



February 21, 2023

## Contracted Residential Trash, Recycling and Compost Collection

City Council Regular Session

Caroline Mitchell

Lindsay Ex

Additional project team members:

Kira Beckham

Ted Hewitt

Gerry Paul



Staff recommends adoption:

- Ordinance No. 027, 2023 Code Changes
- Ordinance No. 028, 2023 Contract
- Ordinance No. 029, 2023 Appropriation
  
- Council may also consider whether to select weekly or every other week recycling in the proposed contract



## Council Priority

Council Priority:  
Explore Districted  
System for Garbage,  
Recycling and  
Compost

Aligned:  
Accelerate Composting  
Improved Air Quality  
Enhanced Recycling Education



## Our Climate Future

Critical Path to  
Achieving Climate  
Goals (composting)

Big Move 2:  
Zero Waste  
Neighborhoods



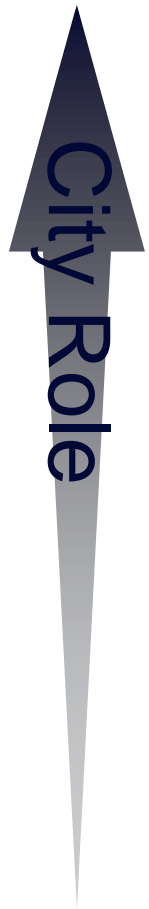
## City Plan

Principle ENV 5:  
Create a Zero Waste  
system.



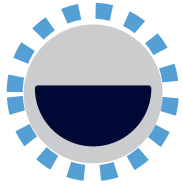
## Strategic Plan

Environmental Health  
4.3 Zero Waste



## Municipal Hauling Utility

A municipality owns and operates their own hauling utility using city staff, resources and equipment.



## Contracted System

A municipality contracts with one or more companies to provide residential trash and recycling collection.  
*This is the system under consideration.*



## Open Market with Licensing

Each household chooses their own licensed hauler for trash and recycling collection. City license can support safety requirements and/or policy goals like including recycling.  
*This is Fort Collins' current system.*



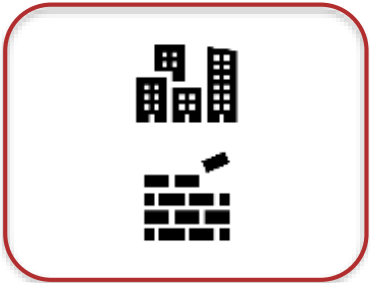
## Pure Open Market

Each household chooses their own hauler for trash and recycling collection. No role of local government.



Contract **WOULD** apply to

- Single family homes
- Multi-family complexes of 7 units or fewer that use carts



Contract would **NOT** apply to

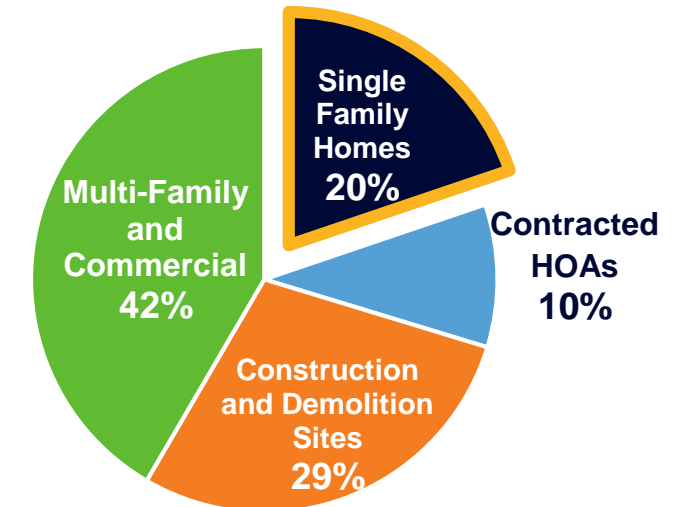
- Multi-family complexes of 8 units or more
- Businesses
- Construction sites, industrial recycling
- Single- or multi-unit homes that use dumpsters



Contract **MAY** apply to

- Homeowner's associations (HOAs) that contract for trash & recycling service now
  - If contract in place by 3/17/23 and contract meets Code requirements, can continue with existing contract or opt into City contract

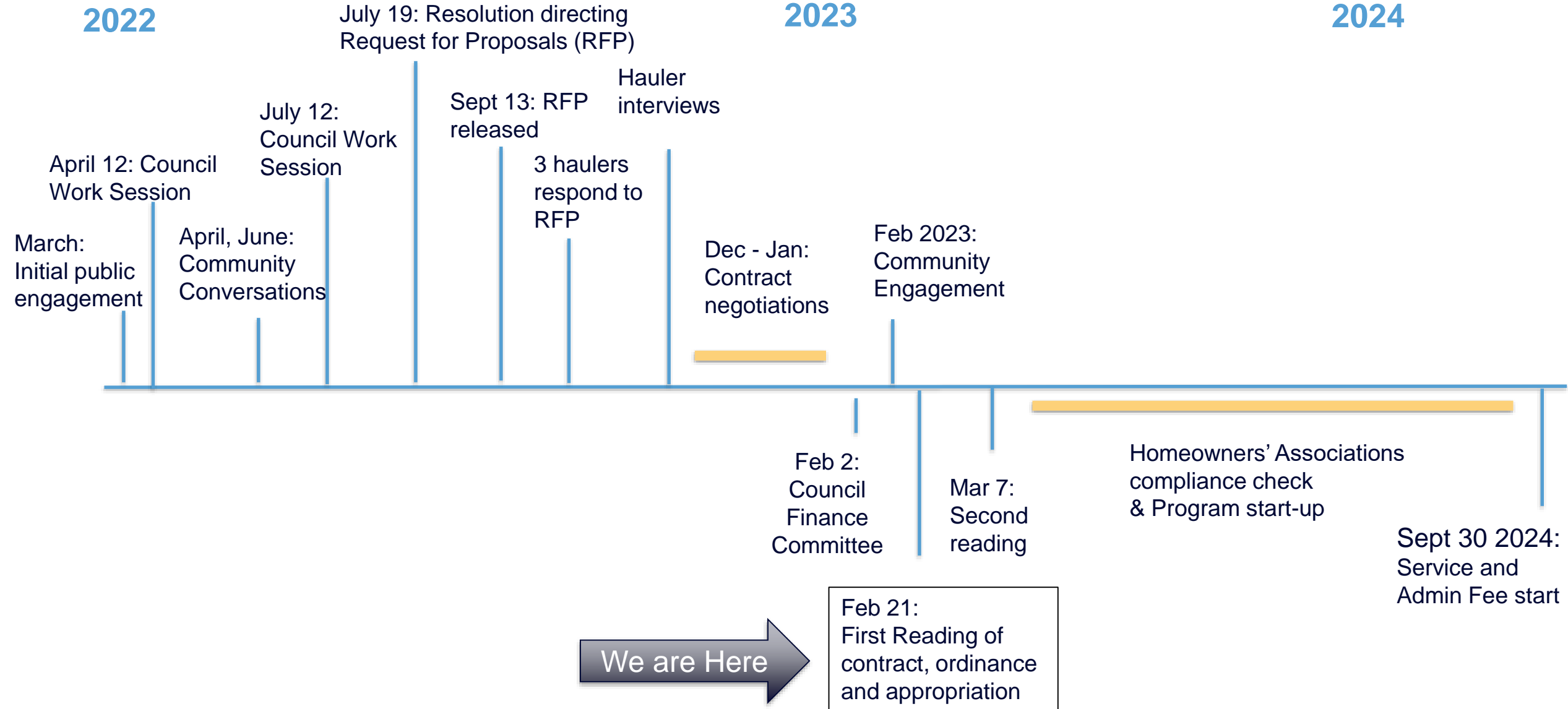
**Sectors Serviced by Haulers in Fort Collins**





2022

2023

2024






Council and Community Priorities	Goal	Details
✓ 	Cost-effective pricing	<ul style="list-style-type: none"> <li>• More services for a price similar to what residents paid in 2022</li> <li>• XS service available</li> </ul>
✓ 	Equity	<ul style="list-style-type: none"> <li>• All community members have access to consistent, predictable pricing</li> <li>• Households can have 2 bulky items / year collected for no additional charge</li> </ul>
✓ 	Additional recycling and composting	<ul style="list-style-type: none"> <li>• Yard Trimmings included for a price similar to what households pay for trash + recyc. only now</li> <li>• Option of weekly recycling</li> </ul>
✓	Increased safety, reduced emissions, street maintenance savings of having fewer trash trucks in neighborhoods	<ul style="list-style-type: none"> <li>• Single hauler identified</li> </ul>
✓ 	Reduce greenhouse gas emissions	<ul style="list-style-type: none"> <li>• Fewer trucks able to provide same service, increased yard trimmings composted</li> </ul>
✓	High level of customer service	<ul style="list-style-type: none"> <li>• Dedicated local customer service representatives</li> <li>• Clear penalties for poor customer service</li> </ul>

✓ = Direction from City Council

 = Highest priorities from community engagement in 2022

Element	How addressed
Trash	<ul style="list-style-type: none"> <li>Consistent volume-based pricing; included XS cart service</li> </ul>
Recycling	<ul style="list-style-type: none"> <li>Pricing: Bundled w trash service for no extra charge</li> <li>Service frequency: Every-other-week service; Council can select weekly for \$1.25 more / mo</li> </ul>
Yard Trimmings	<ul style="list-style-type: none"> <li>Weekly collection from April – Nov</li> <li>Included in service; can decline service and receive discount on bill</li> </ul>
Bulky Waste (Items too large to fit in cart)	<ul style="list-style-type: none"> <li>2 items / year included</li> </ul>
Food Scraps	<ul style="list-style-type: none"> <li>Not included in this contract</li> <li>Can be amended when service becomes available</li> </ul>
Carts	<ul style="list-style-type: none"> <li>New City logo'd carts; will remain at homes at end of contract</li> </ul>
Variances	<ul style="list-style-type: none"> <li>Large volume producers (more than 2 large carts per week)</li> <li>Shared service (must share XS service)</li> </ul>
Contract length	<ul style="list-style-type: none"> <li>5 years from service start date</li> </ul>

Unlike in the open market system, the contract includes enforcement ability, including:

- Performance standards: If an issue is happening repeatedly, the City can end the contract
- Liquidated damages: Hauler must pay when certain issues happen
- These apply to
  - Customer service wait times (< 3 minutes), resolution times (< 1 day) 
  - Missed pickups for regular service or bulky item pickup
    - Customer receives 1 free month of service 
  - Not delivering carts within 5 business days
    - Customer receives 1 free month of service 
- City will have staff specifically focused on contract monitoring and enforcement



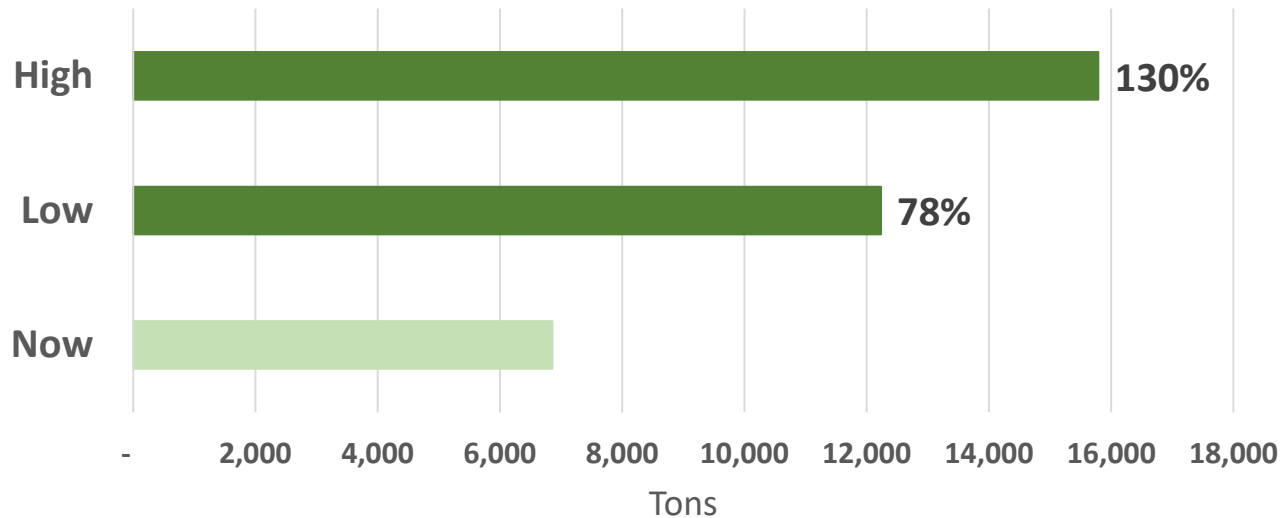
Trash Cart Size	% of Homes	Trash + Recycling Only				Trash + Recycling + Yard Trimmings				Trash + Recycling + Yard Trimmings + Bulky Items			
		Current Avg.	Contract Price	\$ Change	% Change	Current Avg.	Contract Price	\$ Change	% Change	Current Avg.	Contract Price	\$ Change	% Change
XS	0.5%	\$15.93	\$11.10	\$ (4.83)	-30%	\$33.10	\$11.10	\$ (22.00)	-66%	\$39.35	\$11.10	\$ (28.25)	-72%
Small	43%	\$18.18	\$12.85	\$ (5.33)	-29%	\$35.35	\$17.85	\$ (17.50)	-50%	\$41.18	\$17.85	\$ (23.33)	-57%
Med	41%	\$32.09	\$29.60	\$ (2.49)	-8%	\$49.26	\$34.60	\$ (14.66)	-30%	\$55.10	\$34.60	\$ (20.50)	-37%
Large	15%	\$42.32	\$46.35	\$ 4.03	10%	\$59.49	\$51.35	\$ (8.14)	-14%	\$65.33	\$51.35	\$ (13.98)	-21%
XL	n/a	n/a	\$96.60			n/a	\$101.60			n/a	\$101.60		

Prices above include City administrative fee

Opt-out fee is equivalent to the cost of the XS trash cart size (\$11.10 / mo)

When comparing the same services, the contracted price offers significant price savings for almost all households

## Anticipated Additional Composting from Contracted Program

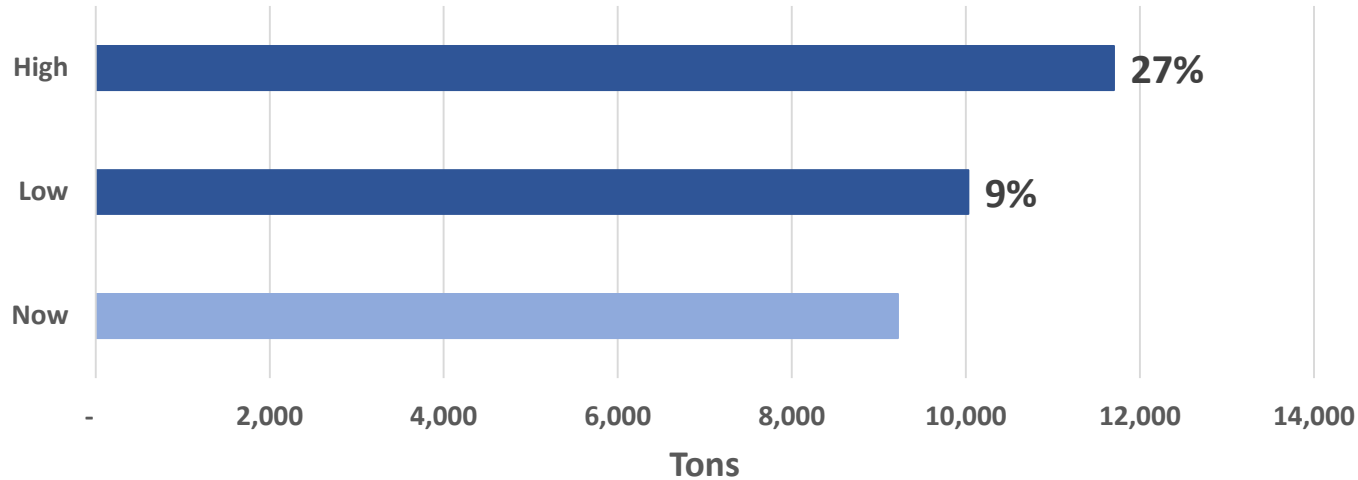


Impacts of the 78%-130% increase in yard trimmings composted:

- ↑ Residential diversion rate from 28% to 31% - 40%
- ↑ Community wide diversion rate from 51% to 53% - 54%
- ↓ Greenhouse gas emissions by 12-20% of waste-related emissions (0.2-0.4% progress to goal)

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

Anticipated Additional Recycling from Weekly Recycling Collection



## Benefits

- Additional recycling
- Additional convenience
  - Supports more recycling at homes from online shopping, working from home
- Slight greenhouse gas emissions benefit from weekly recycling

## Tradeoffs

- Additional cost
- Additional truck impacts
  - Slightly more emissions

Impacts of the 9% - 27% increase in materials recycled:

- ↑ Residential diversion rate from 28% to 30% - 32%
- ↑ Community wide diversion rate from 51% to 52%
- ↓ Greenhouse gas emissions by 2.5% - 8% of waste-related emissions (0.05% - 0.15% progress to goal)

Trash Cart Size	Option 1: Every Other Week Recycling	Option 2: Weekly Recycling
XS	\$11.10	\$11.10
S	\$17.85	\$19.10
M	\$34.60	\$37.10
L	\$51.35	\$55.10
XL	\$101.60	\$109.10

Placeholder slide

(Will be updated upon First Reading with feedback received in February 2023)

- Collected by hauler, remitted to City quarterly
- Up to \$1.35 / mo / household (*included in pricing on prior slides*)
- Supports 2 - 4 FTE and program costs for City role in:
  - Program roll out and management
  - Customer Service
  - Education and Outreach
  - Compliance
    - HOAs
    - Contract and related code compliance
- Supported by Finance Committee on 2/2/23

	2023 Appropriation	2024 Planning
<b>Expenses</b>		
Personnel	\$43,726	\$206,180
Programmatic expenses	\$63,525	\$87,465
<b>Appropriation 2023</b>	<b>\$107,251</b>	<b>\$293,645</b>

Supported by Finance Committee on 2/2/23

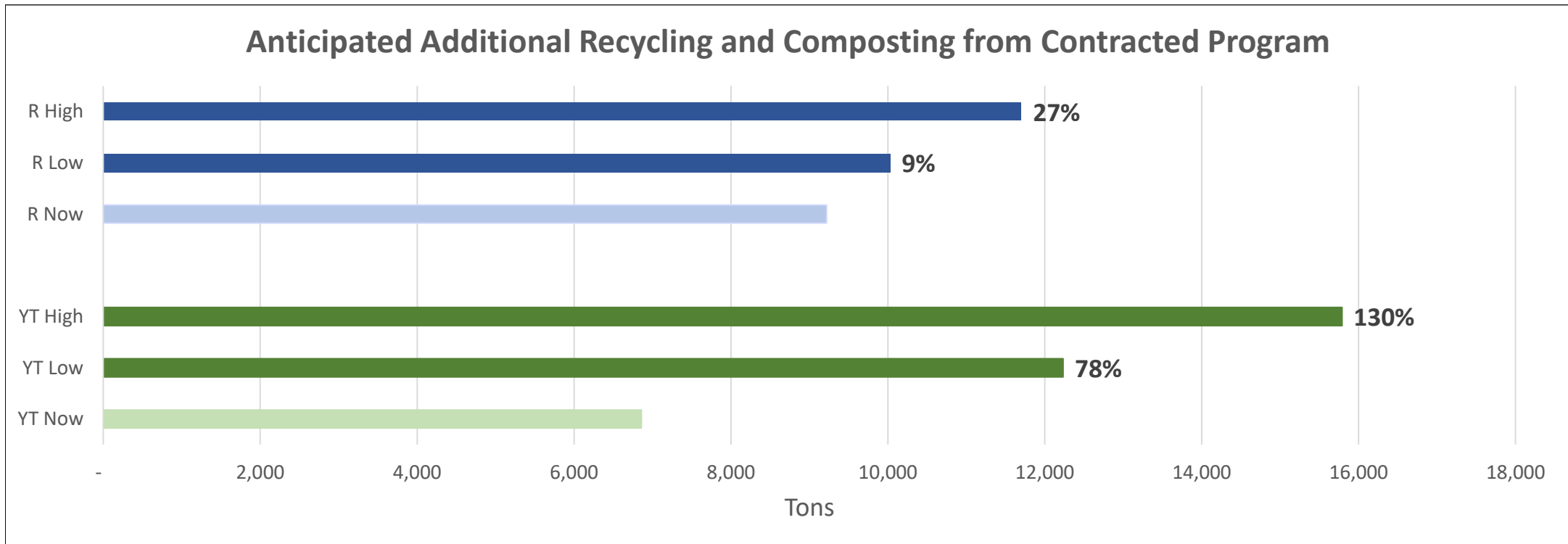
- Enable the contracted service and administrative fee
- Homeowner's Associations (HOAs)
  - Continue to meet Pay-As-You-Throw requirements
  - Match contract yard trimmings service by the time the City's service starts

Staff recommends adoption:

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Backup slides



Impacts of the increase in yard trimmings composted and material recycled:

- Residential diversion rate from 28% to 36% - 42%
- Community wide diversion rate from 51% to 53% - 55%
- Percent progress toward zero waste goal
  - Yard trims only: 3.1% - 5.2%
  - Recycling only: 0.46% - 1.4%
  - Yard trims + recycling: 3.7% - 6.7%