



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

**Date:** October 20, 2008

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

**Referral:** Honorable Paul Ostrow, Chair, Ways and Means Committee

**Subject:** **Contracts for the Collection of Garbage, Recyclables, Problem Materials and Seasonal Yard Waste**

### **Recommendation:**

1. Authorize the proper city officials to negotiate and execute a contract with Minneapolis Refuse Inc. for the collection of garbage, recyclables, problem materials and seasonal yard wastes for approximately 30,780 dwelling units located in the northwest area of the city (Zones 1, 2 and 3) for a five year term at a rate of \$10.49 per dwelling unit per month.
2. Authorize the proper city officials to negotiate and execute a contract with Aspen Waste System Inc. for the collection of garbage, recyclables, problem materials and seasonal yard wastes for approximately 21,566 dwelling units in the southwest area of the city (Zone 4) for a five year term with a rate of \$9.29 per dwelling unit per month in year 1; \$9.66 per dwelling unit per month in year 2; \$10.05 per dwelling unit per month in year 3; \$10.45 per dwelling unit per month in year 4; and \$10.87 per dwelling unit per month in year 5.
3. Adopt Findings of Fact relating to the Request for Proposals process.

### **Previous Directives:**

- May 16, 2008 - Public Works staff is directed to issue the Request for Proposals (RFP) for solid waste services.
- 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

**Prepared by:** Heidi Hamilton, Deputy Director Public Works 673-3316  
Susan Young, Division of Solid Waste and Recycling 673-2443

### **Approved by:**

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

**Presenter:** 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
- Business Plan:  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

**Background Information**

The city issued a request for proposals for the collection of garbage, recyclables, problem materials and seasonal yard waste in July 2008. Two proposals were received and evaluated by a team made up of representatives from Finance, Risk Management, Public Works, and the Minnesota Pollution Control Agency. The team determined that it was in the city's best interest to pursue contracts with both proposers. Staff met with both proposers to discuss their proposals and ideas for minimizing displacement of haulers (which is something that Minnesota Statue 115A requires be considered). After discussions with both proposers, staff recommends that the City Council:

1. Authorize the proper city officials to execute a contract with Minneapolis Refuse Inc. for the collection of garbage, recyclables, problem materials and seasonal yard wastes for approximately 30,780 dwelling units located in the northwest area of the city (Zones 1, 2 and 3) for a five year term at a rate of \$10.49 per dwelling unit per month.
2. Authorize the proper city officials to negotiate and enter into a contract with Aspen Waste System Inc. for the collection of garbage, recyclables, problem materials and seasonal yard wastes for approximately 21,566 dwelling units in the southwest area of the city (Zone 4) for a five year term with a rate of \$9.29 per dwelling unit per month in year 1; \$9.66 per dwelling unit per month in year 2; \$10.05 per dwelling unit per month in year 3; \$10.45 per dwelling unit per month in year 4; and \$10.87 per dwelling unit per month in year 5.

Further, as required by Minn. Stat. 115a, staff recommends that the City Council direct staff to develop the Findings of Fact relating to the Request for Proposals process, which should then be adopted by the City.

Please see the attached "Summary Report and Draft Findings of Fact" for details of the process leading to the recommended agreement between the City of Minneapolis and Minneapolis Refuse Inc. and the City of Minneapolis and Aspen Waste Systems Inc.

**Attachment:** Summary Report and Draft Findings of Fact relating to the Request for Proposals process