

TO: MAYOR AND CITY COUNCIL

FROM: NEIL JENSEN City Administrator

SUBJECT: Recycling Services Contract

MEETING DATE: Work Session August 16,2022

BACKGROUND;

Waste Management currently holds the contract for recycling services. They provide service every other week with a 64- or 96-gallon cart. The contract was a five-year contract fixed rate at \$3.26 per month. The city adds an administrative fee of .49 for a total of \$3.75 total recycling fee.

Waste Management is seeking an extension to the existing contract and has submitted a quote with 2 options for the city to consider. With all the work done on single license waste hauling recently and the process involving a single license I contacted our city attorney to find out if an extension to this contract was legal. Shelley Ryan reviewed the information and stated that an extension could be considered if the city council desires so.

The current contract expires at the end of 2022 and a decision to accept the extension or go out for quotes has to be completed soon. Please review the 2 options given by Waste Management to continue the recycling contract and we can talk about the extension at the work session.

STAFF RECOMMENDATION

For council review

REQUESTED COUNCIL ACTION



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, 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
Public Sector Services
Waste Management
jnieson@wm.com
612-430- 4780 - Mobile