City go to his staff and invite them to participate. Not going to work unless all in this together. Biomass facility, CIWMB written commitment to hear the presentation. Law changes, want public to be concerned with curbside separation. Symbolism over substance loved in Sacramento. As a businessman, if their willing to put \$50 million up, are we leaving something on the table. Comparison with Trona plant. Not opposed.

- Tom Wiknich – still wanting to discuss more incorporating voluntary into process. Why didn't go to bid? Did inquire other haulers. Being retired from base, a lot of sole-source contract with no bids written, is allowed by law, not illegal. Couldn't do things as good as could have, still trying to make it better. More specific information on making this voluntary on residential side. Agree with Taylor and Chip Holloway comments and support their staff direction. Go far enough to develop program for Sacramento that is as voluntary as possible and incorporates and educations aspect. Sounds great on program. Still have to get trash to them, won't be taking place of what Benz is doing now, but could potentially go back to one-can system which is what we had. A lot of benefit and need to look into it and private enterprise. Had gentleman suggest video, put this man with Mr. Parsons to help create video program for channel 6, he's offered to do free of charge and suggest we get this program going right away.

MINUTES - CITY COUNCIL / REDEVELOPMENT AGENCY - SPECIAL

February 10, 2010

Page 15

- Ron Carter – Mr. Eierman appreciate everything said, right on target. This is no-win for our community, making slow progress, and Mr. Parsons's presentation shows progress. Don't think anyone agrees with numbers but a lot came from Benz. Have to have cooperation from Sacramento and Benz. Cant' be successful without either one. Benz has to look at community needs, stay at table, and be flexible. Sacramento is easier to work with than Benz, sorry to say it. Have to work with Sacramento to develop something they will support and approve. Making progress there. Mr. Eierman understands what is happening in country, happening all across the United States. Don't have grid-lock yet, know you will work with us. Going to get there, will be awhile but will get there. Want Benz to look at customer relations and service to the citizens of this community, make adjustments based on what community is telling us. Price is difficult, can't justify without numbers which has been requested many times and still do not have. If can get cost down need to do it. Appreciate new faces in meeting.
- Chip Holloway – commercial industry based flexibility for pickup schedule for commercial recycle. Also consider, ordinance written in a way that is hard to understand, suggest re-write ordinance to be more understandable.

PUBLIC COMMENT

Persons wishing to address the Council on matters that are within the Council's jurisdiction and do not already appear on the agenda, may do so at this time. Pursuant to the Brown Act, the City Council may not take action on an item that does not appear on this Agenda. Speakers are limited to five (5) minutes. The PUBLIC COMMENT section of the Agenda is limited to a total of sixty (60) minutes. Speakers are asked to provide their name and address for the record.

- Robert Eierman – 760-375-5537, invite council to contact anytime.
- Bob Anderson – trash has been gauged on money to Benz. Should be by percentage of recycles being hauled. Over 50% recyclable. Golden State Recyclables, states they take anything Benz does. Benz fees are excessive, as long as locked into it, have to pay whatever he says.

MAYOR AND COUNCIL COMMENTS

The Mayor and Council Members may make a brief statement. In addition, Council Members may ask questions of staff or the public for clarification on any matter, make a request of staff for factual information, or request staff to report back to the Council at a later meeting concerning any matter. In addition the Mayor or any Council Member may direct the City Manager to place an item of business on a future agenda.

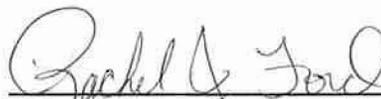
MINUTES - CITY COUNCIL / REDEVELOPMENT AGENCY - SPECIAL

February 10, 2010

Page 16

- Jerry Taylor – appreciate those who came down in the afternoon for comments, future these will be in the evening. Staff, appreciate difficulty Gary had in negotiating changes, could have left numbers out of presentation until Council had seen the presentation. Thanks for being here, state laws regarding voluntary program need to be kept in consideration. Not one dime of City funds spent for Cal-Recycles visit in Sacramento. A frustration is trying to divert of things they don't want to divert. Paving materials is not as important to Sacramento as it is to us. Running down road to meet deadline and now in a contract, might be too late not sure, and hope to work things out with Benz. Need to look at numbers now.
- Chip Holloway – going to Sacramento tomorrow, have time Friday to stop in.
- Tom Wiknich – happy to see new faces here today during daytime hours. In 35 minutes infrastructure meeting upstairs, welcome to attend.
- Ron Carter – Excited have 5 more minutes. Concern is Sacramento doesn't work with us and fine, us will bankrupt city. Benz doesn't give a little, will bankrupt city. Need everyone helping to solve this community issue. Other cities filing bankruptcy and don't want to be one. Work together and compromise to solve this problem. Thank you for those who came.
- Mayor Morgan – one thing is we/City need to get information out quickly in more than newspaper about photos you saw. Benz can red-tag cart, don't have to pick up if cart won't close. Don't want to upset more people. Of interest item, in December residential diversion was 110 tons. January only gone up to 120 tons. A lot of people wanting to recycle, but not recycling at this point. December for commercial 36 tons. January 80 tons. 50% improvement. Information dissemination. Every time say something is misquoted. Done with quotes expect for public meetings. Not going to stop working, not giving up.

ADJOURNMENT



Rachel J. Ford, City Clerk