



CITY COUNCIL WORK SESSION MEETING

AGENDA SECTION	WORK SESSION
MEETING DATE	JULY 6, 2026

ITEM:	Discussion of One-Year Extension of Walters Recycling and Refuse Contracts. (15 Minutes)		
Presenting Item: David Cullen, Public Works Director			
DEPARTMENT: Public Works / Refuse		BY/DATE: Jesse Davies / June 24, 2026	
CORE CITY STRATEGIES: (please indicate areas that apply by adding an “X” in front of the selected text below)			
_Community that Grows with Purpose and Equity		<u>X</u> Engaged, Effective and Forward-Thinking	
<u>X</u> High Quality Public Spaces		_Resilient and Prosperous Economy	
_Safe, Accessible and Built for Everyone		_Inclusive and Connected Community	

BACKGROUND

The City awarded Contracts 2022-4113 and 2022-4118 to Walters Recycling and Refuse in November 2022 for residential and multifamily trash and recycling hauling and cart-handling services. The contracts became effective on January 1, 2023, and are scheduled to expire on December 31, 2026.

The contracts include an optional one-year extension provision that would extend the contract term through December 31, 2027, subject to mutual agreement between the City and Walters Recycling and Refuse. The provision was included as an incentive for strong contractor performance and to provide the City with flexibility when planning future service contracts while retaining a proven contractor.

SUMMARY OF CURRENT STATUS

Walters Recycling and Refuse met the City's service expectations throughout the contract term, maintaining a complaint rate of less than 1 percent. The contractor has worked cooperatively with City staff to address service challenges associated with Columbia Heights' narrow alleys and limited-access collection areas.

The city currently pays approximately \$250,000 per month for refuse and recycling services. While contract rates have increased by approximately 15 percent since 2023, those increases have occurred under the existing contract pricing structure, which is based on Refuse Services CPI and would remain in effect for the extension. Current inflation trends could result in higher bid prices if the city elects to issue a new request for proposals and award a new contract at this time.

STAFF RECOMMENDATION

Staff recommends exercising the one-year extension option available under the current solid waste contract. This extension would provide sufficient time for staff and the Sustainability Commission to perform a comprehensive review and update of the Solid Waste Operating Policy (SWOP), which serves as the foundation for the City's solid waste and recycling programs and future Requests for Proposals (RFPs).

The review would allow the City to evaluate current goals, priorities, and operational practices, while also receiving policy direction on future sustainability initiatives, including implementation of Minnesota's organics collection and billing requirements. Completing this review before developing future solid waste and recycling contracts will help ensure that new service agreements align with current Council priorities and community sustainability objectives.

Requested Council Action/ Discussion Topics / Key Questions
Staff requests that the City Council discuss the one-year extension of Contracts 2022-4113 and 2022-4118 with Walters Recycling and Refuse through December 31, 2027.

ATTACHMENT(S)

MOA Walters Extension

Walters Contract Excerpt