Topics

State Level Items
Regionalization
Solid Waste Resources Management Plan (SWRMP) Update
Services and Contracts
Staffing
Financial Items
State Level Items

Resolution of Support for Governor Snyder’s Recycling Funding Initiative
- City Council approved Resolution R-18-466 on 11/19/18
- Senate Bill 943 still in Committee
- May move forward during Lame Duck session

HB 6532 Introduced 11/27/18
- Removal of $0.10 can and bottle deposit
- Would end the $0.10 deposit in 2023

Michigan Recycling Coalition’s Annual Conference
- Ann Arbor Sheraton Inn on 5/14/19 – 5/16/19
- City and RAA members of MRC Planning Committee
Regionalization

Authority Formation Committee
- Facilitated by Washtenaw County DPW
- Eight jurisdictions participating

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<tr>
<th>City of Ann Arbor</th>
<th>Ann Arbor Township</th>
<th>City of Dexter</th>
<th>Pittsfield Township</th>
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<td>City of Saline</td>
<td>Scio Township</td>
<td>City of Ypsilanti</td>
<td>Ypsilanti Township</td>
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- Articles of Incorporation
  - Washtenaw Regional Resource Management Authority (WRRMA)
  - Final Draft nearing completion
  - Will be shared with other jurisdictions for consideration
  - Presented to Boards and Councils for action on acceptance
    - Anticipated presentation to Environmental Commission in January, 2019; City Council in February/March, 2019
SWRMP Update

Advisory Committee established
- Meeting #1 held Wednesday, 11/14/18
- Thirty-four (34) participants
  - Commissioners Brown and Mirsky participated
- Meeting Summary and materials (including video) on project website
  - A2gov.org/swrmp
- Meeting #2 on Tuesday, 1/15/19
  - 1:00pm – 3:00pm
  - DDA Conference Room

Financial Analysis and Model Development
- Submittal to staff being finalized
- Will be reviewed by staff before distribution
SWRMP Update

What’s Next?
- Finalize and distribute cost of service analysis
- Finalize and distribute benchmark analysis
- Draft questionnaire for scientific, random resident survey
- Begin costing out program and service options
- Begin procurement for contracts expiring June 2019
  - Provide flexibility for enhancements that emerge through the SWRMP and other ongoing efforts
Services and Contracts

**SINGLE-FAMILY RESIDENTIAL**
- Trash: City
- Recycling: RAA
- Compost: City

**MULTI-FAMILY RESIDENTIAL**
- Trash: City or WM
- Recycling: RAA or City
- Compost: (Not offered)

**BUSINESSES & INSTITUTIONS**
- Trash: City or WM
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- Compost: (Not offered)

**POST-COLLECTION**
- Trash
  - Advanced Disposal
- Recycling
  - RAA / Rumpke
- Compost
  - WeCare Denali
Services and Contracts

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Contracts Expiring 6/30/19
Services and Contracts

City will collect residential trash and compost
- City Council Resolution R-18-194
  - City staff will continue to perform collections
- Staffing levels maintained
- Management’s right to assign work
  - Reassigning front-load operations to expand to year-round residential compost collections

RFP being developed for:
- Trash dumpster collections
- Recyclables collections
- Processing of recyclables
  - AA MRF available for transfer loading to processing MRF
  - Proposals for utilization of AA MRF as processing facility will be accepted & evaluated
- Collections in the downtown core (subarea of the DDA)
  - Higher level of service
  - Separate pricing structure
Services and Contracts

Contract service provisions will include:
- Performance and outcome based measures
- Certain higher level(s) of service
  - 7-day a week collections in the downtown
- Right-sizing of equipment
- Customer service integration with City’s function
- Contract to include “flexibility” for potential:
  - Regional solid waste authority
  - Downtown services through merchants associations/DDA

Timeline
- RFP issued December
- Proposals due late January/early February
- Selection by early March
Staffing

City to continue collection services
- Operational staffing and resources required
- Public Works to be home of Solid Waste Programs

Consolidation of program staff to Public Works
- Similar to other recent consolidations
  - Transportation Group into Engineering
  - Parks & Public Space Maintenance into Parks and Recreation

Related and support roles by other units
- Fleet (collection vehicles)
- Facilities (MRF, Transfer Station and Compost buildings)
- Customer Service (accounts; customer point of contact)
- Communications (messaging and delivery)
- Sustainability and Innovations (monitoring SWRMP implementation & metrics; policy & program development)
Staffing

Staffing examination and recommendations included in SWRMP

Solid Waste Compliance Officer Position
- Position anticipated to be included in FY20/FY21 Budget Proposal

Manager Role
- Need identified
  - Loss of Assistant Public Works Manager due to retirement
  - Only 1 Assistant Manager currently in place over all 6 work groups
- Role not yet fully clear
  - SWRMP completion with program recommendations July, 2019
  - Regional Authority establishment status not yet determined
- Cresson Slotten focused on Solid Waste Programs through 2019
  - City lead for SWRMP effort
  - Procurement for sunsetting contracted services
  - Assembly of customer data
  - Regionalization and County Solid Waste Plan Implementation Committee
  - Development of new manager position
Financial Items

Earlier Approach to Recycling Contracted Services
- Anticipated that commodity values may offset large part/most of costs
- Encouraged outside 3rd party material
- Shared funding structure for equipment replacement

Hindsight tells us
- Recycling costs $  
  - Market volatility and outside influences can intensify realized net costs
  - Need to recycle, but not for cost savings/offset
- Shouldn’t exceed capacity of facility/program
- Care, maintenance and reinvestment of capital equipment and facility necessary  
  - Should be programmed into regular operations, and the costs included in operational costs
  - Must be key factor in design and layout of the facility
Financial Items

Realized Unit Costs for AA Recyclables Processing
(based on invoicing)

- **RRS (FY16)**
  - Processing Cost/ton: $32.52
  - Revenue Share-Credit/ton: $13.03
  - Net Cost/ton: ($19.49)

- **WM (FY17)**
  - Processing Cost/ton: $131.01
  - Revenue Share-Credit/ton: ($68.74)
  - Net Cost/ton: ($92.27)

- **RAA (FY18)**
  - Processing Cost/ton: $149.58
  - Revenue Share-Credit/ton: ($56.61)
  - Net Cost/ton: ($92.97)
Financial Items

MRF and Local Recyclables Processing
- Lack of local capacity for processing
- Significant capital investment to restart AA MRF or establish new facility
- City of Ann Arbor volumes approximately half MRF capacity
  - Outside volumes needed for viable business case

Potential restart
- Upcoming RFP procurement
  - Accepting proposals, though not required
  - Potential Regional Authority
Questions and Discussion

Thanks for your time and attention