

Legislation Text

File #: 4715, **Version:** 1

CC MEETING: April 7, 2020

DATE: March 31, 2020

TO: Erin Rinehart, City Manager

FROM: Laurie Wilson, City Secretary/Admin Services Director

Receive **Recycling Market Updates And Discuss Solid Waste Contract.**

BACKGROUND:

The City of Carrollton contracts with Republic Services for Solid Waste collection services. The contract will expire on September 30, 2020. Residential services included in our contract currently include weekly collection of trash in 96-gallon carts provided by the City, unlimited brush, and unlimited bulk collection. Unlimited weekly bulk and brush collection is fairly unique to Carrollton and an important service offered as many of our neighborhoods are full of mature trees that produce a large amount of brush. Recycling is collected every other week, however, an additional recycling cart is available to residents at no extra cost. Apartments are also serviced by Republic, but each apartment complex determines if recycling services are offered to residents. Also included in our contract are certain penalties to our solid waste provider for missed service expectations. Additionally, all customer service calls are handled in-house through the Resolution Center, as an added accountability measure for our vendor. Commercial waste collection services are open market in Carrollton and are therefore not included in the scope of this contract.

The recycling market has been extremely volatile over the last few years. China was once the leading buyer of recyclable materials but is no longer accepting materials from outside of their country. Many other leading buyers are following suit; either eliminating their intake altogether or requiring decreased recycling contamination rates that U.S. companies are often unable to meet. In response, cities across the nation are reducing what materials they'll accept in their recycling programs, or in some cases, have ceased recycling efforts until there are significant changes in the market conditions. We have spent years as a nation learning and practicing recycling habits. City staff is not advocating that we get rid of our recycling program, however, market conditions need to be carefully considered as we review our solid waste contract this year.

Staff has evaluated service and pricing changes for cities whose solid waste contracts have expired since the recycling market has shifted. Service and pricing changes will be shared at the council meeting.

The City traditionally takes large contracts like these through an RFP process in order to acquire the most competitive price. Based on the information pulled from other cities who have recently taken their waste collection contracts to bid and current recycling market conditions, staff is requesting council consider renewing the contract with Republic Services.

Republic Services has offered a competitive 5-year renewal rate along with an offer to replace the fleet in

phases within the next 24-30 months. This is an important feature as the fleet is approaching the end of its useful life. Staff will review current rates and the Republic proposal at the City Council meeting.

STAFF RECOMMENDATION/ACTION DESIRED:

Staff is requesting direction from the City Council on whether to renew the contract with Republic Services or take the contract through an RFP process.