City of Carroll

112 E. 5th Street Carroll, Iowa 51401-2799 (712) 792-1000 FAX: (712) 792-0139

MEMO TO: Honorable Mayor and City Council Members

FROM: Mike Pogge-Weaver, City Manager MJPW

DATE: June 21, 2017 ~~June 8, 2017~~
(Changes from the June 8th memo shown are underline and strikethroughs)

SUBJECT: Residential Solid Waste Hauling Agreement and amendments to the City Code related to solid waste regulation and fees

1. Consider approval of a resolution approving a new Residential Solid Waste Hauling Agreement.
2. Consider approving the first reading of an ordinance pertaining to waste storage containers and solid waste collection fees along with waving the second and third reading and moving final adoption of said ordinance.

The collection of solid waste in Carroll is done by two private refuse haulers with a contract between them and the City of Carroll. The current agreement started on July 1, 2009 is set to expire on June 30, 2017.

On June 12th, the City Council reviewed and discussed the proposed Residential Solid Waste Hauling Agreement and Ordinance implementing a new fee schedule. At that meeting, a concern was raised related to the proposed insurance limits contained in the agreement. The Council moved to table action and requested staff to review the limits and report back to the Council on June 26th.

Staff discussed the limits with our insurance agent Terry Axman. Mr. Axman recommended the following minimum limits be included in the agreement:

Commercial General Liability	$1,000,000 each occurrence
Commercial General Liability	$2,000,000 general aggregate
Automobile Liability	$1,000,000 each accident

Each hauler current maintains those exact coverages and limits. Additionally, each hauler maintains Umbrella Liability coverage of $1,000,000 each occurrence. These coverage and limits have been incorporated into the attached revised agreement.

The Mayor, Councilmember Boes, and staff met with the two refuse haulers and the attached contract and amendments are a result of these negotiations. The changes from the current agreement to the new agreement are as follows:

- Increasing the monthly pickup fees from the current monthly rate of $11.93 to as follows:
  - $12.68 as of ~~July~~ August 1, 2017, an increase of 75 cents.
  - $13.18 as of July 1, 2021, an increase of 50 cents.
  - $13.93 as of July 1, 2023 an increase of 75 cents.
- The current landfill tipping fee is $43.00 per ton. The agreement provides for an increase in the monthly rates of 7 cents per $1.00 when the landfill tipping fees rises above $46.00 per ton.
- Requires both haulers move to automated solid waste collection system and provide trash carts at no cost to the city and residents by February 1, 2018.
  - Requires both haulers to provide recycling carts at no cost to the city and residents if and when the Carroll Recycling center moves to single sort recycling.
- Requires haulers to provide the next year's pickup schedule annually by October 1st in order for the City to include an annual pickup calendar in water utility bill in October/November utility statements.

The attached ordinance implements the new fee schedule based on the agreement that also include the City's 65 cent month administration fee along with making revision to allowable waste storage containers to reflect moving from resident provided containers to hauler provided containers. In the revised agreement, rates are set to increase as of August 1, 2017. ~~Since the new rates being implemented as of July 1, 2017,~~ Staff requests that the Council consider waiving the second and third readings of the ordinance in order that the new fees can be reflected on the water utility statement that is mailed out in late ~~June~~ July for ~~July~~ August garbage service.

RECOMMENDATION: Consider approving the attached residential solid waste hauling agreement and the first reading of attached ordinance along with waving the second and third reading and move to final adoption of the ordinance.

CITY OF CARROLL

Residential Solid Waste Hauling Agreement

This Agreement is made this _____ day of _____, 2017, between the City of Carroll, Iowa, with offices located at 112 East 5th Street, Carroll, Iowa, hereinafter referred to as "City" and the independent contractors Ray's Refuse, Inc. and SGS, LLC dba Carroll Refuse Service, hereinafter referred to as "Hauler(s)".

This Agreement is the standard, non-exclusive Agreement between the City and qualified haulers to provide some of the solid waste collection service desired by the City for residential solid waste removal in zones established by the City.

The parties to this Agreement, in consideration of the mutual covenants and stipulations set out herein, agree as follows:

SECTION ONE
DEFINITIONS AND SCOPE

A "Solid waste" is defined for this agreement as garbage, refuse, rubbish and other similar discarded solid or semi-solid materials from household and personal activities. "Solid waste" does not include any hazardous wastes listed in the Iowa or United States Codes, nor for this agreement does the term "solid waste" include any industrial, commercial or agricultural waste products.

1. "Garbage" is defined as all solid and semi-solid, animal and vegetable wastes resulting from the handling, preparing, cooking, storing, serving and consuming of food or of material intended for use as food, and all offal, excluding useful industrial by-products, and includes all such substances from all public and private establishments and from all residences.

2. "Yard waste" is defined as grass clippings, leaves, garden waste, brush and trees, from that residence. Yard waste does not include tree stumps.

B. Haulers will pick-up and remove all residential solid waste, except yard waste and except any other excluded items left to private enterprise, at all single family dwelling units, and all multi-family dwelling units which do not exceed 4 separate dwellings, and which have water meter installations for each separate unit.

C. Haulers will pick up at the curbside only. However, special arrangements may be made for pick up at housing units of handicapped persons and there shall be no additional charge made to such handicapped persons.

D. Haulers' pick up area, designated as a zone, will be defined by a map attached to this agreement. Newly annexed areas will be added to the closest contiguous zone.

E. Haulers will pick up all solid waste and recyclables once per week per family housing unit at the curb. The day and time of the pick-ups will be set by the City Manager.

F. Haulers are not obligated to pick up yard waste, but must notify the customers within their residential zone of the method, dates and times when yard waste will be picked up. Notification must be by one of the three allowable methods set out in Section Four, N, below.

SECTION TWO
TERM

The term of this Agreement shall be from July 1, 2017, until June 30, 2025

SECTION THREE
CITY PAYMENT TO HAULERS

A. Payments collected by the City, based on family housing units with one regular water meter per family, will be made to the Haulers monthly, by the tenth (10th) day of each month.

B. City payments to Haulers will be as follows per household per month as the base rate:

1. For the July 1, 2017, eleven dollars and ninety-three cents ($11.93)
2. Beginning August 1, 2017, twelve dollars and sixty-eight cents ($12.68)
3. Beginning July 1, 2021, thirteen dollars and eighteen cents ($13.18)
4. Beginning July 1, 2023, thirteen dollars and ninety-three cents ($13.93)

C. The City will pay the Haulers twice the above rates for each household choosing to have a second trash cart. It is the responsibility of the Haulers to notify the City when a household has two trash carts. The City will discontinue billing for two trash carts when notified by the Hauler or when a utility user with two trash carts changes. The City will notify the Haulers when a utility user with two trash carts changes. Households are limited to two trash carts.

D. Haulers will pay all landfill "tipping" fees as established by the Carroll County Solid Waste Management Commission. Haulers shall pay such tipping fees out of the monthly fee paid by the City. If the tipping fees are not paid by the Hauler within five (5) days of the due date, the City will pay the tipping fees for that particular Hauler and will automatically deduct the fees from that Hauler's next check. If the Hauler fails to pay its tipping fees by the due date (15th of the month) for two consecutive months, this will be considered a failure to perform under this agreement. The City's deduction of a prior month's delinquent tipping fees will not be considered a "payment" by the Hauler. All

general increases in tipping fees shall be added to the monthly base rate paid to the Haulers as follows:

1. The current tipping fees are $43.00 per ton.

2. It is agreed that for each dollor of increase in the current tipping fees over a rate of $46.00 per ton, $.07 will be added to the monthly base rate paid to the Haulers. Any surcharges or penalties that might be imposed by the landfill shall be the responsibility of the Haulers.

E. Any and all changes in the number of households counted for purposes of this agreement may be acknowledged by the City if requested by the Haulers.

F. This agreement is based on present Department of Natural Resourses rules and regualtions. If future DNR rules and regulations would materially effect the execution and performance of this agreement, the parties agreed to attempt to mutually resolve the issue and amend this agreement if necessary.

SECTION FOUR
HAULER'S OBLIGATIONS

A. To collect all solid waste covered by the Agreement, in a neat, quiet and professional manner and in accordance with Chapters 105 and 106 of the Carroll City Code.

B. To keep current a contact person's name and phone number which information shall be updated for the City Manager whenever there is a change in such information.

C. To dispose of all solid waste in the Carroll County Solid Waste Management Commission landfill.

D. To keep all equipment neat and clean.

E. Not to subcontract any of this work without prior written approval by the City Manager.

F. To comply with all applicable City, State and Federal laws.

G. To pay the landfill's tipping fees.

H. To collect all recyclables required by the Carroll County Solid Waste Management Commission and dispose of those recyclables at the Commission's recycling facility under the Commission's rules and regulations.

I. To collect all solid waste and recyclables once per week on the day and within the time frame designated by the City Manager. The City Manager may, if requested

by a Hauler sufficiently in advance, grant permission to change the route day and/or time schedule. If such a change is permitted, it will be the Hauler's responsibility to notify the citizens. Mailing lists will be available from the City for a reasonable administrative fee. All local radio stations should be used by the Haulers when immediate notifications are necessary. Holidays or bad weather will be accommodated in the weekly schedule by allowing the pick up to slide one day. Holidays will be defined as those observed by the Carroll County Solid Waste Management Commission.

J. Haulers shall maintain their present pick up schedule as previously approved by the City Manager.

1. Annually by October 1st, Haulers shall submit a pick up schedule for remainder of the current year and the entire upcoming year. Schedule shall specifically note delays of regular schedule pickup days due to holidays.

K. To maintain a Carroll telephone number which is available to the residents for receiving complaints, concerns, and questions.

L. To notify each residential customer in writing how to dispose of yard waste, tires, oversized furniture and any waste not picked up by the Hauler according to the notification method set out in paragraph N, below.

M. To participate actively with the City of Carroll and Carroll County Recycling Center to educate customers how to use the recycling program and how to prepare material for recycling.

1. Haulers shall supply at no cost to the City or households a recycling cart to each household within 12 months after the Carroll County Solid Waste Management Commission notifies the Haulers that the Carroll Recycling Center will be moving to single stream recycling. Each household shall have a choice between a 35, 65, or 96-gallon recycling cart.

N. To notify residential users of any material that was not picked up by the Hauler, including the reason, by one of the following methods:

1. A notice securely attached to any container left at curb side; or
2. A telephone call to the resident made the same day as the refusal to pick up the material; or
3. A letter mailed to the resident on the same day as the refusal to pick up the material.

O. By February 1, 2018, the Haulers shall exclusively collect trash in the City using automated trash collection systems. The Haulers shall supply at no cost to the City or households a trash cart to each household. Each household shall have a choice between a 35, 65, or 96-gallon trash cart. The Haulers shall not be obligated to pick up trash that is

not contained in the trash cart with the lid fully closed.

SECTION FIVE
CITY'S OBLIGATIONS

A. To continue a mandatory collection ordinance and mandatory use of recycling containers in the City of Carroll, Iowa.

B. To monitor all new housing construction and keep the Haulers advised of housing units about to be constructed by letters to the Haulers at the addresses set forth in the Agreement, within a reasonable period of time.

C. To notify each household of the existence of this Agreement, the mandatory collection ordinance and the recycling program.

D. To approve a pre-payment resolution which will allow the Haulers to be paid by the tenth day of each month after the effective date of this Agreement.

E. To encourage citizens to use wind-resistant containers.

SECTION SIX
HAULER'S FAILURE TO PERFORM

A. Any breach of a material covenant of this Contract by a Hauler will be considered a failure to perform.

B. Hauler's failure to meet Hauler's schedule of pick-ups designated by the City manager will be considered a failure to perform. Hauler will be notified of such failure by ordinary mail at its address of record, and will be notified of the penalty.

C. Individual citizens who have complaints shall call the Hauler responsible for the pick up in their zone. If the City receives a citizen complaint, the City shall refer the call to the Hauler to remedy the situation.

If the Hauler fails to remedy the complaint, the City Manager shall order the Hauler to meet with the complainant and the City Manager and discuss the situation.

D. The following is a schedule of liquidated damages or penalties for failure to perform:

1. Failure to complete the route on schedule, for any one day or time frame set by the City Manager:

   a for the first violation during the contract term $100;
   b. for the second violation during the contract term $250;
   c. for the third violation during the contract term, contract termination.

2. Failure to provide proof of insurance $500.

3. Failure to have insurance in force at any time during the contract term, termination of the contract.

4. Failure to notify customers of a change in the day or time frame of pickups $500.

5. Putting recyclables in with regular refuse $100 for each violation.

SECTION SEVEN
HAULER'S INSURANCE

A. Each Hauler shall obtain the necessary Workers Compensation Insurance to insure adequate benefits are provided its workers pursuant to the law of the State of Iowa.

B. Each Hauler will obtain and maintain at all times, automobile or truck, public liability and property damage insurance, known in the insurance industry as comprehensive general liability with limits. Each Hauler shall maintain the following limits:

Commercial General Liability	$1,000,000 each occurrence
Commercial General Liability	$2,000,000 general aggregate
Automobile Liability	$1,000,000 each accident
Umbrella Liability	$1,000,000 each occurrence

C. The City will be named as an additional insured for each coverage listed in item "B" above.

D. Each Hauler will provide a current copy of the certificate of insurance to the City, verifying coverage of items "A" through "C." Each Hauler shall provide proof of renewal to the City prior to the expiration date of any insurance policy.

E. Failure to provide proof of insurance will be considered a failure to perform this agreement.

SECTION EIGHT
PERMITS AND LICENSES

Haulers will be responsible for acquiring all necessary permits and licenses at the expense of the Haulers, including the City collector's License under Chapter 106 of the Carroll City Code.

SECTION NINE
INDEMNIFICATION OF CITY BY HAULER

Hauler agrees to indemnify the City for any and all actions against the Hauler in which the City is named as a defendant. Hauler agrees to notify the City within five (5) City business days upon receiving notice that the Hauler has been sued or that a claim or suit might be filed that includes or names the city and arises from the operations of the Hauler. This duty of indemnification by the Hauler to the City will arise from any claims, whether they have merit or not, that are filed against the Hauler or the Hauler and the City. The only situation where the Hauler will not be required to indemnify the City will be if such a claim is brought and the City is found to be totally at fault with no fault assigned to Hauler.

SECTION TEN
ASSIGNMENT OF AGREEMENT

No assignment of this Agreement or any right accruing under this Agreement shall be made in whole or in part by the Haulers without the prior expressed written consent and approval of the City Council.

SECTION ELEVEN
JOINT AND SEVERAL LIABILITY

If the operation of a Hauler is comprised of more than one individual, corporation or other entity, each such individual corporation or entity comprising the Hauler's operation, shall be jointly and severally liable for all activities conducted by the Hauler.

SECTION TWELVE
SEVERABILITY

It is understood and agreed by the parties hereto that if any part, term or provision of this Agreement is held by any court or agency to be illegal or in conflict with any law of the State of Iowa, the validity of the remaining portions or provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term or provision held to be invalid.

SECTION THIRTEEN
BINDING EFFECT

This Agreement shall inure to the benefit of and be binding upon the heirs, executors, administrators, and successors of the respective parties. However, such continuation will be limited to a reasonable time, not to exceed six months, during which

time the heirs, executors, administrators and successors must obtain written consent and approval from the City Council for the continuation of the Agreement. In the absence of such written consent and approval within six months from the event causing the succession, the Agreement will terminate.

SECTION FOURTEEN
ENTIRE AGREEMENT

This instrument contains the entire Agreement between the parties and no other statement, promises or inducements made by either party or agent of either party that is not contained in this written Agreement, shall be valid or binding; and this Agreement may not be enlarged, modified or altered except in writing signed by the parties and endorsed hereon.

IN WITNESS WHEREOF, the parties have executed this Agreement at Carroll, Iowa,on this _____ day of _____, 2017.

CITY OF CARROLL, IOWA

By:_____
Eric P. Jensen, Mayor

ATTEST:_____
Laura A. Schaefer , City Clerk

REFUSE HAULERS

Ray's Refuse, Inc.

By_____
Tim Sapp, President

SGS, LLC dba Carroll Refuse Service

By_____
Curt Snyder, Manager

ORDINANCE NO _____

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF CARROLL, IOWA, BY REPEALING AND REPLACING SECTION 105.10 (1) PERTAINING TO WASTE STORAGE CONTAINERS AND SECTION 106.12 PERTAINING TO COLLECTION FEES FOR SOLID WASTE

BE IT ENACTED by the City Council of the City of Carroll, Iowa:

SECTION 1. Chapter 105, section 10, subsection 1 of the Code of Ordinances of the City of Carroll, Iowa, is repealed in its entirety and replaced with the following provisions:

105.10 WASTE STORAGE CONTAINERS.
Every person owning, managing, operating, leasing or renting any premises, dwelling unit or any place where refuse accumulates shall provide and at all times maintain in good order and repair portable containers for refuse in accordance with the following:

1. Container Specification. Waste storage containers shall comply with the following specifications:

   A. Residential. For single-family residential and multiple-family dwellings where each unit is serviced by an individual water meter, waste storage containers and recycling containers provided by the solid waste hauler shall be used. The total weight of any individual container and contents shall not exceeding seventy-five (75) pounds and the lid needs to be fully closed when left at the curb for collection.

   B. Commercial and multi-family dwellings not serviced by an individual water meter. Every person owning, managing, operating, leasing or renting any commercial and multi-family dwellings not serviced by an individual water meter premises where an excessive amount of refuse accumulates and where its storage in portable containers as required above is impractical, shall maintain metal bulk storage containers approved by the City.

SECTION 2. Chapter 106, section 12, subsections 1 and 2 of the Code of Ordinances of the City of Carroll, Iowa, are repealed in their entirety and replaced with the following provisions:

106.12 COLLECTION FEES.
The collection and disposal of solid waste as provided by this chapter is declared to be beneficial to the property served or eligible to be served and there shall be levied and collected fees therefor in accordance with the following:

1. Schedule of Fees.

A. Effective August 1, 2017, the fee for refuse collection and disposal service, used or available, shall be:
   i. For each single-family residence $13.33 monthly. One additional trash cart can be requested for an additional $13.33 monthly fee.
   ii. For each dwelling unit of a multiple-family dwelling serviced by an individual water meter $13.33 monthly. One additional trash cart can be requested for an additional $13.33 monthly fee.

B. Effective July 1, 2021, the fee for refuse collection and disposal service, used or available, shall be:
   i. For each single-family residence $13.83 monthly. One additional trash cart can be requested for an additional $13.83 monthly fee.
   ii. For each dwelling unit of a multiple-family dwelling serviced by an individual water meter $13.83 monthly. One additional trash cart can be requested for an additional $13.83 monthly fee.

C. Effective July 1, 2023, the fee for refuse collection and disposal service, used or available, shall be:
   i. For each single-family residence $14.58 monthly. One additional trash cart can be requested for an additional $14.58 monthly fee.
   ii. For each dwelling unit of a multiple-family dwelling serviced by an individual water meter $14.58 monthly. One additional trash cart can be requested for an additional $14.58 monthly fee.

2. Additional Fees. For every dollar of increase in tipping fees over $46.00 per ton charged by Carroll County Solid Waste Management Commission shall result in a $0.07 increase in the monthly rates listed as part of the Schedule of Fees in Section 106.12 (1).

SECTION 3. REPEALER. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION 4. SEVERABILITY CLAUSE. If any section, provision or part of this ordinance shall be adjudged invalid or unconstitutional such adjudication shall not affect the validity of the ordinance as a whole or any section, provision or part thereof not adjudged invalid or unconstitutional.

SECTION 5. WHEN EFFECTIVE. This ordinance shall be in effect from and after its final passage, approval and publication as provided by law.

Passed and approved this _____ day of _____, 2017.

CITY COUNCIL OF THE
CITY OF CARROLL, IOWA

_____
Eric P. Jensen

ATTEST:

_____
Laura A. Schaefer, City Clerk

I certify that the foregoing was published as Ordinance No. _____ on the _____ day of _____, 2017.

_____
Laura A. Schaefer, City Clerk