

Agenda No #4227

Sponsor: Council Member Shabazz

AN ORDINANCE TO AUTHORIZE A MUNICIPAL DISCOUNT DISPOSAL FEE AGREEMENT WITH THE DELAWARE SOLID WASTE AUTHORITY FOR THE DISPOSAL OF MUNICIPAL SOLID WASTE AND RECYCLABLE MATERIALS

WHEREAS, the City of Wilmington (“City”) is required pursuant to 7 Del. C. §6422 (b) to dispose of all solid wastes generated within the city at a Delaware Solid Waste Authority (“DSWA”) facility;

WHEREAS, the City currently disposes its solid waste at DSWA’s Cherry Island Landfill at a cost of \$85 per ton in tipping fees;

WHEREAS, DSWA has initiated, for the first time, a contractual arrangement in which municipalities that collect and transport solid and dry waste generated within their own municipal boundaries with their own equipment and labor force will receive a discount off specified base rates if the municipalities enter into a five year Municipal Discount Disposal Fee Agreement (“MDDFA”) with DSWA to deliver solid wastes and recyclable materials to DSWA;

WHEREAS, the discount allows the City to save \$20 per ton of solid waste for the first year, \$19 per ton the second year, \$18 per ton the third year, \$17 per ton the fourth year, and \$16 per ton the fifth year if the City enters into this MDDFA to deliver solid waste to DSWA;

WHEREAS, if the City also agrees to deliver its recyclable materials to DSWA, this MDDFA would allow the City to pay \$0.00 per ton for recyclable material over the course of five years, with a reduced discount for solid wastes;

WHEREAS, if the City agrees to deliver both recyclable material and solid waste to DSWA, the discount allows the City to save \$16 per ton of solid waste for the first year, \$15 per ton the second year, \$14 per ton the third year, \$13 per ton the fourth year, and \$12 per ton the fifth year;

WHEREAS, if the City does not dispose of recyclable materials at a DSWA partner facility, the City would otherwise pay a variable rate for recycling over the next five years, which is currently at \$32 per ton;

WHEREAS, the City Public Works Department and the City Parks and Recreation Department wish to enter into a MDDFA that includes disposal of recyclable material;

WHEREAS, entering into the MDDFAs would save the City approximately \$1,828,000 over the course of five years in solid waste disposal costs, and up to \$150,400 per year (at current market rates) in recycling costs;

**NOW, THEREFORE THE COUNCIL OF THE CITY OF WILMINGTON
HEREBY ORDAINS:**

SECTION 1. The Agreement between the City and the Delaware Solid Waste Authority, to enter into a Municipal Discount Disposal Fee Agreements for a period of five years beginning upon execution hereof.

The Municipal Discount Disposal Fee Agreement shall be between the Delaware Solid Waste Authority and the City of Wilmington for delivery of solid waste and recyclable materials. The price per ton for recyclables shall not exceed \$0.00 per ton; for solid waste, the price shall not exceed Sixty Nine Dollars (\$69.00) for each ton of solid and dry waste delivered to the Authority Landfills from the effective date hereof through June 30, 2017;

Seventy Dollars (\$70.00) for each ton of solid and dry waste delivered to the Authority Landfills from July 1, 2017 through June 30, 2018; Seventy One Dollars (\$71.00) for each ton of solid and dry waste delivered to the Authority Landfills from July 1, 2018 through June 30, 2019; Seventy Two Dollars (\$72.00) for each ton of solid and dry waste delivered to the Authority Landfills from July 1, 2019 through June 30, 2020; and Seventy Three Dollars (\$73.00) for each ton of solid and dry waste delivered to the Authority Landfills from July 1, 2020 through June 30, 2021. A copy of this Agreement, in substantial form, is attached hereto as “Exhibit A,” and is hereby approved, and the Mayor and the City Clerk are hereby authorized and directed to execute as many copies of said agreement, as well as all additional undertakings related thereto, as may be necessary.

SECTION 2. This Ordinance shall be effective upon its passage by City Council and approval of the Mayor.

First Reading June 2, 2016
Second Reading. . . . June 2, 2016
Third Reading . . .

Passed by City Council,

President of City Council

ATTEST: _____
City Clerk

Approved as to form this
_____ day of _____ 2016

Assistant City Solicitor

Approved this _____ day of
_____, 2016

Mayor

SYNOPSIS: This Ordinance authorizes the City to enter into an agreement with the Delaware Solid Waste Authority, to obtain reduced tipping fees on solid waste and recyclable materials generated within the City for a period of five years, for a savings of approximately \$1,828,000.00 over the course of five years in solid waste disposal and up to \$150,400 per year (at current market rates) for recyclable material.