

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	February 8, 2016
	Agenda Item No.	23
	Roll Call No.	<u>16-0213</u>
	Communication No.	<u>16-071</u>
	Submitted by:	Jonathan A. Gano, Public Works Director

AGENDA HEADING:

Approving Amendment #3 of Contract for the Single-Stream Recyclables Processing Services with Mid-America Recycling, LLC (formerly known as to Midland Recycling-Lincoln, LLC).

SYNOPSIS:

Recommend Council approval of an amendment to the contract between the City of Des Moines and Midland Recycling, LLC and authorizing the City Manager to execute amendment to the processing contract to Midland Recycling Group which provides for a revised performance bond allowing an annually renewing bond, which has been approved as to form by the Legal Department.

FISCAL IMPACT:

Amount: N/A

Funding Source: E151; PW250432-Curbside Recycling, Solid Waste Operations Fund page 228

ADDITIONAL INFORMATION:

The Public Works Department provides a number of services including the curbside collection and processing of recyclable materials. The Public Works Department entered into a processing contract with Mid-America Recycling, LLC under roll call 08-1271 dated July 14, 2008. The contract allowed for an initial seven (7) year period beginning December 6, 2008 and ending December 31, 2015, with up to two (2) additional five (5) year renewals at the City’s discretion.

On May 18, 2015, by Roll Call No. 15-0828, the City Council consented to the assignment of the Contract by and between the City of Des Moines and GreenStar Mid-America Recycling, LLC for Single Stream Solid Waste Recyclables Processing Services for the Public Works Department to Mid America Recycling, LLC and authorized the City Manager to execute an amendment on behalf of the City to the Contract.

On December 7, 2015, by Roll Call No. 15-2064, the City Council approved a renewal and second amendment to the contract, which, among other items, renewed the term of the contract until December 31, 2020, and required a performance bond to be provided with a term the same as the contract term length.

After approval of the amendment, Mid America Recycling, LLC was informed by its surety broker that it would incur burdensome costs to procure such bond unless the bond was changed to an annually renewing bond for each annual term of the contract. This would be the same term that was provided in the previous contract which required an irrevocable letter of credit issued to the City annually.

City staff and Mid America Recycling, LLC have negotiated a third amendment which provides for a revised performance bond allowing an annually renewing bond.

The Public Works Director recommends approving the City Manager to execute the above described amendment.

PREVIOUS COUNCIL ACTION(S):

Date: December 7, 2015

Roll Call Number: 15-2064

Action: [Renewal](#) and Second Amendment to contract for Single Stream Recyclables Processing Services with Mid-America Recycling, LLC. ([Council Communication No. 15-640](#)) Moved by Gatto to adopt. Motion Carried 6-1. Absent: Cownie.

Date: May 18, 2015

Roll Call Number: [15-0828](#)

Action: [Assignment](#) of contract for single-stream recyclables processing services with GreenStar Mid-America Recycling, LLC to Mid America Recycling, LLC and authorizing City Manager to negotiate and execute assignment agreement and amendment to contract. ([Council Communication No. 15-270](#)) Moved by Hensley to adopt. Motion Carried 7-0.

Date: July 14, 2008

Roll Call Number: [08-1271](#)

Action: [Single-Stream Recyclables Processing Contract with Mid-America Recycling, LLC.](#) ([Council Communication No. 08-413](#)) Moved by Kiernan to adopt. Motion Carried 6-1. Nays: Coleman.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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