

MINUTES

CITY OF FORT COLLINS • BOARDS AND COMMISSIONS



ECONOMIC ADVISORY COMMISSION

TYPE OF MEETING – REGULAR

April 20, 2022 4:00 – 6:00 pm
Via Zoom

1. CALL TO ORDER

4:07 pm

2. ROLL CALL

- List of Board Members Present
 - John Parks
 - Renee Walkup
 - Thierry Dossou
 - Blake Naughton
 - Denny Coleman
 - Aric Light
 - Mistene Nugent
 - Jeff Havens
 - Brauilo Rojas

- List of Board Members Absent – Excused or Unexcused, if no contact with Chair has been made.

- List of Staff Members Present
 - Josh Birks, Staff Liaison and Director, Economic Sustainability
 - Sylvia Tatman-Burruss, Sr Project Manager
 - Caroline Mitchell, Manager, Waste Reduction & Recycling
 - Kira Beckham, Lead Specialist

3. AGENDA REVIEW

- No changes

4. CITIZEN PARTICIPATION

- N/A

5. APPROVAL OF MINUTES

- No changes-minutes approved

6. NEW BUSINESS

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- **Curbside Trash and Recycling Contract**
 - Presentation – Sylvia Tatman-Burruss, Sr. Project Manager; Caroline Mitchell, Manger, Waste Reduction & Recycling; and Kira Beckham, Lead Specialist.
 - Gave overall update and provided information about the types of systems, engagement conducted, results, and next steps.
 - The City is currently operating under an open market with licensing. A contracted system is being considered. It would apply to single family homes and small (seven or fewer units) multifamily complexes. It would not apply to businesses, large multifamily complexes, or construction sites. It might apply to HOAs. A contracted system was also considered in 1998 and 2008. Contracted systems are common throughout many communities.
 - Benefits include fewer trucks (one truck equals 1,300 personal passenger vehicles), improved air quality, lower truck emissions, improved customer service, access to uniform pricing, more recycling options, and composting options.
 - Some disadvantages include an opt-out fee to choose your own hauler, perspectives about the ideal role of government, shift to administrative role of the City organization, and logistics of a districting approach.
 - Some things that will stay the same include volume-based pricing for trash, recycling bundled with trash for no additional charge, and the opt-in option for yard trimming collection.
 - Things that can still be achieved by a licensed system or contract system are increased composting, advancing Council priorities, and accelerated composting.
 - Things that can only be achieved by a contracted system include three categories:
 - Fewer trucks in neighborhoods
 - Street maintenance savings, improved aesthetics, less noise, one day of service, increased safety, reduced greenhouse gas emissions, and improved air quality.
 - Pricing
 - Predictable consistence pricing across the community and potential service cost reduction due to efficiencies of servicing every home on street

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- Customer service and equity
 - Leverage for customer service requirements (metrics and penalties for non-compliance), and enhanced equity in service (low-income programs and increased accessibility)
- Engagement
 - Who: community members, haulers, Chamber of Commerce, Downtown Development Authority, Natural Resources Advisory Board, and environmental groups.
 - How: community conversations, 1,300 responses on a questionnaire, presentations to groups, newsletters, radio advertisements, press releases, and newspaper articles.
 - Focus: goals for a contracted system, concerns for a contracted system, and priorities for a trash/recycling hauler.
- Feedback:
 - Goals included fewer trucks, affordable equitable pricing, improved or maintain customer service, and increased yard trimming collection
 - Concerns included pricing, decrease in service levels, perception of monopoly, lack of competition, lack of choice, being stuck with unwanted service provider, and impact to haulers and their employees if not selected.
 - Priorities included consistent reliable service, affordable pricing, responsive customer service, service options to fit the households needs, options for yard trimmings and compost collection.
 - Existing haulers were supportive of contracting or continued licensing system. The new hauler prefers the licensing system.
- Next steps include community engagement about details of the contracted service and another Council work session.
- **Discussion – Board**
 - **Q (Renee)** Was this presentation given to Council yet?
 - **A (Caroline)** This presentation was shared on April 12th. It is still in the early stages of the project and was a check in at a high level to see if we should continue. Council did agree to continue so now we are getting ready to prepare for the detailed elements.
 - **Q (Jeff)** Have you gotten to the point where you would know cost per

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household?

- **A (Caroline)** No, we have examples of cost of service from other peer communities that have contracts. In Fort Collins it will be based on what services we would request as a community. For example, what type of yard trimming collection service would you have and would it be an opt-in or opt-out. Cost per service is less the more across the community, however you have less choice then. Those are some of the details we will be talking through with folks and that would impact pricing.
- **Comment (Jeff)** I contracted with a composting service for several months. I stopped doing it because the price was not justified for the amount of good I was doing for the planet. If it is uniform thing where everyone can have it, the economy should be able to justify doing it.
- **Comment (Caroline)** We are limited on food scrap infrastructure right now, so we are looking at yard trimmings right now. Once composting comes available, we could combine it in the same bin.
- **Comment (Denny)** My former community went through this. During research everyone was upset, yet once it was implemented nobody said anything. Cost went down, service was quality, and prices got better. I think it is a great direction. I would love to have the opportunity to have yard waste pick up.
- **Q (Mistene)** Can you provide what the feedback was on the community survey?
 - **A (Caroline)** The initial survey that went out was focused broadly on goals, concerns, and what they would look for in a hauler. This is a summary of themes we heard from residence from engagement on those broad topics. This is a topic that riles people up, so the same trajectory that Denny shared, is the same they have seen in most communities. We are starting to hear more feedback around concern on choice, separate from this survey.
 - **Q (Mistene)** Is the majoring for or against it?
 - **A (Sylvia)** A lot of feedback the City Manager’s Office and on City Council forms is people are struggling with the issue of choice. Not getting hundreds, but still getting some. At the same time, we usually don’t hear from people that are in support of something. The people that are in support of it have been asking some thoughtful questions on impact and implementation.
 - **Comment (Mistene)** Our HOA is contracted, and we love it.

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- **Q (Brauillo)** Clarification, is this for compost or trash in general?
 - **A (Caroline)** It would apply to all curbside services for single family homes, so trash, recycling, and compost.
- **Q (Brauillo)** Can you clarify what benefit we are losing?
 - **A (Caroline)** Primarily the ability to choose your hauler for trash and recycling services. Community members could still choose their haulers but if they chose someone different, then they would have to pay an opt-out fee.
- **Q (Brauillo)** Have you heard feedback from the current providers; are they okay with this new approach?
 - **A (Caroline)** The three existing service providers would support either system. They are all nationally owned, so they are used to getting these types of contracts and providing services in Colorado. There is a new hauler who is open to start service in May in Fort Collins. They are strongly against this new system, waging more of an organized campaign to solicit negative feedback to Council as it doesn't fit their business plan.
- **Q (Brauillo)** How can a contracted service procure the same or better prices than an open market?
 - **A (Caroline)** There is a significant change in efficiency. In the hauling market, you are paying for fixed costs like the cost of the truck, driver, and insurance. In the industry the most expensive thing is windshield time, which is the amount of time to get from one customer to the next. You must build those fixed costs into that amount of windshield time. If you have one or two customers on a street, you must build those fixed costs into those two customers. If you have a whole street of customers, you can build those fixed costs among more households. It is less expensive for one hauler to service everyone on a whole block vs a couple around town. Another element is the purchasing process. The City puts together a request for proposals where we outline the kinds of services we would like. Then the haulers draft proposals on how they would provide those services and pricing they would offer. They compete on a community wide level vs a house by house. You can see that pricing reflected in HOAs that already contract for service. You tend to see lower rates in the same community, with the same hauler, and same service than an open market.
 - **Q (Brailo)** Would the city be setting the price?

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- **A (Caroline)** The price would be fixed through the contract in the negotiation. We would have to come to an agreement on what price would be and be controlled around situations. We would be able to change the length of a contract.
- **Q (Brauillo)** Regarding your argument that traffic/number of trucks will decrease, do you have that measured and documented? People will want to see numbers.
 - **A (Caroline)** We have those baselines from 2008 and 1998 studies in Fort Collins. We are updating all of those to current day numbers. For instance, in 2008 it was identified that there would be a \$170,000/year savings on road maintenance due to less trucks on the road. We are updating those and other numbers.
- **Comment (Jeff)** It is basically an objective fact that people complain more than compliment. It is normal to get more negative community feedback than positive feedback
- **Q (Jeff)** Is it a requirement that you give an opt out option or could the City just say this is the way it is?
 - **A (Caroline)** it is required by Colorado State Law that residences are given the option to opt-out but allows for an opt out fee. One of the learnings from peer communities is that the price point for the opt-out fee ranges from \$2.50 to the smallest level of priced service. The price point of the opt-out fee has impacted how many residences opt-out.
 - **Q (Jeff)** So the City gets to decide how much the opt-out fee is?
 - **A (Caroline)** Yes.
 - **Comment (Jeff)** I advocate for a high one.
- **Q (Aric)** What resources would be required from the City to operate this system and are they different then resources we are already dedicating to hauling?
 - **A (Caroline)** It depends on what elements the City would provide because some elements like customer service and billing, can be provided by the City or hauler. If the hauler provides those services, then part of the base fee goes to the haulers. If the City provides those services, the City would need to staff up and a portion of that bill would come to the City. Those are some of the decisions we will be making as we dive into more details. It will take more resources than we have now but not dramatically, as we already have Waste Reduction & Recycling staff.

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- **Q (Aric)** Do we have a sense of average prices?
 - **A (Kira)** We want to do a pricing study that would look at invoices of people across the community, so we can get an idea of what people are paying for like haulers and like services. This would give us the range of pricing for equal services. We would also be able to see any trends or dynamics of who might be paying more and links to why. There are elements we are still researching. One of the peer communities noted a benefit in uniform pricing across the community, which is a goal for us. We need to dial in on ranges and what might be driving them.
 - **Q (Aric)** Would that happen before a decision is made to move to a contracted system?
 - **A (Kira)** I think so. It could also give us a baseline of where we are today and as we start looking at services offered, how much we would want to take the prices up compared to the weight of the benefit from that service. Making sure that the increase in price is reasonable to the benefit.
 - **Comment (Caroline)** If anyone is willing here, part of that is going to be collecting bills from community members. In an open market it often varies house by house. In another community we spoke with, they had two neighbors with the same haulers and service, and their bills were different.
- **Comment (Kira)** In regard to the question earlier about people being for or against, one community letter we received was from an HOA in our community that said they welcome this change for the broader community as they have realized many benefits from this type of system in their neighborhood. Some of those benefits included safety, pricing, service, and reduction in noise and pollution. They were excited for the rest of the City to experience it.
- **Q (John)** What is the impact overall on amount of trash collected? We don't currently get feedback from haulers when there are contaminations in recycling bins or things we don't do right. Is this due to the open market system we have and what would the impacts be of a contracted system on our diversion plans?
 - **A (Caroline)** The contracted system is one way to achieve progress in our diversion, but not the only way. There are more benefits in the pricing, street cost savings, emissions, fewer trucks, and consolidated services. The biggest opportunity for diversion in single family homes

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is additional composting. Fort Collins diversion rate is 29%. The national average is 34%. We are not as low as some communities Colorado but still not at the national average. Loveland has more than 50% because of the additional organics composting they are engaged in. That could be achieved in either system. It is still possible to add more with a licensed system. A big win would be recycling in correct bins, yard trimmings, and food composting.

- **Q (John) Could you clarify the data point how many cars per trucks?**
 - **A (Caroline)** The 2008 study stated one trash truck per 1,300 passenger cars. The thing to remember is that every time a hauler services, it comes down the street twice, once in each direction. In curbside, if you have a three-cart system, each hauler drives each side 3 times. Then multiply that by the number of haulers in the community; that is where the wear and tear adds up.
 - **Comment (Sylvia)** We are working with consultants who are updating the 2008 numbers. One thing to mention is even in a licensed system, there could be a fee added for maintenance of streets because it is a large cost. That is something we are also looking at and something Council would need to decide on. It is not currently rolled into our license system but could be part of additional requirements if Council decides to stay in the licensed system.
 - **Q (Renee)** Is the estimate of \$170,000 for road maintenance also 2008 numbers?
 - **A (Sylvia)** Yes.
 - **Comment (Renee)** So those numbers could have tripled by now.
- **Q (Renee)** Is it conceivable that with four providers the City could end up with one or two and then the other providers would not have business?
 - **A (Caroline)** One decision point would be how many haulers would have a contract. There would be one hauler per district, but the decision point is how many districts are there in the community? If there was a situation where we had two districts, we would run purchasing processes separate for each. It is possible where you could have different haulers in two different districts, but also possible a service provider would not get a contract. It feels more black and white than it is. Reality is that a service provider could lose customers they service, but there would be a 12 to 18-month transition period so it is possible they would not have to shift much staffing. They also service many sectors of the community including multifamily

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complexes, businesses and HOA's with already established contracts and even communities outside of Fort Collins. Multifamily complexes and commercial services have a much higher profit margin. In Colorado you cannot contract for those services. It would be different for the new smaller hauler because they do not offer commercial or multifamily services. They would have to shift their business plan to include those sectors or areas outside of Fort Collins.

- **Q (John)** What would you need from us as a board? I do think this is a great idea just on environment benefits.
 - **A (Sylvia)** We are looking to go to a staff recommendation on July 12th. It might be helpful to get closer to that date so you can get more information.
 - **Comment (Josh)** Historically it would be at a time when it makes sense as a board to weigh in, typically in memo form, but we will see what Council would prefer going forward. Don't lose sight of some of the feedback that was given tonight. At least one Board Member expressed wanting to see the opt-out fee high. The logic is the uniformity and consistence are the benefit, if you make the opt-out fee low, you are not really changing the system and losing some of those benefits. Price right to allow opt-out but only to those who are adamite.
 - **Comment (Renee)** I also am supportive that the benefits outweigh the negatives. However, we are talking about a whole city with a lot of people changing behavior and changed behavior is not embraced. My recommendation is to get some current data; get information on safety or incidents that have happened. Be well armed for community members that don't want to do this.
 - **Comment (Brauilio)** This issue is important and relevant. As a board we can let you know this is issue is important and we care about it. We would like to see something before it goes to City Council that includes more detail. What are we gaining and potentially losing. We are not in a position to recommend anything, but we want to have an option at the time the issue comes to City Council or higher positions.
- **Q (John)** John asked how the EAB can share its trash bills with staff when the time comes.
 - **A (Sylvia)** We are looking at how we will be collecting those and protecting privacy then we can reach back out to the Board and make a formal request. We will also plan on starting with City staff, see how many we can get, and go from there.

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- **Comment (Josh)** When the team is ready to collect data, they can reach out to me and I can send out instructions to the Board.
- **Q (Denny)** When do you think you will be ready for recommendation from the Board?
 - **A (Josh)** July 12th is the staff recommendation. The board will see this again no later than the June meeting and then may be prepared to make a formal statement. I will keep an eye on this topic. I would say more of a formal motion of support when you have clarity on what the recommendations could be.
- **Comment (Renee)** Many of us take this for granted. If I were a sanitation company or owner, I could see the benefits. I agree with Caroline about the newer company and how it could be more challenging but who knows. It is important as we see a lot of carriers that don't pick up all the trash and let it blow around. There is a lot to think about, but I think we will hold off on a final decision today.

7. UNFINISHED BUSINESS

• Nominations for Officer Positions

- Brauilto motioned and Blake seconded Renee as Chair. Passed unanimously 8-0.
- Brauilto motioned and Blake seconded John as Vice Chair. Pass unanimously 8-0.
- **Comment (Jeff)** Right now it seems the Boards gets information about things that are already decided vs being able to offer educated advice to the City and Council.
 - **Comment (Renee)** It has been a disruptive couple of years, and I think we might have gotten more done before the pandemic. Josh, John, and I meet every month to discuss the agenda for the next meeting. If you have ideas on topics, please let us know.
 - **Comment (John)** We can make sure our timing is correct with policies and get information at a time when we can give feedback and influence change vs after it is already decided.
- **Q (Mistene)** Are our agendas truly a blank slate or are we limited on what is on City Council's agenda?
 - **A (Josh)** I think you are empowered to lean in on tips that are of interest, but I think Council's bandwidth tends to be limited, so

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1. CALL TO ORDER

4:07 pm

2. ROLL CALL

- List of Board Members Present
 - Renee Walkup
 - Blake Naughton
 - Aric Light
 - Mistene Nugent
 - John Parks
 - Thierry Dossou

- List of Board Members Absent – Excused or Unexcused, if no contact with Chair has been made.
 - Brauilo Rajoas
 - Denny Coleman
 - Jeff Havens

- List of Staff Members Present
 - Shannon Hein, Acting Staff Liaison, Economic Sustainability
 - Kellie Falbo, Executive Director, Sustainable Living Association
 - Dustin Spears, Program Assistant, Sustainable Living Association
 - Pete Iengo, Community Engagement, Utilities
 - Javier Echeverria Diaz, Sr Analyst, Finance
 - Sylvia Tatman-Burruss, Sr Project Manager, City Manager's Office

3. AGENDA REVIEW

- No changes

4. CITIZEN PARTICIPATION

- N/A

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interested in supporting some initiatives.

- **A (Kellie)** I submitted two different rounds of grant proposals to their newest program, and we did not get funded either time. I think I could keep massaging. It is a hefty application.
 - **Q (Renee)** Has someone contact [REDACTED] and put a bug in her ear about it? I know it is not her decision but its her company so maybe there is a personal relationship that can be worked?
 - **A (Kellie)** I do have an opportunity to further that along. We will be strategic. The health benefit is part of our grant with the EPA, specifically around air quality and reducing CO2 emissions. Air quality is just one component of sustainability, but it is a very valuable one.
 - **Comment (Kellie)** On our webpage there is a page for this program. You can go through all our reports, and you can see just about anything. If you want something specific let me know.
- **Single Family Trash, Recycling, and Compost Contracting**
 - Presentation from Sylvia Tatman-Burruss.
 - This fits into our adopted plans and it is a Council priority. It is part of Our Climate Future and the big move zero waste neighborhoods that creates a zero-waste system in the City plans and part of the City Strategic plan.
 - There are multiple types of systems. Pure open markets do not have regulations. Open market with licensing, which is how the City is currently operating. It requires haulers to be licensed with the City. In Fort Collins, we currently require recycling to be bundled with trash services. There are some things that can be required under a licensed system but essentially still open because the haulers can operate on the same street. HOAs can opt into a contract where their trash is paid through their HOA dues.
 - The City is looking at a contracted system. Multiple municipalities have gone to this type of system. It is done through a competitive RFP process. It could be for multiple haulers within a districted system or one hauler. A lot of communities our size go with one hauler. This is different from a municipal hauling system. Loveland is the closest community that has municipal hauling.
 - Fewer trucks in the neighborhoods is one of the elements that is specifically addressed by contracting. Neighborhood HOAs that contract would likely stay the same.

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- **Q (Mistene)** Will you allow the HOA's to continue as they are?
 - **A (Sylvia)** That will be a conversation with Council. That is one option. It is one we are leaning towards because a lot of peer communities do that, and it can be contentious for neighborhoods that want to stay with their hauler that already have a contract.
 - **Q (Mistene)** So haulers with HOA contracts would be grandfathered in?
 - **A (Sylvia)** They could be. We will discuss it with council. They could continue their current contract. We could require them to come onto the City's contract once theirs is over, so they won't be penalized for breaking a contract. We could essentially allow them to be grandfathered in and just stay with their contract. We would hope that we could incentivize them into the City's contract by the economy of scale and that it would be cheaper for them to come on with the City.
- **Q (Renee)** Would the HOA just pay the City?
 - **A (Sylvia)** It could be individuals, or we could work with the hauler. That is something we would need to figure out depending on which way Council wants to go.
- **Presentation** There could also be predictable pricing. There probably would be escalations or ways they could increase pricing for things like gas or changes we don't have control over, but it would be more predictable. Equity and customer service is something that would also be addressed with a contract. There could be a low-income program. We could also require a valet service for people who qualify for the driver to go get their bin and bring it to the curb and then back.
- The contract would only apply to single family homes, duplexes, townhomes, condos, and multifamily complexes of 7 units or fewer. That is a State law requirement that it cannot apply to multifamily complexes of 8 or more, businesses, construction sites or industrial. We might be able to offer it to them if they want to opt in. Contracts may apply to HOAs that are contracted for trash and recycling services now.
- **Q (Mistene)** What is the rationale for the exclusions.
 - **A (Sylvia)** That is State law that it can only apply to single family homes. We could offer it to them if they want it. Haulers get a lot of revenue from those, so I think the State wants to protect those industries.
 - **Q (Mistene)** Do you have any information on what year that law was

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passed?

- **A (Sylvia)** I am sure Caroline does but that is something I can find out for you. I am not sure if trash contracting was always allowed. I think that has changed to allow municipalities to do what we are trying to do. I am not sure on the history of it.
- **Presentation** We did studies for the waste truck impacts in terms of road maintenance, greenhouse gas emissions, noise, and safety. Our current system is costing the maintenance fund and community around one million dollars. A hauler truck is about the equivalent of 1200 cars on a street if they are at legal weight.
- **Q (Renee) So one trip is 1200 cars?**
 - **A (Sylvia)** Yes so you can imagine if there are three haulers on one street picking up trash, recycling, and maybe yard waste every week, that is where the impact is coming from. These are some general numbers from the impacts on our roads. We could get more specific but if you were to move up to more haulers, that could increase. If we go with one hauler in the contracted system, we will get to a much smaller number around \$300k instead.
- **Comment (Renee)** I didn't see these numbers on the slide and would recommend you relay that information to Council in writing.
 - **Comment (Sylvia)** There is a slide coming up with those numbers.
 - **Comment (Renee)** That is what is costing us money, it's the damage on the streets.
- **Presentation** We also did a pricing study, we know that our neighbor could be paying a different price for the same service with the same hauler. We collected bills from employees of the City and then the community. We are still doing the data but the range for the small cart is \$10-16/month. We learned that the \$10 is from the new hauler Mountain High and we think they have that price set to start trying to get in the market share, but they would likely raise that to be more average. The \$16 is from our more established haulers.
- **Q (Mistene)** So the smallest size is the ones you buy at Home Depot, not the ones the haulers provide?
 - **A (Sylvia)** 32 Gallons is the smallest size you see. 96 gallons is the big size that you see that the recycling bins also are.
- **Presentation** The \$23-36/month is for the mid-size and the larger size is

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\$20-45/month. Now most people pay these as a quarterly payment. Yard waste is only offered by one hauler and that is \$13-18/month.

- **Q (John)** Did you get a decent number of bills?
 - **A (Sylvia)** We did get a decent number. We received a lot from employees and then the public. I don't know the exact number, but it does give us a good range and understanding for the RFP.
- **Presentation** These numbers are going to be compared to a single hauler with diesel trucks. Annual maintenance costs would save us more than \$600K. Green house gasses would decrease by 1200 for MTCO_{2e}. A benefit to the contracted system is the ability to require things like compressed natural gas or electric vehicles, which would then save more. The large nationally owned haulers are better able to do that.
- **Q (Mistene)** Is there a concern at the City level if they are a “small guy”?
 - **A (Sylvia)** It is interesting timing for this process because pretty much all the haulers that operate now are nationally owned. Even the new hauler is technically not locally owned. Their company is run out of Kansas City. There isn't necessarily a small guy.
 - **Q (Renee)** What about Ram?
 - **A (Sylvia)** I don't believe they are, but Caroline would know. I believe part of the timing is that there are not longer any of those small local haulers. They are accustomed to these RFPs and contracted systems. I think last time Gallegos was struggling with this because they were a local hauler, but they were bought out by Republic.
- **Presentation** We are also looking at elements like noise reduction and even more if we require electric. Safety increases in neighborhoods due to less trucks. Again, there is the figure of one truck at the normal allowance of legal weight is equivalent to 1,250 cars. A lot of the trucks weight a lot higher than that.
- **Comment (Renee)** If you multiple that by three for the waste, recycling and possible yard waste over two hours that is on one street...
- **Q (John)** and they must go down both sides of the street. Is 1,250 when the truck is full or at its average weight?
 - **A (Sylvia)** I would need to look but believe it is average, not full, or empty. It also depends on the cars as well, are you looking at a smart car or truck? I think it is the average overall.
 - **Comment (John)** It would be nice to have that for Council.

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- **Comment (Sylvia)** We do have the reports from a third-party company in the packets for them. There would probably still be those three trucks going down the street every week each side because of the three different services but you won't have to multiple that by three or four haulers. They currently must go down the street even if there is one person being serviced.
- **Q (Renee)** I know this portion has not been presented to Council yet, but have you gotten any idea as to appetite on Council's idea?
 - **A (Sylvia)** Because it is a priority of theirs, they have said we want to do trash contracting. This is not a staff led effort, it is Council telling us to do it. That is part of the messaging in the community too as to why we are doing it now. They see the benefit of it and want to get it done within their term and to get it done right.
- **Presentation** Some other potential benefits include a yard waste opt in. We get about 15% of residential yard waste that is already being diverted. If we do a spring and fall pick up, assuming 50-60% of residential waste could be diverted we would see a 5-6% reduction in waste emission. If it is bundled, which is what we are recommending, assuming 85-90% could be diverted, we could see a 9-10% reduction in waste emissions. There is not a lot of people getting yard waste.
- **Comment (John)** It would be nice to have the bundled option because I have neighbors who want it but don't want to spend the extra money.
 - **Comment (Sylvia)** We would hope that with the economies of scale, for the RFP process and it being City wide, you would get the price reduction in trash services so the yard waste could then be added at a lower rate than what people are currently paying.
- **Presentation** Food scraps is a future program as we don't have the infrastructure for large scale composting in the region. I think Boulder might have the ability but that is too far. It is in the works and once it comes online, we could include it in the next contract as part of the service.
- **Q (Renee) what kind of composting, only certain foods?**
 - **A (Sylvia)** It would depend on the facility and how they break it down. In communities in Seattle, you can put everything in there and if it ends up in your trash you can be fined. That is not something we could offer this round, but we could get 75% effectiveness we could see an 8% reduction in waste emissions if everyone has the option to divert their food scraps.

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- **Presentation** With a contracted system you can have a base and then work off it as other services become available like electric vehicles and food scraps. It would also help air quality because of the methane that comes off it.
- **Comment (John)** Methane from landfills is a concern, but in our arid climate it is not as big as in a humid climate. The methanogens need an anerobic environment to do their thing, which is when they are wet. It makes me wonder just thinking about total volume waste diversion might be another useful metric.
- **Comment (Sylvia)** We threw it out there since it is not something we can do right now but that is something we could say as a future savings benefit.
- **Comment (Mistene)** I don't see anything on recycling specifically.
 - **Comment (Sylvia)** That is because we already require it.
- **Q (Mistene)** Does anyone have any feel for recycling from a market standpoint on if its really happening right now?
 - **A (Sylvia)** That would be a great question for Caroline as she has a better understanding of how much is getting recycled and where.
 - **Comment (Mistene)** We were at Taste of Fort Collins and there were not recycling bins, so my guess is it is not happening.
 - **Comment (John)** There was a recent study in the Guardian that said in the US 5% of plastics are getting recycled. There was also a recent bill passed at the state level that the producers are responsible for recycling. I am not sure how that will play into the full question, but it will take the burden off the municipalities and put it on the producers.
 - **Comment (Renee)** My husband volunteers at the recycling center and he reports numbers about it. He was telling me how cardboard is profitable, and plastic is not. He knew some of the numbers of what they get back vs what is costing them. Most of it costs the City money, but some of it doesn't. I don't know the numbers, but they are available.
 - **Comment (Mistene)** It also changes with the market right now. I used to work at a paper shredding company and sometimes they would make more money recycling the paper but sometimes they didn't, and it would go to the trash.
 - **Comment (Renee)** The critical thing is where is the contamination? Let's say its cardboard and its highly profitable and then someone

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throws a greasy pizza box in there, it can mess up the equipment. I don't know what happens to everything, but they can take trips to the processing plants and see how it can mess up the machines and wholesale product. What makes me crazy is I look in the recycling bins and anything is in there.

- **Comment (Mistene)** I have teenagers in my house, and it happens to me too.
- **Comment (John)** That is something I would like to see come out of this is more of an educational piece. I get the feeling since there is market competition that there is no feedback from the haulers to their customers.
- **Comment (Mistene)** I am skeptical, I think it is just going to the trash. I feel like I put all of my stuff in the recycling bin to make me feel better, but it doesn't matter because nothing is getting recycled.
- **Comment (John)** Republic is using the normal trash trucks to collect recycling.
- **Comment (Mistene)** At least we have the façade because the recycling truck comes by.
- **Comment (Sylvia)** I wish Caroline was here because she is very passionate about this, and she could answer that. We can get that from her because there is something within our licensed system that recyclers and haulers are required to report contamination rates and where it is going. They must go to particular places with the current licensing. Now where it ends up, I am not sure, but we could ask Caroline.
- **Comment (John)** It just seems to me that if there is contracting then they are not concerned about losing customers and they could say this is contaminated we are going to note that to the customer and next time we won't take it or something similar.
- **Comment (Sylvia)** Part of the contracted system is some more control like that. There would be requirements for education, customer service, reporting or etc. more than what we have with the licensed system. We could also get more requirements in the licensed system, but I think you are right that there would be some benefit to contracted and having one hauler.
- **Comment (Renee)** These are national companies so they might be working with cities like Seattle that are more particular and diligent.

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They would know what is accepted and not.

- **Comment (Sylvia)** There are those benefits with national haulers and having the requirements in other communities.
- **Presentation** Haulers that are not awarded a contract would continue to serve commercial, multifamily, and construction site customers. It could continue to service existing HOA contracts. They could shift staff; in the RFP we could require them to hire folks that were laid off. It is not necessarily something we will do. They would also have 12-18 months to plan for the adjustments. Companies like Republic are accustomed to this in other communities. It doesn't mean there isn't an impact on the nationally owned haulers, certainly each one wants the contract. I am sure they might prefer a districted system but there is a lot to that.
- For the RFP we would have these different items that needed to be priced out. Within the RFP we ask for certain things. One of those is pay as you throw which is volume-based, based on the size of your cart. Recycling would also still be bundled with trash. Both are currently required under the licensed system for us. We are required by state law to have an opt out option which would look like an opt out fee. This is so we don't get a bunch of folks opting out and going with a different hauler, because that would defeat the purpose. We are recommending a fee equivalent to the smallest trash cart service cost. These are things recommended to Council, but they could decide something else. That is particularly true in the districted decision. A lot of peer communities our size go with one district and that is for a lot of reasons. Billing is easier because if you have two different haulers you may have to charge a fee to level out the differences in pricing. The City would probably not do billing, it would be the hauler doing the billing. Managing two contracts is also a lot. We would need staff to manage two separate contracts with the different reporting requirements and things like that. We are recommending one district. Council could decide to do something else. I think we could look at an admin fee for reimbursement to fund the contract management. We could have a way or opt in option to offer service multifamily and commercial locations. There would also be requirements for GHG reduction and safety improvements. We are under review for what those percent reduction requirements might be. These are some of the base recommendations we are looking at there are some differences between program options.
- We are recommending package A with the other pieces. We would look at yard timing to be either bundled all year, seasonally, or have an opt in option. Food scraps to be added when infrastructure is available. For bulky waste collection, we don't want people just dumping those items, but we don't want to encourage people to off load a bunch of waste, so we are looking at 1-3

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bulky items per year by request and might have a size limitation.

- **Q (Renee)** So like one sofa per year?
 - **Comment (Mistene)** Our neighborhood does a dumpster for three days following our garage sale
 - **A (Sylvia)** Yes that is one way to do it. I think there is a little bit of concern there if we do it City wide, its different equipment that brings out the dumpster.
 - **Comment (Mistene)** And could you even monitor what is going in the dumpster?
 - **Comment (Sylvia)** Right, it could be great for certain neighborhoods, and we could price out some roll off dumpsters, but it may not fit within out waste reduction goals, and so we are trying to find a middle ground.
- **Presentation (Sylvia)** Carts are a big deal. I think it would cost around \$11 million to buy carts initially. That is typical and could be financed as a fee that folks would pay. It could then go down to a maintenance fee after a certain amount of years. The City would own them, and the hauler would maintain them. That way if you switch haulers in a different contract, you won't have to go pick them all up and redeploy them. You just keep your cart and if you wanted to switch sizes or needed another one, they could do that.
- We would probably look at a low-income program, depending on the price we got back. That would be for people who either qualify for SNAP benefits or some median income percentage. That would be a qualify only program. We would also look at alley and valley services. We do have alleys within Fort Collins, and they are serviced different so we would want to include them. The valet service is for folks with physical impairment that cannot get their cart out to the street.
- **Q (Renee)** So when it's a residential alley, I wouldn't think those vehicles can get in the alleys, are they wide enough.
 - **A (Sylvia)** I think with old town they are serviced by those trash trucks now, but we would want to make sure those are priced into the system. I am not sure how they are serviced now if it's a different truck or someone hops off and manually loads it.
- **Presentation** For HOA's we are recommending them be able to opt in or they can remain on their own contract if they follow our requirements with recycling bundled and volume-based pricing.

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- We have an option B to show Council some differences but there are not many differences between them.
- **Comment (John)** It sounds like it might be nice for us to put together a memo for Council for June 28th.
- **Comment (Sylvia)** The next work session is on July 12th and the regular session is on July 19th. That is basically the resolution that Council uses to have us move forward with the RFP. We would move forward with decision making in December.
- **Comment (Mistene)** It sounds like its not a formal yes or no but we are going to do this. The real decision will be the bundles and options.
- **Comment (Sylvia)** July 12th will be a conversation around priorities and pieces they want. Then they will direct us through the process. They could later decide they don't like any submissions and they are not going to do this or they will do it again. So, the decision to move forward with the RFP process is what we are looking for on July 19th.
- **Q (Mistene)** Are you only submitting the RFP to providers that are already in our market?
 - **A (Sylvia)** No, I don't think so. I think it is required to go out to everyone.
- **Comment (Sylvia)** As a group for you could recommend anything from these things. You could weigh in on whether to move forward with the contract or if you support what we have right now. We could offer our team to come back with any details you might need.
- **Comment (Renee)** Usually as a board we create our recommendation, which is usually in alignment with staff and then we polish it and send it off. We don't have quorum anymore so we can just discuss.
- **Comment (John)** I would support drafting a memo to support the districting/contracting. What is everyone's thoughts
- **Q (Mistene)** I say keep it simple for efficiency for the City. Are you saying districted or one hauler?
 - **A (Sylvia)** So the contract is either districted or one hauler. Contracted is different from licensing. Right now, we are licensed; contracting would be moving to either one hauler or districted. Districted would be potentially 2 or more districts. It is a bit confusing.
 - **Comment (Renee)** I see districting as geographic

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- **Comment (Sylvia)** Yes so it would be breaking up the City into districts.
- **Q (John)** So if we say we support districting that would mean supporting either one hauler or multiple haulers?
 - **A (Sylvia)** It would be more if you say I support a City contracted system and then we either do or do not support districting. Districting would be breaking the City up into two or more areas. A contracted system could be done with one hauler. A contracted system could also be done with multiple haulers and then it would be a districted, contracted system.
 - **Comment (Shannon)** And that would dictate the RFP process and how it is flushed out.
 - **Comment (Sylvia)** Yes Council could say structure the RFP to be contracted and districted. Here is the map of the districts.
- **Comment (Renee)** So we should tell Council that we support, keep it simple.
- **Comment (Mistene)** The question is what do we support? It sounds like we are moving to contracting so for us to say we support contracting doesn't add value.
- **Comment (Renee)** Well it is not decided. Council has a priority, they take it to the City and the City says we will do research, investigate and then make a recommendation. That is what they are doing. As a board and we don't have to agree with everything, but if we think it is a good idea, we send a memo to Council saying we support this and here is why. They can listen or the don't have to. It is a way for us to have some input
- **Comment (Mistene)** So we would say we support contracting, should we take it to the next level and say we support districting or one hauler?
- **Q (Renee)** We could say one hauler, right?
- **Q (John)** What would you support?
 - **A (Renee)** I know there are restrictions, but I would say we support one hauler per district to help with street repairs, traffic, safety. It doesn't make sense to have 2 haulers per neighborhood due to impact.
- **Q (John)** Based on your presentation, what are you moving towards?
 - **A (Sylvia)** We are moving towards a single hauler as a recommendation because of the efficiencies it creates. But the

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districting could include more than one hauler. The Mayor has asked about it from a City management of the contract perspective. We see it would require more resources to do.

- **Comment (John)** I would support contracted single hauler. I think it makes the greatest amount of savings.
- **Comment (Renee)** I agree
- **Comment (John)** I see no reason to have a choice for your hauler.
- **Comment (Mistene)** It is trash and it's costing us a lot of money.
- **Comment (Renee)** Legally though people must have a choice.
 - **Comment (Sylvia)** You must have an opt out and we would recommend it being an opt out fee. The fee would be the lowest level of service, so you might as well just have the service.
- **Comment (Mistene)** The market will take care of itself. Someone is going to win the contract. We might have a few HOAs but even the ones with HOAs might not have enough business.
- **Comment (Renee)** Multifamily housing too.
- **Comment (Mistene)** It will play itself out.
- **Comment (John)** The one with the contract will be more efficient than anyone else.
- **Q (John)** Mistene, are you agreeing with one hauler?
 - **A (Mistene)** Yes.
- Renee supports as well.
- Sylvia mentioned they can add any of the details, like yard trimmings or anything important to them. Renee stated they like to keep it simple to better ensure it will be read.
- Renee will send out an email to the Board that will include the presentation to get a vote with quorum for the memo.

7. UNFINISHED BUSINESS

- None

8. BOARD MEMBER AND STAFF REPORTS

- None



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MEMORANDUM

DATE: June 16th, 2022

TO: Mayor and Councilmembers

CC: Kelly DiMartino, Interim City Manager;
Josh Birks, Economic Health and Redevelopment Director

FROM: Renee Walkup, Chair – Economic Advisory Board;
John Parks, Vice-Chair – Economic Advisory Board; and
Members, Economic Advisory Board for 2022

**RE: SUPPORTING A SINGLE CONTRACTED PROVIDER RESIDENTIAL
WASTE & RECYCLING SYSTEM**

On April 20th and June 15th, 2022 the Economic Advisory Board received presentations from city staff about the proposed residential contracting proposal for waste and recycling service providers. We were pleased by the findings of the city staff about the advantages of this proposed system. As community members, we have been concerned and somewhat perplexed by the plurality of trash and recycling hauler services that frequent our neighborhoods. We also recognize that making real progress on the road to Zero Waste is one of the priorities of Council. Reducing the number of trash haulers has been proposed several times before, and now is the time to implement it.

Therefore, the members of the Fort Collins Economic Advisory Board support the proposal of adopting a **single provider contracted residential waste and recycling system** for the following reasons:

1. The city would **save roughly \$600,000** in annual road repairs.
2. It would **reduce the GHG emissions** from redundant waste and recycling trucks.
3. The city could **control the rates** that the provider charges customers.
4. Increased road and pedestrian **safety** from redundant trucks.
5. Decreased **noise** from redundant trucks.
6. There is the potential for more feedback from the provider to customers in terms of **recycling protocols** to avoid contamination.

Additionally, the **contracted system bundled with yard waste** has the additional benefits of increasing residential participation in the yard waste program dramatically, which would divert a considerable amount of waste as well as reduce waste related emissions. If bundling the yard waste in the contracted system is found to be economically feasible, we would also recommend the inclusion of this option.

Adopting the single provider contracted residential waste and recycling system bundled with yard waste would help to attain the following city goals:

- **2020 Strategic goal: Environmental Health 4.3**
 - **Enhance efforts to achieve 2030 zero waste goals**
- **2021 Our Climate Future Big Move 2: Zero Waste Neighborhoods**