



## Recycling Contract Extension Including Curbside Organics Collection

City Council: September 26, 2023



# Overview

- Current Municipal Recycling Contract
- Recycling Market
- County and State Regulation
- Revised Fee Structure
- Organics Curbside Collection
- Public Outreach
- Single Sort Proposed Pricing
- Organized Curbside Organic Collection Pricing
- Next Steps



# Current Municipal Recycling Contract

- Municipal Recycling Services Agreement
  - April 24, 2018 – Agreement executed with Republic Services
  - Effective January 1, 2019
  - Set to expire December 31, 2024
  - Includes:
    - Traditional single sort curbside recycling
    - Centralized Recycling Drop Off Site
    - Garbage and Recycling services to City facilities
    - Participation in the annual Spring Drop Off Day



# Recycling Market

- Pre 2018 Recycling Market was very strong
  - Strong demand for recyclables world-wide
  - Recyclers sold to profitable marketplace
- 2017 - Solicitation for current contract resulted in favorable pricing
- 2018 – Asian markets stopped accepting North American recyclables
- 2018 - Current
  - Pricing reflects weakened international markets
  - Labor shortages, increasing regulation and inflation cause pricing increases



# County Regulation

## ▪ Hennepin County Ordinance 13

- Regulates the separation of Mixed Recyclables and Organic Material
- Consistent with Minnesota Pollution Control Agency (MPCA) in its Metropolitan Solid Waste Management Policy Plan
- City's Curbside Collection program must accept single sort mixed recyclables
- Cities shall provide the opportunity to participate in Curbside Collection of Organic Material to residential households
  - City Organized, or private haulers



# MN Pollution Control Agency

- MPCA Issued a letter clarifying confusion of curbside organics collection charges
- Recycling includes the process of collecting recyclable materials. Recyclable materials include **source-separated compostable materials**, materials separated from MSW for the purpose of composting, and sole source food waste streams
- Minn. Stat. § 115A.03
- A licensing authority shall **prohibit** mixed municipal solid waste collectors from **imposing a greater charge on residents who recycle than on residents who do not recycle.**



# Revised Fee Structure

- When licensed garbage haulers were required by Hennepin County to begin offering curbside organics recycling collection to residents in 2022, haulers independently determined collection services and pricing regulations
- With the MPCA Clarification of Minnesota Statute 115A.93, haulers to **charge all residential customers a fee** for curbside organics recycling collection – **regardless of whether they utilize the service.**



# Organics Curbside Collection

- With all residential customers being charged for organics collection in 2024, the at Council Direction, the staff began exploring organized organics collection
- Public outreach included:
  - Plymouth News Article
  - Website / Email / Social Media
  - CCX
  - Citywide survey
  - Flashvote





# Survey Results

- The Website Survey had 1,638 respondents
- FlashVote had 941 respondents
- Most respondents:
  - Currently throw organics in the garbage
  - Don't have a strong reasoning preventing them from participating in curbside organics collection
  - Approximately 10% want to maintain private curbside organics collection
  - Between 40% and 50% indicated interest in participating in, and preferred City organized curbside organic collection



# Single Sort Recycling Proposed Pricing

Year	Without Organics; Single Sort Recycling	Single Sort Recycling with Organics	Contract
2024	\$3.29	\$3.29	Existing Contract
2025	\$4.95	\$4.75	Contract Extension
2026	\$5.17	\$4.94	Contract Extension
2027	\$5.41	\$5.14	Contract Extension

- Prices are proposed contract prices
- Upcoming Rate Study will determine individual resident rates for ancillary solid waste items



# Organized Curbside Organic Collection Pricing

Maximum Participation Percentage (% of homes with an organics cart)	Monthly Price Per Home (all 26,000 homes)
10	\$3.00
15	\$3.50
20	\$4.00
25	\$4.50
30	\$5.00
40	\$5.50
50	\$6.00

- The organics price will increase as more residents participate in the organics collection program.
- Fair pricing for both the city and Republic Services



## Next Steps

- Staff to receive direction whether to continue contract negotiations, with or without city led curbside collection of organic material
- If favorable of negotiations:
  - Municipal Recycling Contract finalized and brought to Council for consideration late 2023
  - Ancillary contract items finalized
  - Prepare for organics line item to be added to utility billings
  - Prepare to rollout organics program, including communications
- If not favorable of negotiations:
  - Staff will prepare for 2024 solicitation of the contract



# Questions

