

Coordinated Collection – Options Committee Meeting #1
April 20, 2017
City Hall, Rm 330, 2:30 p.m. – 4 p.m.

Committee Members Present: Deputy Mayor, Kristin Beckmann, Council President Rush Stark, Public Works Director Kathy Lantry.

Committee Members Absent: City Councilmember Dan Bostrom

City Staff Present: Recycling and Solid Waste Program Manager, Kris Hageman, , Environmental Policy Director, Mayor's Office, Anne Hunt, , Deputy City Attorney, Rachel Tierney

Rachel Tierney – Overview: Organized Collection Minnesota Statute Section 115A.94

1. Requires a minimum of 60 day negotiation with currently licensed haulers. We have met that requirement and, as you know, those negotiations are ongoing.
2. If the City wants to institute organized trash collection in any way other than a contract with the currently licensed haulers, the City was required to establish an organized collection options committee. The negotiations with current collectors are ongoing, so if those negotiations prove successful and end in an agreement, then this committee can be dissolved without completing its duties.
3. Reason for Options Committee:
 - a. Identify, examine, and evaluate various methods of organized collection.
4. Committee is subject to the Open Meeting Law. So, meetings will be noticed and open to the public, agendas will be published, and 3 or more of you cannot meet on issues related to this matter outside of these meetings. Let me know if you want me to give you more details on that.
5. Duties:
 - a. Determine which methods to examine, including:
 - i. Single collector; and
 - ii. Multiple collectors
 - b. Establish a list of criteria on which the methods you examine will be evaluated. These criteria might include:
 - i. Cost to residents
 - ii. Miles driven by collectors on City streets/alleys
 - iii. Initial and ongoing operating costs to the City
 - iv. Incentives for waste reduction
 - v. Impacts on current collectors
 - c. Collect information regarding the operation and efficacy of existing methods in other towns
 - d. Seek input from at least

- i. The Council
- ii. Local official responsible for solid waste issues
- iii. Currently licensed trash and recycling haulers
- iv. Residents who currently pay for service.
- e. Issue a report on your research, findings, and any recommendation to the Council.

Meeting Notes from 4/20/17

- Staff is recommending guiding discussion with priorities and concerns already developed by the Council.
- How did we get here:
 - Negotiating since August 2016, 12 meetings. 3 proposals received. Now on dual track.
- Updated timeline. Has tentative dates for hauler final proposal. Gives window of time for negotiation. Start of Organized collection is delayed if Request for Proposals (RFP) is released.
- KB: If work goes well, then no need for an RFP. What will trigger decision to release RFP?: Kris; if final proposal does not meet the goals and priorities established by City Council.

TERM SHEET DISCUSSION:

- 1.1 Should the City solicit a single proposal or multiple proposals.
 - If no contract, try to break up work into zones (not as many zones as haulers) but try to keep work for smaller haulers. Detailed work to figure out what kind of zones make sense. Eureka Recycling contract is guide to get collection on same days. Some of issues are different levels of trash generated from different parts of town. Need to balance across zones.
 - KB: Would we issue a different RFP per zone?
 - RS: We would come up with parameters for all zones. Come up with zones that could be bid on by individual haulers and consider proposals by zones. The challenge would be administratively having that many contracts and contractors. Ideally we want one entity.
 - Anne: currently we have to work with existing haulers, but if an RFP is released we would let allow haulers not currently servicing customers in Saint Paul to respond.
 - RS: qualified means licensed.
 - Anne: RFP would outline qualifications for bidder.
- 2.1 Single family – 4 plex.
- 3.1 Weekly service

4 Zones and routes. Different neighborhoods generate different kinds and volumes of trash. How will we be sure all neighborhoods are serviced equitably?

- Kris: Use recycling collection days as a base. Current haulers have wide range of #'s of accounts. Wouldn't want to concentrate one hauler in one area. A lot of work is done in negotiation process by haulers themselves. Will take a lot of work and creativity.
- RS: We don't have info about what trash is being generated where, that will be one of challenges.
- Anne: We can't delve into this now. We need to look at # of households. Residents want same day as recycling. Want to highlight today for future thoughts and ideas.
- KB: More important for contiguous routes, then keep on recycling day. Bigger goal is to minimize wear and tear and pollution, reduce labor costs.
- KL w/ recycling: not a lot of room, is there enough room to pick up 2 carts that are together on the same day? May be same day, may not be
- Kris: PHA said for trash, they don't want it on the same day as recycling pick up because of the disruption that would cause on their streets. We're learning potential barriers as we go. Long list of things to be on the table as we consider options
- RS: Agree in regard to minimizing # of trucks, more important than lining up the day. Can imagine contiguous routes that look different than Eureka's.
- KB: if we wrote RFP, we won't have data on trash generation, but we have data on housing density. We do only up to 4, not more dense housing.
- RS: We also have data on recycling material generation by area.
- Anne: We will work w/ Dept. of Planning and Economic Development (PED) and what we might have in GIS databases on single family vs. 4 plex, single vs. families in certain areas.

5 Cart ownership. If RFP, suggestion is to determine whether haulers would purchase and own new carts and compare to city's costs. Structure RFP to ask what carts would cost if haulers did carts.

- KB: The City financing carts is on the table just for negotiation, but having info in RFP would be helpful in evaluating data. This would mean City wouldn't have to finance carts. Other communities have used other options.
- Anne: RFP process is fresh. Doesn't have to mimic current negotiations. Might be cart maintenance piece for haulers.
- RS: Is it a given to assume there will be new carts? Could haulers use what they have and fill in where needed.

- Anne: other communities did not like used carts. People would have to determine in advance what size of cart they want. People want option to downsize to smaller cart, we want to encourage that.
- Kris: Carts will be a more challenging process than recycling due to need for multiple sizes. A lot to keep track of. Layer of complexity.
- KL: Will we want a certain standard of cart? RFP should require nice carts.
- KB: Recycling carts required arm ability. Do different haulers need different carts for different technology?
- Kris: some carts and trucks match up, but we would create a spec for universal cart that can be serve by a variety of truck models.

Bulky Items:

- Anne: number of options. Current negotiations we asked for price that includes 3 per year. City spends \$300k per year w/ illegal dumping on Right of Way (ROW) or parks. Mpls has Cadillac version. Other cities do coupons. Others have all separate fees.
- RS: high priority. Dumping is chronic problem. Mpls thinks dumping is from people in St. Paul. 3 seems like a reasonable number, but there must be people who go through more stuff than that.
- KL: Can't help but put herself there. Can't remember last time she disposed of 3 bulkies in a year. Not a rental property owner. Would be nice to be more tailored. 3 seems like a lot. Huge cost driver when we look at contract. But don't want to go through this and still have illegal dumping problems. Have to make convenient for folks.
- KB: The worry is that it feels geographic in St Paul. People have access to trucks, and in some neighborhoods, they don't = more prone to dumping. Data disadvantage. Are there more bulkies in more transit dependent areas?
- KL: can DSI separate out dumping complaints? Might help inform. Ask DSI to provide illegal dumping complaints through 8989, and separate by ward.
- KL: not everyone is as cheap as I am. Fine line between 3 too many, 1 not enough. Guessing game. Go from other experiences in other cities. If you make it easy to dispose, maybe people won't recycle as much. Start with 3.
- RS: where did 3 come from? Balance between 0 or 1, and 3 is in the middle.
- Anne: Minnesota Pollution Control Agency (MPCA) says people keep old electronics in their basement. We know there are those items. Big goods don't get bought as often. Kris has #'s from cleanups. But you have to have a truck, and be available on that Saturday. Some residents can't do it.
- Kris: large loads still come in on cleanup days. #'s of participants growing. But, yes, you need a car.
- Anne: 3 times per year service, trucks drive by. Haulers have said no. We thought it might work. We saw efficiencies. Could contract w/ firms. Can we make it convenient for residents, give discount on volume.

- KB: Could this be a separate RFP? Or encourage bidder to do that.
- Anne: electronics need to be separated out from trash. Haulers can't do refrigerator. A lot of drama about mattresses. County has reduced cost.
- Kris: wide range of bulkies not all can go in packer truck. Some need separate truck.
- KL: not sure how you do it. Need huge extra capacity to pick everything up on one day. Doesn't make sense, especially if we want to have small haulers. Can't imagine if you don't know for that day. Some people can't hang on to their stuff for 3 times per year. Seems to make more sense to spread it out, rather than just a few days. Probably wouldn't get rid of illegal dumping problem. I'm not keeping my mattress in my garage for 3 months.
- Anne: even if they pick up regularly, they want an invoice.
- KL: That has merit. But if English isn't your primary language, that's an issue. We need to make it easy for people. Preferable, but not a requirement.
- Kris: current options in community: we have different transfer facilities and commercial businesses that take larger items for fees. Some haulers offer pickup, lists and prices vary. Not all haulers will pick up. Some will subcontract out. Also City sponsored drop off events, 4 per year. Drop off prices are considerably lower than other options.
- RS: Let's talk to the city of Minneapolis about how their program works. Get sense of how much per household.
- Kris: We've been talking to them a lot. Not quite apples to apples. They have 1 or 2 transfer stations owned and/or operated by City. Will get more background.

Billing and Customer Service:

- Differences between customer service.
- Billing – City or Haulers. Currently haulers bill in advance quarterly, monthly, yearly. Bloomington wanted to bill and do all customer service. Pros and cons. Minneapolis bills all utilities (water, garbage, recycling, organics, and partial graffiti removal on one utility bill. Handle all customer service questions. We've talked with Saint Paul Regional Water Services (SPRWS).
- KL: Haulers bill in advance, we don't bill in advance = cash flow issue. We have to perform and then collect. What happens if somebody doesn't pay? Now Parks picks up their trash and we bill them. Assessment is a really long lag. Cash flow is one of considerations to think about.
- KB: Customers will be billed directly by hauler that wins proposal. RFP need distinguishing factors between haulers about how they bill, customer service responses, etc. If we look at proposals from multiple haulers, we don't separate billing. Competitive RFP is something you bid on and could win you a contract.
- RS: right to distinguishing features in bid. Must be consistently good, whether it is us or through bid process. What KB states rings true as far as RFP options are concerned.
- Anne: not all haulers have call centers here, locally.

- RS: The City would still need system to take complaints.
- Anne: long wait times caused frustration when new recycling system began.
- KB: We have learned. What we write in expectations re: staff, service responses. We will write much tighter contract in RFP.
- Anne: high quality customer service is SPRWS priority.
- Kris: We will have better control and oversight over what is on bill. NO new line item or charges.
- KB: We can write terms into contract.
- Anne: Residents want uniform, clear bill.
- Kris: If City took on task, there is a lot of up front work to prepare our account lists and determine how we will send bill. We will have a solid list in hand for future rounds of negotiations. Have additional info and data related to volume of trash collected, numbers of bulky items and more detail on customer service issues. Could save another round of work, or less work for haulers. Not as much work for them to take on task.
- Anne: We would develop efficiencies.
- KL: Call that out in RFP. Find out if impediments are included in what hauler might bill in RFP on billing portion. Help as we think about overall price.
- KB: Interesting. With our unionized employees if we add 8-15 staff to do centralized billing, it might be more than haulers.
- KL: Might get at customer service piece. Have RFP tell us how many customer service staff there will be.
- RS: I am agnostic on who bills. As long as we have confidence the systems are in place for good customer service. The financial system has to be functional. It has to work for the haulers and the customers.
- Anne: City has been good at multi-lingual options.
- KB: We can require on contract.

Other Contract requirements

- Affirmative Action, vendor outreach, living wage.
- Labor Peace/Labor Neutrality.
- RS: Important values coming from the Council. We are kind of a union town. Most of our employees are union labor. As long as we're able to lay out our values and priorities through RFP process, that continues to be a priority to colleagues.

Yard Waste:

- Goes to composting facilities. Different can, different truck.
- A lot of people take advantage of "free" Ramsey County sites.
- Anne: we want people to continue to manage yard waste on their property.
- Envision "subscription service" on top of base rate. Opt in.

Organics:

- RS: A lot of support on council for trying to have option sooner rather than later. If RFP is option to do that, great. Some haulers may not be in a position to do that.