

**TO: MAYOR AND CITY COUNCIL**

**FROM: NEIL JENSEN, City Administrator**

**SUBJECT: Work Session on August 16, 2022**

**MEETING DATE: July 19, 2022**

**BACKGROUND**

The Preliminary Budget for 2023 is fast approaching and it is time to discuss the 2023 budget. The Finance Committee has reviewed the preliminary budget and has recommended it to be discussed with the City Council. The best time for a work session will be August 16<sup>th</sup> at 5:00 p.m.

Also, the solid waste contract is set to expire at the end of 2022. Waste Management has sent a renewal proposal over for the City Council to take under consideration. The Finance Committee has also reviewed this contract renewal and has made a recommendation to forward this to a work session. There are 2 options presented by Waste Management (see attached).

**STAFF RECOMMENDATION**

Please make a motion to set a work session for August 16<sup>th</sup> at 5:00 p.m. to discuss the 2023 city budget and the solid waste recycling contract.

**REQUESTED COUNCIL ACTION**

Please make a motion to set a work session for August 16<sup>th</sup> at 5:00 p.m. to discuss the 2023 city budget and the solid waste recycling contract.



May 27, 2022

City of Cannon Falls  
918 River Road  
Cannon Falls, MN 55009

Dear City of Cannon Falls:

Thank you for the opportunity to present a price quote for curbside single sort recycling for the City of Cannon Falls for the renewal of the 5-year contract. Waste Management is one of the largest collectors of recycled materials in the United States and Canada, providing recycling services to over 10 million households and 200,000 commercial customers. Our continued growth is due mainly to one thing, our customer's confidence in the services that we provide to them.

The curbside single sort recycling would be serviced every other week from a 64 or 96-gallon lidded and wheeled cart provided to each residence at no extra charge. Waste Management would be responsible for the delivery and maintenance of these single sort carts. We have extensive experience in servicing these carts on an, every other week basis and have found them to be just the right volume to maximize the removal of recyclable materials from the waste stream, but if a resident would like an upgrade to a 96-gallon cart or an extra cart, these will be provided upon request for no additional charge.

Single Sort Recycling makes recycling easy and maximizes the volume of recyclables removed from the City's waste stream. The residents simply fill the lidded and wheeled cart provided, with acceptable recycling, place it at the curb every other week for collection, and we take care of the rest. The recycling collected is transported to a materials recovery facility for processing. All residents would receive an easy to read recycling calendar that clearly shows their week of pick-up and educational material and tips on recycling. Another great recycling educational resource is our website [www.recycleoftenrecycleright.com](http://www.recycleoftenrecycleright.com), this website provides additional tips, educational material and dispels myths on what is and isn't recyclable.

Some of the added benefits of selecting Waste Management as your single sort recycling provider:

Safety- Our Mission to Zero safety program starts with the hiring of only the most qualified drivers and continues through daily morning safety briefings, managerial and employee coaching sessions, the use of DriveCam to ensure safe practices, and well maintained equipment.

Customer Service- It starts with superior service from our drivers and the City having direct contact with our management team, to our 37 dedicated customer service representatives ready to meet the needs of the residents of Cannon Falls.

Onboard Computers- Allow us to place every stop in Cannon Falls at the driver's fingertips for efficient routing and accuracy. Each stop picked up is GPS time stamped for accuracy and accountability. This allows our management team to track the drivers progress in real time, which makes responding to a potential issue quick and easy, to better meet the needs of the residents.

Cleanliness- No more blowing of recyclables down the street, all recyclables are contained in easy to wheel containers. Every other week service reduces traffic in the City and service is provided by automated trucks for less time spent in the City.

WM has provided two choices of pricing to the City. Due to these extraordinary inflationary times that we are in currently and the changes in the recycling commodities and price increases to service increasing across the board since the original contract was signed in 2008, we felt it necessary to include a small increase along with small yearly increases to ease additional inflationary changes. Even with these small increases, the pricing is extremely fair when compared to surrounding cities.

Pricing is as follows:

Option 1:

64 or 96-gallon recycling serviced every other week, \$4.00 per home, per month.

All pricing shall be guaranteed for the first 12 months of the contract. Thereafter, the annual increase shall be set at 4%.

Option 2:

64 or 96-gallon recycling serviced every other week, \$3.50 per home, per month.

All pricing shall be guaranteed for the first 12 months of the contract. Thereafter the annual increase shall be based off of the CPI, Water, Sewer, Trash, year over year. Currently the WST table sits at 4.3%.

I know that with our customer service, safety, ease of use, and overall industry experience, we can continue to work with the City of Cannon Falls to develop a world class recycling program for its residents. We look forward to the opportunity to renew and enhance our relationship with the City of Cannon Falls.

Sincerely,

Jay Nieson  
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Waste Management  
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