

**CITY OF NORTH ST. PAUL
CITY COUNCIL
WORKSHOP AGENDA
JULY 16, 2019
5:00 PM**

North St. Paul City Hall – Sandberg Room
2400 Margaret Street

I. CALL TO ORDER

II. ROLL CALL

Council Member Thorsen
Council Member Petersen
Council Member Walczak
Council Member Sonnek
Mayor Furlong

III. ADOPT AGENDA

IV. TOPIC(S)

A. Trash Hauling Contract

V. OTHER BUSINESS

VI. ADJOURNMENT

Agenda Information Memorandum
North St. Paul City Council
July 16, 2019

FROM THE OFFICE OF THE CITY MANAGER

Agenda placement: City Business

Subject: City Trash, Bulky Items, Recycling and Yard Waste Hauler Contract

To: Honorable Mayor and City Council

Background/Facts:

- The current trash hauling contract with Republic Services expires on August 31, 2019.
- Staff has solicited proposals from Republic Services and Tennis Sanitation LLC.
- Goals for a new contract are to improve pricing, customer service, and the addition of weekly recycling service, which is currently every other week.
- The rates provided indicate that Tennis Sanitation is the lower cost provider.
- Tennis is a small family owned and operated business located in Saint Paul Park.
- The City would provide the customer services thus eliminating residents having to call a regional out-of-state call center.

Proposed new contract rates with Republic are as follows with no unlimited bulk service provided.

Republic Proposed Contract Rates				
2019	32 Gallon	68 Gallon	95 Gallon	163 Gallon
Trash Collection	\$ 7.01	\$ 7.01	\$ 7.01	\$ 7.01
Recycling Collection	\$ 6.05	\$ 6.05	\$ 6.05	\$ 6.05
Recycling Processing	<u>\$ 0.88</u>	<u>\$ 0.88</u>	<u>\$ 0.88</u>	<u>\$ 0.88</u>
	\$ 13.94	\$ 13.94	\$ 13.94	\$ 13.94

Contract Extension

- New proposed pricing for 5-year contract (see above)
- Include 4% annual increases
- Weekly Recycling
- City to purchase and own all trash, recycling and yard waste carts
- Each year the house count will be audited for accuracy, as established within the contract and any necessary adjustments will be made to the rates.
- **Bulky Items**
 - Unlimited bulk program will no longer be offered
 - Bulks will be offered to residents at \$30 per item (excluding appliances and electronics)
 - All appliances and electronics will be offered at \$45 per item

Yard Waste

- Subscription service fee \$7.00 per month (consistent with our current program)
- Price for extra yard waste bag fee \$2.00

Proposal from Tennis is as follows:

Tennis Proposed Contract Rates				
2019-2021	32 Gallon	68 Gallon	95 Gallon	163 Gallon
Trash Collection	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00
Recycling Collection	\$ 0	\$ 0	\$ 0	\$ 0
Recycling Processing	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00

- Collection fee is \$10.00 per month per household for trash and recycling. For those who chose to have (2) 95-gallon carts for trash the charge is \$12.50 per month
- Bulk Item Fee is \$7.00 per item, with some exceptions, and appliances are \$35.00 per item (see attached list)
- Yard Waste is \$6.25 per month for seasonal weekly pick up in a 95 gallon cart, and \$1.75 per bag for one time pick up
- Contract term is 5 years with an option to renew via mutually agreeable terms.
- Initial pricing is valid September 1, 2019 through December 31, 2021. Then all prices quoted are subject to a 3% annual increase.
- City will own and supply all trash, recycling and yard waste carts.
- Tennis will store and maintain extra cart inventory provided by the City along with delivery of cars as needed for service changes. The cart manufacturer will complete initial cart delivery.
- City will provide customer service, monthly billing and pay the disposal tipping fees incurred by the collection of the residential trash.
- Tennis will invoice the City monthly and provide a detailed report of the items collected.
- Tennis would be responsible for the processing and or disposal costs related to Appliances, Electronics, Specialty Items, Recycling and Yard Waste.

Recommendation: It is recommended the City Council authorize staff to finalize and enter into a five year agreement with Tennis Sanitation LLC to provide trash, recycling and yard waste hauling services for the City.

Attachments:

Current contract with Republic Services
Proposal from Republic Services
Proposal from Tennis Sanitation
Bulk item list from Tennis Sanitation

Respectfully submitted,

Scott Duddeck
City Manager

THIS AMENDMENT dated April 1, 2014 amends the Agreement for Residential Garbage, Refuse, and Yard Waste Collection Services (the "Agreement") dated January 23, 2006 between Allied Waste Services of North America, LLC, a Republic Services Company (the "Contractor") and the City of North St. Paul, MN a municipal corporation, (the "City").

WHEREAS, the Contractor and the City desire to amend Section 1, Term of Agreement; and

WHEREAS, the Contractor and the City desire to amend Attachment 1 of the Agreement;

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt of which is hereby acknowledged, the Contractor and the City agree to amend Section 1 and Attachment 1 in the following manner.

1. The following language shall hereby replace Section 1 TERM OF AGREEMENT and is hereby inserted:

The agreement shall be effective upon execution and shall be in effect through August 31, 2019. This contract supersedes any previous contracts. Services to residents shall commence upon execution of this contract. The City and Contractor may agree to extend the agreement for a 5-year period of time beyond the termination date upon such terms and conditions, as the parties shall mutually agree. This Agreement is governed in all respects by the laws of the State of Minnesota.

2. The Following shall hereby replace Attachment 1 and is hereby inserted.

SOLID WASTE COLLECTION: per month, per residence fee

9-1-2012 to 8-31-2013

Service Level

32-gallon	68-gallon	95-gallon	163-gallon
\$5.53	\$5.94	\$7.13	\$9.76

9-1-2013 to 8-31-2014

Service Level

32-gallon	68-gallon	95-gallon	163-gallon
\$5.64	\$6.06	\$7.27	\$9.95

9-1-2014 to 8-31-2015

Service Level

32-gallon	68-gallon	95-gallon	163-gallon
\$5.75	\$6.18	\$7.41	\$10.15

9-1-2015 to 8-31-2016

Service Level

32-gallon	68-gallon	95-gallon	163-gallon
\$5.86	\$6.30	\$7.56	\$10.35

9-1-2016 to 8-31-2017

Service Level

32-gallon	68-gallon	95-gallon	163-gallon
\$6.03	\$6.49	\$7.78	\$10.66

9-1-2017 to 8-31-2018

Service Level

32-gallon	68-gallon	95-gallon	163-gallon
\$6.21	\$6.68	\$8.01	\$10.98

9-1-2018 to 8-31-2019

Service Level

32-gallon	68-gallon	95-gallon	163-gallon
\$6.39	\$6.88	\$8.25	\$11.30

RECYCLING: Contract Rates:

9-1-2012 to 8-31-2013 -	\$2.91 per month for each residence
9-1-2013 to 8-31-2014 -	\$3.03 per month for each residence
9-1-2014 to 8-31-2015 -	\$3.09 per month for each residence
9-1-2015 to 8-31-2016 -	\$3.15 per month for each residence
9-1-2016 to 8-31-2017 -	\$3.27 per month for each residence
9-1-2017 to 8-31-2018 -	\$3.40 per month for each residence
9-1-2018 to 8-31-2019 -	\$3.53 per month for each residence

<u>YARD WASTE SERVICE:</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-2018</u>	<u>2018-19</u>
Unlimited in a Cart, per month	\$5.97	\$5.97	\$6.09	\$6.21	\$6.33	\$6.46	\$6.59
Or Rate Per Bag for	\$1.50	\$1.65	\$1.65	\$1.80	\$1.80	\$1.95	\$1.95
'occasional' service needs							

BULKY, ELECTRONICS AND APPLIANCE SERVICE RATE:

The City has asked Allied Waste/Republic Services to once again provide the citizens of North St. Paul with all of the Bulky, Electronics and Appliance removal/recycling/disposal services, effective May 1, 2014. This will provide unlimited collection of bulky items, electronics and appliances generated from residential service address within the city of North St. Paul. The rate will be \$3.00 per residence, per month, with 3% increases in the rate, per year thereafter.

3. The foregoing amendment shall be deemed made and effective as of May 1, 2014.
4. Except as specifically amended hereby, no other provision of the Agreement is hereby amended.

INWITNESS WHEREOF, the parties hereto have duly executed this amendment as of the day and year first written above.

EXECUTED on _____.

City of North St Paul, MN

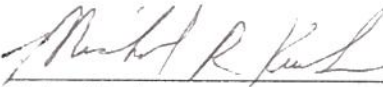


Jason Ziemer

City Manager

12/16/15

Date



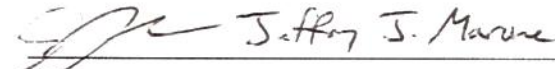
Michael Kuehn

Mayor

12/17/15

Date

Allied Waste Services of North America, LLC.
A Republic Services Company



Name

General Manager

Title

2-21-16

Date



THE CITY OF NORTH ST. PAUL

TRASH & RECYCLING PROPOSAL

SUBMITTED BY:
DATE:
ADDRESS:

Romack Franklin, Municipal Services Manager
July 11, 2019
4325 66th St E, Inver Grove Heights, MN 55076



City of North St. Paul

July 11, 2019

City of North St. Paul
City Manager, Scott Duddeck
2400 Margaret Street
St. Paul, MN 55109

Dear Mr. Duddeck,

From recommending the right plan to providing reliable pickups, we're here to meet your City's' needs.

Thank you for the opportunity to continue providing waste and recycling services for the City of North St. Paul. At Republic Services, our most important relationships are the ones we have with our Municipal customers. We look forward to our partnership and to helping make recycling and waste removal easy for your citizens.

Attached you will find our proposal which outlines our recommended services configured to meet your Community's needs. We were honored to read in the 2017 survey results that 88% of North St. Paul residents were satisfied with the services they receive from Republic Services. As you will see highlighted in this proposal, we have taken the results of the City's survey into consideration and are committed to continuing to provide a high-quality service for the lowest price possible.

We believe residents will be pleased to continue receiving the same great service they have come to expect from Republic Services. In addition, they will have access to the **My Resource app** where they can schedule additional services, find out their next pick-up day and chat with a customer service representative. By entering into this 5-year agreement, the residents of North St. Paul will continue to experience the high level of service that they have come to expect from Republic Services.

Thank you again for this opportunity. Please contact me with any questions.

Sincerely,

Romack Franklin
Republic Services
Municipal Services Manager

Pricing Worksheet

Assumptions

Contract Extension

- New proposed pricing for 5-year contract
- Include 4% annual increases
- Weekly Recycling
- City to purchase and own all trash, recycling and yard waste carts
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Bulky Items

- Unlimited bulk program will no longer be offered
- Bulks will be offered to residents at \$30 per item (excluding appliances and electronics)
 - ♦ All appliances and electronics will be offered at \$45 per item

Yard Waste

- Subscription service fee \$7.00 per month (constant with our current program)
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Pricing

Proposed Contract Rates				
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	\$ 13.94	\$ 13.94	\$ 13.94	\$ 13.94

*Annual Recycling Adjustment.

In addition to the Annual Collection Rate Adjustment, on each anniversary of the Effective Date of this Agreement, Republic shall evaluate, and adjust if needed, the Recycling Processing Charge based on any changes in Commodity Sales, Processing Rates and/or Residual Costs. The Recycling Processing Charge over the most recent twelve-month period shall be compared to the last identified Recycling Processing Charge to determine any change. A reduction in Recycling Processing Charge shall result in a decreased price for the Recycling Services for the twelve months after the effective date of the Annual Recycling Adjustment. An increase in Recycling Processing Charge shall result in an increased price for the Recycling Services for the twelve months after the effective date of the Annual Recycling Adjustment. Should unforeseen circumstances cause at least a 20% change in Republic's Recycling Processing Charge, both parties agree to implement a mid-year adjustment to the Recycling Processing Charge. In the event of any Recycling Adjustment, the City shall have sole discretion to make a lump sum payment to Republic (or receive a lump sum credit) or to pass the Recycling Adjustment through to the rate payers in the City. Please note that this pricing model includes revenue share should commodity value exceeds processing costs.



7/1/2019

Re: Contract Proposal for the City of North Saint Paul
Attention Scott Duddeck, City Manager

***Collection Fee -** \$10.00 per month per household for trash and recycling.

*For those who chose to have (2) 95-gallon carts for trash the charge is \$12.50 per month

Bulk Item Fee - \$7.00 per item*

Appliances and items marked with a "" on the attached list are \$35.00 per item

Yard Waste - \$6.25 per month for seasonal weekly pick up in a 95 gal. cart

\$1.75 per bag (paper bio-degradable) for one time pick up

Contract term 5 Years with an option to renew via mutually agreeable terms.

Initial pricing is valid September 1, 2019 thru December 31, 2021. Then all prices quoted are subject to a 3% annual increase.

City will own and supply all trash, recycling and yard waste carts.

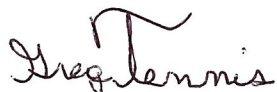
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City will provide customer service, monthly billing and pay the disposal tipping fees incurred by the collection of the residential trash.

Tennis will invoice the city monthly and provide a detailed report of the items collected.

Tennis is responsible for the processing and or disposal costs related Appliances, Electronics, Specialty Items, Recycling and Yard Waste.

Respectfully Submitted,


Greg Tennis, Owner

