



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

**Date:** September 27, 2005  
**To:** Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee  
**Subject:** Request to renew contract with Hennepin County for Disposal Services

**Recommendation:**

Authorize the appropriate City officials to renegotiate and renew the contract with Hennepin County for processing and disposal of municipal solid wastes collected in Minneapolis

**Previous Directives:**

Contract last renewed November, 2000, for 5 year period

**Prepared by:** Susan Young 612-673-2433

**Approved by:**

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Klara A. Fabry, P.E., City Engineer, Director of Public Works

**Presenters:** Susan Young

**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 of Minneapolis has a contract with Hennepin County for the disposal of Municipal Solid Wastes (M.S.W.) collected by the City and its contractors. That contract expires December 31, 2005. Hennepin County has indicated an interest in renewing this contract for a period to end March 31, 2006.

The new contract would set the tipping fee at Hennepin Energy Recovery Center (H.E.R.C.) at \$41.85 /ton, insure that the City will have continuous access to H.E.R.C., and insure that the City will not pay more than any other hauler to H.E.R.C. In addition, the contract would affirm the County's support of the City's M.S.W. collection system, affirm that S.C.O.R.E funds (if any) pass through by the County, proportionally, to the City and affirm the landmark cooperative program between the City and the County in electronics management and recycling.

The County wishes to extend the contract only until the end of March to bring the City's contract into a uniform timeline with the rest of the contract haulers. City personnel agree with this approach, since it will give the City and County time to discuss additional issues for the next long-term contract. The County will be seeking improvements to steam sales and electric sales from the incineration of wastes at H.E.R.C. to vendors. City and County personnel are exploring opportunities for the City to share in potential proceeds, since the facility does not contribute to the City's tax base, nor does the City have a "Host Community" benefit for the facility's location in Downtown.

The contract has been one that City and County personnel are proud of, and has reflected the excellent working relationship that has developed between the City and County solid waste and environmental personnel.