



# City of Broken Arrow

## Request for Action

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**Broken Arrow Municipal Authority  
Meeting of 3-21-2017**

**To: Chairman and Authority Members  
From: General Services Department  
Title:**

**Approval of the Covanta Tulsa Renewable Energy tipping fee rate of \$11.22 per ton, an increase of \$0.23 per ton, plus the applicable Oklahoma Department of Environmental Quality fee**

**Background:**

On October 18, 2016, the Broken Arrow Municipal Authority entered into a contract with Covanta Tulsa Renewable Energy (Covanta) for disposal of the City's residential solid waste. This agreement is in accordance with and subject to the provisions and pricing terms as contained in the agreement between the Tulsa Authority for Recovery of Energy (TARE) and Covanta as of May 17, 2012. On December 1, 2016 the Sanitation Division began transporting residential solid waste to Covanta.

The contract provides for annual tipping (dumping) fee cost increases based on the Consumer Price Index (CPI) for all Urban Consumers as the basis for the rate increase. The fee adjustment letter to Tulsa dated January 20, 2017 is attached. The TARE Board approved the rate increase on February 28, 2017.

Currently, the tipping fee is \$10.99 per ton plus the Oklahoma Department of Environmental Quality (ODEQ) fee of \$1.25 per ton. Attached is the letter to Broken Arrow, from Covanta, in regards to the rate increase effective July 1, 2017. The new tipping fee will be \$11.22 per ton, an increase of \$ 0.23.

**Cost: \$0.23 per ton or approximately \$8,855.00 (Based on a projected  
38,500 tons of refuse to be collected in Fiscal Year 2018)**

**Prepared By: Lee Zirk, General Services Department**

**Reviewed By: Finance Department  
Assistant City Manager, Administration  
Legal Department**

**Approved By: Michael L. Spurgeon, City Manager**

**Attachments: Broken Arrow Annual Rate Adjustment Letter from Covanta, 3-2-17  
Tulsa Annual Rate Adjustment Letter from Covanta, 1-20-16**

**Recommendation:**

Approve the tipping fee rate increase to \$11.22 per ton plus the applicable ODEQ fee of \$1.25 per ton.