

COUNCIL ACTION FORM

Meeting Date: April 10, 2025

Staff Contact: Leslie Herring, City Administrator

Agenda Item: Consider solid waste residential disposal services contract for 2026 – 2030

Background / Description of Item:

The City's solid waste residential disposal service is currently contracted through a Solid Waste Residential Disposal Contract (the "Agreement") initiated in 2018 between WCA (now GFL) and Mid-America Regional Council ("MARC") through its Joint Purchasing Alliance. This Agreement provides for services in Fairway, Roeland Park, and Westwood and is effective for a three-year term with two one-year renewal options. The Cities previously jointly agreed to extend the contract rates for both one-year renewal options.

As the Agreement term ends December 31, 2025, the City Administrators for the three cities began several months ago to discuss the performance of GFL and establish whether there is a mutual interest in continuing GFL's service beyond 2025. Through a series of meetings with GFL and city representatives, terms of renewal were developed that are agreeable to all parties. Changes to the current contract are summarized in the attached Notice of MARC/KCRPC Contract Renewal letter attached.

Staff Comments/Recommendation:

Staff believe that a negotiated renewal with GFL is the best approach to arriving at terms representative of current market conditions, reflective of opportunities to enhance operating efficiencies and to achieve sustained high-quality service. The cities have enjoyed consistent service quality from GFL during the past contract period. The rates enjoyed under this joint contract have been and will continue to be among the best value in the region. To this end, Roeland Park City Administrator Keith Moody conducted and shared the following research:

CPI for garbage was 3.6% in 2024, 7.28% in 2023, 5.17% in 2022, 4.74% in 2021, 3.49% in 2020 (4.86% annual average for the past five years). The average annual rate increase [we] experienced for this same five-year period was 1.56%.

Merriam solicited bids the first quarter of 2025 for solid waste services starting in 2026. The scope of service is similar to that provided to [us]. They received proposals from 4 haulers with the monthly fee per residence ranging from \$35.75 (Waste Management) to \$19.50 (GFL). All firms were well above the \$17.50/month rate [we] would pay under the renewal in 2026. [The cities' 2025 rate is \$16.65]

Mission went out to bid for solid waste services and selected GFL in 2020. The 2025 rate

charged [to] Mission by GFL is \$18.62 (a 3% increase from their 2024 rate); well above the \$17.50 rate [we] would pay under the renewal in 2026. Mission's average annual increase between 2020 and 2025 is 3.64% (Roeland Park experienced 1.56% during the same period). Mission's contract with GFL was for an initial 5- year term, with two five-year renewal options for a total of 15 years.

Prairie Village went out for bid for solid waste services within the past 10 years and selected Republic. Prairie Village's 2025 rate is \$20.67 (also well above the \$17.50 proposed in this renewal for 2026).

[We are] charged \$16.65/month in 2025 under the current contract. A 2026 rate of \$17.50 is a 5.15% increase but remains well below the rate being paid in 2025 by neighboring communities with similar contract provisions.

The key changes between our current service agreement and the renewal proposed are summarized below:

1. Extends the contract to 2026 through 2030 with the opportunity for an annual rate increase based upon the CPI for Trash Collection with a cap of 3% per year. The 2026 rate would be \$17.50/month/household.
2. Existing carts will continue to be used, and GFL will be responsible for replacing them as needed.
3. Limit of 10 bags/bundles/containers of yard waste per household per week. 20 bags/bundles/containers of yard waste allowed per household during spring and fall amnesty weeks.
4. 3 bulk items allowed on 1 collection day each month per household.
5. Rebate is provided to each City for materials diverted from GFL collection streams. For Westwood, it will include the curbside leaf collection program.
6. GFL agrees to participate in an assessment of AI systems with on-board GPS, video, routing and service delivery monitoring systems in concert with the cities to determine the capabilities and costs of such systems and how they may improve safety, service quality/reliability and achieve cost savings.

Recommended Motion:

I move to authorize David Warm, Executive Director of Mid-America Regional Council, to execute the Solid Waste Residential Disposal Services contract with GFL Environmental, Inc. for a contract period of January 1, 2026 to December 31, 2030.