

**TO: MAYOR AND CITY COUNCIL**

**FROM: NEIL JENSEN, City Administrator**

**SUBJECT: Recycling Contract Waste Management**

**MEETING DATE: October 4, 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 ending December 31, 2022. 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.

A decision to accept the extension was reviewed at a work session on August 16th. After discussion, the City Council agreed in principle to accept the quote of Waste Management.

The agreed upon quote consists \$3.50 per month, pricing guaranteed for the first 12 months of the contract. Then an annual increase based on the CPI of Water, Sewer, Trash, year over year, which currently is 4.6 % in August. With the addition of the city administration fee (.50 requested) the total monthly rate would be \$4.00. This is a slight increase of .25 from the previous 5-year contract.

The contract will be 5-years ending December 31, 2027 with an auto renew of 1 year unless either party give 90 days' written notice of termination before the term ending.

City Attorney Ryan has reviewed the contract and has recommended it to city council.

### **STAFF RECOMMENDATION**

Please make a motion to approve the 5-year Recycling Services Contract with Waste Management ending December 31, 2027 at a price of \$3.50 plus \$.50 city administration fee for a total of \$4.00 per month.

**REQUESTED COUNCIL ACTION**

Please make a motion to approve the 5-year Recycling Services Contract with Waste Management ending December 31, 2027 at a price of \$3.50 plus \$.50 city administration fee for a total of \$4.00 per month.

## RECYCLING AGREEMENT FOR THE CITY OF CANNON FALLS

This Municipal Recycling Agreement (the "Agreement") is entered into on January 1, 2023 (the "Effective Date"), by and between Cannon Falls, a municipal corporation created under the laws of the State of MN ("City"), and **Waste Management of Minnesota, Inc.** ("WM"), a Minnesota corporation.

### Recitals

- A. The City desires to provide its citizens with environmentally sound recyclable materials collection;
- B. WM and its affiliates have extensive experience in providing recyclable materials collection and processing; and
- C. The City has determined that it would be in the best interests of its citizens to contract with WM for the collection of its recyclable materials according to the terms and conditions contained herein.

### Agreements

#### **I. DEFINITIONS**

- a. Recyclables or Recyclable Materials – are defined in Exhibit A. Title to Recyclable Materials shall transfer to WM upon collection in WM vehicles.
- b. Residential Unit – shall mean a dwelling within the corporate limits of the City.

#### **II. TERM**

The initial term of this Agreement shall be for five (5) years commencing on January 1, 2023, and ending on December 31, 2027, and thereafter shall automatically renew for successive renewal terms of one-year each, unless either Party gives the other Party written notice of its intention to terminate the Agreement at least ninety days prior to the end of the then-current term. All notices shall be served by certified mail, return receipt requested, or by a nationally recognized overnight courier service.

#### **III. SERVICES**

- a. WM shall furnish the labor, equipment, licenses, permits, and other requirements necessary to provide Acceptable Waste and Recyclable Materials collection to all Residential Units of the City, which currently consists of approximately 1694 Residential Units (the "Service"). As part of the Service, WM shall:
  - i. Cart Supply. Each Residential Unit has already been provided a 64-gallon Cart for Recyclable Materials. New Residential Units will be provided an upgrade to a 96-gallon Cart for Recyclable Materials upon request. Secondary carts requested will cost the same as the current price of the original cart. All Carts and equipment WM furnishes Residents and the City shall remain WM's property.
  - ii. Recyclable Materials Collection Frequency, Days and Times. WM shall provide recycling collection services to Residential Units on a bi-weekly basis, subject to the terms and conditions in Exhibit A. WM reserves the right to change the service day with advance written notice to the City and Residents. The City and Residential Units shall ensure that only materials acceptable in accordance with Exhibit A are placed in the recycling containers. WM reserves the right to refuse recycling services where the materials are not properly segregated from waste or other non-recyclable material. Any change to the collection schedule shall require approval by the City and a minimum of 30 days notice to the residents of the City.
  - iii. Exclusions from the Service – Notwithstanding anything to the contrary herein, the Service shall not include yard waste collection, bulk or white goods collection, construction or demolition, waste collection, or Christmas tree collection. Services to non-residential commercial establishments are not covered by this Agreement.
  - iv. Disposal. WM shall process or arrange to process all Recyclable Materials collected under this Agreement only at facilities that are licensed and permitted to process and market such Recyclable Materials
  - v. Holiday Schedule. The following shall be designated holidays on which the Service shall not be provided: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. If a designated holiday falls on a regularly scheduled Service day, the Service will be performed on the next weekday
  - vi. Cart Replacement. WM shall replace at no charge to the City or the individual Residential Unit any Cart that becomes damaged or destroyed during the provision of the Service, or that becomes unusable because of ordinary wear and tear. However, if a Cart in the possession of a Residential Unit is lost, stolen, damaged, or destroyed through no fault of WM, the occupant of the Residential Unit shall be responsible to compensate WM the fair market value for the replacement of such Cart. The Residential Unit shall be billed separately for such replacement cost.
- b. Compliance with Laws. The Service shall be performed in accordance with all applicable statutes, laws, rules, regulations and ordinances
- c. Personnel and Equipment. The Service shall be performed by properly trained and licensed personnel in adequate numbers and with adequate vehicles and equipment to complete the Service in a safe and timely manner
- d. Complaints and Missed Pick-Ups. All complaints as to WM's provision of the Service, including alleged missed pick-ups, shall be given prompt and courteous attention. WM shall attempt to resolve all complaints promptly, and shall cure all missed pick-ups that are not the result of *force majeure* events within one (1) weekday, conditions permitting
- e. Anti-Discrimination. In performing the Service, WM shall not discriminate against any person on the basis of race, religion, sex, national origin, political affiliation, or physical and mental disability.
- f. Exclusive. The City grants the exclusive right to perform the Services set forth in this Agreement. The City agrees that it will not allow anyone other than WM to lease carts to residents or engage in the collection of residential Recycling within the City

#### **IV. HOUSE COUNT AND ADJUSTMENTS**

The estimated house count at the commencement of the term hereunder shall be 1694 Residential Units; however, the Parties shall verify this house count prior to the initial billing under this Agreement and shall adjust the house count for billing purposes accordingly. Either Party may propose a prospective adjustment to the house count at any time during the term of this Agreement upon reasonable notice to the other Party, which adjustment shall be investigated jointly by the Parties to establish a new house count to apply thereafter. WM shall keep accurate route sheets and/or a Residential Unit database that shall be provided to City promptly upon its request.

**V. FEES AND PAYMENTS**

- a. Service Fee per Residential Unit. The fee per Residential Unit, per month, shall be three dollars and fifty cents (\$3.50). The monthly fee paid to WM by the City shall be calculated based upon the current house count at the time each invoice is generated, times the fee per Residential Unit [*e.g.*, Current House Count x Fee = Monthly Invoice Amount].
- b. Annual Increase. Annually, the monthly fee per Residential Unit shall be adjusted on each anniversary of the effective date of this Agreement based on the Consumer Price Index-Water Sewer Trash, published by the U.S. Bureau of Labor and Statistics at <https://www.bls.gov/news.release/cpi.toc.htm>.
- c. Invoices and Payment. WM will submit monthly invoices to the City and the City shall have thirty (30) days from the invoice date to remit payment in full. Payment by City shall be made by check or wire transfer or ACH debit. The maximum interest permitted by law shall be applied to balances due and unpaid after more than fifteen (15) days beyond the due date.
- d. Changes in Law. Notwithstanding anything to the contrary in this Agreement, WM may modify the rates to account for any increase in costs due to uncontrollable circumstances, including, without limitation, changes in local, state or federal laws or regulations, disposal or processing costs, third party transportation costs, imposition of taxes, fees or surcharges, municipal franchise fee increases and acts of God such as floods, fires, etc. WM may adjust rates for changes in law, only upon prior agreement of the City.

**VI. DEFAULT AND TERMINATION**

The failure of either Party to perform a material obligation under this Agreement shall be considered a breach of this Agreement, and the breaching Party shall be in default. In the event of default, the non-defaulting Party shall give written notice of the default, and the defaulting Party shall have: (i) ten (10) days from the receipt of the notice to cure any failure to pay money under this Agreement, or (ii) thirty (30) days from the receipt of the notice to cure any other default under this Agreement. If the defaulting Party fails to cure the breach within the allotted time, the non-defaulting Party may, at its option, immediately terminate the Agreement. In the event of a default, the defaulting Party agrees to pay all damages caused by said default, to include, without limitation reasonable attorneys' fees and costs associated with enforcement of this Agreement. Under no circumstances shall the Parties be liable for any consequential, indirect, punitive or special damages for any alleged default under this Agreement.

**VII. FORCE MAJEURE**

WM's performance of the Service may be suspended and its obligations hereunder excused during the pendency of a cause or causes beyond its reasonable control, such as by way of example and not limitation: acts of war, public enemy, civil disturbance, riot or disorder; epidemic or pandemic; acts of God such as landslide, lightning, earthquake, fire, storm, the impending approach of a storm, or flood; explosion; restraining orders, interference by civil or military authorities, strike, statute, ordinance, government order or ruling; or other similar causes. In the event of an occurrence of a *force majeure* event, WM shall notify the City immediately, in writing, describing the particulars of the circumstances preventing performance of the Service and its expected duration. Notice shall be provided after the effect of such occurrence has ceased.

**VIII. INDEMNIFICATION**

- a. To the fullest extent permitted by law, the City agrees to indemnify, defend, and hold WM harmless from and against all claims and actions, suits, debts, damages, liabilities and costs whatsoever, including but not limited to attorneys' fees and costs of defense, based upon or arising out of the City's breach of this Agreement, and based upon or arising out of any injuries (including death) to persons, or damage to property, to the extent caused in whole or in part by the negligent acts or omissions of the City, or any of its directors, officers, employees, agents, or subcontractors, in the performance of this Agreement.
- b. WM agrees to indemnify, defend, and hold the City harmless from and against all claims and actions, suits, debts, damages, liabilities and costs whatsoever, including but not limited to attorneys' fees and costs of defense, based upon or arising out of the breach of this Agreement, and based upon or arising out of any injuries (including death) to persons, or damage to property, to the extent caused in whole or in part by the negligent acts or omissions of WM, or any of its directors, officers, employees, agents, or subcontractors, in the performance of this Agreement.
- c. Notwithstanding any provisions to the contrary, WM shall not be responsible for any damage to pavement or curbing that is the result of ordinary wear and tear during the performance of the Service.
- d. The indemnification obligations of this section shall survive the termination or expiration of this Agreement for any reason.

**IX. INSURANCE**

WM shall maintain at its own cost and expense the following minimum limits of occurrence-based insurance during the term of this Agreement:

	<u>Type</u>	<u>Amount</u>
A.	Worker's Compensation	Statutory
B.	Employer's Liability	\$500,000
C.	Comprehensive General Liability	\$500,000 per occurrence \$1,000,000 aggregate
D.	Automobile Liability (owned and non-owned)	
	i. Bodily Injury	\$1,000,000 per occurrence

	ii. Property Damage Liability	\$500,000 per occurrence
E.	Excess/Umbrella	\$500,000 per occurrence

The City, its elected and appointed officials and employees, shall be included as additional insured parties under the CGL, Automobile and Excess/Umbrella coverages. Prior to commencement of the Service, WM shall deliver to City a certificate of insurance evidencing the required coverages. This certificate shall provide that any change restricting or reducing coverage, or the cancellation of any policies under which certificates are issued, shall not be valid unless at least 30 days' written notice of cancellation is provided.

**X. MISCELLANEOUS PROVISIONS**

- a. Independent Contractor. WM shall perform the Service as an independent contractor. WM, its officers, employees, agents, contractors or subcontractors, are not and shall not be considered employees, agents or servants of the City for any purpose whatsoever under this Agreement or otherwise. WM at all times shall have exclusive control of the performance of the Service. Nothing in this Agreement shall be construed to give the City any right or duty to supervise or control WM, its officers, employees, agents, contractors, or subcontractors, nor to determine the manner in which WM shall perform its obligations under the Agreement.
- b. WM shall provide City owned properties with no charge recycling services.
- c. WM shall provide the City with educational recycling calendars for distribution to the City's residents.
- d. Amendments. No amendment to this Agreement shall be made except upon the written consent of both Parties.
- e. Entire Agreement. This Agreement constitutes the entire agreement and understanding between the Parties hereto with respect to the subject matter and supersedes any prior and contemporaneous agreements and understandings, express or implied.
- f. Waiver. A waiver by either Party of any breach of any provision hereof shall not be taken or held to be a waiver of any subsequent breach, whether similar or dissimilar, or as a waiver of any provision itself. No payment or acceptance of compensation for any period subsequent to any breach shall be deemed a waiver of any right or acceptance of defective performance.
- g. Severance. In the event that any provision of this Agreement is found by a court of competent jurisdiction to be void, invalid, or unenforceable, the balance of this Agreement shall remain in effect and binding on the Parties.
- h. Choice of Law. This Agreement shall be governed by the laws of the state where the services are being performed, without regard to choice of law rules.
- i. Assignment. Neither Party may assign its rights and obligations under this Agreement without the prior written consent of the other Party, except that WM may assign its rights and obligations under this Agreement to any WM affiliate without the City's consent. An assignment shall not relieve the assignee of any obligations under this Agreement.
- j. Notice. All notices required or permitted under this Agreement shall be in writing and shall be personally delivered, sent by certified mail, return receipt requested, or by overnight courier, with copies to counsel for the respective Parties.

IN WITNESS THEREOF, the parties have executed this Municipal Recycling and Solid Waste Agreement as of the Effective Date indicated above.

**Waste Management of Minnesota, Inc.**

**City of Cannon Falls**

Signature:

Signature:

Printed

Printed

Name:

Chuck Rynda

Name:

Title:

VP/Area Controller

Title:

**Exhibit A**  
**SINGLE STREAM SPECIFICATIONS**

**RECYCLABLES** must be dry, loose (not bagged), unshredded, empty, and include ONLY the following:

Aluminum cans	Newspaper
PET bottles with the symbol #1 – with screw tops only	Mail
HDPE plastic bottles with the symbol #2 (milk, water bottles detergent, and shampoo bottles, etc.)	Uncoated paperboard (ex. cereal boxes; food and snack boxes)
PP plastic bottles and tubs with symbol # 5 - empty	Uncoated printing, writing and office paper
Steel and tin cans	Old corrugated containers/cardboard (uncoated)
Glass food and beverage containers* – brown, clear, or green	Magazines, glossy inserts and pamphlets

**NON-RECYCLABLES** include, but are not limited to the following:

Plastic bags and bagged materials (even if containing Recyclables)	Microwavable trays
Porcelain and ceramics	Mirrors, window or auto glass
Light bulbs	Coated cardboard
Soiled paper, including paper plates, cups and pizza boxes	Plastics not listed above including but not limited to those with symbols #3*, #4*, #6*, #7* and unnumbered plastics, including utensils
Expanded polystyrene	Coat hangers
Glass and metal cookware/bakeware	Household appliances and electronics,
Hoses, cords, wires	Yard waste, construction debris, and wood
Flexible plastic or film packaging and multi-laminated materials	Needles, syringes, IV bags or other medical supplies
Food waste and liquids, containers containing such items	Textiles, cloth, or any fabric (bedding, pillows, sheets, etc.)
Excluded Materials or containers which contained Excluded Materials	Napkins, paper towels, tissue, paper plates, and paper cups
Any paper Recyclable materials or pieces of paper Recyclables less than 4" in size in any dimension	Propane tanks, batteries
Cartons*	Aseptic Containers*

**DELIVERY SPECIFICATIONS:**

Material delivered by or on behalf of Customer may not contain Non-Recyclables or Excluded Materials. "Excluded Materials" means radioactive, volatile, corrosive, flammable, explosive, biomedical, infectious, bio-hazardous or toxic substance or material, or regulated medical or hazardous waste as defined by, characterized or listed under applicable federal, state, or local laws or regulations, materials containing information (in hard copy or electronic format, or otherwise) which information is protected or regulated under any local, state or federal privacy or data security laws, including, but not limited to the Health Insurance Portability and Accountability Act of 1996, as amended, or other regulations or ordinances or other materials that are deleterious or capable of causing material damage to any part of Company's property, its personnel or the public or materially impair the strength or the durability of Company's structures or equipment.

Company may reject in whole or in part, or may process, in its sole discretion, Recyclables not meeting the specifications, including wet materials, and Customer shall pay Company for all increased costs, losses and expenses incurred with respect to such non-conforming Recyclables including costs for handling, processing, transporting and/or disposing of such non-conforming Recyclable Materials which charges may include an amount for Company's operating or profit margin ("Cost"). Without limiting the foregoing, and Customer shall pay a contamination charge for additional handling, processing, transporting and/or disposing of Non-Recyclables, Excluded Materials, and/or all or part of non-conforming loads and additional charges may be assessed for bulky items such as appliances, concrete, furniture, mattresses, tires, electronics, pallets, yard waste, propane tanks, etc.

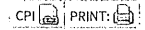
Company reserves the right upon notice to discontinue acceptance of any category of materials set forth above as a result of market conditions related to such materials and makes no representations as to the recyclability of the materials. Collected Recyclables for which no commercially reasonable market exists may be landfilled at Customer's Cost.

\* Glass may not be accepted in all locations. Cartons, aseptic containers and other plastics may be allowed if approved in writing by Company.

V6 February 2019



## Economic News Release



## Table 2. Consumer Price Index for All Urban Consumers (CPI-U): U. S. city average, by detailed expenditure category

Table 2. Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, by detailed expenditure category, August 2022

[1982-84=100, unless otherwise noted]

Expenditure category	Relative importance Jul. 2022	Unadjusted percent change		Seasonally adjusted percent change		
		Aug. 2021-Aug. 2022	Jul. 2022-Aug. 2022	May 2022-Jun. 2022	Jun. 2022-Jul. 2022	Jul. 2022-Aug. 2022
All items	100.000	8.3	0.0	1.3	0.0	0.1
Food	13.527	11.4	0.8	1.0	1.1	0.8
Food at home	8.414	13.5	0.7	1.0	1.3	0.7
Cereals and bakery products	1.086	16.4	1.0	2.1	1.8	1.2
Cereals and cereal products	0.353	17.4	0.5	2.1	1.9	0.8
Flour and prepared flour mixes	0.058	23.3	1.9	5.3	3.2	2.2
Breakfast cereal(1)	0.149	16.4	0.0	2.5	2.0	0.0
Rice, pasta, cornmeal	0.146	15.7	0.5	0.7	0.9	0.7
Rice(1)(2)(3)		13.0	0.6	-1.1	1.4	0.6
Bakery products(1)	0.733	16.0	1.3	1.8	2.0	1.3
Bread(1)(2)	0.205	16.2	2.2	1.6	2.8	2.2
White bread(1)(3)		16.4	2.6	1.8	2.0	2.6
Bread other than white(1)(3)		16.1	1.7	1.3	3.5	1.7
Fresh biscuits, rolls, muffins(2)	0.110	17.1	1.4	3.5	1.6	1.2
Cakes, cupcakes, and cookies(1)	0.181	14.4	0.4	1.8	1.7	0.4
Cookies(1)(3)		14.3	0.0	1.3	1.7	0.0
Fresh cakes and cupcakes(1)(3)		12.9	-0.1	2.9	1.2	-0.1
Other bakery products	0.237	16.5	1.2	1.2	1.9	1.3
Fresh sweetrolls, coffeecakes, doughnuts(1)(3)		14.1	2.0	1.7	0.5	2.0
Crackers, bread, and cracker products(3)		17.7	0.3	0.9	3.3	0.1
Frozen and refrigerated bakery products, pies, tarts, turnovers(1)(3)		18.1	1.4	2.9	0.7	1.4
Meats, poultry, fish, and eggs	1.900	10.6	0.2	-0.4	0.5	0.5
Meats, poultry, and fish	1.768	8.8	0.0	-0.4	0.2	0.3
Meats	1.113	6.7	-0.2	-1.3	0.0	0.3
Beef and veal	0.511	2.5	-0.3	-2.3	0.0	0.8
Uncooked ground beef(1)	0.189	7.8	0.5	-0.1	0.8	0.5
Uncooked beef roasts(1)(2)	0.075	3.3	1.3	-2.0	-1.3	1.3
Uncooked beef steaks(2)	0.197	-3.0	-1.7	-1.6	-1.1	0.0
Uncooked other beef and veal(1)(2)	0.050	4.9	0.2	-1.9	1.8	0.2

## Footnotes

(1) Not seasonally adjusted.

(2) Indexes on a December 1997=100 base.

(3) Special index based on a substantially smaller sample.

(4) Indexes on a December 2007=100 base.

(5) Indexes on a December 2005=100 base.

(6) Indexes on a December 1986=100 base.

(7) Indexes on a December 1993=100 base.

(8) Indexes on a December 2009=100 base.

(9) Indexes on a December 1990=100 base.

(10) Indexes on a December 1983=100 base.

(11) Indexes on a December 2001=100 base.

(12) Indexes on a December 2019=100 base.

(13) Indexes on a December 1982=100 base.

(14) Indexes on a December 1996=100 base.

Expenditure category	Relative importance Jul. 2022	Unadjusted percent change		Seasonally adjusted percent change		
		Aug. 2021-Aug. 2022	Jul. 2022-Aug. 2022	May 2022-Jun. 2022	Jun. 2022-Jul. 2022	Jul. 2022-Aug. 2022
College textbooks(1)(3)(11)		5.3	-0.1	0.0	0.0	-0.1
Information technology commodities(8)	0.674	-8.8	-0.5	0.3	-0.9	-0.9
Computers, peripherals, and smart home assistants(1)(4)	0.333	-4.3	-0.6	1.3	-1.8	-0.6
Computer software and accessories(1)(2)	0.019	-0.3	1.8	2.3	-1.9	1.8
Telephone hardware, calculators, and other consumer information items(2)	0.321	-13.8	-0.5	-0.9	0.1	-1.3
Smartphones(1)(3)(12)		-20.4	-0.7	-0.5	0.1	-0.7
Alcoholic beverages	0.865	4.3	0.5	0.4	0.5	0.4
Alcoholic beverages at home	0.576	3.2	0.5	0.6	0.4	0.5
Beer, ale, and other malt beverages at home	0.220	4.9	0.3	0.9	0.5	0.5
Distilled spirits at home(1)	0.105	1.7	0.1	0.1	0.7	0.1
Whiskey at home(1)(3)		3.0	0.3	-0.1	0.6	0.3
Distilled spirits, excluding whiskey, at home(1)(3)		1.2	0.0	0.1	0.8	0.0
Wine at home(1)	0.252	2.5	0.9	0.5	0.1	0.9
Alcoholic beverages away from home(1)	0.289	5.7	0.4	0.3	0.3	0.4
Beer, ale, and other malt beverages away from home(1)(2)(3)		6.4	0.3	0.2	0.9	0.3
Wine away from home(1)(2)(3)		7.1	0.8	0.3	0.0	0.8
Distilled spirits away from home(1)(2)(3)		4.2	0.2	0.1	-0.1	0.2
Other goods(8)	1.333	7.6	1.2	0.5	0.3	1.2
Tobacco and smoking products(1)	0.511	8.8	1.1	0.6	0.3	1.1
Cigarettes(1)(2)	0.441	9.0	1.1	0.6	0.3	1.1
Tobacco products other than cigarettes(1)(2)	0.065	7.0	1.2	0.3	0.3	1.2
Personal care products(1)	0.640	6.0	1.5	0.7	1.0	1.5
Hair, dental, shaving, and miscellaneous personal care products(1)(2)	0.332	7.6	0.8	1.2	1.3	0.8
Cosmetics, perfume, bath, nail preparations and implements(1)	0.299	4.2	2.3	0.2	0.8	2.3
Miscellaneous personal goods(1)(2)	0.182	8.3	0.0	-0.4	-1.8	0.0
Stationery, stationery supplies, gift wrap(3)		9.3	-1.5	-0.6	-1.0	-0.5
Services less energy services	56.523	6.1	0.5	0.7	0.4	0.6
Shelter	32.247	6.2	0.7	0.6	0.5	0.7
Rent of shelter(13)	31.884	6.3	0.7	0.6	0.5	0.7
Rent of primary residence	7.246	6.7	0.8	0.8	0.7	0.7
Lodging away from home(2)	0.984	4.0	-1.8	-2.8	-2.7	0.1
Housing at school, excluding board(13)	0.122	2.5	1.2	0.2	0.7	0.6
Other lodging away from home including hotels and motels	0.862	4.5	-2.3	-3.3	-3.2	0.0
Owners' equivalent rent of residences(13)	23.654	6.3	0.7	0.7	0.6	0.7
Owners' equivalent rent of primary residence(13)	22.426	6.3	0.7	0.7	0.6	0.7
Tenants' and household insurance(1)(2)	0.363	0.5	-0.1	0.9	0.1	-0.1
Water and sewer and trash collection services(2)	1.076	4.6	0.7	0.4	0.4	0.6
Water and sewerage maintenance	0.775	4.6	0.9	0.3	0.5	0.8

#### Footnotes

- (1) Not seasonally adjusted.  
(2) Indexes on a December 1997=100 base.  
(3) Special index based on a substantially smaller sample.  
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(5) Indexes on a December 2005=100 base.  
(6) Indexes on a December 1986=100 base.  
(7) Indexes on a December 1993=100 base.  
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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,

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