

**CITY COUNCIL  
COMMUNICATION:**

**03-526**

**AGENDA:**

NOVEMBER 17, 2003

**SUBJECT:**

RATES FOR  
RECYCLABLES

**TYPE:**

**RESOLUTION**  
ORDINANCE  
RECEIVE/FILE

**SUBMITTED BY:**

WILLIAM G. STOWE  
PUBLIC WORKS  
DIRECTOR

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

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

**SYNOPSIS —**

On November 18, 2002, by Roll Call 02-2710, the City Council authorized the City Manager to negotiate and sign a contract with MidAmerica Recycling for the processing of Des Moines recyclables collected at the curb. The City's agreement with MidAmerica Recycling has resulted in the City's first time ever revenue for recyclables, which have totaled \$150,364 (through October 31, 2003) in the first year of the contract. Staff has now negotiated new pricing that will result in additional revenue.

**FISCAL IMPACT —**

Estimated increase in revenue of \$20,000 annually for the Solid Waste Enterprise Account.

**RECOMMENDATION —**

**Approve.**

**BACKGROUND —**

On September 23, 2002, by Roll Call No. 02-2332, the City Council authorized issuance of an RFP for an exclusive recycler to receive, process, and market recyclable materials collected at the curb by the Public Works Department. On November 18, 2002, Council accepted an RFP submitted by MidAmerica Recycling and authorized the City Manager to negotiate and sign a contract. On December 17, 2002, the City Manager approved a contract with MidAmerica Recycling, resulting in the City of Des Moines' first time ever revenues for recyclables in the amount of \$150,364 for the first year of the contract.

Terms of the contract provide for renegotiation of the prices paid for recyclables. The Public Works Department has negotiated a decrease in processing fees and an increase in the prices paid for selected materials as follows:

The newspaper and mixed-paper processing fee will decrease from \$28.50 to \$27.50/ton. The new pricing will be based on official board markets (yellow sheet) at the high end of the Chicago market.

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PAGE TWO

Tin and aluminum will increase to \$30/ton from the current \$15/ton.

Glass will increase to \$35/ton from the current \$25/ton.

Plastics #1 and #2 will increase to \$60/ton from the current \$35/ton.

Based on the past year's tonnage, the City may expect to receive an additional \$20,000 in revenue for its recyclables. The new pricing structure shall be effective on all deliveries beginning December 1, 2003.

