

City of Ramsey
Agenda
City Council Work Session
Tuesday, October 27, 2020

5:30 pm
Lake Itasca Room, 7550 Sunwood Drive NW

This meeting is being held in accordance with Minnesota Statutes 13D.021. Due to the COVID-19 Pandemic, it is not practical and prudent for all members of this board to attend in person. Current Minnesota law requires certain social distancing standards that impacts the capacity of the Council Chambers. For those at highest risk, it is advised to isolate themselves from the general public. For these reasons, it is not practical and prudent to have this meeting exclusively in person. Members of the public are welcome to attend in person or remotely.

Remote Attendance available at www.cityoframsey.com/meetings. To maximize social distancing due to the COVID-19 Pandemic, those that can join remotely are encouraged to do so. Those joining remotely and requesting to speak are asked to use a webcam when speaking.

- 1. Call to Order**
- 2. Topics for Discussion**
 1. Receive Updates on Ramsey Gateway Improvements Alternatives Analysis and Value Engineering
 2. Discuss Resolution #20-225 for New Curbside Recycling Contract with ACE Solid Waste, Inc.
- 3. Topics for Future Discussion**
 1. Review Future Topics/Calendar
- 4. Mayor/Council/Staff Input**
- 5. Adjournment**

Meeting Date: 10/27/2020

Information

Title:

Receive Updates on Ramsey Gateway Improvements Alternatives Analysis and Value Engineering

Purpose/Background:

he purpose of this case is to update the City Council on the design alternatives analysis and value engineering efforts for the Ramsey Gateway Highway 10/169 Improvements.

During the previous Planning Study effort for the Ramsey Gateway Improvements, the City was the lead agency. Anoka County is now the lead agency for the design process for the Ramsey Gateway Improvements to U.S. Highway 10/169.

Anoka County selected Bolton and Menk to complete the preliminary and final design efforts for the Ramsey Boulevard interchange, which was funded by the Minnesota Legislature through an earlier bonding award.

While Bolton and Menk was designing the Ramsey Boulevard interchange improvements, Anoka County was awarded \$40 Million from the US Government through the INFRA grant program. This infusion of funding allowed grade-separated design efforts to proceed for the at-grade railway crossings and at-grade Highway 10 intersections at both Ramsey Boulevard and Sunfish Lake Boulevard.

A total of five Project Management Team meetings have occurred since June 18, 2020. During these monthly meetings the project partners review the project schedule, discuss the status of current action items, and confirm next steps to ensure the project continues to progress on schedule.

During PMT meeting #5, held on October 8, 2020, several design alternatives were reviewed for both grade-separated interchanges on Highway 10 at Ramsey Boulevard and Sunfish Lake Boulevard. All of the alternatives that were reviewed differed significantly from the concept layout designs that were developed during the City-led Ramsey Gateway planning study. Staff wants to present and discuss the latest design alternatives with the City Council to ensure that the Council is aware of and supportive of the latest design alternatives.

Timeframe:

Staff estimates 60 minutes will be required to present and discuss this case.

Funding Source:

This case is being handled as part of normal Staff duties.

Responsible Party(ies):

City Engineer Westby will introduce the case, then Anoka County Staff including Anoka County Engineer Joe MacPherson, Assistant Anoka County Engineer Jerry Auge, and Program Delivery Manager Jason Orcutt, and their engineering consultant, Dan Lonnes with Bolton & Menk, will present and discuss the latest design alternatives that were recently reviewed by the PMT.

City Administrator Ulrich and Deputy City Administrator Gladhill will also be present. The City's transportation consultant, El Tinklenberg, was also invited.

Outcome:

Staff wants to ensure that the Council provides feedback, and is aware of and supportive of the latest design alternatives before the next Project Management Team (PMT) meeting is conducted.

Attachments

No file(s) attached.

Form Review

Inbox

Kurt Ulrich

Form Started By: Bruce Westby

Final Approval Date: 10/22/2020

Reviewed By

Kurt Ulrich

Date

10/22/2020 03:23 PM

Started On: 10/09/2020 04:05 PM

Meeting Date: 10/27/2020

Information

Title:

Discuss Resolution #20-225 for New Curbside Recycling Contract with ACE Solid Waste, Inc.

Purpose/Background:

The purpose of this case is to continue the conversation from the October 13, 2020 City Council meeting related to the curbside recycling contract with Ace Solid Waste, Inc. During the City Council meeting on October 13, 2020, City Council was concerned about the automatic step increases built into the contract starting on the first of each year. Since the previous City Council meeting, Staff has reached out to neighboring and comparable communities to see if their contracts include an automatic annual increase. Staff also reached out to Anoka, who recently finished an RFP process, to see if all proposals include an automatic annual increase. Staff has also reached out to Ace Solid Waste, Inc. for additional information.

Attached is a document outlining a comparison of rates for comparable and/or adjacent communities. Staff would like to note that Ramsey is a unique City that does not see some of the efficiencies of other Cities of our size as we are a large City with a significant number of single family homes. Many comparable communities see cost savings related to the number of apartment buildings that allow for centralized pickup (one large dumpster for 300 units, compared to 300 individual homes in Ramsey). Ramsey's unique rural character, sheer acreage of City size, and large City lots provides a unique challenge related to garbage hauling.

The City of Anoka shared that their previous contract (a 5 year contract that was extended 2 years) included an escalation scale, and all proposals in their recent RFP (that ended October 16, 2020) included an escalation scale as their RFP directed. They directed proposals to not include an annual increase of more than 3%. They hope to sign a new contract in November 2020.

Staff found that annual escalators are common in this type of contract. These types of escalation scales or annual increases are typically seen due to extra processing fees the haulers are being charged.

Direction needed: Staff would like to present this information to City Council and receive direction on if direction negotiations should continue with Ace Solid Waste, Inc. or if Staff should start the formal Request for Proposals (RFP) process.

Below is an excerpt from the original October 13 City Council Case. Please refer to the October 13 City Council Case for a more detailed background on the needs and options for recycling within Ramsey.

The City is in the final year of a three (3) year contract with ACE Solid Waste for curbside collection of recyclable materials. The current contract will expire on December 31, 2020. In March of this year, the Environmental Policy Board (EPB) reviewed the options available to the City regarding recycling service (negotiate an extension or new contract with ACE, prepare a Request for Proposal [RFP], or migrate to an open hauling system) and recommended that the City attempt to negotiate an extension or new contract with ACE Solid Waste. Subsequently, the City Council reviewed this topic in May and directed Staff to proceed with negotiations with ACE Solid Waste on a new curbside recycling contract. The purpose of this case is to consider approving a new curbside recycling contract with ACE Solid Waste, Inc.

The City of Ramsey and ACE Solid Waste have been working together since 1990 to provide curbside recycling service for residential properties. Over this span of time, there have been some major changes in recycling such as expansion of acceptable materials (and now, some reduction of acceptable materials), collection systems (went from dual sort to single sort), and pricing. In 1990, the monthly rate per household

was \$1.15 per month. In 2008, the contractually agreed upon price was \$2.95 per household per month. The monthly per unit fee has remained constant at \$2.95 since that time (span of 12 years).

ACE has proposed a 7-year contract (2021 through 2027). The proposed curbside recycling contract does include a per unit monthly fee increase beginning in 2021. The proposed rate in 2021 and 2022 is \$3.75, with the subsequent years having an automatic increase on the 1st of each year. The proposed rates for a 7-year contract are outlined below:

Year	Rate	% Change
2021	\$3.75	27.12%
2022	\$3.75	0.00%
2023	\$3.98	6.13%
2024	\$4.10	3.02%
2025	\$4.22	2.93%
2026	\$4.34	2.84%
2027	\$4.45	2.53%

ACE Solid Waste would prefer a 7-year contract. However, If the City Council is more comfortable with a shorter duration contract, ACE has agreed to the following pricing structure for a 5-year contract:

5-year contract

Year	Rate	% Change
2021	\$3.75	27.12%
2022	\$3.86	2.93%
2023	\$3.98	3.11%
2024	\$4.10	3.02%
2025	\$4.22	2.93%

Despite some significant changes in the recycling world over the past 5-10 years, Ramsey's per unit monthly fee has remained constant for over a decade. Over the course of the past decade, there have been some fluctuations to the cost of collecting and processing recyclables. In the early to mid 2010s, there was a significant jump in the price of fuel, which prompted many haulers to approach communities they were contractually servicing to request a per unit fee adjustment. ACE never raised that question with the City of Ramsey and honored the per unit fee in the contract.

More recently, there has been significant disruption to the recycling commodities markets resulting from a policy shift by China. Much of the United States' recyclable materials, especially plastics and mixed paper, had historically been shipped overseas to China. However, beginning in 2018, China implemented their National Sword policy that included a ban on importing certain scrap materials and for other materials, an extremely stringent contamination rate (not to exceed 0.5%, which is the equivalent of about 10 pounds of contamination per 1 ton of material). Essentially, this move created significant disruption to the recycling commodities markets, resulting in significant processing fees being applied to haulers at Material Recovery Facilities (MRFs). Again, ACE did not approach the City to discuss any sort of per unit fee adjustment.

ACE Solid Waste has been providing dependable recycling service for the community for about 30 years. ACE moved their operation to Ramsey in the early 2000s and continues to invest in the community with improvements to their site. Most recently (2019/2020), this included an expansion of their transfer station facility, creating a more efficient operation (now that the Great River Energy Processing Plant is shut down). As part of this expansion, ACE also included a 'convenience center' for residents to drop off additional recyclable materials (e.g. cardboard, newspaper, etc., that doesn't fit in a residents recycling cart). This benefits residents by not having to 'store' excess recyclables nor drive to another community's recycling center.

As a reminder, by offering recycling through a contracted service provider, each household is billed for recycling on a quarterly basis through the City. The hauler invoices the City monthly, they do not bill each residence directly for basic recycling service (they may potentially for walk up/drive up service, cleaning of carts, etc.). Each household is billed by the City regardless of whether they choose to participate in the recycling program or not. It is treated as another utility, similar to priority street lights and stormwater management.

Timeframe:

20 Minutes

Funding Source:

Staff is handling this case as part of regular duties. The City receives funding from Anoka County for some costs associated with recycling, and the City charges a quarterly recycling utility fee to Residents for this service.

Responsible Party(ies):

Chloe McGuire, Senior Planner
Tim Gladhill, Deputy City Administrator

Outcome:

Direct staff to either:

1. Continue direct negotiations with Ace Solid Waste, or
2. Start formal Request for Proposals (RFP) for new recycling contract

Attachments

DRAFT Resolution #20-225

Contracts Review

DRAFT City Council Minutes dated October 3, 2020

Form Review

Inbox	Reviewed By	Date
Tim Gladhill	Tim Gladhill	10/22/2020 09:02 AM
Tim Gladhill	Tim Gladhill	10/22/2020 10:26 AM
Kurt Ulrich	Kurt Ulrich	10/22/2020 01:25 PM
Form Started By: Chloe McGuire Brigl		Started On: 10/15/2020 03:29 PM
Final Approval Date: 10/22/2020		

Councilmember _____ introduced the following resolution and moved for its adoption:

RESOLUTION #20-225

RESOLUTION TO ENTER INTO A CURBSIDE RECYCLING CONTRACT WITH ACE SOLID WASTE INC.

WHEREAS, the City currently has a contract with ACE Solid Waste, Inc. for the curbside collection of residential recyclables that is set to terminate at the end of 2020; and

WHEREAS, in March of 2020, the Environmental Policy Board (EPB) reviewed options for curbside recycling and recommended that the City negotiate a new curbside recycling contract with ACE Solid Waste, Inc.; and

WHEREAS, in May of 2020, the City Council supported the EPB's recommendation and directed City Staff to negotiate a new curbside recycling contract with ACE Solid Waste, Inc. for consideration by City Council.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RAMSEY, ANOKA COUNTY, STATE OF MINNESOTA, as follows:

- 1) That the Mayor and City Administrator are hereby authorized execute a new curbside recycling contract with ACE Solid Waste, Inc. for residential recycling services subject to review and approval as to legal form by the City Attorney.

The motion for the adoption of the foregoing resolution was duly seconded by Councilmember _____, and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

and the following abstained:

and the following were absent:

Whereupon said resolution was declared duly passed and adopted by the Ramsey City Council this the 13th day of October, 2020.

Mayor

ATTEST:

City Clerk

Contracts Review

Anoka

2015-2019 (5 year term) contract had annual escalators of \$0.05 or \$0.06 cents. Signed a 1-year extension for 2020, rate jumped from \$2.79 to \$3.55 (\$2.90 collection charge and \$0.65 processing charge). Anoka issued an RFP for recycling service with proposals due on 10.16.20.

Spring Lake Park

2016-2021 (6 year term) contract includes an automatic annual escalators on the 1st of each year for years 2-6 of contract. Escalator is either the CPI "Midwest Urban" or 3%, whichever is less. SLP City Council directed staff to just utilize 3% annual, which allows them to budget a bit easier.

Fridley

2019-2026 (7 year term) contract includes automatic annual escalators for collection fees ranging from \$0.08 to \$0.10. There is also a Processing Charge component of the monthly fee. For the first 2 years of the contract (2019 and 2020), this was \$0.48 (2019) and \$0.82 in 2020. The Processing Charge for 2021 will increase to \$1.15.

Elk River

2013-2022 (10 year term) contract for organized collection of BOTH recycling and garbage. Rate for first half of contract (2013-2017) rate was \$3.25; rate for second half of contract (2018-2022) increased to \$3.49. Note that this contract was executed before the major international shift in recycling and the drop in the recycling commodities markets.

Maplewood

2020-2025 (5.5 year term; ends in June of 2025) contract includes automatic annual escalators of \$0.25 each year (\$4.00, \$4.25, \$4.50, \$4.75, \$5.00, and \$5.25). This is for WEEKLY collection.

7.04: Adopt Resolution #20-225 Approving New Curbside Recycling Contract with ACE Solid Waste, Inc.

City Planner Anderson reviewed the staff report and recommendation to approve a five-year curbside recycling contract with the pricing structure outlined. Whichever alternative the Council prefers, the motion will need to specify the contract duration.

Councilmember Riley stated that the reasoning was reviewed on why an increase was to be expected. He stated that there is a substantial increase in year one, with increases each year after that which together are substantial. He asked why there would be additional increases in following years.

City Planner Anderson stated that it is not uncommon for those increases to be included in a contract. He stated that the trend is that the processing costs continue to increase year after year, and this would be an attempt to offset those processing costs.

Randy Triplett, ACE Solid Waste, stated that typically employees are given a raise each year and the cost of fuel and processing fluctuate. He stated that in the past they have absorbed those costs but would like to prevent that situation where ACE needs to absorb those costs each year.

Councilmember Musgrove asked the amount of material that is recycled versus what is collected.

Mr. Triplett replied that ACE does not process the recycling but instead delivers the material to another company that processes the material. He stated that in order to keep their tax-exempt status, that organization must have a rate of 95 percent, which means that 95 percent of that material must be recycled. He explained that some things are rejected, like pizza boxes.

Councilmember Musgrove stated that recently there has been materials distributed that say if you are unsure, you are to put it in the trash. She stated that the cost to process is increasing but is unsure how much material is being recycled with that type of messaging. She stated that once her recycling cart is full, she puts the rest in the trash.

Mr. Triplett noted that larger recycling carts can be requested. He stated that they recently launched a waste and recycling inquisitor on the City website to help guide residents. He stated that part of the changing regulations was due to people putting things in the recycling that cannot be recycled.

Councilmember Musgrove stated that she has a concern with the increase.

Mr. Triplett explained that the proposed rates were identified through negotiations with staff.

Councilmember Riley stated that he understands the increase in price after 12 years but could not support an increase each year. He stated that if that is the method proposed, he would support a short-term contract and then go out for RFP.

Councilmember Specht asked if there is information on the number of Ramsey residents that use recycling.

City Planner Anderson stated that monthly reports are received from ACE, which includes the participation rate. He stated that about 90 percent of households participate month after month.

Councilmember Specht asked how things would change if people could opt out of the program.

City Planner Anderson stated that opting out of the program would defeat the purpose of the contract which helps to buy down the monthly cost. He stated that would drive the core unit price up further.

Deputy City Administrator Gladhill stated that from an administrative standpoint it would add expense and time to run the program if an opt out option were added.

Councilmember Kuzma commented that the City has had a 30-year relationship with ACE, and they provide a good service to the City and community. He stated that perhaps staff could work with ACE to find a more tolerable contract in order to continue the partnership. He stated that while he understands the need for an increase, he believed the terms could be better negotiated.

Councilmember Menth agreed that it would be best to have staff and ACE further negotiate. He stated that it is difficult to estimate the inflation rate for the next five to seven years.

Deputy City Administrator Gladhill stated that this contract expires on December 31st. He advised of an upcoming employee leave that will occur in the department which handles this contract and therefore it would be impossible for staff to negotiate before the end of the year. He recommended that an extension be granted through the first quarter of 2021.

Motion by Councilmember Kuzma, seconded by Councilmember Riley, to extend the Curbside Recycling Contract with ACE Solid Waste Inc. through the first quarter of 2021 at the current rate and directing staff to continue negotiations with ACE.

Motion carried. Voting Yes: Mayor LeTourneau, Councilmembers Kuzma, Riley, Menth, Musgrove, and Specht. Voting No: None.

CC Work Session

3.1.

Meeting Date: 10/27/2020

By: Colleen Lasher, Administrative Services

Information

Title:

Review Future Topics/Calendar

Purpose/Background:

Attached is the current list of future topics for work session discussion. Items are drawn from Council requests at meetings, or are related to topics that have been identified in the City's strategic plan. Tentative dates have been assigned.

Recommendation:

N/A

Action:

For Council review - no formal action necessary.

Attachments

[Future Topics List 2](#)

Form Review

Inbox

Kurt Ulrich
Colleen Lasher (Originator)
Kurt Ulrich
Form Started By: Colleen Lasher
Final Approval Date: 10/22/2020

Reviewed By

Kurt Ulrich
Colleen Lasher
Kurt Ulrich

Date

10/22/2020 11:21 AM
10/22/2020 11:39 AM
10/22/2020 02:02 PM
Started On: 10/22/2020 09:33 AM

City Council Future Topics – Work Session

(Tentative Dates)

Proposed Date	Topics for Discussion – Council Action	Minutes
TBD	Joint Fire Services JPA	15
2020	Discussion Regarding Recycling Services - Anderson	30
2020	Discuss the General Topic of Holding Joint Meeting(s) with the Council and Commissions & Other Cities. Based on discussion, future work sessions TBD.	20
2020	Discuss proposed amendments in regard to election law	30
	Topics for Discussion – Planning and Budget	
11/10/20	Union Contracts - Lasher	45
2020	Discuss Historic Town Hall – Ulrich	30
2020	City Branding Presentation - Ulrich	40
2020	Fire Department Duty Crew Analysis - Kohner	20
2020	Comprehensive Plan Review - Gladhill	30-45
2020	CR-5 Corridor Study Review - Westby	45
2020	Park System Plan – Riemer/Riverblood	60
2020	Review Council Member Compensation Study	20
	Topics for Discussion – Policy	
11/10/2020	Discuss the CIP - Lund	30
11/24/2020	Discuss City Communications / Areas for Emphasis	20
11/24/2020	Accounting of City Engineering Staff Time for City Projects - Westby	30
11/24/2020	Discussion Regarding the Remote Attendance Policy – Retain unlimited annual use or revise	15
03/23/2021	Draft Trail Maintenance Policy – Westby/Riemer	30
04/27/2021	Draft Stormwater Pond Maintenance Policy – Westby/Riemer	30