



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

**Date:** June 10, 2008  
**To:** Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee  
**Referral:** Honorable Paul Ostrow, Chair, Ways and Means Committee  
**Subject:** **Request to extend contract with MRI until February 1, 2009**

**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) with a 6% increase in compensation until February 1, 2009

**Previous Directives:**

- May 16, 2008, Staff directed to negotiate an extension to the City's 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) through February 1, 2009, and report back to the City Council with the terms and conditions of the contract. Further, that Public Works staff is directed to issue the Request for Proposals (RFP) for solid waste services.
- April 10, 2007, Extension of contract with 2% increase through June 30, 2008
- December, 2004 and December, 2005: Approval of Business Plan for Solid Waste and Recycling Services, including competitive awarding of all contracts
- March 21, 2006, authorization to extend contract until June 30, 2007
- August, 2001: Contract with Minneapolis Refuse, Inc. authorized for a five year term, January 1, 2002 – December 31, 2006

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

**Approved by:**

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

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

**Reviews**

Permanent Review Committee (PRC):	Approval	NA	Date
Civil Rights Affirmative Action Plan	Approval	NA	Date
Policy Review Group (PRG):	Approval	NA	Date

**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

**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) with a termination date of June 30, 2006. In December, 2006, the Council authorized staff to seek proposals (RFP process) for this work. The contract with MRI was then extended to June 30, 2008 to accommodate for legal delays associated with the RFP process. We now believe that we can move forward with a competitive RFP process and have a new contract in place by February 1, 2009. Therefore, staff, based on Council direction, has negotiated with MRI to extend their existing contract an additional seven months which includes cost escalators for labor and fuel.

Therefore, 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) with all the existing terms and conditions and a 6% increase in compensation until February 1, 2009