

**ORDINANCE/RESOLUTION REQUEST**

Please email requests to the Mayor’s Legislative Team  
at [MileHighOrdinance@DenverGov.org](mailto:MileHighOrdinance@DenverGov.org) by NOON on Wednesday.

*\*All fields must be completed.\*  
Incomplete request forms will be returned to sender which may cause a delay in processing.*

Date of Request: August 3, 2010

Please mark one:      Bill Request                    or                     Resolution Request

**1. Has your agency submitted this request in the last 12 months?**

Yes                     No

**If yes, please explain:**

**2. Title:** *(Include a one sentence description that clearly indicates the type of request – grant acceptance, contract execution, municipal code change, supplemental request, etc.)*

Approve an extension of the existing term of the Lease Agreement (RC0Y007) with Recycled Materials Company Inc. (RMCI) and modification of RMCI’s payment for use of acreage on the Denver Arapahoe Disposal Site (DADS), which is owned by the City and operated by Waste Management of Colorado (WM).

**3. Requesting Agency:** Department of Environmental Health, Environmental Quality Division

**4. Contact Person:** *(with actual knowledge of proposed ordinance)*

- **Name:** Diane DeLillio
- **Phone:** 720-865-5448
- **Email:** [diane.delillio@denvergov.org](mailto:diane.delillio@denvergov.org)

**5. Contact Person:** *(with actual knowledge of proposed ordinance who will present the item at Mayor Council and who will be available for first and second reading, if necessary)*

- **Name:** Diane DeLillio
- **Phone:** 720-865-5448
- **Email:** [diane.delillio@denveergov.org](mailto:diane.delillio@denveergov.org)

**6. General description of proposed ordinance including contract scope of work if applicable:**

This ordinance will extend the existing agreement until 12-31-11. In June 2000 the City and WM signed an agreement with RMCI that allowed RMCI to lease approximately 20 acres on the DADS property for recycling and processing of concrete and asphalt, including concrete and batching operations.

Scope of Work

Per the original 2000 agreement, RMCI shall use the leased acreage only for the following purposes: engineering activities including grading, paving, and other site preparation; any environmental assessment activities that RMCI may choose to conduct; storage and installation of equipment and structures related to the processing and recycling of concrete and asphalt; installation of concrete and/or asphalt batch plants; installation of hookups; obtaining necessary permits and approvals for recycling operations; and recycling operations including stockpiling of recycled and virgin aggregate materials for on-site concrete and asphalt batching operations and for sale of the aggregate materials to third parties, concrete and batching operations, and customer service, marketing, sales, and administrative activities.

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*Please include the following:*

- a. **Duration:** 1. The lease will be extended to December 31, 2011. This time frame allows both RMCI and the City to continue operations, and also allows the parties the flexibility to assess market conditions as the economy recovers.
- b. **Location:** 3500 South Gun Club Road, Aurora, CO
- c. **Affected Council District:** No Denver Districts directly affected
- d. **Benefits:** Contract will generate income. 1. The lease extension will also a) increases the base rent that RMCI pays from \$6494.12 per month to \$8000 per month, b) increases the production site rental on RMCI's produced material from \$0.60 / ton to \$0.75 / ton for bituminous pavement, and from \$0.65 / ton to \$0.70 / ton for ready mixed concrete, and c) adds a fee to material (rubble) entering the DADS property at a rate of 5% of incoming disposal and environmental fees charged by RMCI.

The location of the leased RMCI acreage does not interfere with the landfilling operations. Additionally, the placement of an asphalt and concrete recycling plant at DADS is consistent with the campus concept at the DADS property, which includes the City-owned landfill, an area for asphalt shingle recycling, a center for drop off of household and some construction recyclables, and the planned composting facility.

- e. **Costs:** No Costs; income contract

7. **Is there any controversy surrounding this ordinance?** (groups or individuals who may have concerns about it?) **Please explain.**

No

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EXECUTIVE SUMMARY

Lease and Agreement to RMCI for Recycling and Processing of Concrete and Asphalt, Including Batching Operations

Scope of Work

The new ordinance is to extend the existing contract. Per the original 2000 agreement, RMCI shall use the leased acreage only for the following purposes: engineering activities including grading, paving, and other site preparation; any environmental assessment activities that RMCI may choose to conduct; storage and installation of equipment and structures related to the processing and recycling of concrete and asphalt; installation of concrete and/or asphalt batch plants; installation of hookups; obtaining necessary permits and approvals for recycling operations; and recycling operations including stockpiling of recycled and virgin aggregate materials for on-site concrete and asphalt batching operations and for sale of the aggregate materials to third parties, concrete and batching operations, and customer service, marketing, sales, and administrative activities.

Contract Information

The contract recipient – Recycled Materials Company Inc. (RMCI).

Proposed contract amount – \$200,000 income; Waste Management of Colorado, (WM)) receives a portion of this amount.

Term of the proposed contract start/end dates – The lease will be extended to December 31, 2011. This time frame allows both RMCI and the City to continue operations, and also allows the parties the flexibility to assess market conditions as the economy recovers.

The contract control number – RC0Y007-1

For contract amendments, include original contract date and dollar amounts – Original contract date was 6-12-00 to 6-12-10 and the Form 42 dollar amount was \$1,312,625. WM receives a portion of the income.

Selection process SBE/DBE, competitive bid, RFQ/RFP, sole source, and members of the selection committee – Sole source; Site operator (WM) arranged for income lease agreement for recycled concrete and asphalt at the City-owned Denver Arapahoe Disposal Site (DADS) landfill.

Source of funds – ENVHL, fund 78100, org 6506100, acct 433800.

Matching dollar amounts and staffing requirements, and the funding source of the match - No matching requirements.

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