



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

Date: December 16, 2003
To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee
Referral to: Honorable Barb Johnson, Chair Ways & Means Committee
Subject: Extension of contract with B.F.I Waste Services of the Twin Cities to process and market recyclables collected in the City's recycling program

Recommendation: Approve extension of existing contract for 4 months with BFI Waste Services of the Twin Cities.

Previous Directives:

- The existing contract for processing and marketing the City's recyclables expires December 31, 2003
- The existing contract has been previously extended by 18 months.
- On September 16, 2003 the Transportation and Public Works Committee required staff to present the RFP to Committee for their review.
- On September 30, 2003 the Transportation and Public Works Committee approved the release of the RFP to potential vendors.
- The City received responses to the RFP on November 18, 2003, a consultant, with City staff input, is evaluating the responses and requires additional time for complete analysis.

Prepared by: Susan Young, Director, Division of Solid Waste and Recycling 673-2433
Approved by:

Klara A. Fabry, P.E., City Engineer, Director of Public Works
Presenters: Susan Young, Solid Waste and Recycling

Financial Impact (Check those that apply)

No financial impact - or - Action is within current department budget.
(If checked, go directly to Background/Supporting Information)

Action requires an appropriation increase to the Capital Budget

Action requires an appropriation increase to the Operating Budget

Action provides increased revenue for appropriation increase

Action requires use of contingency or reserves

Other financial impact (Explain):

Request provided to the Budget Office when provided to the Committee Coordinator

Background/Supporting Information:

The City collects an average of 24,000 tons of recyclables from approximately 108,000 residential dwelling units each year. The City has contracted with a private vendor, B.F.I. Waste Systems, Inc., for the processing and marketing of these recyclables. That contract has resulted in a net return to the City for the cost of processing and marketing of the recyclables.

Three entities submitted proposals to the City: BFI Waste Services of the Twin Cities, Eureka! Recycling and the Recycle America Alliance (a subsidiary of Waste Management). Each of the Proposers submitted more than one processing and/or financial scenario for the city's consideration. The scenarios gave staff the opportunity to evaluate a variety of collection options and a spectrum of financial risk and reward situations. The proposals are very competitive in their responses to the City's standard requirements and to operational requirements. The financial proposals are not only very competitive, but also very complex, and comprehensive evaluation by the consultant will require more time than anticipated.