



CITY OF SURPRISE
Regular City Council Work Session
16000 N. Civic Center Plaza
Surprise, AZ 85374
Tuesday, February 4, 2020 @ 4:00 PM
COUNCIL CHAMBERS

- A. Call To Order
- B. Roll Call
- C. Pledge of Allegiance
- D. Proclamation and Community Acknowledgements
- E. City Manager Report
- F. City Clerk Report
- G. Call To The Public

INSTRUCTIONS: In order to address the City Council, you will need to fill out a Call to the Public Form available at the front counter, and then turn it in to the City Clerk before the meeting begins.

[Download the Call to the Public form](#) (PDF download requires Adobe Acrobat Reader)

[Fill out the Call to the Public form online](#) If submitting form electronically, please submit to City Clerk at least one hour before the meeting start time.

The Call to the Public form is also available at the front counter.

Note: A.R.S. 38-431.01(H)- During this time members of the public may address City Council only on issues within the jurisdiction of the City Council which are not an item on the agenda. At the conclusion of the open call, City Council may respond to criticism, may ask staff to review the matter or may ask that the matter be put on a future agenda. No discussion or action shall take place on any item raised.

Approval of items on the Consent Agenda – all items with an asterisk (*) are considered to be routine matters and will be enacted by one motion and one roll call vote to the City Council. There will be no separate discussion on these items unless a Councilmember requests, in which event the item will be removed from the consent agenda and considered in its normal sequence on the agenda.

Please be aware that Council Members may not discuss or respond to matters raised during call to the public that are not specifically identified on the agenda. Council Members may however, in their discretion, discuss or respond to relevant matters raised during a noticed public hearing or agenda item.

H. Regular City Council Work Session Agenda

CONSENT AGENDA:

REGULAR AGENDA ITEM - PUBLIC HEARING:

REGULAR AGENDA ITEM - NON-PUBLIC HEARING:

- | | | | |
|----|----------|--|------|
| 1. | Citywide | Discussion and presentation pertaining to an update on the state of recycling. | None |
|----|----------|--|------|

Mike Gent
Public Works

2. Citywide Discussion and presentation pertaining to Capital and Asset Replacement funding. None

Finance

- I. Other Business and Future Agenda Items
J. City Council Reports
K. Executive Session

For information Purposes; Upon a public majority vote of a quorum of the City Council, the Council may hold an executive session, which will not be open to the public, but for only the following purposes:

- discussion or consideration of personnel matters (A.R.S. §38-431.03 (A)(1));
- discussion or consideration of records exempt by law from public inspection (A.R.S. §38-401.03 (A)(2));

- L. Adjournment

SHERRY ANN AGUILAR, CITY CLERK, MMC

POSTED: Posted on Thursday, January 30, 2020 @ 11:18 a.m.

SPECIAL NOTE: PERSONS WITH SPECIAL ACCESSIBILITY NEEDS, INCLUDING LARGE PRINT MATERIALS OR INTERPRETER, SHOULD CONTACT THE CITY CLERK'S OFFICE @ 623.222.1200 OR TTY 623.222.1002, BY NO LATER THAN 24 HOURS IN ADVANCE OF THE REGULAR SCHEDULED MEETING TIME.



CITY OF SURPRISE
Regular City Council Work Session

Council Meeting Date: February 4, 2020
Submitting Department: Public Works
Staff Recommendations: None

Contact Person: Mike Gent, DIRECTOR - PW
District: Citywide

Consent: No	Regular: No	Public Hearing: No	Report/Discussion: Yes
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Agenda Wording:

Discussion and presentation pertaining to an update on the state of recycling.

Motion:

N/A; discussion only.

Background:

The city has suspended the processing of curbside recycling as part of its solid waste operations. This suspension is related in part to changes in the recycling commodities markets that have created an oversupply of recyclables while reducing the value of recycled material to historic lows. This presentation provides Mayor and Council with an update related to recycling market conditions and options.

Objective Analysis:

Continue suspension of recycling. Maintain currently approved rates while city develops economically and environmentally sustainable regional recycling program with public and private partners.

Policy Compliant:

This item is policy compliant as it relates to fiscal responsibility and sustainability.

Financial Impact:

Any changes to the city's current level of service will increase costs and warrant consideration of additional rate increases.

Budget Impact:

This presentation is for information and discussion only with no action, and therefore does not have a budget impact. Any future council action regarding recycling service will have budget impacts.

FTE Impact:

This presentation is for information and discussion only with no action, and therefore does not have a FTE impact. Any future council action regarding recycling service will have FTE impacts.

ATTACHMENTS:

1. 20200204 Recycling Presentation



The State Of Recycling

February 4, 2020

Regional Headlines



City of Phoenix may end its recycling and compost programs to cut costs



Mesa is the next Arizona city looking at what to do about its recycling



City of Surprise temporarily halts recycling



Arizona is dealing with a recycling crisis



The future of recycling in the Valley in doubt

Recycling Marketplace Structural Changes

Trends



Implications

Changes in the Stream

Some material changing faster than capital investment cycles

18M tons in 2000 → ~2M in 2015

Material Light-weighting

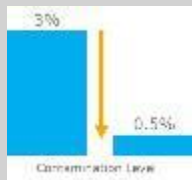
Skews program economics and current weight-based success metrics

Water bottles → Almost 2x transactions

China Sword (2018)

China drastically reduces acceptable quality criteria on imported recyclables

Plastics <0.5% → Mixed paper banned



Market Uncertainty

Los Angeles Times

Asian countries take a stand against the rich world's plastic waste

“Amid a growing global movement against non-recyclable plastic, Vietnam and Thailand have said they will block all imported plastic waste in the next few years.”

©CBS NEWS

Malaysia vows to send tons of non-recyclable garbage back to U.S., other developed nations

“Malaysia will not be a dumping ground to the world ... we will fight back. Even though we are a small country, we can't be bullied by developed countries.”

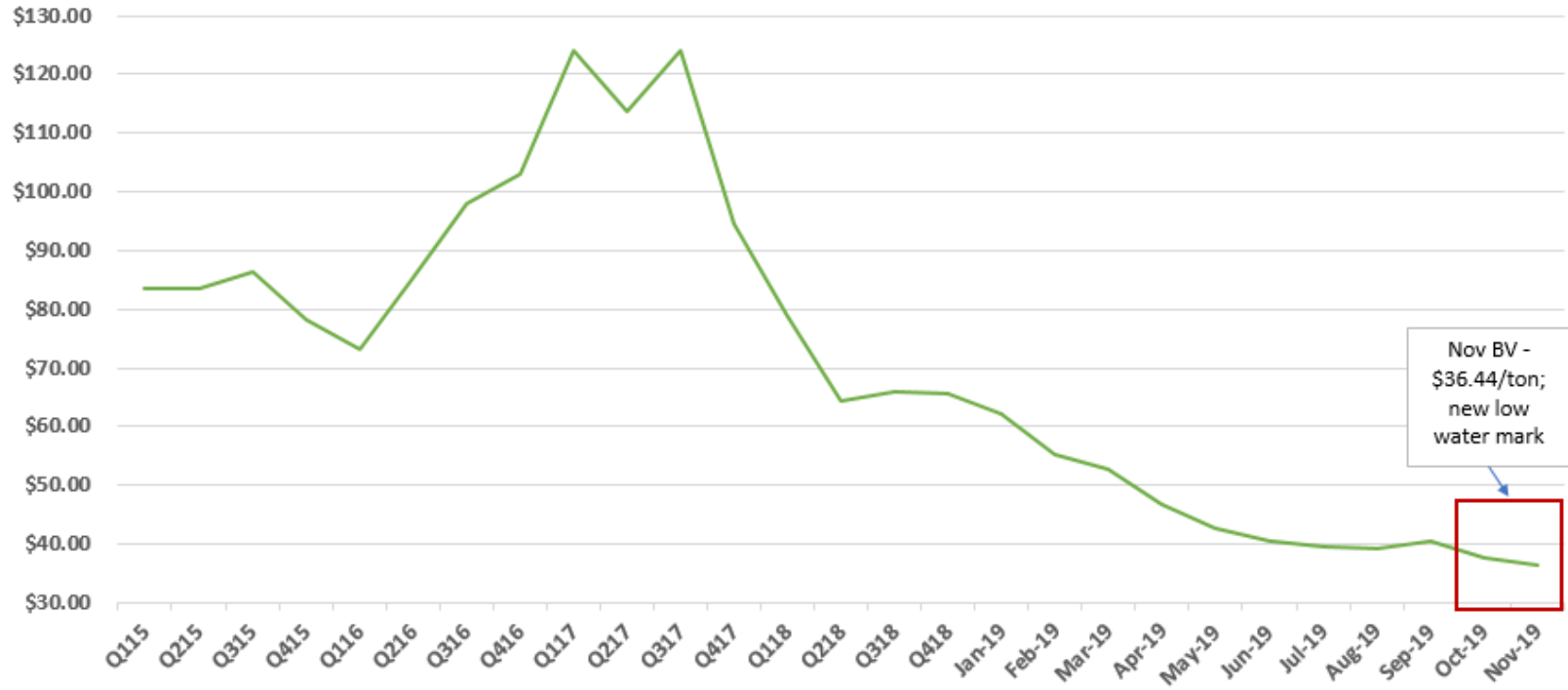


INDEPENDENT

India bans imports of waste plastic to tackle environmental crisis

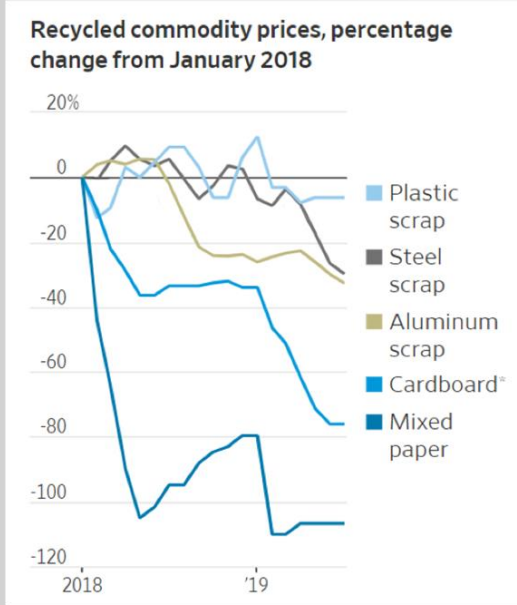
India has banned imports of waste plastic a year after China, the world's biggest importer of scrap plastic implemented a similar ban on western imports.

MRF Blended Value Average Prices / Ton Sold



**Commodity Markets Crash -
Steady decline due to excess material globally**

Plunging Commodity Prices for Republic Services



Source: Wall Street Journal 9/9/19

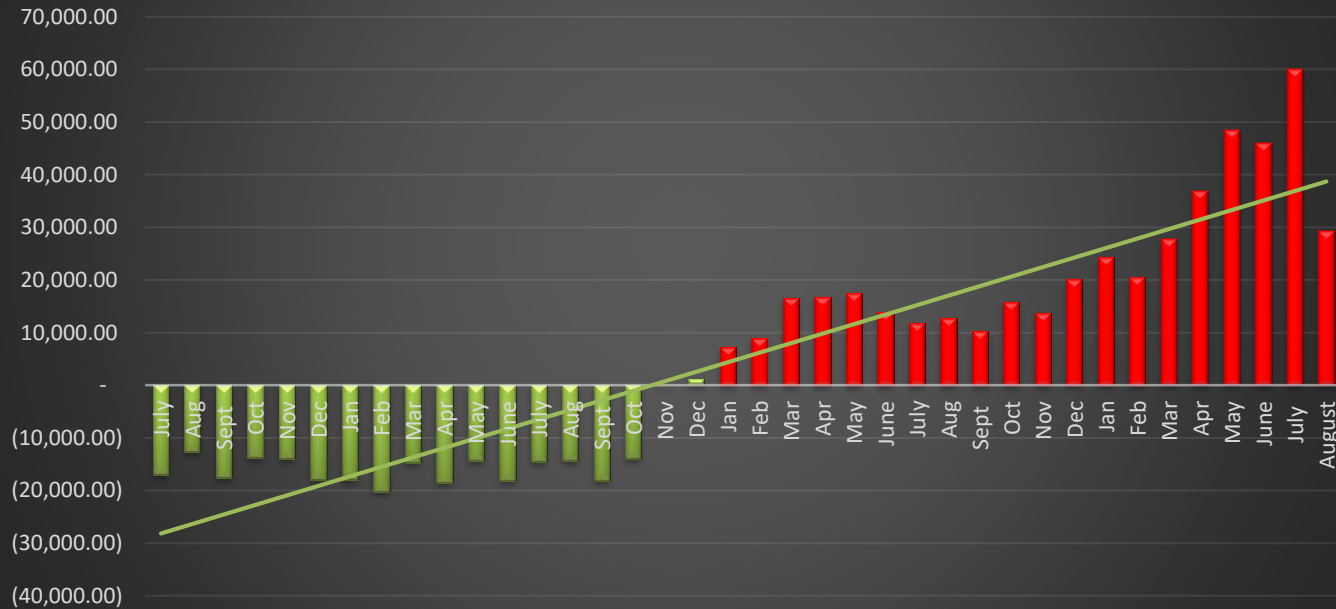
* = % of Republic Services material sold

Cardboard, mixed paper and aluminum at all-time lows

76% of the recyclables sold by Republic Services has declined in value 78-105%.

City Of Surprise

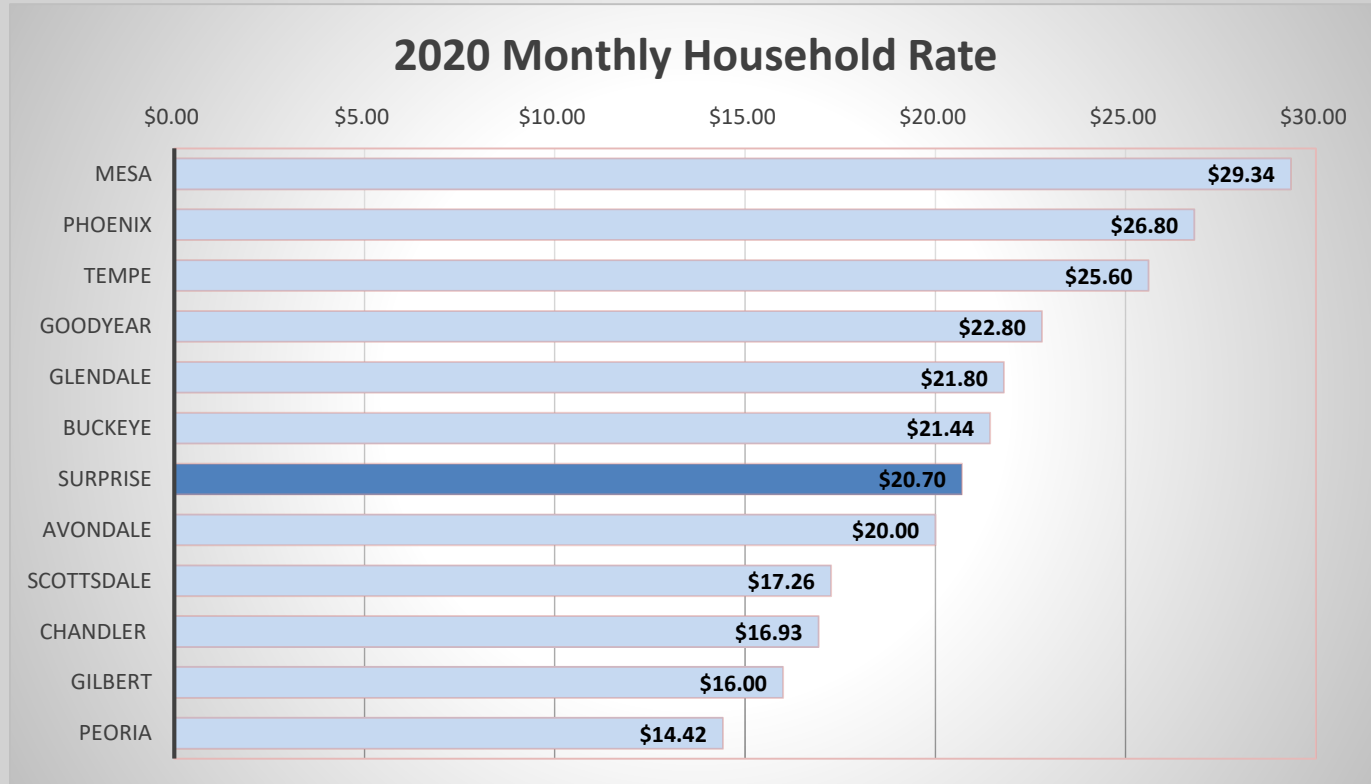
Recycle (Revenue)/Expense FY2017 - Until Suspension August 2019



Examples of Resident Feedback

- Yes! I would pay more to assure recycling is taking place. But, how do I know what I put in recycling is actually being recycled?
- I already pay enough and any additional increase is just out of the question. If this means no recycling, oh well.
- Would I be willing to pay more for recycling? Absolutely! How can we put a price tag on what is right and good for our planet?
- I'm willing to spend more to keep recycling going, but let's improve it.
- Pay more for recycling? Maybe. I would be more enthusiastic if part of the money was invested in making recycling more effective.

Solid Waste



OPTIONS FOR RECYCLING

- Option A: Continue Suspension of Recycling** – Maintain approved rates while developing economically and environmentally sustainable recycling program
- Option B: Re-establish limited recycling processing** – Sign agreement with WM and increase adopted rates to cover recycling costs
- Option C: End Recycling Program** – Use both containers for trash which requires all items to be bagged and tied*

*An approved variance plan from the State of Arizona with concurrence from Maricopa County is required to implement this change.



SURPRISE
ARIZONA

QUESTIONS OR COMMENTS?

Thank You



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Council Meeting Date: February 4, 2020
Submitting Department: Finance
Staff Recommendations: None

Contact Person:
District: Citywide

Consent: No Regular: Yes Public Hearing: No Report/Discussion: No

Agenda Wording:

Discussion and presentation pertaining to Capital and Asset Replacement funding.

Motion:

N/A; discussion only.

Background:

This presentation and discussion our current capital and asset replacement funding sources and will also recommend funding strategies that would identify sources for the future asset replacement projects. This presentation will review historical actuals to establish financial trends. This discussion will influence future FY2021 budget discussions as well as the Recommended and Tentative Budget that will be brought forward for future Council Action.

Objective Analysis:

This presentation is consistent with City and Council policy and falls in line with the state budget adoption timeline.

Policy Compliant:

This presentation is consistent with City and Council policy and falls in line with the state budget adoption timeline.

Financial Impact:

The information presented is intended to encourage discussion which will have an impact on future asset replacement and capital improvement plans

Budget Impact:

The information presented is intended to encourage discussion which will have an impact on the FY2021 City Manager Recommended budget and the Tentative budget.

FTE Impact:

The number of full time equivalents (FTE) is not impacted by this item

ATTACHMENTS:
