



Date: March 19, 2019

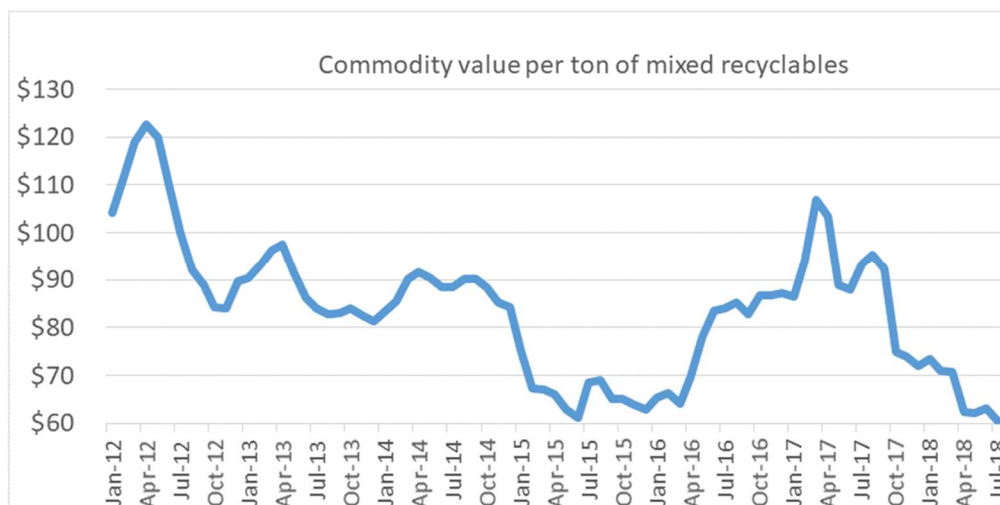
To: Mayor and City Council

From: Solvei Wilmot, Environmental Health Specialist/Recycling Coordinator; Tara Brown, Sustainability Manager; and Jeff Brown, Community Health Administrator

Subject: Approve Recommendation for Residential Recycling Request for Proposal

Information / Background:

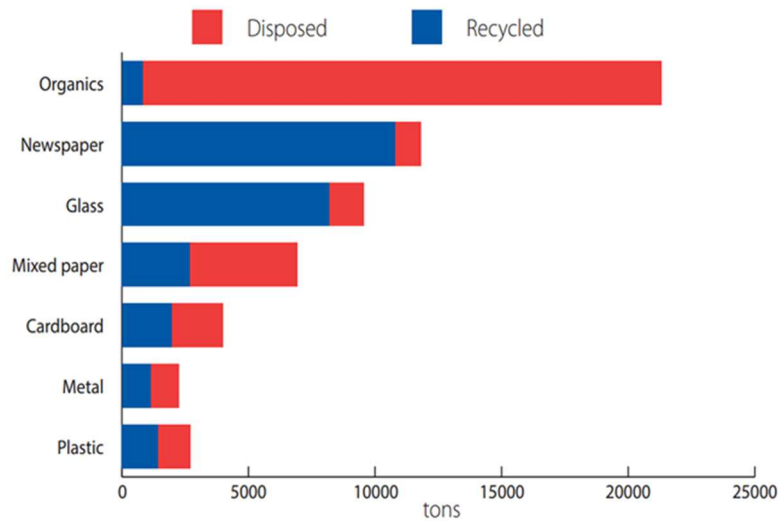
Edina has provided residential curbside recycling collection since 1985. The current bi-weekly citywide 7-year contract for residential recycling collection with Republic Services will end on December 31, 2019. As a result, a request for proposals for curbside residential recycling collection was released. Three companies responded to the request for proposals (RFP): Republic Services, Waste Management and Eureka Recycling. The RFP required each bidder to provide weekly and bi-weekly collection options. Bidders were permitted to submit alternate proposals to allow for innovation or creative programs. A total of 5 proposals were submitted. Since the last RFP process in 2012, the recycling commodity market has experienced variability, so the proposals include some new formulas for calculating per household monthly cost. To provide context of the recycling commodity market, the graph below provided by Hennepin County shows the variability of mixed recycling commodity values from January of 2012 to July of 2018.



Waste Reduction Goals

Hennepin County Waste Sort, City of Minneapolis Waste Characterization Study and Recycling Analysis, September 2016 revealed that approximately 14.6% of trash is made up of recyclable material. The graph below shows the County’s recycling performance by material type.

Recycling performance by material type



The table below shows Minnesota Pollution Control Agency goals for solid waste recovery, recycling, and landfilling. Capturing the disposed recyclables from the above table, will help meet the recycling and max landfill goals in the table below, which Hennepin County has referenced in Ordinance Number 13 related to Solid Waste.

Management method	2020	2025	2030	2036
Recycling	51%	54%	60%	60%
Organics recovery	12%	14%	15%	15%
Resource recovery	35%	31%	24%	24%
Max landfill	2%	1%	1%	1%

Staff Evaluation Process

1. Staff initially evaluated the proposals with respect to State and County waste reduction goals. This led to focusing on weekly collection proposals, as more frequent pickups would result in improved customer service and less recycling in the trash. However, weekly collection does have an increased cost compared to bi-weekly.
2. Staff then compared the monthly per household cost of the five weekly proposals, as well as how those costs are calculated, to determine leading candidates. The bidding companies utilize different methods to determine monthly per household cost of recycling service, with three of the proposals being dependent on the commodity market. The bidding companies provided monthly per household cost scenarios that could result from future market change. This table is included at the end of this report.
3. Finally, market variability, sustainability, race & equity policies, additional fees for service, and references checks were considered.

Brief summaries of each proposal are included as an attachment. Potential quarterly per household cost impacts are detailed below:

Quarterly Total Household Cost Comparison

Current Bi-Weekly Recycling: \$8.52

New Bi-Weekly Recycling: \$10.77

New Weekly Recycling: \$19.41

Proposed Organics Collection: \$16.50

New Bi-Weekly Recycling + Proposed Organics Collection: \$27.27

New Weekly Recycling + Proposed Organics Collection: \$35.91

Staff proposes the following options for the Citywide Curbside Recycling Collection Contract:

- A. Accept Eureka Recycling's alternate proposal for weekly residential recycling collection beginning January 1, 2020, or
- B. Continue to utilize bi-weekly recycling pickup and award the contract to Republic Services. Conduct community engagement initiative to determine public interest and willingness to pay for and switch to weekly recycling service in the future, or
- C. Defer contract award and conduct community engagement regarding weekly vs. bi-weekly collection by May 1, 2019 and award contract by May 7, 2019.

Energy and Environment Commission comments regarding staff recommendation and value of additional services are included in this item as an attachment.