

ORGANIZED TRASH COLLECTION IN SAINT PAUL: REPORT ON COMMUNITY INPUT AND DRAFT GOALS AND OBJECTIVES

Saint Paul Public Works June 1, 2016

On February 24, 2016, the Saint Paul City Council passed a resolution directing the Saint Paul Department of Public Works to solicit input from residents using a variety of techniques in order to develop draft goals and objectives for implementing a system of organized trash collection (OTC) within the city of Saint Paul.

This report describes the methods that Public Works employed to solicit feedback; summarizes the feedback received; and offers draft goals and objectives to the City Council should they decide to proceed forward with implementing an organized trash collection system.

Resident Survey

Public outreach resulted in **147 written responses** to the survey and **1,836 responses through Open Saint Paul**, the largest community response on Open Saint Paul to date. The written responses were added to the Open Saint Paul format for tabulation and analysis. Of those who provided optional demographic information on Open Saint Paul, **51% were female; 49% were male**. Those who provided demographic information also hailed from **each of the city's 7 wards**. The following are the key items residents consider when choosing a trash hauler as collected through the community survey. The items are ranked by the percentage of respondents considering it important or very important.

Rank	Item	High or Very High	Neutral	Low or Very Low
1	Consistent, Quality Customer Service	89.9%	6.3%	3.1%
2	Stable, Uniform Rates	81.5%	11.5%	9%
3	Reasonable, Low Cost	79.7%	14.6%	4.8%
4	Reduction in Illegal Dumping	61.4%	19.1%	17.8%
5	Financial Incentives to Recycle More	61%	17.9%	19.5%
6	Reducing Wear & Tear From Truck Traffic	60.3%	16.8%	21.3%
7	Pollution Concerns Related to Trucks	58.7%	16.1%	24.2%
8	Options for Convenient Disposal of Bulky Items	58.1%	23.2%	17.6%
9	Opportunities for Small, Local & Minority Owned Trash Haulers	58%	22.7%	18.2%
10	Noise Concerns Related to Trucks	52.1%	17.3%	29.1%
11	Safety Concerns Related to Trucks	42.2%	20.4%	35.1%
12	Easy Access for New Residents & Non-English Speakers	41.4%	28.5%	27.6%
13	Individual Choice of Hauler	33.9%	13.1%	51.8%

When asked to further identify which aspects of customer service were important, the following aspects of customer service are listed in rank order by the percentage of respondents considering them important or very important.

Rank	Item	High or Very High	Neutral	Low or Very Low
1	Ability to Talk to a Person	74.9%	16.8%	11.3%
2	Ability to Set Out Extra Bags with No Additional Charge	55.9%	22.3%	21.6%
3	Ability to Pay Extra for Large, Special Clean Out Service	52.1%	27%	19.5%
4	Carts Left in Same Location After Pickup	50.3%	25.5%	23.7%

Community Outreach

A public information campaign was utilized to encourage residents to complete the survey and also to send in their trash collection bills. The campaign included:

- *General information posted on the city's Organized Trash Collection web page;

- *Notice to traditional, local media outlets with newspaper articles appearing in the major daily newspapers and several community newspapers;

- *Providing public information through free social media including the city's Facebook page and Twitter account;

- *Paid social media to target specific zip codes and demographics (generating 25,793 impressions and over 1,000 connections to the information web page);

- *Articles on city council and district council websites and in district council news outlets;

- *Printed informational brochures (including the written survey) that were made available in each of the city council offices, district council offices, all city library buildings, and at several neighborhood events;

- *A direct mail piece that was sent to 4000 households in areas of the city where the initial response rate was lower;

- *Direct outreach and focus groups through trusted, multi-cultural community organizations; and

- *One-on-one conversations at several community meetings and events.

Comments on Alley Snow Plowing

Several residents commented on alley snow plowing. The number following the topic area is the number of comments received on that topic.

Would like to see city organized alley plowing	25
It is difficult to organize and collect payment for alley plowing	25
Don't want or need alley plowing	14
Current system is unrealistic/ Unworkable	11
I (or my neighbor) do our alley plowing	6
I can't afford to pay for alley plowing	2
I would like to see garbage service and alley plowing combined	2

Alley Snow Plowing

The City Council requested a series of questions related to alley snow plowing.

When asked if their alley gets plowed, the respondents answering the question responded:

YES 67.9% NO 32.1%

A significant number of respondents (**863 or 43.5% of total respondents**) did not answer the question. Many of those respondents indicated that they did not have an alley.

Those who responded YES Indicating who plows the alley		Those who responded NO Indicating barriers to alley plowing	
You/Your Neighbor	10.6%	I Don't Understand the System or How it Works	11.9%
Private Company	58%	No One Has Asked Me to Contribute	24.6%
I Don't Know	9.1%	I Am Unable to Pay For the Services	8.5%
Other	22.3%	Other	70.5%

When asked to provide comment about other reasons the alley does not get plowed, the most common comments related to the difficulty of organizing neighbors and receiving payment. Others indicated that they didn't want or need alley plowing. See sidebar for a tally of comments received.

Residents were also asked how important it is to have their alley plowed. Below are the responses received.

How important it is for residents to have their alleys plowed for personal vehicle accessibility, trash removal services, emergency service vehicles, and pedestrian mobility			
Very Important	56%	Less Important	3.8%
Important	11.8%	Least Important	19.3%
Neutral	9.1%		

Resident Comments

In addition to the survey information, residents offered comments on organized trash collection through a variety of methods including: Phone calls; E-mails; Letters; Tweets; Through the Open Saint Paul Survey; Notes on the bottom of mailed surveys; Notes on mailed bills. Public Works did not specifically request comments, so not all respondents provided them. However, the following is an attempt to capture a number of the major sentiments expressed through the public commentary received. The number following the topic area is the number of comments received on that topic.

Overall Sentiment Regarding OTC	# Of Comments	Container Size-Frequency of service	# Of Comments
I support organized trash collection	76	I want option for shared/low volume/on-call service	53
I oppose organized trash collection	44	I only generate a small amount of trash	40
I want to have a choice of hauler	37	Want option to take own trash	13
I oppose city/government mandate	36	Want different size containers (larger or smaller)	7
Competition is good/less competition is bad	15	Want option to suspend service if out of town	7
OTC has environmental benefits	13	Want option to opt out	6
Compare/miss OTC from another city	11	Want options for every-other week/less frequent service	5
Regarding Trash Haulers		Additional Services Important/Want to See	
I like my current hauler	75	Yard waste collection	23
I want to support local, small, independent hauler(s)	42	Incentives to reduce waste	15
OTC will put small, local, independent haulers out of business	17	Organics collection	6
OTC will create a monopoly of large, national haulers	15	Bulky or special items	8
Our block/neighbors have organized for a hauler	12	Like current ability to add items	5
I have had bad experience with a previous hauler	10	Coordination of trash and recycling days	4
Like that hauler takes garbage to burner/Newport	7	Special arrangements for less able-bodied	3
Cost		Want pick up from alley	3
OTC will cost me more	30	Senior discount	2
I want cheaper service/not pay more for service	18	Customer Service	
OTC will cost me less	11	My current hauler has excellent customer service	10
I want to see as part of property taxes or ROW assessment	5	OTC will mean less customer service	7
I want a consistent cost	3	Encourage good customer service	7
Charge for individual trash bags	3	Issues with current open system	
Concern will have to pay whether or not needed	2	Too many trucks in alley or streets	42
		Noise	9
		Dumping	5

Trash Hauler Meetings

Public Works staff also requested meetings with each of the city's currently licensed, residential trash haulers in order to get their feedback regarding OTC. Staff met with 12 of the 14 licensed, residential haulers. Some of these meetings occurred in groups, some were with individual haulers. Four of the haulers are considered to be National/Regional haulers. Ten are considered to be Local/Independent haulers.

Many of the sentiments expressed about OTC are similar for both the local and national haulers. However, there are some aspects of OTC that are more concerning to one group or the other. Below is a summary of the major comments that came out of the hauler meetings.

Concerns	Other Feedback
•Lack of ability to expand or grow business was a concern expressed by both the local/independent and national/regional haulers. If the city proceeds forward with a consortium model, as described in Minnesota Statute 115A.94, the current market share held by each of the current haulers would remain static for the length of any agreement with the city. While this secures an account base during the term of the contract, it does not allow for any business expansion.	•Most of the haulers agree that there can be increased efficiency for them in having an organized route(s) within the city. Several of them have made efforts to consolidate their business within certain neighborhoods in the city to reduce costs.
•Speed of the process. Some of the haulers expressed concern that the 60 day process required by Minnesota Statute 115A.94 would not provide adequate time for the consideration of a consortium model. There was concern that the city might speed through this process in order to put OTC out to bid.	•Some haulers indicated that City owned carts would be a preference under an organized system. Others were concerned about the amount of investment that had been made in existing carts.
•Larger companies are in a better position to absorb lower rates. The local/independent haulers expressed concern that national/regional haulers can absorb lower rates more easily. They also know that the national/regional haulers hold a larger portion of the market share in Saint Paul. The local/independent haulers are concerned that if a process is established that apportions votes by market share, the national/regional haulers may hold out for lower prices in order to drive OTC out to bid.	•Several haulers indicated that there would be a preference for the City to handle customer billing. They indicated that this would provide more reliable income for the haulers and may help lower prices, as they would be less concerned about delinquent customers.
•The potential inclusion of a city requirement for Labor Peace Agreements was a concern to the national/regional haulers. Local/independent haulers were less concerned that as an issue or barrier. There were questions about what might be required under a labor peace agreement and what the city would consider as a "living wage" salary.	•As a rule, the haulers indicated the need for maintaining high quality hauling service and high quality customer service.
•Some haulers indicated that the inclusion of performance bonds and/or high insurance requirements could present a hardship for smaller, local/independent haulers.	•One hauler indicated that the fees charged in the Saint Paul market are artificially low due to the large number of haulers operating within the city. They suggested a cap on the number of haulers operating.
•Some haulers indicated a concern about potential Hauling Routes. There was recognition that some areas of the city present more difficulties for haulers than others (more/less dense, narrower alleys, more large or bulky items, higher volumes of trash, etc.). Several indicated concern about working within the current recycling routes and days for collection. They suggested adjusting recycling routes to coincide with trash collection.	•Some of the haulers have indicated that the industry is changing and that there is a need to be adaptable to keep up with those changes.
•Haulers had a number of questions regarding how the city plans to address organics collection and expressed concerns about the lack of infrastructure such as a transfer station.	•In general, the trash haulers take great pride in the work that they do, many of them being in the second or third generation of business ownership.
•Transfer station capacity could be an issue if all haulers would be required to use a single location within the city.	•The haulers wanted to see the alleys plowed but were not necessarily interested in providing that service.
•With the Ramsey Washington Energy Board now owning the Recycling and Energy Center in Newport, building renovations, upgrades and timing for new tip fees are uncertainties that could be problematic for setting a price for a consortium model.	

Trash Bill Analysis

Public Works requested that residents send copies of their trash bills to the City for review. This exercise was undertaken to get an understanding of the average fee for trash collection within the city and to develop an awareness of the range of fees residents are charged.

Public Works Staff were fortunate to have the assistance from a cohort of University of Minnesota's Humphrey School of Public Affairs Policy Fellows who were interested in learning about the policy creation and public information aspects of OTC. The fellows entered all of the data collected from resident bills and provided the initial analysis of the information. In addition, the fellows created a trash bill information sheet for the Public Works website and conducted interviews with City of Minneapolis staff about the inclusion of Labor Peace Agreements within their trash collection contracts.

Data analyses were conducted on trash invoices and bills sent to city staff from residents. These data summaries and analyses are based only from a snapshot of residents who sent their bills to the city. There is not enough data to claim statistical significance on any metric or to show true representation of all city residents. The information should be viewed as "snapshots of those invoices submitted voluntarily." At least one bill was received for all 14 haulers and from 10 different zip codes.

Primary Findings

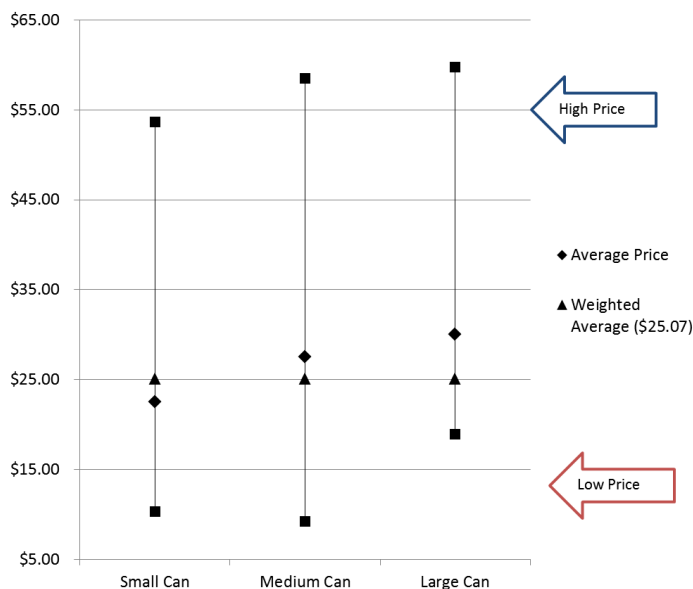
Monthly Price Breakdown Table

	Small (30-38 gallons)	Medium (50-68 gallons)	Large (90-96 gallons)
High monthly price	\$ 53.65	\$ 58.52	\$ 59.72
Average monthly price	\$ 22.50	\$ 27.49	\$ 30.02
Low monthly price	\$ 10.33	\$ 9.17	\$ 18.87
Median price	\$ 22.00	\$ 27.19	\$ 27.23

High Price to Low Price Differential

	Small (30-38 gallons)	Medium (50-68 gallons)	Large (90-96 gallons)
Difference	\$ 43.32	\$ 49.35	\$ 40.85
High Dev. from Avg.	\$ 31.15	\$ 31.03	\$ 29.70
Low Dev. From Avg.	\$ 12.17	\$ 18.32	\$ 11.15

Monthly Price Range and Average Breakdown Chart (n=214 invoices)



Average Price for a Small Can with Minimum of 10 invoices

	Number of Invoices	Average Price for Small Can
55103	13	\$ 22.25
55104	14	\$ 23.96
55105	22	\$ 22.63
55106	14	\$ 22.23
55117	15	\$ 21.94
55119	10	\$ 21.80

Surcharges by hauler as represented as a share of total bill (total invoices=135)

	Count of invoices	Average Percent Surcharge as a Portion of Total Bill
Hauler A	17	3.30%
Hauler B	20	4.98%
Hauler C	30	9.52%
Hauler D	26	9.90%
Hauler E	20	13.61%
Hauler F	22	13.95%

Summary of Observations

The most notable characteristic is the range in pricing for the same can size. Customers paying the lowest price submitted paid \$40.85-\$49.35 per month less than the highest paying prices submitted, depending on can size. While the high and low prices are anomalous, it does demonstrate the potential for great variation. Variation also exists both among haulers who itemize a surcharge on the invoices (6 haulers apply surcharges and 8 do not) and within the amount. Among haulers listing a surcharge, the percentage share of the bill ranges from 3.30% to 13.95%. There are an additional 20 invoices of irregular charges, often as one-time pickup. Most bills were from \$3.00-\$35.00 for miscellaneous pickups such as an appliance. But the exceptions included some high charges for annual yard pickup of \$97.00-\$257.00. This made analysis difficult, but would translate to an additional charge of \$8.09-\$21.42 per month for some residents.

Goal Recommendations

There are several procedural steps a city must take before it is authorized to adopt organized collection of solid waste. These procedures are spelled out in Minnesota State Statute 115A.94 Organized Collection.

Subdivision 4d of the statute requires that a city or town with more than one licensed collector must notify the public and all licensed collectors in the community of the city's intent to consider organized collection. The city must also provide a 60-day period in which meetings and negotiations shall occur exclusively between the currently licensed collectors to develop a proposal to collect solid waste from designated sections of the city. This proposal shall include city identified priorities including issues related to zone creation, traffic, safety, environmental performance, service provided, and price.

Based on the information received through community feedback and prior values expressed by the Saint Paul City Council, the Department of Public Works recommends that, if the City Council proceeds forward with the consideration of Organized Trash Collection (OTC), they adopt the following goals for consideration in negotiations with trash collectors.

A measure of importance has been assigned to help identify those goals that should be given a higher priority during negotiations:

1 = Key Priority

2 = High Priority

3 = Would Like to Achieve

Zone Creation

- Maintain opportunities for small, local, minority and women owned trash haulers **(1)**
- Support living wage jobs and labor peace agreements **(1)**
- Create zones that fairly recognize differing neighborhood characteristics and complications **(2)**
- Coordinate trash and recycling collection days **(3)**

Traffic & Safety

- Reduce the number of trucks on alleys and streets **(1)**
- Reduce noise from equipment and operations **(2)**

Environmental Performance

- Create routes that minimize the use of fuel and air pollution **(1)**
- Provide financial incentives to residents to recycle more and divert organic material from the waste stream **(1)**
- Process trash at Ramsey Washington Recycling and Energy Center **(1)**
- Use of trucks that utilize best environmental fuel technology (i.e. biogas, compressed natural gas) **(3)**

Service Provided

- Provide customer service that includes ability to talk to a customer service representative **(1)**
- Provide options for the disposal of bulky items such as appliances, mattresses, tires, etc. **(1)**
- Provide consistent customer service across the city **(1)**
- Provide options for the disposal of yard waste **(2)**
- Improve access to information for non-English speakers **(2)**
- Provide arrangements for pickup from less able-bodied residents **(2)**
- Provide option to increase amount of material removed (i.e. extra bag) **(3)**

Price

- Provide stable and uniform rates for residents throughout the city **(1)**
- Reduce costs for a majority of residents **(1)**
- Provide prices for different size containers **(1)**
- Provide options for less frequent or temporary suspension of service **(3)**

Alley Snow Plowing

The City Council requested that Public Works solicit feedback from residents about alley plowing within the city. Residents did express some interest in seeing a more coordinated system for alley plowing. However, given the complexity involved in creating such a system, Public Works would recommend that any consideration of the coordination of alley snow plowing be considered separately from the discussion OTC.