



Request for City Council Committee Action from the Department of Public Works

Date: September 10, 2013

To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee
Referral to: Honorable Betsy Hodges, Chair Ways and Means/Budget Committee

Subject: **Contract amendment with Organics Technologies Inc. (OTI) for yard waste processing**

Recommendation:

Authorize the proper City officials to negotiate and execute a one year contract extension with OTI for yard waste processing

Previous Directives:

- March 8, 2012: City Council authorized the proper City officials to negotiate and execute an amendment to the contract with Organic Technologies, Incorporated

Department Information:

Prepared by: David Herberholz, Director, Solid Waste and Recycling Division

Approved by: _____

Steven A. Kotke, P.E., Director of Public Works

Presenters in Committee: David Herberholz, Director, Solid Waste and Recycling Division

Reviews

- Permanent Review Committee (PRC): Approval ____ Date _____
- Civil Rights Approval Approval ____ Date _____
- Policy Review Group (PRG): Approval ____ Date _____

Financial Impact

- Action is within the Business Plan
- Other financial impact – contract extension will result in estimated cost savings of \$53,000 in 2014

Community Impact

- City Goals: Infrastructure...well-managed and maintained

Supporting Information

Background

The OTI contract amendment in March 2012 reduced the volume of yard waste being delivered to OTI by one-half due to a contract award with SET/SKB for one-half of the City's yard waste, increased OTI's price per ton, and added performance standards.

OTI has an agreement with CPED to lease the property at Dowling and 2nd St. N, through December 31, 2014.

Following are items of support for the one year extension:

- Operational efficiencies in having two (2) yard waste processing sites, one used by City crews and one by contracted hauler crews
- Estimated cost savings of \$53,000 in 2014

OTI will continue to operate this site for private hauler contracts for yard waste processing in 2014 even without the City contract. An extension that matches the length of the CPED lease agreement will provide an increased mechanism of oversight of the site.

Public Works requests approval for an extension the OTI yard waste processing contract for one year and to incorporate increased performance standards for odor and environmental concerns into the agreement.