



City Council

Approval of the Contract Between the City of Olympia and LeMay for Recycle Transload and Hauling Services

Agenda Date: 1/3/2017
Agenda Item Number: 4.D
File Number: 17-0002

Type: contract **Version:** 1 **Status:** Passed

Title

Approval of the Contract Between the City of Olympia and LeMay for Recycle Transload and Hauling Services

Recommended Action

Committee Recommendation:

Not referred to a committee

City Manager Recommendation:

Move to approve the contract for recycle transload and hauling services between the City of Olympia and LeMay Enterprises, Incorporated, and authorize the City Manager to sign the agreement.

Report

Issue:

Whether to approve the contract for recycle transload and hauling services between the City of Olympia and LeMay Enterprises, Incorporated.

Staff Contact:

Ron Jones, Senior Program Specialist, Public Works, Waste ReSources, 360.753.8509

Presenter(s):

None - Consent Calendar Item.

Background and Analysis:

Curbside recyclables collected by the City of Olympia need to be sorted and processed at an approved recycle sorting facility. The nearest facilities are located in Pierce County, which is too far for City collection trucks to go on a regular basis. Recycle material must be transferred into long-haul trailers using a specially designed loading dock. LeMay has the only viable facility in Thurston County.

At one time, the City contracted for transload, hauling and processing in a single agreement. That contract expired in 2008 and was not renewed. Since then, Olympia and LeMay have been doing business without a formal contract.

In early 2016, the City of Olympia issued separate Request for Proposals (RFP) for recycle processing and transload/hauling services. LeMay was the only respondent to the transload and hauling services RFP.

The City negotiated the attached Professional Services Agreement with LeMay. The proposed contract is for a five-year term with options to extend for additional periods of time. Under the new contract, the transload and hauling fees will be \$62 per ton. This is a reduction from the previous cost of \$65 per ton. Based on 5,000 tons per year (2015 year-end data), the cost is estimated to be \$310,000 annually. Staff seeks approval of the contract for transload and hauling services. There will be a separate contract with a recycle sorting facility for processing.

Neighborhood/Community Interests (if known):

None known.

Options:

1. Approve the Professional Services Agreement.
 - Establishes clear roles and responsibilities between the City and Contractor.
 - Ensures the City has a way to get its recyclables transported to a sorting facility.
 - A contract will set a defined cost per ton with small annual increases.

2. Do not approve the Professional Services Agreement.
 - Without a contract, the City is subject to potential and unexpected cost increases.
 - The City might be at risk for having no way to get its recyclables to a sorting facility and the City does not have the equipment to haul its own recyclables.

Financial Impact:

Recycle transload and hauling costs are currently funded by customer rates, and included in Waste ReSources' (Fund 403) operating budget.

Attachment:

Professional Services Agreement