



## City of Ketchum

October 4, 2021

Mayor Bradshaw and City Councilors  
City of Ketchum  
Ketchum, Idaho

Mayor Bradshaw and City Councilors:

### **Recommendation To Authorize Short-term Extension of the Solid Waste Franchise Agreement with Clear Creek Disposal**

#### Recommendation and Summary

Staff is recommending a short-term extension of the Solid Waste Franchise Agreement in order to complete due diligence activities associated with the next (10-year) franchise agreement.

**"I move to approve the third short-term extension agreement with Clear Creek Disposal."**

The reasons for the recommendation are as follows:

- A public hearing is scheduled on October 18<sup>th</sup> for the ten-year franchise agreement with updated costing. Following the hearing, the city must notice for a 30-day period before the new franchise agreement becomes final.
- This short-term agreement will ensure the continued collection of solid waste and recyclable materials.
- This approach will avoid the potential of multiple customer rate adjustments during the same year.

#### Introduction

The Council approved an initial short-term extension during the April 5<sup>th</sup> meeting. Staff requested this short-term extension in order to complete due diligence associated with the new cardboard compacter located near the YMCA. Staff has recently received the updated information and is scheduling the public hearing on October 18<sup>th</sup>. Following the public hearing, there is a required 30-day notice requirement before final adoption of the franchise agreement.

#### History and Analysis

Staff did complete community outreach (attachment) with approximately 273 participants. There was strong support (71.1%) to move to a cardboard compacter.

Staff has been working with Clear Creek Disposal to evaluate service enhancements associated with a new Franchise Agreement. This evaluation has been in partnership with the City of Hailey, Blaine County, Southern Idaho Solid Waste District and interested non-profit partners such as the Environmental Resource Center, Sun Valley Institute for Resilience and Ketchum Sustainability Advisory Committee.

A waste audit for Blaine County conducted by Warm Springs Consulting concluded there were two major opportunity areas to explore:

- 23.5% of waste stream consisted of organic materials.
- 18.1% included recyclable materials such as cardboard, paper and plastic.

In addition to those opportunities, two other related topics were explored:

- How to reduce the contamination and other negative impacts associated with the community drop off recycling sites.
- How to reduce the occurrence of bears and other animals being attracted to trash containers, which in many instances results in euthanizing those animals.

The group evaluated multiple service scenarios and **initially** recommended the following new services:

- Curbside co-mingled recycling versus the current approach where residents must sort their recyclables. National evidence and experience in other western communities have demonstrated that with this change it can result in 65%-100% increase of recyclable material. The new service would also allow for the collection of cardboard at the curbside. Customers would receive a new container on wheels. It would be collected every other week.
- Curbside collection of organic materials (food/yard waste). Customers would receive a cart and pickup would occur every other week (off-set with comingled recycling).
- Collection of glass would still occur at drop-off sites.

These recommendations carry logistical/role changes between Blaine County and the Southern Idaho Waste District at the Ohio Gulch Facility. The details were discussed at the recent joint meeting. For Clear Creek Disposal there would be operational changes ranging from the need to purchase and distribute additional carts as well as new trucks. All of this would result in an increase in monthly costs for customers.

Based on feedback from the Blaine County Commissioners and the City of Hailey, staff is recommending the following **REVISED** course of action:

#### **Short-term**

- Transition current cardboard drop off location from numerous open dumpsters to one compacter system.
- Evaluate new and consistent downtown trash/recycling containers.
- Offer the ability for customers to purchase wildlife proof containers, but do not mandate.
- Conduct community outreach to gain feedback on (1) potential composting program, (2) potential new cardboard curbside service, and (3) interest in more significant changes to recycling such as co-mingled collection from both current recycling households and non-recycling.
- Return to the Council with findings from community input.
- Return to the Council with an updated 10-year franchise agreement that calls for an annual evaluation/implementation to any future recycling service changes and associated customer charges.

#### **Mid-term (next 1-2 years)**

- Based on community feedback, implement future service changes such as composting, curbside cardboard or co-mingled recycling.

#### Sustainability Impact

The Ketchum Sustainability Action Plan lists these potential service improvements as items to explore to reduce the amount of solid waste going to the regional landfill.

#### Financial Impact

Clear Creek has proposed an initial (14%) rate adjustment to address inflation in costs associated with existing service as there has not been a rate adjustment in several years. Clear Creek has developed an initial cost estimate for each associated service enhancement. However, verification with Idaho Power is necessary to finalize.

#### Attachments:

1. Third Extension Agreement

**THIRD EXTENSION AGREEMENT  
TO PERFORM SOLID WASTE COLLECTION AND DISPOSAL SERVICES**

**PARTIES:**

City of Ketchum	CITY	PO Box 2315 Ketchum, ID 83340
Obras, LLC dba Clear Creek Disposal	CLEAR CREEK or FRANCHISEE	PO Box 130 Ketchum, ID 83340

THIS THIRD EXTENSION AGREEMENT (“3rd Extension”), is made and entered into between the City of Ketchum, a municipal corporation of the State of Idaho (“City”), and Obras, LLC dba Clear Creek Disposal, an Idaho limited liability company (“Clear Creek” or “Franchisee”), for the purpose of extending the existing solid waste collection and disposal services within the City of Ketchum.

1. The City of Ketchum (City) and Obras, LLC, dba as Clear Creek Disposal (Clear Creek) are parties to a *Waste Collection Services Agreement*, an agreement for solid waste collection and disposal services, dated May 2, 2011 (Agreement).
2. The Agreement has a term ending at midnight on May 1, 2021, with an extension ending at midnight on August 1, 2021. The parties entered into a second short-term extension of the services and terms of that Agreement while a new long-term Franchise Agreement is negotiated and prepared, which expired on midnight on October 1, 2021.
3. The Parties hereby agree to a third short-term extension to ensure continuation of services provided for under the Agreement, under the same and existing terms and conditions, until midnight on December 6<sup>th</sup>, 2021.
4. Effective Date: this Extension shall be effective retroactive to October 1<sup>st</sup>, 2021.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

City of Ketchum

\_\_\_\_\_  
Neil Bradshaw, Mayor

ATTEST:

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Tara Fenwick, City Clerk

Obras, LLC dba Clear Creek Disposal

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Mike Goitiandia, Managing Member