



Council Communication

Office of the City Manager

Date

May 5, 2008

Agenda Item No. 53

Roll Call No. 08-

Communication No. 08-271

Submitted by: William G. Stowe, Assistant City
Manager/Public Works/Engineering

AGENDA HEADING:

Accepting Proposal of MidAmerica Recycling, Inc. for Single-Stream Recyclables Processing and Authorizing the City Manager to Negotiate and Execute an Agreement

SYNOPSIS:

On February 25, 2008, by Roll Call No. 08-317, 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 single-stream recyclables collected in the City of Des Moines to include a 'bid alternate' for processing all metro-area recyclables. The RFP was sent to five companies, and three proposals were received. The proposal from MidAmerica Recycling, Inc. (Mick Barry, President, 2742 E. Market St. Des Moines, Iowa) rated the most qualified collectively in terms of their operational plan, background, and revenues payable to the City, and would yield the highest revenue based on metro-wide quantities.

Staff recommends Council approve MidAmerica Recycling as the selected recycling processor and authorize the City Manager to negotiate a contract. Based on this approval, staff would also issue bids for five automated collection vehicles, purchase 34,000 96-gallon wheeled containers, and proceed to implement a city-wide single stream recycling program.

FISCAL IMPACT:

Amount: \$2,700,000 initial investment to be recouped within five years

Funding Source: FY2009 Operating Budget, Fund EN151, Org PWK100101, Solid Waste Operations Fund, page 298

Conversion to single-stream recycling will require the purchase of an estimated 34,000 96-gallon wheeled containers at an approximate cost of \$1,700,000 and five automated collection vehicles at an estimated cost of \$1,000,000. Funding is available within the current Solid Waste Budget utilizing the City's lease/purchase program for acquisition. A staff reduction of six personnel by attrition, along with fuel savings and reduced landfill fees, would allow the City to recoup its initial investment in less than five years.

ADDITIONAL INFORMATION:

In December 2002, the City entered into an agreement with MidAmerica Recycling, and for the first time, received revenues for the recycled materials. Since 2002, recycling participation rates have leveled off at approximately 54 percent, and quantities of recyclables have remained constant at approximately 6,500 tons per year.

To reduce collection costs and increase quantities, the Public Works Department proposes automated collection of single-stream recyclables using wheeled carts and side-load vehicles. If approved, residents would be asked to place all recyclables in a wheeled cart for collection. Wheeled carts would be provided at no additional cost to all residents who opt for this service.

Automation will require an estimated 34,000 96-gallon wheeled containers at an approximate cost of \$1,700,000, and five automated collection vehicles at a cost of \$1,000,000. Funding is available within the current Solid Waste Budget utilizing the City's lease/purchase program for the acquisition. A staff reduction of six personnel by attrition, along with reduced fuel expenses and reduced landfill fees, would reduce program expenses, yielding a payback period of less than five years.

The Public Works Department recommends converting the City's manual recyclables collection program to single-stream and automated collection. Their research shows that other communities converting to automated collection increased the quantities of recyclables collected and reduced overall program costs. Restructuring of the recyclables collection program appears to be in the best interest of the City.

PREVIOUS COUNCIL ACTION(S):

Date: February 25, 2008

Roll Call Number: [08-317](#)

Action: [Issuance](#) of Request for Proposals (RFP) for single-stream recyclables processing. ([Council Communication No. 08-081](#)) Moved by Hensley to adopt; refer to the City Manager to schedule a Council workshop to discuss solid waste and recycling. Motion Carried 7-0.

Date: December 3, 2007

Roll Call Number: [07-2308](#)

Action: [Amendment](#) to Recyclables Processing Services Contract with Mid America Recycling, Inc. for adjustment of prices. ([Council Communication No. 07-714](#)) Moved by Vlassis to adopt. Motion Carried 7-0.

Date: December 4, 2006

Roll Call Number: [06-2387](#)

Action: [Amendment](#) to Recyclables Processing Services Contract with Mid America Recycling, Inc. for new per ton recyclable material prices payable to the City. ([Council Communication No. 06-765](#)) Moved by Coleman to adopt; refer to the City Manager to look for ways the City can promote recycling. Motion Carried 6-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Award of bids to purchase five automated collection vehicles.

For more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the second floor of City Hall, 400 Robert D Ray Drive. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to cityclerk@dmgov.org.