## **CITY OF MINNETRISTA**



# **REQUEST FOR CITY COUNCIL ACTION/DISCUSSION**

# Subject: Resolution Approving 5 Year 4-month Contract with Waste Management of MN for Recycling Services for September 1, 2025 until December 31, 2030

# Prepared By: Brian Grimm, Finance Director

## Meeting Date: May 19, 2025

## Item:

The current recycling contract expires with Waste Management in August of this year. Staff has worked with the vendor to come back with a contract that would extend our recycling services contract through 2030. The rate is scheduled to stay the same as it is now for recycling pickup (\$5.79 a month per property) through 2026. For year 2027-2030 the average annual rate increase in the contract is about 4.3-4.5% for the remainder of the term (through December 31, 2030). As referenced in Exhibit B of the attached contract.

One of the items that was added to the current contract was language to get out of the organics drop site portion of our contract if organics rules/mandates from the County change during the term. With a 30-day written notice to Waste Management, the City can get out of this portion with no penalty at any time.

This contract would go into effect as of September 1, 2025. The resolution adopting the contract and contract are attached subsequently to this memo.

# **Recommended City Council Action:**

Motion to adopt a resolution approving an agreement with Waste Management of MN Inc for Recycling Services.

Does Recommended Action meet City Mission Statement?	Yes x	No
Does Recommended Action meet City Goals/Priorities?	Yes x	No

Explain: This agenda item is related to providing quality recycling services to City of Minnetrista residents

## Mission Statement:

The City of Minnetrista will deliver quality services in a cost effective and innovative manner and provide opportunities for a high quality of life while protecting natural resources and maintaining a rural character.

# **RESOLUTION NO. 50-25**

# **RESOLUTION APPROVING RECYCLING SERVICES CONTRACT WITH WASTE MANAGEMENT OF MN FOR SEPTEMBER 1, 2025-DECEMBER 31, 2030**

WHEREAS, the City of Minnetrista contracts for its recycling services with an outside vendor. The City of Minnetrista has an existing recycling agreement with Waste Management of Minnesota Inc that is scheduled to end on August 31, 2025 and;

WHEREAS, The City had negotiations with Waste Management to come to an agreement on a multi-year contract to continue to provide quality recycling services at a competitive rate for the City and;

WHEREAS, The City would like to enter into agreement with Waste Management of MN Inc for a period of five (5) years (4) months as accepted from September 1, 2025-December 31, 2030 and with the terms as presented in the attached agreement.

NOW THEREFORE BE IT RESOLVED, this recycling service agreement is hereby executed with Waste Management of Minnesota Inc with the terms and conditions of the agreement.

This resolution was adopted on the 19th Day of May 2025, by a vote of Ayes \_\_\_\_\_ and Nays \_\_\_\_\_.

ATTEST:

Mayor

City Clerk

#### MUNICIPAL RECYCLING AGREEMENT

This Municipal Recycling Agreement (the "Agreement") is entered into on\_\_\_\_\_\_, 2025 (the "Effective Date"), by and between Minnetrista, Minnesota, a municipal corporation created under the laws of the State of Minnesota ("City"), and **Waste Management of Minnesota, Inc.** ("WM"), a Minnesota corporation.

#### **Recitals**

- A. The City desires to provide its citizens with environmentally sound recyclable materials collection;
- B. WM and its affiliates have extensive experience in providing recyclable materials collection and processing; and
- C. The City has determined that it would be in the best interests of its citizens to contract with WM for the collection of its

recyclable materials according to the terms and conditions contained herein.

#### **Agreements**

### I. DEFINITIONS

a. <u>Recyclables or Recyclable Materials</u> – are defined in Exhibit A. Title to Recyclable Materials shall transfer to WM upon collection in WM vehicles.

b. <u>Residential Unit</u> – shall mean a dwelling within the corporate limits of the City. Apartment or condominium buildings with four (4) or more individual dwellings shall not be considered Residential Units and are, therefore, not covered by this Agreement.

#### II. <u>TERM</u>

The initial term of this Agreement shall be for five (5) years (4) months commencing on September 1, 2025, and ending on December 31, 2030.

#### III. <u>SERVICES</u>

a. WM shall furnish the labor, equipment, licenses, permits, and other requirements necessary to provide Recyclable Materials collection to all Residents Units of the City, which currently consists of approximately \_\_\_\_\_ Residential Units (the "Service"). As part of the Service, WM shall:

- i. <u>Cart Supply</u>. Each Residential Unit has already been provided a 64-gallon Cart for Recyclable Materials which was provided when the unit was added to the City. The Carts and equipment WM furnishes Residents and the City shall remain WM's property.
- ii. <u>Recyclable Materials Collection Frequency, Days and Times</u>. WM shall provide recycling collection services to Residential Units on an every other week basis, subject to the terms and conditions in Exhibit A. The City and Residential Units shall ensure that only materials acceptable in accordance with Exhibit A are placed in the recycling containers. WM reserves the right to refuse recycling services where the materials are not properly segregated from waste or other non-recyclable material. WM reserves the right to change the service day with advance written notice to the City and Residents.
- iii. <u>Exclusions from the Service</u> Notwithstanding anything to the contrary herein, the Service shall not include nonhazardous solid waste, yard waste collection, bulk or white goods collection, construction or demolition waste collection, or Christmas tree collection. Services to commercial establishments are not covered by this Agreement.
- iv. <u>Disposal</u>. WM shall deliver or arrange to deliver for processing of the Recyclables collected under this Agreement only at processing facilities that are permitted to accept such Recyclables.
- v. <u>Holiday Schedule</u>. The following shall be designated holidays on which the Service shall not be provided: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and the succeeding Friday, Christmas Eve, Christmas Day. If a designated holiday falls on a regularly scheduled Service day, the Service will be performed on the next weekday
- vi. <u>Cart Replacement</u>. WM shall replace at no charge to the City or the individual Residential Unit any Cart that becomes damaged or destroyed during the provision of the Service, or that becomes unusable because of ordinary wear and tear. However, if a Cart in the possession of a Residential Unit is lost, stolen, damaged, or destroyed through no fault of WM, the occupant of the Residential Unit shall be responsible to compensate WM the fair market value for the replacement of such Cart. The Residential Unit shall be billed separately for such replacement cost.
  - vii. <u>Organics Drop Site</u>. City is responsible for any contamination at the drop site. Contamination charged at \$11 per yard on small amounts, if load is rejected a rate of \$152 is charged. City may cancel the Organics drop site at any time during the contract, with 30 day written notice to Contractor without any penalty.

b. <u>Compliance with Laws</u>. The Service shall be performed in accordance with all applicable statutes, laws, rules, regulations and ordinances

c. <u>Personnel and Equipment</u>. The Service shall be performed by properly trained and licensed personnel in adequate numbers and with adequate vehicles and equipment to complete the Service in a safe and timely manner

d. <u>Complaints and Missed Pick-Ups</u>. All complaints as to WM's provision of the Service, including alleged missed pick-ups, shall be given prompt and courteous attention. WM shall attempt to resolve all complaints promptly, and shall cure all missed pick-ups that are not the result of *force majeure* events within one (1) weekday, conditions permitting

e. <u>Anti-Discrimination</u>. In performing the Service, WM shall not discriminate against any person on the basis of race, religion, sex, national origin, political affiliation, or physical and mental disability.

f. <u>Exclusive</u>. The City grants the exclusive right to perform the Services set forth in this Agreement. The City agrees that it will not allow anyone other than WM to lease carts to residents or engage in the collection of residential Recyclables within the City

### IV. HOUSE COUNT AND ADJUSTMENTS

The estimated house count at the commencement of the term hereunder shall be \_\_\_\_\_ Residential Units; however, the Parties shall verify this house count prior to the initial billing under this Agreement and shall adjust the house count on a semi-annual basis for billing purposes accordingly. Either Party may propose a prospective adjustment to the house count at any time during the term of this Agreement upon reasonable notice to the other Party, which adjustment shall be investigated jointly by the Parties to establish a new house count to apply thereafter. WM shall keep accurate route sheets and/or a Residential Unit database that shall be provided to City promptly upon its request.

### V. FEES AND PAYMENTS

- a. <u>Service Fee per Residential Unit</u>. The fee per Residential Unit, per month for the Term, shall be as set forth in Exhibit B.
- b. The City will provide the Contractor with the number of Residential Units on a semi-annual basis.

c. <u>Invoices and Payment</u>. WM will submit monthly invoices to the City and the City shall have thirty-five (35) days from the invoice date to remit payment in full. Payment by City shall be made by check or wire transfer or ACH debit. The maximum interest permitted by law shall be applied to balances due and unpaid after more than fifteen (15) days beyond the due date.

d. <u>Changes in Law</u>. At such time during the term of this Agreement if an event or events occur which result in substantially higher collection or processing costs, or if there is a significant change in the commodity market, either party may, upon 60 days written notice to the other party, request a renegotiation of the Contractor's fees. In the event the parties are unable to reach an agreement on the fees, either party, at their option, may terminate this Agreement.

### VI. DEFAULT AND TERMINATION

The failure of either Party to perform a material obligation under this Agreement shall be considered a breach of this Agreement, and the breaching Party shall be in default. In the event of default, the non-defaulting Party shall give written notice of the default, and the defaulting Party shall have: (i) ten (10) days from the receipt of the notice to cure any failure to pay money under this Agreement, or (ii) thirty (30) days from the receipt of the notice to cure any other default under this Agreement. If the defaulting Party fails to cure the breach within the allotted time, the non-defaulting Party may, at its option, immediately terminate the Agreement. In the event of a default, the defaulting Party agrees to pay all damages caused by said default, to include, without limitation reasonable attorneys' fees and costs associated with enforcement of this Agreement. Under no circumstances shall the Parties be liable for any consequential, indirect, punitive or special damages for any alleged default under this Agreement.

### VII. FORCE MAJEURE

WM's performance of the Service may be suspended and its obligations hereunder excused during the pendency of a cause or causes beyond its reasonable control, such as by way of example and not limitation: acts of war, public enemy, civil disturbance, riot or disorder; epidemic or pandemic; acts of God such as landslide, lightning, earthquake, fire, storm, the impending approach of a storm, or flood; explosion; restraining orders, interference by civil or military authorities, strike, statute, ordinance, government order or ruling; or other similar causes. In the event of an occurrence of a *force majeure* event, WM shall notify the City immediately, in writing, describing the particulars of the circumstances preventing performance of the Service and its expected duration. Notice shall be provided after the effect of such occurrence has ceased.

#### VIII. INDEMNIFICATION

a. To the fullest extent permitted by law, the City agrees to indemnify, defend, and hold WM harmless from and against all claims and actions, suits, debts, damages, liabilities and costs whatsoever, including but not limited to attorneys' fees and costs of defense, based upon or arising out of the City's breach of this Agreement, and based upon or arising out of any injuries (including death) to persons, or damage to property, to the extent caused in whole or in part by the negligent acts or omissions of the City, or any of its directors, officers, employees, agents, or subcontractors, in the performance of this Agreement.

b. WM agrees to indemnify, defend, and hold the City harmless from and against all claims and actions, suits, debts, damages, liabilities and costs whatsoever, including but not limited to attorneys' fees and costs of defense, based upon or arising out of the breach of this Agreement, and based upon or arising out of any injuries (including death) to persons, or damage to property, to the extent caused in whole or in part by the negligent acts or omissions of WM, or any of its directors, officers, employees, agents, or subcontractors, in the performance of this Agreement.

c. Notwithstanding any provisions to the contrary, WM shall not be responsible for any damage to pavement or curbing that is the result of ordinary wear and tear during the performance of the Service.

d. The indemnification obligations of this section shall survive the termination or expiration of this Agreement for any reason.

#### IX. INSURANCE

WM shall maintain at its own cost and expense the following minimum limits of occurrence-based insurance during the term of this Agreement:

	<u>Type</u>	<u>Amount</u>
A.	Worker's Compensation	Statutory
B.	Employer's Liability	\$500,000
C.	Comprehensive General Liability	\$500,000 per occurrence
		\$1,000,000 aggregate
D.	Automobile Liability (owned and non-owned)	
	i. Bodily Injury	\$1,000,000 per occurrence
	ii. Property Damage Liability	\$500,000 per occurrence
E.	Excess/Umbrella	\$500,000 per occurrence

The City, its elected and appointed officials and employees, shall be included as additional insured parties under the CGL, Automobile and Excess/Umbrella coverages. Prior to commencement of the Service, WM shall deliver to City a certificate of insurance evidencing the required coverages. This certificate shall provide that any change restricting or reducing coverage, or the cancellation of any policies under which certificates are issued, shall not be valid unless at least 30 days' written notice of cancellation is provided.

#### X. MISCELLANEOUS PROVISIONS

a. <u>Independent Contractor</u>. WM shall perform the Service as an independent contractor. WM, its officers, employees, agents, contractors or subcontractors, are not and shall not be considered employees, agents or servants of the City for any purpose whatsoever under this Agreement or otherwise. WM at all times shall have exclusive control of the performance of the Service. Nothing in this Agreement shall be construed to give the City any right or duty to supervise or control WM, its officers, employees, agents, contractors, or subcontractors, nor to determine the manner in which WM shall perform its obligations under the Agreement.

b. <u>Amendments.</u> No amendment to this Agreement shall be made except upon the written consent of both Parties.

c. <u>Entire Agreement</u>. This Agreement constitutes the entire agreement and understanding between the Parties hereto with respect to the subject matter and supersedes any prior and contemporaneous agreements and understandings, express or implied.

d. <u>Waiver</u>. A waiver by either Party of any breach of any provision hereof shall not be taken or held to be a waiver of any subsequent breach, whether similar or dissimilar, or as a waiver of any provision itself. No payment or acceptance of compensation for any period subsequent to any breach shall be deemed a waiver of any right or acceptance of defective performance.

e. <u>Severance</u>. In the event that any provision of this Agreement is found by a court of competent jurisdiction to be void, invalid, or unenforceable, the balance of this Agreement shall remain in effect and binding on the Parties.

f. <u>Choice of Law.</u> This Agreement shall be governed by the laws of the state where the services are being performed, without regard to choice of law rules.

g. <u>Assignment</u>. Neither Party may assign its rights and obligations under this Agreement without the prior written consent of the other Party, except that WM may assign its rights and obligations under this Agreement to any WM affiliate without the City's consent. An assignment shall not relieve the assignee of any obligations under this Agreement.

h. <u>Notice</u>. All notices required or permitted under this Agreement shall be in writing and shall be personally delivered, sent by certified mail, return receipt requested, or by overnight courier, with copies to counsel for the respective Parties.

IN WITNESS THEREOF, the parties have executed this Municipal Recycling Agreement as of the Effective Date indicated above.

Waste Management of Minnesota, Inc.	City of Minnetrista, Minnesota
Signature:	Signature:
Printed Name:	Printed Name:
Title:	Title:

### EXHIBIT A SINGLE STREAM SPECIFICATIONS

**RECYCLABLES** must be dry, loose (not bagged), unshredded, empty, and include ONLY the following:

Aluminum cans	Newspaper
PET bottles with the symbol #1 – with screw tops only	Mail
HDPE plastic bottles with the symbol #2 (milk, water	Uncoated paperboard (ex. cereal boxes; food and snack boxes)
bottles detergent, and shampoo bottles, etc.)	
PP plastic bottles and tubs with symbol # 5 - empty	Uncoated printing, writing and office paper
Steel and tin cans	Old corrugated containers/cardboard (uncoated)
Glass food and beverage containers* – brown, clear, or	Magazines, glossy inserts and pamphlets
green	

#### NON-RECYCLABLES include, but are not limited to the following:

Plastic bags and bagged materials (even if containing Recvclables)	Microwavable trays
Porcelain and ceramics	Mirrors, window or auto glass
Light bulbs	Coated cardboard
Soiled paper, including paper plates, cups and pizza boxes	Plastics not listed above including but not limited to those with symbols #3*, #4*, #6*, #7* and unnumbered plastics, including utensils
Expanded polystyrene	Coat hangers
Glass and metal cookware/bakeware	Household appliances and electronics,
Hoses, cords, wires	Yard waste, construction debris, and wood
Flexible plastic or film packaging and multi-laminated materials	Needles, syringes, IV bags or other medical supplies
Food waste and liquids, containers containing such items	Textiles, cloth, or any fabric (bedding, pillows, sheets, etc.)
Excluded Materials or containers which contained Excluded Materials	Napkins, paper towels, tissue, paper plates, and paper cups
Any paper Recyclable materials or pieces of paper Recyclables less than 4" in size in any dimension	Propane tanks, batteries
Cartons*	Aseptic Containers*

#### **DELIVERY SPECIFICATIONS:**

Material delivered by or on behalf of City may not contain Non-Recyclables or Excluded Materials. "Excluded Materials" means radioactive, volatile, corrosive, flammable, explosive, biomedical, infectious, bio-hazardous or toxic substance or material, or regulated medical or hazardous waste as defined by, characterized or listed under applicable federal, state, or local laws or regulations, materials containing information (in hard copy or electronic format, or otherwise) which information is protected or regulated under any local, state or federal privacy or data security laws, including, but not limited to the Health Insurance Portability and Accountability Act of 1996, as amended, or other regulations or ordinances or other materials that are deleterious or capable of causing material damage to any part of WM's property, its personnel or the public or materially impair the strength or the durability of WM's structures or equipment.

WM may reject in whole or in part, or may process, in its sole discretion, Recyclables not meeting the specifications, including wet materials, and City shall pay WM for all increased costs, losses and expenses incurred with respect to such non-conforming Recyclables including costs for handling, processing, transporting and/or disposing of such non-conforming Recyclable Materials which charges may include an amount for WM's operating or profit margin ("Cost"). Without limiting the foregoing, and City shall pay a contamination charge for additional handling, processing, transporting and/or disposing of Non-Recyclables, Excluded Materials, and/or all or part of non-conforming loads and additional charges may be assessed for bulky items such as appliances, concrete, furniture, mattresses, tires, electronics, pallets, yard waste, propane tanks, etc.

WM reserves the right upon notice to discontinue acceptance of any category of materials set forth above as a result of market conditions related to such materials and makes no representations as to the recyclability of the materials. Collected Recyclables for which no commercially reasonable market exists may be landfilled at City's Cost.

\* Glass may not be accepted in all locations. Cartons, aseptic containers and other plastics may be allowed if approved in writing by WM.

V6 February 2019

### Exhibit B

## Monthly Recycling Rates per Residential Unit

Year during Term	Monthly Rate
September 1, 2025 through December	\$5.79
31, 2026	
January 1, 2027 through December 31,	\$6.05
2027	
January 1, 2028 through December 31,	\$6.32
2028	
January 1, 2029 through December 31,	\$6.61
2029	
January 1, 2030 through December 31,	\$6.90
2030	

Recycle rates are for bi-weekly residential collection with WM supplied carts, transfer, and material processing.

Recycling terms and conditions are subject to Attachment A – "Single Stream Specifications".

## Organic Drop Site Rates

Size	Frequency	2025	2026	2027	2028	2029
2 yard	Weekly	\$ 91.65	\$ 95.77	\$ 100.08	\$ 104.59	\$ 109.29
2 yard	Bi-weekly	\$ 48.15	\$ 50.32	\$ 52.58	\$ 54.95	\$ 57.42
2 yard	Monthly	\$ 24.86	\$ 25.98	\$ 27.15	\$ 28.37	\$ 29.65
4 yard	Weekly	\$ 122.73	\$ 128.25	\$ 134.02	\$ 140.06	\$ 146.36
4 yard	Bi-weekly	\$ 66.80	\$ 69.81	\$ 72.95	\$ 76.23	\$ 79.66
4 yard	Monthly	\$ 32.62	\$ 34.09	\$ 35.62	\$ 37.22	\$ 38.90

Organic drop site rates. City is responsible for any contamination at the drop site. Contamination charged at \$11 per yard on small amounts, if load is rejected a rate of \$152 is charged.