

Public Hearing: May 19, 2008

## **FACT SHEET**

**TITLE:** Collection of Recyclables from City Recycling Drop-off Sites

**SPONSOR:** Public Works & Utilities

**OTHER DEPARTMENTS AFFECTED:** None

**OPPONENTS:** None/Unknown

**APPLICANT:** Public Works & Utilities

**STAFF RECOMMENDATION:** Approve

**REASON FOR LEGISLATION:** Approve a four-year contract with VonBusch and Sons Refuse to collect recyclables deposited at recycling drop-off site in the City and County by the public and transport the recyclables to a material recovery facility in Lincoln.

## **DISCUSSION**

There are a total of 32 recycling drop-off sites in the City and County that are maintained and operated by the City under this contract. Twenty-eight are located in the City and six are located in other communities in Lancaster County.

Materials accepted at the sites are newspapers, residential mixed paper (magazines, junk mail, catalogs, telephone directories), cardboard and fiberboard (cereal boxes), #1 and #2 plastic containers, glass bottle and jars, aluminum cans and tin cans. In FY 06-07, the City received 7,075 tons of recyclables and there has been a six percent increase in tons received through March 2008 compared to the same period for FY06-07.

There have been strong markets for recyclables in the past year and current year. In FY 06-07, the City received \$351,276 from the sale of recyclables. In the first eight months of FY 07-08, \$340,735 in revenues has been received from the sale of recyclables collected from the drop-off sites. The continuation of these revenues is dependent upon the demand for recyclables worldwide. A declining world economy would reduce the annual revenue received by the City.

The current multi-year contract for providing these necessary collection services to the drop-off sites expires on May 31, 2008. (This multi-year contract was approved by the Council on April 15, 2004).

Bids to continue this necessary contract service were obtained through the City's normal procurement and purchasing process. Von Busch and Sons Refuse was the successful bidder and recommended for award of this contract. The contract requires Von Busch and Sons to provide recycling containers at the sites, maintain a regular schedule to empty the containers, and keep the recycling sites clean.

The total estimated annual cost for this contract is \$362,650 per year. The contract is a unit-price type contract and the annual amount depends upon the total quantity of recyclables handled at the drop-off sites on a yearly basis.

**POLICY OR PROGRAM CHANGE:** No

**COST OF TOTAL PROJECT:** \$362,650 (this contract)

**SOURCE OF FUNDS:**

**CITY:** Landfill Fund - Occupation Tax

**NON CITY:** Revenue from sales of recyclables collected at the recycling sites.

**FACT SHEET PREPARED BY:**

Gene Hanlon, Recycling Coordinator

**REVIEWED BY:**

Director of Public Works & Utilities