

City of Broken Arrow

Legislation Details (With Text)

File #:	16-1	1265	Name:			
Туре:	Gen	eral Business	Status:	Passed		
File created:	10/1	2/2016	In control	Broken Arrow Municip	al Authority	
On agenda:	10/1	8/2016	Final action	on: 10/18/2016		
Title:	Consideration, discussion, and possible approval of and authorization to execute an agreement between The Broken Arrow Municipal Authority (BAMA) and Waste Management for the disposal of refuse					
Sponsors:						
Indexes:						
Code sections:						
Attachments:	1. Waste Management / BAMA Agreement					
Date	Ver.	Action By		Action	Result	
10/18/2016	1	Broken Arrow Municipal A	Authority	approved	Pass	
		Broken	Arrow Mu	nicipal Authority		
		Ν	leeting of	0-18-2016		
To: From: Title:	Chairman and Authority Members General Services Department					
		Consideration, discus	sion, and p	ossible approval of and a	uthorization to execute	

Background:

On December 1, 2006, the Broken Arrow Municipal Authority (BAMA) entered into a contract with Waste Management for disposal of the City's residential solid waste. The Waste Management contract is set to expire November 30, 2016. Although a new agreement is being established with Covanta Tulsa Renewable Energy, LLC for the disposal of residential refuse, a need remains for a landfill services agreement to accept non-processible items, waste water treatment plant sludge, serve as a back-up disposal site in the event of mechanical problems with Energy from Waste plant, over capacity slow downs, and to host free dump days events for our customers.

There are only two landfills in this area where the City can dispose of the residential refuse it collects from our customers. The locations are:

- Waste Management Landfill located in Tulsa off 46th North
- American Environmental Landfill located west of Sands Springs

Management for the disposal of refuse

A round trip to American Waste is 22 miles further and 30 minutes longer than Waste Management. Considering the locations of these two disposal options, Waste Management is the preferred location due to distance, time and traffic risk exposure variables.

The new Waste Management agreement reflects an increase in the tipping fee as most residential refuse will now be taken to the Energy from Waste Plant. The tipping fee is directly tied to volume of business. Our

tipping fees (including state fees) will increase from \$21.04 per ton to \$23.25 per ton. Additionally, per vehicle charges for free dump days will increase approximately \$2 per vehicle and sludge disposal charges will increase from \$23.25 to \$26.50 per ton.

Staff recommends approving the agreement with Waste Management for the disposal of all refuse not taken to the Energy from Waste Plant. The Agreement shall commence as of December 1, 2016, and shall remain in effect until June 20, 2022. This Agreement may be renewed upon the mutual written agreement of the parties for one additional five (5) year term.

Cost:	 Refuse-\$46,500 annually or \$23.25 per ton, including state fees (Based on a projected 2,000 tons of refuse to be collected in FY 17) Free dump days-\$22,500 annually (Based on an average of 1,250 vehicles annually) Sludge- \$159,000 annually or \$26.50 per ton, including state fees (Based on a projected 6,000 tons of sludge annually) 	
Prepared By:	Lee Zirk, General Services Department	
Reviewed By:	Finance Department Water Utilities Department Assistant City Manager, Administration Legal Department	
Approved By:	Michael L. Spurgeon, City Manager	
Attachments:	Waste Management/BAMA agreement	

Recommendation:

Approve the agreement between The Broken Arrow Municipal Authority and Waste Management and authorize its execution.