



## **AGENDA MEMORANDUM**

Action Item for the City Council Meeting November 28, 2023

**DATE:** November 14, 2023

**TO:** Peter Zanoni, City Manager

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### **Third Amendment to Recycling Service Agreement**

#### **CAPTION:**

Motion authorizing execution of the third amendment extending the Recycling Services Agreement with BFI Waste Services of Texas, L.P, doing business as Republic Services of Corpus Christi, for a three-year term beginning February 1, 2024, through January 31, 2027, with two one-year options, and increasing the processing fee 5% from the current \$126 per ton to the new \$132.30 per ton, with such percentage increase to continue annually.

#### **SUMMARY:**

This motion authorizes a contract amendment to extend the recycling service agreement with Republic Services, to perform the processing, marketing, and the sale of recyclable commodities received by the city.

#### **BACKGROUND AND FINDINGS:**

Following a Request for Proposal (RFP) process, the City Council approved the three-year recycling services agreement with the Contractor on January 21, 2021 with the effective date of February 1, 2021. This three-year agreement will expire January 31, 2024 and staff recommends extending it for another three years. Republic Services was the only firm to submit a proposal for recycling services.

The new cost to process recyclable material will be \$132.30 per ton. For context the cost to process unrecyclable material is approximately \$40 per ton.

**ALTERNATIVES:**

Alternatives include discontinuing recycling collections, the City operating its own processing and materials marketing program, additional efforts to identify private sector partners, or a combination of these actions.

**FISCAL IMPACT:**

The total estimated expense for eight months at the new rate is \$1,190,700, an increase of \$56,700 in FY 2024. The FY 2024 Fiscal impact will be \$1,757,700.

**FUNDING DETAIL:**

Fund:	1020 General Fund
Organization/Activity:	12512 Recycling Collection
Department:	31 Solid Waste Services
Project # (CIP Only):	
Account:	530000 Professional Services

**RECOMMENDATION:**

Staff recommends approval of the proposed amendment.

**LIST OF SUPPORTING DOCUMENTS:**

Amendment