

**CITY COUNCIL  
COMMUNICATION:**

**03-159**

**AGENDA:**

APRIL 7, 2003

**SUBJECT:**

AWARD OF  
CONTRACT FOR THE  
RECEIPT,  
DEMANUFACTURING,  
AND DISPOSAL OF  
APPLIANCES

**TYPE:**

**RESOLUTION**  
ORDINANCE  
RECEIVE/FILE

**SUBMITTED BY:**

WILLIAM STOWE  
PUBLIC WORKS  
DIRECTOR

**ITEM** \_\_\_\_\_

**OFFICE OF THE CITY MANAGER  
CITY OF DES MOINES, IOWA**

**SYNOPSIS —**

On January 27, 2003, by Roll Call No. 03-190, the City Council authorized the Public Works Department to proceed with issuance of a Request for Proposals (RFP) for the receipt, demanufacturing, and disposal of white goods collected in the city of Des Moines. The RFP was sent to three companies and three proposals were received. Two of the proposals included a bid price of \$8 per unit; however, award of the bid to only one is recommended since the company had more experience in recycling and provided a local drop-off location for appliances rather than pickup of stored units at a City-owned site. Therefore, award of the contract to Alter Trading Corp., Appliance Recycling of Iowa (2233 SE Maury, Des Moines, Iowa, Rob Goldstein, President) is recommended.

**FISCAL IMPACT —**

Presently, the City pays \$10 per appliance delivered to the Metro Waste Authority's Metro Park East Landfill located on Highway 163, nine miles east of Pleasant Hill. The proposal from Alter Trading Corp., Appliance Recycling of Iowa, is for \$8 per appliance delivered to their facility at 1801 East Euclid Avenue. Funding for the demanufacturing of appliances is generated by appliance sticker sales and is currently available in the Solid Waste Enterprise Account.

**RECOMMENDATION —**

**Approve and authorize the City Manager to negotiate and sign a contract with Alter Trader Corp., Appliance Recycling of Iowa, for the receipt, demanufacturing, and disposal of white goods from the City of Des Moines.**

**BACKGROUND —**

Day-to-day operations in the Public Works Department require the scheduling, collection, and transportation of household appliances such as stoves, refrigerators, washers, dryers, etc. In compliance with State of Iowa regulations, the Metro Waste Authority imposed a \$10 white goods demanufacturing fee to ensure removal and proper disposal of hazardous materials such as capacitors, mercury switches, and freon, which are often contained in appliances. The Metro Waste Authority's demanufacturing contract provides for the appliances being delivered to their demanufacturer at their landfill located nine miles east of Des Moines.

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Transportation costs, in combination with the demanufacturing expenses, currently exceed the \$35 per unit appliance sticker fee approved by Roll Call No. 02-728 on March 18, 2002. To reduce the transportation expenses and demanufacturing costs, the Public Works Department issued an RFP to identify a demanufacturer who will take receipt of appliances at a Des Moines-based location. Estimated cost savings of \$2 per appliance (approximately \$4,200 per year) and local delivery is significantly less than traveling to the Metro Park East Landfill at 12181 NE 12<sup>th</sup> Avenue, Altoona, Iowa, and far more convenient than temporarily storing appliances at a City-owned site.

If approved, staff will immediately enter into negotiations with Alter Trading Corp., Appliance Recycling of Iowa, on terms for a contract. Following review of the terms and conditions of the contract by the Legal Department, the City Manager will sign this contract on behalf of the City.

