



## Legislation Details (With Text)

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**File #:** 0166-2013      **Version:** 1

**Type:** Ordinance      **Status:** Passed

**File created:** 1/11/2013      **In control:** Public Service & Transportation Committee

**On agenda:** 2/11/2013      **Final action:** 2/14/2013

**Title:** To authorize the expenditure of \$17,474,000.00 or so much thereof as may be necessary from the Special Income Tax Fund; to authorize the Director of Public Service to establish an encumbrance of \$17,430,000 to pay 2013 refuse tipping fees and drop box recyclables to the Solid Waste Authority of Central Ohio (SWACO) for the Division of Refuse Collection pursuant to an existing lease agreement; to waive the competitive bidding requirements of the Columbus City Code due to our longstanding contractual agreement with SWACO; to establish encumbrances up to \$44,000.00 for 2013 tire disposal, construction and demolition (C&D) material disposal; and to declare an emergency. (\$17,474,000.00)

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
2/14/2013	1	CITY CLERK	Attest	
2/13/2013	1	MAYOR	Signed	
2/11/2013	1	COUNCIL PRESIDENT	Signed	
2/11/2013	1	Columbus City Council	Approved	Pass

### 1. BACKGROUND

This legislation authorizes the Director of Public Service to establish an encumbrance within the Special Income Tax Fund to pay 2013 waste disposal tipping fees for the Division of Refuse Collection. This expense is necessary to safely and contractually dispose of the waste collected by the division in the course of pursuing its mission by providing residential refuse collection services to over 327,000 households weekly and picking up bulk items and illegally dumped items as needed.

The Department of Public Service has determined that \$17,474,000.00 should be adequate for this purpose. This number is based on estimated waste stream of 300,000 tons in 2013. Actual tonnage is ultimately dependent on variables such as the weather, the actual number of households collected that cannot be specifically calculated at this time, and the unknown amount of bulk and illegally dumped items. If necessary, additional legislation will be submitted to increase this at a later date.

Previous calendar years' actual tipping fee expenditures totaled \$12,943,226.58 (2007), \$12,901,357.53 (2008), \$13,049,098.46 (2009), \$13,312,244.86 (2010), \$14,522,167.56 (2011), and \$16,543,036.71 (2012). SWACO tipping fee rates are determined by SWACO's established rate setting process and other waste disposal fees were determined by the City's competitive bidding process.

Three-year contracts were established with JDM Services, LLC to provide construction and demolition material disposal services and Liberty Tire Services of Ohio, LLC to provide tire disposal service. Both contracts expire February 28, 2014.

Also, pursuant to the tenth (10th) modification to the Agreement between the City and SWACO, part of the tipping fees

will help fund the expansion of the drop-off recycling program.

## **2. BID WAIVER**

Formal competitive bidding requirements must be waived for SWACO because waste disposal services, other than those provided by SWACO, are available in the marketplace; however the City is bound by contract to tip household waste at SWACO facilities. The Division sought bids for waste stream disposal services not provided by SWACO: tire disposal and construction and demolition (C&D) material disposal.

## **3. FISCAL IMPACT**

This 2013 expense is budgeted within the Special Income Tax Fund, and it is contingent upon the passage of Ordinance 2633-2012.

## **4. EMERGENCY DESIGNATION**

Emergency action is requested to avoid delays of payment to SWACO that could result in the City incurring interest penalties as specified within the Agreement between the City and SWACO.

To authorize the expenditure of \$17,474,000.00 or so much thereof as may be necessary from the Special Income Tax Fund; to authorize the Director of Public Service to establish an encumbrance of \$17,430,000 to pay 2013 refuse tipping fees and drop box recyclables to the Solid Waste Authority of Central Ohio (SWACO) for the Division of Refuse Collection pursuant to an existing lease agreement; to waive the competitive bidding requirements of the Columbus City Code due to our longstanding contractual agreement with SWACO; to establish encumbrances up to \$44,000.00 for 2013 tire disposal, construction and demolition (C&D) material disposal; and to declare an emergency. (\$17,474,000.00)

**WHEREAS**, the Division of Refuse Collection must encumber funds to continue refuse tipping at the Solid Waste Authority of Central Ohio (SWACO) facilities, pursuant to the lease agreement between the City and SWACO for those facilities, and must encumber funds for disposal of tires, construction and demolition material disposal; and

**WHEREAS**, the Department of Public Service has determined that \$17,474,00.00 should be adequate for this purpose; and

**WHEREAS**, three-year contracts expiring February 28, 2014, were established with JDM Services, LLC to provide construction and demolition material disposal services and Liberty Tire Services of Ohio, LLC to provide tire disposal service; and

**WHEREAS**, formal competitive bidding requirements must be waived for SWACO because the City is bound by contract to tip household waste at SWACO facilities; and

**WHEREAS**, an emergency exists in the usual daily operation of the Division of Refuse Collection, Department of Public Service, in that it is immediately necessary to establish an encumbering document with the Solid Waste Authority of Central Ohio for 2013 refuse disposal services, to avoid incurring interest penalties due to late payments, thereby preserving the public health, peace, property, safety and welfare; now, therefore,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

**SECTION 1.** That the Director of Public Service be and hereby is authorized to establish an encumbrance with SWACO for 2013 refuse tipping services and drop box recycling for the Division of Refuse Collection at the various rate charges assigned to each tipping location and any legal subsequently adjusted rates, and to establish encumbrances with Liberty Tire Services of Ohio, LLC for disposal of tires and JDM Services LLC for disposal of construction demolition material.

**SECTION 2.** That the expenditure of \$17,474,000 so much thereof as may be needed be and hereby is authorized from Fund 430, the Special Income Tax Fund, Department No. 59-02, Department of Public Service, Division of Refuse Collection, Object Level One Code 03, Object Level Three Code 3389 and OCA Code 594341. Of this amount, \$17,430,000.00 is to be encumbered for SWACO; the remaining \$44,000.00 will be encumbered with Liberty Tire

Services of Ohio, LLC and JDM Services, LLC.

**SECTION 3.** That in accordance with Section 329.27 of the Columbus City Code, City Council has determined that it is in the best interest of the City of Columbus that Section 329.06 relating to formal competitive bidding requirements be waived and hereby waives said section with respect to the encumbrance to be established with SWACO, all other contracts will be awarded in accordance with applicable provisions of Chapter 329.

**SECTION 4.** That the City Auditor be and hereby is authorized to make any/all other accounting changes for the transactions discussed within this ordinance that are construed by the City Auditor to be reasonably consistent with the intent of this ordinance.

**SECTION 5.** That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor or ten days after passage if the Mayor neither approves nor vetoes the same.