




C I T Y O F  
**RENO**  
Memorandum

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**DATE:** February 18, 2026

**TO:** Mayor and City Council

**THROUGH:** Jackie Bryant, City Manager 

**FROM:** Suzanne Groneman, Environmental Services Manager  
Cynthia Esparza, Director

**DEPT:** Community Engagement & Services

**SUBJECT:** Waste Management Contract and Billing Clarifications

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At the February 11, 2026, meeting of the Reno City Council, Council requested clarification of the following matters related to Waste Management:

- Audit Procedures
- Mobile Home Billings
- Periodic Review Status

**Franchise Agreement Audit Procedures**

Under the Waste Management franchise agreements, the City can initiate a formal audit through a third party at its discretion and cost. The number of audits cannot exceed two (2) during the base term, and one (1) during any extension term. The base term ends in November 2029. The City has exercised its review option (explained below) every 5 years, in accordance with the contract, but has not exercised its audit option since prior to 2018. Waste Management representatives are supportive of the audit, which can begin upon direction from staff.

**Mobile Home Billings**

Council presented a concern that mobile home billings were based on city zoning. However, under the Waste Management agreements, mobile home communities have the ability to select from one of three models:

**Option 1: Commercial Service (One Container, One Bill)**

The community may opt for a shared dumpster with one consolidated bill for the entire property.

**Option 2: Standard Residential Service (Individual Customer Accounts)**

Each household may subscribe directly to Waste Management as an individual residential customer. In this model, every resident receives a bill, receives full residential service (trash, recycling, excess-waste stickers, and four annual dumps), and pays the standard residential rate associated with their cart size. Some households may qualify for senior discounts.

**Option 3: Master Billed Residential Service (Community Managed Billing)**

A property owner or community manager may choose to have all units billed together under a single master account. WM creates sub-accounts for each unit to track service; all units receive the same service level, and the master account is billed at franchise residential rates. Billing is based on 90% occupancy of living spaces. Units may qualify for senior, low-income senior, or side yard service rates with verification. The property owner/manager distributes excess stickers and transfer station passes to residents and verifies tenancy for use.

**Periodic Review Status**

In June of 2025, staff initiated a comprehensive periodic review of Waste Management’s operations and services. The review occurs every five years for two years and is a standard part of our agreement. This presents an opportunity to evaluate the effectiveness, affordability, and sustainability of the solid waste and recycling services provided to our community. The review period ends in June 2027.

<b>Waste Management Review Process Objective</b>		
Ensure the services provided under this agreement are cost-effective, reliable, and reflective of community values.		
<b>Focus Area</b>	<b>Analysis Description</b>	<b>Status</b>
<b>Fees, Rates, and Services</b>	Evaluate current fee structure and level of service to ensure they align with community expectations, industry standards, and cost efficiency.	Staff reviewed the franchise agreements, ordinances, service levels compared to other jurisdictions, rates, and fees. Initial findings show services are like those in Washoe County and Sparks, rates are set slightly lower than in Washoe County, and ordinance updates are needed. An ordinance to repeal Title 5, Sec. 5.90.070 was referred for a second reading and potential adoption on February 25. The repeal will remove outdated, duplicated, And contradictory language. Franchise fees are set below Sparks and Incline

		Village, and are the same as Washoe County (prior to Council action on 2/11/26)
<b>Benchmarking with Other Jurisdictions</b>	Rates and services comparison offered in similar cities to identify potential improvements or innovations in service delivery.	In progress.
<b>Reno Direct Calls &amp; Customer Service</b>	Data from Reno Direct will be reviewed to identify trends in customer service issues, such as missed pickups or service disruptions, and evaluate how issues have been resolved.	High-level Reno Direct Data is included in the Quarterly Report Memo to the City Council. An in-depth analysis is in progress.
<b>Recycling Performance</b>	Review of recycling rates to help determine whether current programs are effective and what changes might be necessary to increase diversion from landfill.	In progress.
<b>Missed Pickups and Resolution Rates</b>	An assessment of service reliability and the responsiveness of Waste Management to customer concerns.	Not started.
<b>Composting Survey Results</b>	Analysis of a recent composting survey that closed to better understand community interest and the feasibility of expanding composting services.	Survey responses show strong community support for composting services in the Community. Over 91% of respondents expressed interest in using compost, and more than 73% said they would consider paying for a pickup service for green and food waste, depending on the cost. The findings also point to a need for broader education.
<b>Review of Other Jurisdictions' Contracts</b>	Review of partner agencies to inform any potential changes or improvements to our own agreement.	In progress.
<b>ESG (Environmental, Social, and Governance) Reporting</b>	Evaluate Waste Management's ESG data to understand their operational sustainability and alignment with Reno's environmental goals.	Waste Management ESG goals include reducing absolute Scope 1 and Scope 2 GHG emissions 42% by 2031 (science-based target), target beneficial use of 65% of

		captured landfill gas by 2026, increase recovery of materials by 60% to 25M tons per year by 2030, including an interim milestone of a 25% increase by 2025, and to produce Renewable Natural Gas from some landfills fuels to fuel a portion of their fleet.
<b>Operational Interviews</b>	Conduct interviews with Waste Management’s operations personnel to assess field-level challenges and identify opportunities for improvement.	Not started.
<b>Transfer Station Utilization</b>	A focused review to understand the current underutilization of the allowance at the transfer station and explore ways to improve efficiency and community access.	In progress, but initial findings indicate underutilization of the transfer station allowance, so Staff is working with departments to resolve.
<b>Complaint Resolution Performance</b>	Review process and timeliness of complaint resolution to ensure responsiveness, accountability, and practices are meeting community needs.	Ongoing.
<b>Local Community Survey</b>	A survey to gauge public satisfaction with existing services and inform recommendations for the future. Similar survey to previous review process.	Not started.