



**Mid Michigan Waste Authority  
Board of Trustees Meeting Minutes**

9:30 am – June 13, 2022

Swan Valley High School – 8400 Ohern Rd/Thomas Twp

The following are the minutes of the regular meeting of the Board of Trustees of the Mid Michigan Waste Authority (Authority), a Michigan Municipal Corporation, located in Saginaw County, Michigan, held Monday, June 13, 2022, at the Swan Valley High School, Saginaw, Michigan, pursuant to written notice served on the members of the Authority and in compliance with the Open Meetings Act.

**I. Welcome**

Chair Taylor called the meeting to order at 9:33 am.

**II. Pledge of Allegiance**

**III. Member Attendance Roll**

32 present – quorum achieved

**Members Present**

Albee Twp/J. Wasmler	Jonesfield Twp/L. Glazier
Bethany Twp/B. Devine	Kochville Twp/S. King alt
Village of Birch Run/P. Moore	Lakefield Twp/J. Schmidt
Birch Run Twp/R. Letterman	Maple Grove Twp/K. Yaros
Blumfield Twp/K. Huber	Marion Twp/H. Miller alt
Brady Twp/P. Goodrich	Village of Merrill/R. Campbell
Brant Twp/P. Cooper	Richland Twp/R. Grose
Bridgeport Twp/A. Jordan	City of Saginaw/P. Karwat
Buena Vista Twp/D. Fairris	Saginaw Twp/D. Gotham
Carrollton Twp/D. Sumption	Village of St. Charles/A. Hartmann
Chapin Twp/B. Radabough	St. Charles Twp/D. Ackerman
Chesaning Twp/K. Hornak alt	Swan Creek Twp/S. Golden
City of Frankenmuth/B. Smith	Thomas Twp/R. Taylor
Frankenmuth Twp/T. Hildner	Tittabawassee Twp/T. Metiva
Fremont Twp/D. LaClair	Wheeler Twp/J. Rohde
James Twp/G. Hakes alt	City of Zilwaukee/M. Bourbina

**Members Absent**

Village of Breckenridge/C. Seeley	Spaulding Twp/E. Masters
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**Staff / Guests / Public**

Staff: K. Tessin/Administrative Director; S. Thayer/Assistant Administrative Director. Public and guests in attendance T. Bennett/Bridgeport Twp, A. Tausend/Bridgeport Twp, E. Delemeester/Fremont Twp, K. Drews/Marion Twp, R. Scholtz/Marion Twp, B. London/City of Saginaw, R. Averill/Tittabawassee Twp, M. McGill/Tittabawassee Twp, S. Caramagno/GFL, J. Gomez/GFL, S. Charboneau/WM, D. Reams/WM, J. Reynolds/WM, J. Weiss/WM, A. Kruse/Priority Waste, D. Venet/Priority Waste.

**IV. Public Comment**

Public comment solicited:

WM/Reynolds thanked the Authority for allowing WM to be a partner to the MMWA member communities over the years and stated that the Authority is also the home of their employees. WM is looking forward to working with MMWA in the future. Reynolds promoted carts noting the industry is shifting to carts, there is a worker shortage and residents want carts.

Priority Waste/Kruse stated Priority Waste is looking forward to partnering with MMWA and its member communities.

## **V. Review Minutes and Other Information**

### **A. Approve February 14, 2022, Meeting Minutes**

The minutes of the February 14, 2022, MMWA Board of Trustees meeting were provided in the meeting packet.

*Motion by Tittabawassee Twp/Metiva, seconded by Brant Twp/Cooper, to approve the February 14, 2022, meeting minutes.*

*Passed unanimously*

## **VI. Financial Information Review and/or Approval**

### **A. 2022 YTD Financial Information**

Tessin reported that through April MMWA financials are on track. She noted trash volume remains high and that the fuel supplement kicked in beginning with the January 2022 collection invoice. Tessin also reported the audit should be finished for review by the end of the month.

*Motion by Tittabawassee Twp/Metiva, seconded by Lakefield Twp/Schmidt, to accept the financial report.*

*Passed unanimously*

## **VII. Organizational/Administrative Items: Information and/or Approval**

### **A. MMWA Executive Committee Solid Waste Services Recommendation**

Taylor summarized the RFP process to date highlighting initial efforts to determine the needs of each member community, the unexpected receipt of four proposals which ultimately lead to a recommendation by the Executive Committee that two proposals be considered by the Board: WM for a ten (10) year agreement for carted service and Priority Waste for a five (5) year agreement with a potential five (5) year extension for either manual or carted service. Each member community can select which vendor would best fit their community, and each member community can keep the services they currently have or add or remove services.

Tessin advised that, along with Thayer, they have met with, or have scheduled meetings with, fifteen member communities so far. Tessin thanked everyone for allowing them to come to the municipal meetings noting she gives a standard presentation and then takes questions.

Tessin reiterated the Authority did receive four proposals which contained nineteen different pricing schemes some with six different variables. Tessin advised the Board she was able to ultimately create spreadsheets for the Executive Committee that showed an apples to apples comparison.

Tessin explained that each member community could choose between carted service and manual service. Both WM and Priority Waste have cart options however if a community wanted to stay with manual service Priority Waste is the only option. Tessin observed WM is familiar to MMWA member communities and has the support and resources of a large multinational corporation. She described Priority Waste as a relatively new and growing company that priced its proposal to win the business. Tessin detailed the benefits of carts including that the industry is moving toward cart service as the

standard due to the driver shortage and reduced injuries to drivers. Carts also help with blowing litter, it's difficult for critters to get into the carts, carts are considered a premium service, a 96-gallon cart can hold three cans of trash, carts eliminate a barrier to access to recycling and carts reduce complaints of broken or damaged cans. MMWA will implement an extensive education campaign.

Taylor explained that if a community selected carts, up to 20% of its housecount could opt back into manual service after a trial period. WM would apply an upcharge of \$24.00/household. Priority Waste would not have an upcharge. Tessin added that both vendors believe in carts and are confident that once a household receives carts, they would not go back to manual service. Tessin explained that each housecount would get two carts with residents able to swap can size out for free during a six month amnesty period. Larger families can purchase additional carts if needed. Residents would still be able to place a small number of bags outside of the cart and the bulk program will continue as is.

Tessin said that there is no fuel surcharge for either vendor, WM is planning to convert their depot to accommodate CNG trucks although they have advised that some of 2023 would be a transition period due to supply chain issues. During that transition period collection prices would increase at the same time as the lower disposal and processing costs and all in yard waste pricing would apply netting out around current costs. Priority Waste maintains a diesel fleet and claims they will be ready with trucks and employees by January 1, 2023.

Additional elements in the proposals include a public drop off for recycling, the 1% rebate, a subsidy for MMWA office space, and the return of a recyclables profit sharing agreement. Tessin stated that to date each vendor has negotiated in good faith.

Taylor solicited comments from the Executive Committee and then solicited questions from the Trustees and guests.

Tittabawassee Twp/Averill asked if yard waste would remain the same in cans or paper bags. Tessin advised that yard waste would remain as manual collection of bags and cans noting that given the volume in some communities you could not economically transition to yard waste in carts.

Maple Grove Twp/Yaros asked how much an extra cart cost would. Tessin advised it would depend on size and vendor but would be around \$100.

Sholtz/Marion Twp asked when does each community have to tell the Authority which vendor they want. Taylor went over the timeline and stated that the Authority does need to find out which Vendor each community is leaning toward to determine which housecount thresholds are likely to apply. For example, WM has thresholds set at 21,000 households with a reduced price at 31,000 households. Priority Waste manual pricing stays the same regardless of housecount. Priority Waste carted service has a 13,000 housecount threshold.

Taylor laid out an estimated timeline: the week of June 27<sup>th</sup> the Executive Committee would work with Priority Waste and WM to get contracts drafted. Then, the week of July 4<sup>th</sup> or 11<sup>th</sup> there would be a Special Call Board of Trustees meeting to approve the agreements. Then, each member community would vote to approve their applicable agreements. Taylor stated there might be a need for a Special Call meeting in between those dates. The deadline for each community to choose a vendor would be the end of July. Taylor stated that MMWA member contracts, which bind that community to the Authority, will also need to be approved by each community.

Maple Grove Twp/ Yaros asked if there will be a need to take a tally today to get a good estimate for the threshold. Yaros also asked if Trustees thought there would be push back about carts from their communities.

Chapin Twp/ Radabaugh confirmed that for any community that selected carts, the first two would be provided free. Tessin said yes.

Richland Twp/Grose asked for clarification about the cost for a resident opting out of cart service. Tessin explained the 20% can opt out, but you want to make sure your community doesn't go over 20% and become a manual community. WM has an upcharge for residents opting out of carted service, Priority Waste does not. Tessin added that some residents are using contraptions already. Taylor added that vendors will replace parts if carts are damaged. Albee Twp/Wasmiller also wanted clarification asking if you have 1,000 housecount in your community, 200 can go manual. Taylor advised yes, but once you get to more than 20% of households switching back to manual collection the community becomes a manual collection community.

Taylor stated Priority Waste provided good pricing for manual, but they would prefer communities switch to carts and WM funneled the Authority into carts from the pricing in its proposal. One of the biggest reasons for the move to carts is the driver shortage. Tessin explained that the drivers tend to be older and they are exiting the profession at a rate higher than newer and younger drivers are entering the profession. In addition, younger drivers don't want to lift bags/cans, but they will operate a tipper arm. Tessin said both vendors are confident about carts as exemplified by the money they are investing to buy them, assemble them, store them, and deliver them.

Chesaning Twp/Hornak asked if all member communities have to choose either WM or Priority Waste or can member communities select different vendors. For example, do all Zone Four communities have to select the same vendor. Tessin explained no, each community makes its own choice.

Bridgeport Twp/Tausand asked if recycling can be placed outside of a cart. Tessin recommended that residents should place their materials in the cart, noting recyclables are more valuable if they aren't wet.

Marion Twp/Sholz asked if each municipality that selects manual service can purchase 18 gallon recycling bins. Tessin explained that MMWA recommends residents purchase up to 45-gallon cans and place recyclable only stickers on them. Municipalities can order bins however there is an approximately 300 bin minimum.

Chesaning Twp/ Hornak asked what the recommendation is. Taylor said the Executive Committee is recommending two vendors; WM has been MMWA's long-time vendor and they have experience with the Authority, Priority Waste brings a good price and is new to the industry. Taylor stated you need to decide if you want lower price versus an experienced vendor.

Birch Run Twp/ Letterman asked if a community can get out of a contract. Tessin stated there would be language for the Authority to exit an agreement for performance issues like there is in the current contract.

Jonesfield Twp/Glazier asked what will happen with the five-year contract, if individual communities opt out will it affect the entire Authority. Tessin said that is a question she has on her list. Glazier asked does a community have the option to change to carts if they start with manual collection. Tessin advised during the first two years of the Priority Waste contract if you select manual collection you can change to carts.

Saginaw Twp/ Gotham recommended that for people considering selecting carts, based off the size they should also consider switching to EOW recycling which has a lower rate. He noted that Saginaw Twp is considering going from weekly recycling to EOW recycling to help manage costs.

Tittabawassee Twp/Metiva stated by switching to carts picking up materials is faster, safer, and more

efficient. He added that something most people don't think about is that it's hard to replace a worker.

Bethany Twp/Devine asked if the Authority has looked into expanding into other counties. Taylor said he doesn't want the Authority to get too big which may limit which vendors are able to service the Authority. He is open to it but not looking for it. Taylor noted that if an addition doesn't help that municipality or the Authority it wouldn't be a good fit. Tessin explained there is language in the RFP for potential growth.

City of Saginaw/ Karwat said there can be an individual savings with carts because resident's carts won't break and the vendor must repair damaged carts.

Chapin Twp/Radabaugh asked if there is a dollar savings between carts and manual collection. Tessin explained it depends on which vendor and which zone but there is about a \$17 savings per year.

Brant Twp/ Cooper stated there is quite a difference in pricing between the two vendors.

Chesaning Twp/Hornak asked if there would be an objection to EOW recycling. Brant Twp/Cooper said no there is not.

Jonesfield Twp/Glazier asked if the prices in the packet are the final prices. Taylor advised the pricing is dependent on the housecount threshold. Glazier noted there is a significant difference between Priority Waste and WM in the percentage increase year to year and asked if that going to be a concern. Taylor stated that Priority Waste and WM recalculated their numbers several times. Each community needs to weigh that concern on their own. After a similar question from Richland Twp/Grose Tessin explained that as you look between year one and year ten there are differences in the rate of change as Priority Waste has a 1.8% increase each year and WM had a 4-5% increase each year which is closer to the industry average.

Tessin called on each community to name its preferred vendor and if naming Priority Waste add if the preference is for manual or carted collection. Thayer filled in the map. Estimates totaled 25,224 for Priority Waste manual collection, 1,810 for Priority Waste Carts, 31,374 for WM Carts and unknown 10,366.

Tessin advised that MMWA would continue working with lawyer Bob Davis to address any remaining questions with the RFP process. She noted that some items still need to be addressed including office space. Once contracts are drafted there should be meetings with the vendors to finalize the agreements. Once agreements are finalized the Executive Committee will meet to approve a recommendation. Tessin explained that Trustees have two separate roles, they vote on behalf of the Authority to bind the Authority and then they go back to their municipality for their municipality to approve the applicable agreements and a membership agreement. Once the Board approves the contracts there is a 60-day publication period. Tessin reiterated that she and Thayer are available to attend municipal meetings. Tessin thanked both vendors for being responsive to questions.

Village of Birch Run/ Moore said thank you to Tessin and the Executive Committee for their due diligence in reviewing each of the proposals and asking the right questions. Taylor said the MMWA office is doing a fantastic job and thanked the rest of the Authority. He noted this process is leading to better services and pricing for all of the Authority's residents concluding our goal is for everyone to work together and do what's right.

## **VIII. Program Items: Information &/or Approval**

### **A. 2022 Special Waste Season Update**

Thayer reported MMWA has held two all in one events to date; on Wednesday, May 4<sup>th</sup> and on Saturday, May 21<sup>st</sup> and one shred event on Wednesday, May 18<sup>th</sup>. Residents are utilizing the online registration

system which has reduced incoming calls. Each all in one event had a capacity of 300 appointments with each event registration full the morning of the event. Of the 600 appointments 560 residents came through for a no-show rate of 7%. So far, MMWA has collected 91,000 pounds of hazardous waste including 26,000 pounds of latex paint and 26,300 pounds of e-waste. Events are running smoothly so MMWA has increased the capacity for the three remaining all in one events from 300 to 350 slots. Using the office cell phone to scan the registration QR code to check in residents has also improved efficiency and the quality of the resident's day of experience. MMWA has one remaining two hour shred event on Thursday, September 22<sup>nd</sup>. Thayer also expressed appreciation to the Saginaw County Sheriff's Department for their onsite traffic flow management at each event.

**IX. Closed Session** – No closed session

**X. Other** – None

**XI. Next Scheduled MMWA Meetings**

**A. Special Call Executive Committee Meeting:** TBD

**B. Special Call Board of Trustees Meeting:** TBD

**C. Next Regularly Scheduled Executive Committee Meeting:** 9:30 am, Thursday, September 22, 2022, @ Thomas Twp Public Safety Bldg.

**D. Next Regularly Scheduled Board Meeting:** 9:30 am, Monday, October 10, 2022, @ Thomas Twp Public Safety Building

**XII. Adjourn**

*Motion by Richland Twp/Grose, seconded by Village of Birch Run/Moore, to adjourn the meeting at 10:43 am.*

*Passed unanimously*

Submitted by: Katharine Tessin/Administrative Director \_\_\_\_\_