






Benefits & Tradeoffs of the Proposed Contracted Residential Solid Waste Collection Program

Alignment with Community and Council Goals

From March to July 2022, City staff engaged with community members, including targeted engagement with members of historically underrepresented groups, as well as City Council to understand priorities and goals for a potential contracted residential trash and recycling collection program.

Council & Community Priorities	Goal	How Addressed in Proposed Contract
✓ 	Cost-effective pricing	<ul style="list-style-type: none"> • More services for a price similar to what residents pay now • XS service available
✓ 	Equity	<ul style="list-style-type: none"> • All community members have access to consistent, predictable pricing • Households can have 2 bulky items / year collected for no additional charge
✓ 	Additional recycling and composting	<ul style="list-style-type: none"> • Yard Trimmings included for a price similar to what households pay for trash + recyc. only now • Option of weekly recycling
✓	Increased safety, reduced emissions, street maintenance savings of having fewer trash trucks in neighborhoods	<ul style="list-style-type: none"> • Single hauler identified
✓ 	Reduce greenhouse gas emissions	<ul style="list-style-type: none"> • Fewer trucks able to provide same service, increased yard trimmings composted
✓	High level of customer service	<ul style="list-style-type: none"> • Dedicated local customer service representatives • Clear penalties for poor customer service

✓ = Goal identified by City Council in July 2022

 = Highest priorities from community engagement in 2022

Benefits of the Proposed Program

Benefit: Increased Equity and Lower Pricing

Cost-effective service

In the proposed contracted system, all community members have access to the same cost-effective service price. For a price similar to what residents pay for only trash and recycling now, the proposed program would continue to provide weekly trash and every-other-week recycling, while also adding weekly seasonal yard trimmings and two bulky item collections per year. This will give more community members, including low-income community members, access to yard trimmings collection.

Predictable pricing

Community members who identified as low-income rated predictable pricing as a priority during engagement in June 2022. The contract provides consistent pricing throughout the year with small, predictable price increases year over year.

Access to Bulky Item Collection

In the Barriers to Recycling project, low-income community members identified transportation and disposal of bulky items as a problem. The bulky items collection in the contracted program helps alleviate that issue for community members.

Benefit: Increased Recycling and Composting

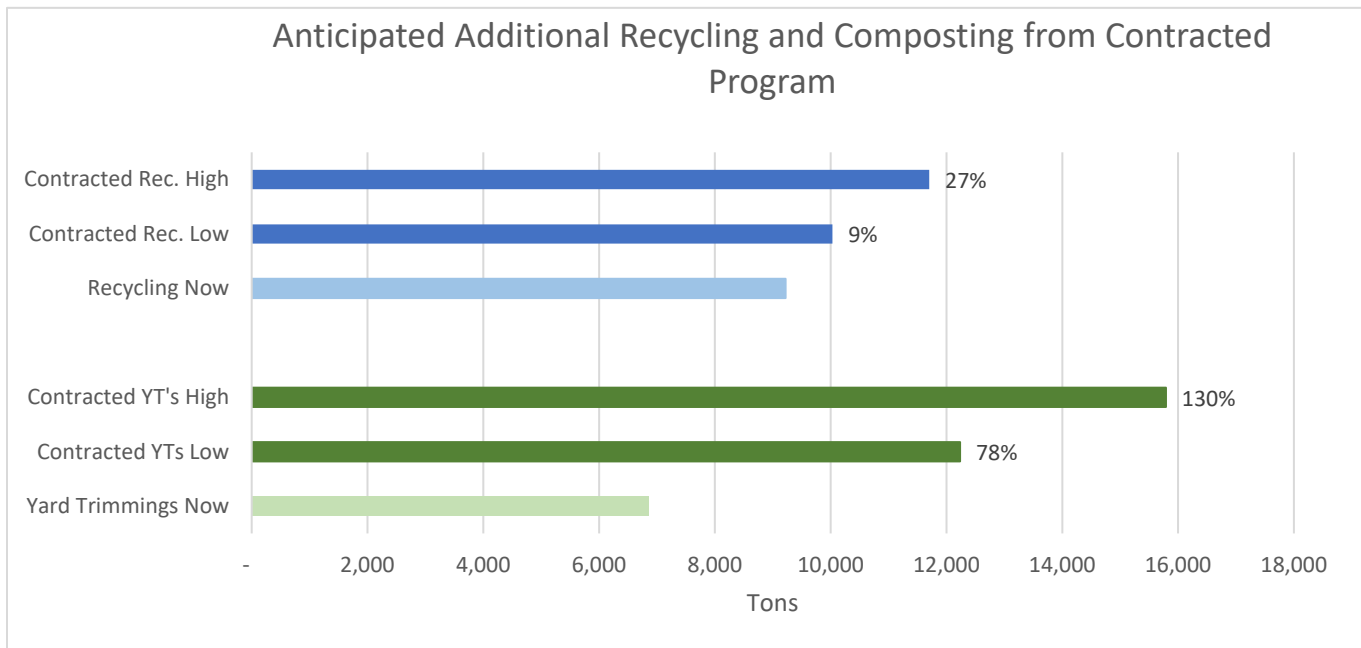
Based on staff's analysis, the contracted system offers **a more cost-effective solution** to offer yard trimmings service and increase composting.

Figure 1: Comparison of Fort Collins yard trimmings programs in licensed open market vs. contracted system

	Licensed Open Market	Contract
Price	\$18 / month	\$5 / month
How to get service	Have to call to request	<ul style="list-style-type: none">• Automatically included in service• Can decline service and reduce bill \$5 / month
Participation rate	17%	75 – 85%
Tons diverted	6800 (incl. drop-off) 2500 (curbside only)	~9,700 – 13,300
Service details	Weekly collection April – Nov	Weekly collection April – Nov

Benefit: Increased Recycling and Composting continued

The contracted system provides opportunities for increased composting of yard trimmings and additional recycling if the weekly recycling option is selected. An estimated “high” and “low” scenario of increased material collected is shown in the chart below. The percentages show the amount of increase from the current program.



Fort Collins has a goal of zero waste by 2030. Progress is measured in diversion rates, which track the amount of material recycled or composted rather than landfilled. The **increased diversion from the proposed program would have the following impacts:**

- Yard trimmings only
 - Increase residential diversion rate from 28% to 31% - 40%
 - Increase community-wide diversion rate from 51% to 53% - 54%
 - 3.1% - 5.3% progress toward zero waste goal
- Recycling only
 - Increase residential diversion rate from 28% to 30% - 32%
 - Increase community-wide diversion rate from 51% to 52%
 - 0.46% - 1.4% progress towards zero waste goal
- Both yard trimmings and recycling
 - Increase residential diversion rate from 28% to 36% - 42%
 - Increase community-wide diversion rate from 51% to 53% - 55%
 - 3.7% - 6.7% progress toward zero waste goal

Benefit: Street Maintenance Savings

The City commissioned a study comparing the road maintenance impacts of shifting from Fort Collins' current open market to a contracted system.

This is relevant because wear and tear on residential roads is directly related to the weight of a vehicle. Because they are so heavy, every trash truck causes impact equivalent to 1,250 passenger vehicles on residential roads.

The study included the following findings:

Figure 2: Annual street maintenance savings that can be achieved from a contracted residential solid waste collection program in Fort Collins

Moving from the current contracted system to:	Equivalent Annual Street Maintenance Savings	% Reduction in Street Maintenance
Contracted hauling with weekly recycling	\$552,000	62%
Contracted hauling with every-other-week recycling	\$603,000	68%

Further detail can be found in the Refuse Vehicle Street Maintenance Impact Study.

Benefit: Greenhouse Gas Emissions Reduction

Switching to a contracted system for residential trash and recycling collection has the potential to reduce GHG emissions approximately 7500-13,400 MTCO_{2e}.

Figure 3: Estimated greenhouse gas reductions from shifting to the proposed contracted residential solid waste collection program in Fort Collins

Contracted residential Solid Waste Collection Element	Estimated Greenhouse Gas Reductions
Additional yard trimmings composted	~5200-8600 MTCO _{2e} /year
Transportation reductions of moving from multiple haulers to a single hauler	~1200 MTCO _{2e} /year
Increased material recycled (if Council selects weekly recycling collection)	~1100-3600 MTCO _{2e} /year
Combined impact	~7500 – 1340 MTCO_{2e} Equivalent to 1700 homes' energy use for 1 year Equivalent to 30% of current waste emissions

Benefit: Sustainable Vehicles Progress

- The proposed contract includes:
 - One electric collection vehicle will be utilized as a pilot
 - Any new vehicles purchased to service this contract will run on natural gas generated from landfill capture etc. (rather than new extraction)
 - Republic will not purchase any more diesel trucks to provide service under the contract
- These lower-emission vehicles would not be available to service Fort Collins if the city were to remain in a licensed open market system.

Benefit: Fewer trucks in neighborhoods

The contracted program would shift from up to four companies' trucks in neighborhoods every week to just one set of collection vehicles. This reduction in trucks has the following impacts:

- Less noise
- Increased safety
- Less vehicle emissions

Figure 4: Vehicle emissions reductions that can be achieved from shifting to a contracted residential solid waste collection program in Fort Collins

Moving from the current contracted system to:	% Reduction in Vehicle Emissions
Contracted hauling with weekly recycling	55%
Contracted hauling with every-other-week recycling	64%

Further details about vehicle emissions, noise and safety can be found in the Refuse Vehicle Emission Noise Safety Analysis Study.

Benefit: High Level of Customer Service

In the open market system, the City cannot regulate customer service from haulers. In the proposed contract, the hauler would be held to high customer service requirements.

- The hauler would face financial penalties if they did not meet metrics such as responding to customers within one business day or if hold times exceed three minutes
- The hauler is required to maintain dedicated customer service representatives focused on the Fort Collins program
- If residents experience issues such as not having their carts not delivered within five business days or missed collections, they would receive a one-month service credit and the hauler would have to pay an additional penalty
- If issues were to be consistent, the City could exit the contract with the hauler
- The City would devote resources specifically to enforcing the contract requirements

Tradeoffs of a Contracted System

The following tradeoffs were identified through engagement with community members and council members.

Tradeoff: Household Choice of Hauler

The primary benefit of an open market system is that each household can select the hauler they prefer to collect their trash and recycling. In a contracted system, households can still select a hauler other than the contracted hauler but must pay an opt-out fee. The opt-out fee for the proposed contract is equivalent to the smallest cart option, which in 2024-2025 will be \$11.10 / month.

Tradeoff: Concerns About Competition

Many community members have shared concern that shifting to a contracted collection system would reduce the competition for haulers in Fort Collins and result in higher prices for service. However, peer communities have found long-term reduced rates in a contracted system when compared with an open market and have found haulers not selected for the contract continue to operate in their communities.

Since a contracted system only applies to single-family and small multi-family complexes, haulers retain their customers in other sectors and remain in the community. The single-family open market sector accounts for ~20% of the trash and recycling business in Fort Collins; HOAs with contracts are ~10%, construction and demolition sites ~30% and commercial & multi-family locations ~40%. This means that ~80% of the trash and recycling market in Fort Collins would not be impacted by the single-family contract.

