



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

Date: April 17, 2007

To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee

Subject: Request to extend contract with MRI until June 30, 2008

Recommendation:

It is recommended that staff be directed to extend the contract with Minneapolis Refuse, Inc. (MRI) for the collection of garbage, recycling, problem materials (metals) and yard wastes for one half of the City's dwelling units (MRI side of the City) until June 30, 2008.

Previous Directives:

- . December, 2004 and December, 2005: Approval of Business Plan for Solid Waste and Recycling Services, including competitive awarding of all contracts
- . August, 2001: Contract with Minneapolis Refuse, Inc. authorized for a five year term, January 1, 2002 – December 31, 2006
- . March 21, 2006, authorization to extend contract until June 30, 2007

Prepared by: Susan Young, Director, Solid Waste and Recycling Services 673-2433

Approved by:

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

Presenters: Susan Young, Director, Solid Waste and Recycling Services 673-2433

Permanent Review Committee (PRC) Approval ___ Not applicable ___ X

Policy review Group (PRG) Approval _____ Not applicable ___ X

Financial Impact (Check those that apply)

X 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

X Business Plan: X Action is within the plan. ___ Action requires a change to plan.

___ Other financial impact (Explain):

___ Request provided to department's Finance Dept. contact when provided to the Committee Coordinator

Community Impact

Neighborhood Notification: Not Applicable

City Goals: Maintain the physical infrastructure to ensure a healthy, vital and safe city

Comprehensive Plan: Not Applicable

Zoning Code: Not Applicable

Background/Supporting Information

In 2002, the City negotiated and executed a 5-year contract extension with Minneapolis Refuse, Inc. (MRI) for the collection of approximately one half of the residential garbage, recycling, yard wastes and problem materials (metals). In December, 2006, the Council authorized staff to seek proposals (RFP process) for this work. It was expected that a contract would be consummated after the RFP process with either MRI or a new hauler by June 30, 2007. Due to legal delays, and the decision of the City to conduct additional hearings and negotiations with licensed haulers in the City (Minnesota Statute Section 115.94 process), it is not expected that a new contract will be in place by June 30, 2007.

It is requested that a contract extension, with a 2% increase in payment to MRI, be executed through June 30, 2008.