

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date	March 22, 2010
	Agenda Item No. 34 Roll Call No. <u>10-</u> Communication No. <u>10-152</u> Submitted by: William G. Stowe, Assistant City Manager--Public Works Director	

AGENDA HEADING:

Public hearing for approval of 28E Agreement with Metro Waste Authority (MWA) for the operation of a program for the collection and processing of yard waste materials.

SYNOPSIS:

On November 6, 2000, by Roll Call No. 00-4288, the City Council authorized staff to negotiate a 28E Agreement with the MWA for lease and operation of the City’s Harriett Street Compost Facility. Staff has now renegotiated the terms and renewal conditions of the agreement with a new expiration date of March 31, 2020. Staff recommends approval.

FISCAL IMPACT:

Amount: Annual revenue of \$655,000, based on an agreed upon annual lease payment of \$40,000 (currently \$50,000), plus continued payment at the current contracted rate of \$82/ton for the City’s annual average of approximately 7,500 tons of yard debris delivered to the compost facility.

Funding Source: 2010-2011 recommended Operating Budget, Fund EN151, Org PWK100101, Solid Waste Operations Fund, page 268.

ADDITIONAL INFORMATION:

In 1989, the State of Iowa passed legislation which prohibited the landfill disposal of yard debris. The law went into effective on January 1, 1991. To comply with this law, the City initiated a separate collection of yard debris for residential properties and constructed a yard debris processing facility known as the Harriett Street Facility.

Staff has now renegotiated the terms and conditions of the agreement with a new expiration date of March 31, 2020. This agreement provides for:

1. The MWA will pay the City of Des Moines \$82 per ton of yard waste delivered to the Harriett Street Facility.
2. A lease payment of \$3,333.33 will be paid monthly by the MWA to the City of Des Moines for the term of the lease. This amount has been adjusted to reflect refinancing of bond debt.
3. Ceasation of the host fee given the MWA’s completed and planned improvements.

On February 17, 2010, the MWA approved extension of the agreement by Resolution 02-10-05, and Council approval is now recommended. On March 8, 2010, Council set the date of hearing for March 22, 2010.

PREVIOUS COUNCIL ACTION(S):

Date: March 8, 2010

Roll Call Number: 10-350

Action: On 20-year lease of 1601 Harriett Street to Metro Waste Authority for operation of a program to collect and process yard waste materials, \$40,000 annually (3-22-10). Moved by Hensley to adopt. Motion Carried 7-0.

Date: May 7, 2007

Roll Call Number: 07-882

Action: Annual Agreement with Metro Waste Authority for operation of a program for the collection and processing of yard waste materials. (Council Communication No. 07-254) Moved by Vlassis to adopt. Motion Carried 7-0.

Date: March 22, 2004

Roll Call Number: 04-609

Action: Intergovernmental 28E Agreement with Metro Waste Authority for operation of a program for the collection and processing of Yard Waste Materials. (Council Communication No. 04-154). Moved by Coleman to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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