CITY COUNCIL COMMUNICATION:

ITEM <u>68</u>

02-534

AGENDA:

OCTOBER 7, 2002

SUBJECT:

TERMINATION OF RECYCLABLES PROCESSING CONTRACT WITH METRO WASTE AUTHORITY

TYPE:

RESOLUTION ORDINANCE RECEIVE/FILE

SUBMITTED BY:

WILLIAM STOWE PUBLIC WORKS DIRECTOR

CITY OF DES MOINES, IOWA

OFFICE OF THE CITY MANAGER

SYNOPSIS —

On September 23, 2002, by Roll Call No. 02-2332, the City Council authorized the Public Works Department to proceed with issuance of a Request for Proposals (RFP) for the receipt, processing, and marketing of recyclables collected by the City. Selection of another recycler would eliminate the need for use of the Metro Waste Authority's designated processor and, consequently, necessitate termination of the City's contract with the Metro Waste Authority for joint operation of a program for disposal of recyclable materials. A 30-day written notice to the Metro Waste Authority is required to terminate the existing contract.

FISCAL IMPACT —

Termination of the City's service contract with the Metro Waste Authority would allow for use of an alternate recycler willing to pay a revenue to the City for its recyclables.

RECOMMENDATION —

Authorize the City Manager to give notice of termination of the service contract between the City of Des Moines and the Metro Waste Authority for joint operation of a program for disposal of recyclable materials.

BACKGROUND —

On November 19, 2001, by Roll Call No. 01-3479, the City Council approved renewal of a service contract for joint operation of a program for the disposal of recyclable materials with the Metro Waste Authority. The service contract provides for the collection of specified residential recyclable materials by the City of Des Moines and the provision of a recyclables processor, residential collection bins, and public education by the Metro Waste Authority. Under the terms of the service contract, which was renewed on November 19, 2001, the City has yet to receive revenue from the sale of those recyclables.

To explore the possibility of selecting a separate recyclables processor agreement for Des Moines, the City Council authorized the Public Works Department to proceed with issuance of an RFP for the receipt, processing, and marketing of the City's residential recyclables.

| Concurrent with the RFP process time line is the need to provide a 30- |
|---|
| day notice to the Metro Waste Authority of the City's intent to terminate |
| the existing contract. Staff recommends approval. |