

Legislation Text

File #: BILL NO. 22-62, **Version:** 1

An Ordinance approving an operations agreement between the City of Lee's Summit, Missouri, and Summit Transfer, LLC, for the Lee's Summit Solid Waste Processing Facility and authorizing the City Manager to execute the same.

(Note: First read by Council on March 15, 2022.)

Issue/Request:

Approval of an Operations Agreement for the Lee's Summit Solid Waste Processing Facility ("SWPF"). which is a companion to the Lease Agreement for the SWPF.

Proposed City Council Motion:

I move for adoption of an Ordinance approving an operations agreement between the City of Lee's Summit, Missouri, and Summit Transfer, LLC, for the Lee's Summit Solid Waste Processing Facility and authorizing the City Manager to execute the same.

Background:

The City provides a Public Disposal Area that is located at the City's Resource Recovery Park as a component of the City's Landfill Permit. The Public Disposal Area is for the purpose of receiving specifically enumerated household solid waste products for the benefit of the residents of Lee's Summit. The landfill is nearing the end of its closure process.

In November 2018, the City issued Request for Proposals No. 2019-032 which solicited proposals for operation of the Public Disposal Area for the City at the Resource Recovery Park. As a result of this RFP, the City executed Agreement No. 2019-032 with the Company on April 5, 2019 to provide for the operations of the Public Disposal Area, which provides residential customers in the Lee's Summit with solid waste services that are convenient by allowing use of areas of the Resource Recovery Park for drop-off of residential customers' solid waste, yard waste, and household hazardous waste.

To continue operation of a Public Disposal Area (PDA), the City must receive a permit through the Missouri Department of Natural Resources (MDNR) to operate a Solid Waste Processing Facility. In 2021, the City issued Request for Proposals No. 2021-016 (the "RFP") which sought statements of qualifications from qualified companies to design, construct, permit and operate a solid waste processing facility and associated programs. A stated goal of this RFP was to identify and select a partner to provide solid waste disposal services through a processing facility and continue associated environmental programs to serve residents and businesses by providing a convenient drop off location for municipal solid waste. In response to the RFP, KC Dumpster, LLC submitted a statement of qualifications. City staff has negotiated a Lease Agreement and an Operations Agreement for the lease and operation of the SWPF.

Impact/Analysis:

The Operations Agreement contains all of the rights, duties and obligations of the City and the Company for the Operation of SWPF on City property for the duration of the Lease term. The following is a summary of certain key provisions of the Operations.

Term of Agreement

The agreement will become effective upon execution and will terminate upon expiration or termination of the lease agreement.

House of Operations

The facility will be open to the public for all operations at least five hours a day, commencing no earlier than 7:00 am and ending no later than 5:00 pm., six days a week as Contractor sees fit as long as its operations are open to the public a minimum of forty (40) hours per week and on Saturday.

Throughput

A maximum average throughput of 200 tons per day calculated on a monthly basis. This average will be increased by two percent each year at the same time the rent is adjusted.

Fee Structure

The Contractor shall operate the facility on a market neutral basis regarding fees. Individual resident fees charged can be adjusted no more than once a year after the first year. Any proposed changes in fees will be provided to the City at least 90 days before the proposed fee change goes into effect. The City will then have time to object to the proposed fee changes, and if necessary, the Council will decide on the proposed fee change.

The Contractor will have the ability to adjust the fees charged on a per ton basis without approval of the City as long as the fees are based upon market conditions. Users who are charged per ton shall be limited to users who have the ability to “tip” or dump the materials from the vehicle or trailer when they are transporting materials into the facility.

Scope of Services Provided

- A Public Disposal Area for individual trash disposal (PDA) with at least the same level of services as operated by Contractor on the Effective Date of this Agreement;
- MSW (Municipal Solid Waste) trash reception and transport;
- Mattress and box spring recycling program;
- Cardboard recycling program;
- Habitat for Humanity material diversion program;
- Southside Drop-off recycling center;
- Metal recycling program (including appliances);
- Tire recycling program;
- Electronics recycling program;
- Pallet recycling program;
- Brush recycling program;
- Yard waste composting program;
- Household Hazardous Waste diversion program (in association with the Mid-America Regional Council [MARC] Solid Waste Management District);
- Free store in association with the HHW Program.

- Construction and Demolition Waste program for acceptance and processing;
- Receipt and management of additional forms of Waste as agreed to by the Director of Public Works in writing provided such Waste may be lawfully delivered to the Premises under any permits or approvals by any governmental entity.

Acceptance of Materials

The Contractor will only accept material for processing, sorting, recycling, and handling on the Premises which is Acceptable Materials from self-haul or citizen-haul from residents and businesses that are Commercial Haulers or acting on behalf of any Commercial Hauler unless the Commercial Hauler is hauling waste in what is commonly referred to as a “packer” truck or similar designed type vehicle. The Contractor will aim to divert, recyclables to be sorted on the Premises, including, but not limited to: cardboard, mix paper, plastic containers, metals, clean wood, treated wood, asphalt roofing shingles, concrete/block/brick, gypsum, brush and yard waste.

Stacking of Vehicle

The Contractor will not allow vehicles to stack onto Hamblen Road.

Michael Park, Director of Public Works

Staff recommends approval of the Ordinance.