



Board of County Commissioners Agenda Request



Requested Meeting Date: February 9, 2021

Title of Item: Approve Recycling Contract

- REGULAR AGENDA
- CONSENT AGENDA
- INFORMATION ONLY

- Action Requested:**
- Approve/Deny Motion
 - Adopt Resolution (attach draft)

- Direction Requested
- Discussion Item
- Hold Public Hearing*
**provide copy of hearing notice that was published*

Submitted by:
Terry Neff, Environmental Services Director

Department:
Environmental Services

Presenter (Name and Title):
Terry Neff, Environmental Services Director

Estimated Time Needed:
15 minutes

Summary of Issue:

On December 15, 2020, the Board approved of soliciting bids to operate the recycling center and recycling drop off locations. Bids were to be submitted by January 14, 2021. We received one bid from Waste Management, Baxter, MN (see enclosed bid). It is estimated that the cost of the recycling contract will increase by approximately 50% to 60%.

Alternatives, Options, Effects on Others/Comments:

County Employees take over operation of the recycling center. This will likely cost more than the proposed bid.

Recommended Action/Motion:

Approve entering into a contract with Waste Management for operation of the recycling center and recycling drop off location.

Financial Impact:

Is there a cost associated with this request? Yes No

What is the total cost, with tax and shipping? \$ 150,000 to \$175,000

Is this budgeted? Yes No *Please Explain:*

\$120,000 was budgeted for 2021. Any additional can be taken out of the solid waste reserve funds.

PROPOSAL

Waste Management of Minnesota,
Inc.

SUBMITTED TO

Aitkin County

Re: Recycling Services in Aitkin County

Attn: Terry Neff, Aitkin County Solid Waste
Administrator

SUBMITTED BY

Waste Management of Minnesota, Inc.
7968 Industrial Park Rd, Baxter, MN 56425

CONTACT

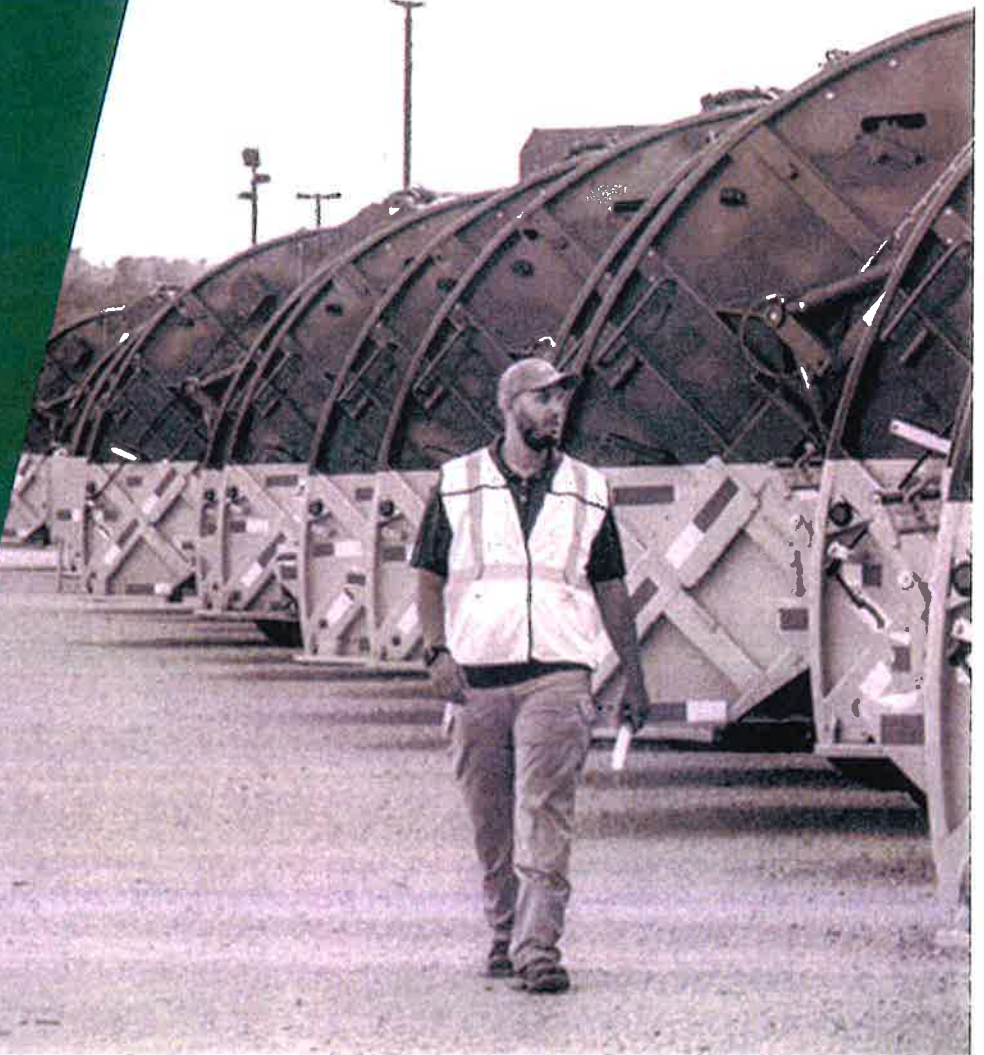
Steve Boe, Diana Siebels

PHONE

507-402-1343, 218-206-1712

EMAIL

SBoe@WM.com, DSiebels@WM.com





WASTE MANAGEMENT
Waste Management of Minnesota, Inc.
7968 Industrial Park Rd, Baxter, MN
56425


January 14, 2021


Aitkin County


307 2nd St NW Rm 119
Aitkin, MN 56431

Dear Terry Neff:

Waste Management of Minnesota, Inc. (Waste Management) is pleased to present the following response to Aitkin County's Request for Proposals for Recycling Services in Aitkin County. As a Waste Management customer you are at the center of how Waste Management works. We value your safety, your time, your ability to positively impact the environment, and your business. This is why we provide personalized solutions with services that are designed around your needs. Waste Management works with communities of all sizes across the Country and we are constantly using this experience to set a higher standard service. As a Waste Management customer you can expect:

 **The best value for your community:** When choosing a provider for your community's waste and recycling needs, value is more than just the bottom line. Value to your residents and staff is about what they get for the money you pay. With Waste Management you will receive best-in-class service from an experienced team that is laser-focused on delivering quality, on-time, reliable service at the best price possible. It's our job to constantly think about waste - not yours. We will provide you with a carefree experience from day one through the entire term of the agreement.

 **A partner that does things the right way, every day:** Waste and recycling management are highly regulated operations with the potential for significant adverse environmental impacts if not handled properly. Waste Management doesn't just pick up trash or recycling, we have high tech solutions to manage it. We own and operate our own material recovery facilities, organics processing facilities, and state-of-the-art landfills. As a leader in environmental solutions, we give you peace of mind that your materials will be managed in full compliance with all local, state, and national regulations. Our operations adhere to all applicable Occupational Safety and Health Administration (OSHA), State, and Federal requirements. As the largest, most financially-stable environmental solutions provider in North America, we can also finance all operational improvements, equipment, facility upgrades, and container purchases internally. We do not have to rely on the timelines and terms of third-party creditors. Our resources give us the ability to provide gold-standard insurance to protect our partners.

 **Dedication to your goals because your priorities are our priority:** Providing a stable and integrated partnership for the County's recycling program is the focus of the following proposal. System, service, and containers enhancements are all considered, while providing cost-effectiveness and efficiency to keep rates reasonable within the current markets and hauling costs.

Thank you for the opportunity to participate in your selection of an environmental services partner. We are eager to earn your business and our team is dedicated to go above and beyond to deliver best-in-class service. Please do not hesitate to contact me with any questions.

Sincerely,

Steve Boe

Diana Siebels

Steve Boe, Diana Siebels
507-402-1343, 218-206-1712
SBoe@WM.com, DSiebels@WM.com



Putting Aitkin County First

Waste Management is your partner for environmental service and solutions whose people go above and beyond to serve and solve every challenge **the right way**.

As the industry-leading, largest publicly owned company providing integrated environmental services in North America, it is our responsibility to set the bar for the way recycling solutions should be provided. With our headquarters in Houston, Texas and a network of local operations nationwide, we serve commercial, industrial, municipal, and residential customers in the United States and Canada. We take what we learn nationally, serving nearly 20 million customers, and make managing waste an effortless experience for you.

Our team of more than 42,300 men and women are dedicated to running our extensive network of operations the right way, every day. Our national infrastructure includes:

- 244 Active solid waste landfill disposal sites
- 5 Hazardous waste landfill sites
- 127 Beneficial-use landfill gas projects
- 99 Material recovery facilities, including 44 single stream recycling facilities
- 305 Transfer stations
- 40 Organics processing facilities

Delivering an Exceptional Customer Service Experience for Aitkin County's Residents and Businesses

The Aitkin County residents and businesses will have many options for how and when they interact with Waste Management. Our dedicated Customer Experience Team will support Aitkin County residents and businesses by managing any phone call, email, and online customer service interaction with unparalleled professionalism. All customer experience representatives have extensive training and readily-accessible access to Aitkin County-specific resources and service information. Our representatives are empowered to resolve customer issues during the first interaction and we want customers to describe their interaction with Waste Management as convenient and simple.

Our state-of-the-art call centers across North America include integrated operating systems so they can act as backups for each other if ever needed. This redundancy will provide Aitkin County assurance that your residents' and business' inquiries will be answered when they contact us, even in the wake of natural disasters or emergency situations.

Also, Aitkin County can always count on reaching Steve Boe or Diana Siebels on their mobile phones, 507-402-1343, 218-206-1712, in the case of an emergency.

Serving Aitkin County with Integrated, State-of-the-Art Technologies

When it comes to providing seamless service for communities, we are pushing past industry standards by utilizing state-of-the-art onboard technology. Our fleet of trucks for Aitkin County is equipped with our onboard computing system (OCS), which enhances communication between our operations and customer service teams. OCS replaced paper route books with electronic, interactive route data. Throughout their route, drivers see all assigned stops and service tickets on their touch screens. We can update a driver's route remotely and in near real-time based on the productivity of each route, incoming customer requests, and local traffic considerations. This means routes are completed each day as scheduled. As drivers progress through their routes, they use their OCS to log completion of each service performed. Service verification significantly cuts the potential for a missed collection and allows our in-office team members to provide your staff with precise service details when they contact us with questions.

Keeping Aitkin County's Locations and Facilities Safe

We share the road with you, our customer and it is our job to keep Aitkin County safe while we perform our waste management services. We understand the magnitude of the responsibility we have and strive to confirm that each task, piece of equipment, and company policy and procedure reinforces actions and behaviors.

Each Waste Management driver undergoes standardized in-class and on-road training to ensure understanding of operating policies and procedures. Safety is something that we talk about, evaluate and live each day. Our dedication to safety never stops. As such, drivers also participate in ongoing trainings covering topics such as managing intersections, rollover prevention, following distance, pedestrian and bicyclist awareness.

Safety performance is tracked monthly by area, service function, and equipment use. We monitor trends, conduct regular performance reviews, and immediately address areas for improvement. Overall injury rates in our industry have improved substantially in recent years, and Waste Management's performance in this area has ranked among the best. We actively work with our trade association, the National Waste & Recycling Association, to advance safety within our industry and among our customer base.

You do not need to search long to see how we fulfill our commitment to safety - it is woven into everything we do - from hiring practices to training to advancing safety technologies to preventive maintenance.

A Financially Stable Partner - Providing Peace of Mind for the Aitkin County Community

Waste Management's financial strength is the foundation for our commitment to serve our customers, perform our obligations, and protect the environment in carrying out our extensive waste management services.

Revenue in 2017 was \$14.5 billion, and Waste Management has an asset base of nearly \$22 billion. The company generates strong and consistent cash flow and has access to an extensive line of credit.

Waste Management's financial strength gives Aitkin County assurance that we can and will fulfill our obligations.

- Waste Management is committed and financially able to perform all operations in full compliance with applicable federal, state, and local regulations and to provide clear documentation of that compliance.
- Waste Management offers the most extensive network providing waste management services in North America, including transportation, disposal, treatment, recovery, remediation, waste identification, and several other specialty services. This network enables us to provide a single source of responsibility, from transportation through disposal of waste.
- All new capital requirements are internally financed by Waste Management using cash flow from existing operations, which means that procurement of our new trucks, carts, containers, and facility investments are not dependent upon the timeline and terms of third-party creditors.

~~Waste Management's financial strength helps us to continually advance services for all the customers we serve, including Aitkin County, and we are committed to maintaining that strength.~~

Delivering High-Value Services for Aitkin County at Reasonable Rates

WM acknowledges the current County program and service provider bills per mile and ton for collection services and a processing fee per ton; the WM service and systems are streamlined for ease of processing and standardization. The location used for direct material transfer to our Minneapolis MRF is in Baxter, adjusting the mileage and process of service. Following is our proposal with improvements and enhancements to expand the functionality of the Aitkin County Recycling Program which will also be compatible with the WM services and billing system.

**THE
RIGHT
WAY**

- The relationships we create with customers.
- The proactive solutions we offer.
- How we serve our communities.
- Every safety measure we take.
- Every stop on every route.
- Disposing of every piece of waste the right way.
- Innovating for a more sustainable tomorrow.
- How we work together and treat each other.

Waste Management will redefine what you expect from an environmental services provider. We lead by doing things **the right way, every day.**

Single Stream Recycling - What is it and Why is Education So Critical?

While the concept of single stream recycling is not vastly different from source separated recycling, the process of how material is collected and processed is different. At home or work, instead of having to sort materials into separate bins, customers can place all recyclable material in the same container. Commingled material is then collected and taken to a material recovery facility (MRF), where the material is processed, sorted, baled, and sold to end-users.

As recycling programs have grown and flourished, the convenience of single stream recycling programs has effectively increased participation and recycling rates. Unfortunately, this added convenience has also contributed to an increase in contamination. More materials can now be recycled but at the same time, an evolving packaging stream has led to confusion regarding what is and is not acceptable at the curb. For example, applesauce once packaged in a recyclable glass jar that was acceptable at the curb is now commonly packaged in a flexible plastic pouch that is not recyclable. Often, residents don't make the connection that the new material type may not be recyclable.

Contamination is an enormous problem for the recycling industry so in order to keep recycling viable, we have to work with our customers and communities to reduce contamination and keep the inbound stream of recyclable material clean. More targeted, effective education is key to our solution. We have looked at every phase of our recycling business from operations and processing to customer education and outreach. The Recycle Right education and outreach program is a first for the industry and designed to be flexible, adaptable, and customizable. The campaign takes a back-to-basics approach by focusing the messaging on three key behaviors that make the biggest impact on increasing recycling and decreasing contaminants:

**Remember these three rules
each time you recycle:**

- 
1 **Recycle all empty plastic bottles, cans, paper and cardboard.**
- 
2 **Keep food and liquids out of the recycling.**
- 
3 **Empty recyclables directly into your cart - NO bagged recyclables.**

When residents follow these three key behaviors, we see a dramatic decrease in contamination and increase in clean recycling volumes. These simple messages will be incorporated in all Aitkin County education materials and customers will also have full access to our Recycle Right microsite that contains campaign materials, tools and downloadable resources.

Drop-Off Center Collection Details

Waste Management proposes the use of 8-yard Single Stream commercial dumpsters for three locations, and 20-yard Single Stream roll off boxes at nine of the designated drop-off centers. Pricing for the 8-yards is a per dump basis with transport and processing included in the cost. Pricing for the 20-yard roll offs are per haul, plus the disposal cost per ton.

Site No.	City/Location	Establishment (As Host for Site)	Service Type/Materials ^(b)	Container Counts and Service Frequency
1.	Aitkin/County Courthouse	Aitkin County	Unattended/Single Stream	1-8 Yard On Call \$62.50/Dump
2.	Aitkin/County Recycling Center	County/Contractor	Attended/Single Stream	2-20 Yard On Call \$390.00/Haul \$125.00/Ton
3.	Aitkin/High School	High School	Attended/ Single Stream (For school use only)	1-8 Yard On Call \$62.50/Dump
4.	Aitkin/Rippleside Elem School	Elementary School	Attended/ Single Stream (For school use only)	1-8 Yard On Call \$62.50/Dump
5.	Hill City	<i>Sonny's Citgo</i> (Hwys 200 & 169)	Unattended/ Single Stream	1-20 Yard On Call \$605.00/Haul \$125.00/Ton
6.	Hill City School	School	Unattended/Single Stream (For school use only)	1-20 Yard On Call \$605.00/Haul \$125.00/Ton
7.	Long Lake Conservation Reserve	Conservation Reserve	Unattended/ Single Stream	1-20 Yard On Call \$605.00/Haul \$125.00/Ton
8.	Malmo	<i>Malmo Cenex</i>	Unattended/ Single Stream	1-20 Yard On Call \$605.00/Haul \$125.00/Ton
9.	McGrath	Pour Lewey's	Unattended/ Single Stream	1-20 Yard On Call \$605.00/Haul \$125.00/Ton
10.	McGregor School	School	Unattended/ Single Stream (For school use only)	1-20 Yard On Call \$605.00/Haul \$125.00/Ton
11.	Savanna State Park	MN Dept of Natural Resources	Unattended/ Single Stream (For park guests only)	1-20 Yard On Call \$605.00/Haul \$125.00/Ton
12.	Sandy Lake Recreational Area	Army Corps	Unattended/ Single Stream (For park guests only)	1-20 Yard On Call \$605.00/Haul \$125.00/Ton

Rates quoted are flat rates, no fuel, environmental, or cost recovery charges. Contamination charges may apply if recycling is contaminated per the following Single-Stream Specifications.

Commercial dumpsters will have tonnage reported as accepted pounds per yard and roll off services will have direct tonnage totals for billing and reporting.

Drop-Off Center Collection Details

Waste Management proposes the use of 8-yard Single Stream commercial dumpsters for four locations, and 20-yard Single Stream roll off boxes at eight of the designated drop-off centers. Pricing for the 8-yards is a per dump or scheduled monthly basis with transport and processing included in the cost. Pricing for the 20-yard roll offs are per haul, plus the transport and processing cost per ton.

Site No.	City/Location	Establishment (As Host for Site)	Service Type/Materials ^(b)	Container Counts and Service Frequency
1.	Aitkin/County Courthouse	Aitkin County	Unattended/Single Stream	1-8 Yard On Call \$62.50/Dump -or- Could schedule to weekly service with each 8 Yard costing \$218.00/month.
2.	Aitkin/County Recycling Center	County/Contractor	Attended/Single Stream	10-8 Yard Weekly Service \$2,180.00/Month (\$218.00/active dumpster/month on once per week service)
3.	Aitkin/High School	High School	Attended/ Single Stream (For school use only)	1-8 Yard On Call \$62.50/Dump -or- Could schedule to weekly service with each 8 Yard costing \$218.00/month.
4.	Aitkin/Rippleside Elem School	Elementary School	Attended/ Single Stream (For school use only)	1-8 Yard On Call \$62.50/Dump -or- Could schedule to weekly service with each 8 Yard costing \$218.00/month.
5.	Hill City	<i>Sonny's Citgo</i> (Hwys 200 & 169)	Unattended/ Single Stream	1-20 Yard On Call \$605.00/Haul \$125.00/Ton
6.	Hill City School	School	Unattended/Single Stream (For school use only)	1-20 Yard On Call \$605.00/Haul \$125.00/Ton
7.	Long Lake Conservation Reserve	Conservation Reserve	Unattended/ Single Stream	1-20 Yard On Call \$605.00/Haul \$125.00/Ton
8.	Malmo	<i>Malmo Cenex</i>	Unattended/ Single Stream	1-20 Yard On Call \$605.00/Haul \$125.00/Ton
9.	McGrath	Pour Lewey's	Unattended/ Single Stream	1-20 Yard On Call \$605.00/Haul \$125.00/Ton
10.	McGregor School	School	Unattended/ Single Stream (For school use only)	1-20 Yard On Call \$605.00/Haul \$125.00/Ton
11.	Savanna State Park	MN Dept of Natural Resources	Unattended/ Single Stream (For park guests only)	1-20 Yard On Call \$605.00/Haul \$125.00/Ton
12.	Sandy Lake Recreational Area	Army Corps	Unattended/ Single Stream (For park guests only)	1-20 Yard On Call \$605.00/Haul \$125.00/Ton

Rates quoted are flat rates, no fuel, environmental, or cost recovery charges. Contamination charges may apply if recycling is contaminated per the following Single-Stream Specifications. Acceptable contamination level is currently set to 0%.

Commercial dumpsters will have tonnage reported as accepted pounds per yard and roll off services will have direct tonnage totals for billing and reporting.

On Call services are outlined as a per requested basis. 8 Yard dumpsters for the four locations in Aitkin have alternate scheduling options to customize to the volumes. Below is an example table of pricing and options.

Location	1-8-Yard On-Call (Price per requested dump)	1-8 Yard on weekly service (Truck scheduled to dump every week)	2-8 Yards on weekly service (Truck scheduled to dump every week)	2-8 Yards on twice per week service (Truck scheduled to dump twice per week)	10-8 Yards on weekly service (Truck scheduled to dump every week)	10-8 Yards on twice per week service (Truck scheduled to dump twice per week)
Aitkin/County Courthouse	\$62.50/Dump Charged every dump performed	\$218.00/Month Serviced weekly, monthly billing	\$436.00/Month Serviced weekly, monthly billing	\$860.00/Month Serviced twice per week, monthly billing	N/A Volumes too low for this option	N/A Volumes too low for this option
Aitkin/County Recycling Center	N/A Volumes too high for this option	N/A Volumes too high for this option	N/A Volumes too high for this option	N/A Volumes too high for this option	\$2,180.00/Month Serviced weekly, monthly billing	\$4,300.00/Month Serviced twice per week, monthly billing
Aitkin/High School	\$62.50/Dump Charged every dump performed	\$218.00/Month Serviced weekly, monthly billing	\$436.00/Month Serviced weekly, monthly billing	\$860.00/Month Serviced twice per week, monthly billing	N/A Volumes too low for this option	N/A Volumes too low for this option
Aitkin/Rippleside Elem School	\$62.50/Dump Charged every dump performed	\$218.00/Month Serviced weekly, monthly billing	\$436.00/Month Serviced weekly, monthly billing	\$860.00/Month Serviced twice per week, monthly billing	N/A Volumes too low for this option	N/A Volumes too low for this option

Commercial 8 Yard dumpsters have seasonal and volume flex options available to increase/decrease frequency of service or active dumpster count.

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 bottles detergent, and shampoo bottles, etc.)	Uncoated paperboard (ex. cereal boxes; food and snack boxes)
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 green	Magazines, glossy inserts and pamphlets

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

Plastic bags and bagged materials (even if containing Recyclables)	Microwavable trays
Porcelain and ceramics	Mirrors, window or auto glass
Light bulbs	Coated cardboard
Soiled paper, including paper plates and cups or other soiled paper or cardboard containers	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 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 Recyclables or pieces of paper Recyclables less than 4" in size in any dimension	Propane tanks, fuel cannisters
Batteries	Metal cookware/bakeware

Material from the County 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 Waste Management's property, its personnel or the public or materially impair the strength or the durability of Waste Management's structures or equipment.

The County shall pay Waste Management for a contamination fee with respect to any 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 Waste Management's operating or profit margin. Without limiting the foregoing. Additional charges may be assessed for bulky items such as appliances, concrete, furniture, mattresses, tires, electronics, pallets, yard waste, propane tanks, etc. To the extent allowed by law, Waste Management reserves the right upon notice to discontinue acceptance of any category of Recyclables 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 County's Cost.

Notes and General Provisions

Recycling End Markets are not included in this proposal. Markets are considered proprietary information, and if WM is selected as the contractor, will advise as permissible per our Legal Department.

Proposal is subject to the contingency plan of the Aitkin County Transfer Station location being permitted by Minnesota for Municipal Solid Waste (MSW) transfer.

The WM proposal is contingent upon the parties executing a contract with mutually acceptable terms and conditions.

Proposed rates are subject to an annual adjustment beginning on the anniversary date of any mutual agreement by the change in the Water, Sewer, and Trash (WST) Consumer Price Index published by the U.S. Department of Labor, Bureau of Labor Statistics. In addition, the charges shall be adjusted to reflect any applicable new or increases in federal, state, county, or local taxes or fees.