
MEMORANDUM

DATE: September 13, 2019
TO: Mayor and City Council
FROM: Dolph Johnson, Assistant City Manager
RE: Waste Connections Solid Waste Contract

Our current contract with Waste Connections for solid waste and recycling services expires on October 31, 2019. Earlier this year we discussed options for waste disposal/recycling include automatic service with carts. After an online survey and council discussion it was decided to stay with the current service provided.

The previous contract was for five years with extension options. We are proposing a new five year contract with optional extensions and some changes to the contract language to address rate adjustments and to clarify pickup parameters. The following changes were made to the previous contract.

- Rates can be adjusted annually to reflect changes in the Consumer Price Index (CPI) for All Urban Customers, Garbage and Trash Collection in U.S. City Average as opposed to the Urban Wage Earners and Clerical Workers for the DFW area statistic currently used.
- Bulky items (bundled brush, cut fence panels, white goods, etc.) will be picked up only on the second pickup day of the week.
- Fence panels will be limited to three 6'x8' panels (cut in half) per pickup.

The first year of the new contract would include a 3% increase in all rates beginning November 1, 2019. Subsequent year rate adjustments can be requested based on the CPI rate change for that year.

Residential customers currently pay a rate of \$11.96 per month (\$12.95 with tax). The 3% increase would raise the residential rate 36 cents to \$12.32 per month (\$13.34 with tax). Commercial rates would also increase 3% across the board. An updated rate sheet is attached to the new contract.

The City Attorney has reviewed the contract. Norm Bulaich and Marty Grant, District Manager for Waste Connections will be at the council meeting to answer any questions you may have.

A history of our contract and rate adjustments is shown below.

WASTE CONNECTIONS CONTRACT AND RATE ADJUSTMENT HISTORY – All approved by Council

2007	Contract awarded
2008	No increase per contract
2009	No increase per contract
2010	1.74% increase for all accounts
2011	4.18% increase for residential and roll off accounts (no increase for commercial front loads)
2012	1.50% increase for all accounts
2013	2.70% increase for all accounts
2014	1.72% increase for all accounts
2016	Contract Extended to 10/31/18 – no change in residential rate – 5% reduction for commercial Waste Connections failed to reduce the commercial rate by 5% as agreed. Commercial accounts credited for overbilling on January 1, 2018 invoices.
2017	1.85% increase for all accounts
2018	One year extension and a 3% increase for all accounts
2019	Proposed new 5 year contract