



DENVER
THE MILE HIGH CITY

Public Works

Recycling Processing Contract with
Waste Management Recycle
America

August 12, 2015

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- In place since 2005/WMM bought winning vendor
- Ten year original contract/two 5-year renewals
- City paid \$33 per ton for 95% of materials delivered
- Plus an additional share of revenue in good market conditions
- City has been paid about \$10M to date

- 2005: Original contract began
- 2012: WM asked for early renewal through 2020
- 2014: Recycling market crashed
- Spring 2015: WM asked for options to weather the current market



Negotiated Amendment

- Term through October 2016
- Current Annual rate of revenue about \$1M
- One time reduction of revenue estimated at about \$800,000 for amendment term
- November 2016 return to original agreement through 2020



Benefits to City

- Ensures guaranteed revenue stream to the City through 2020
- Minimizes loss to the City
- Prevents the City from having to release an RFP for services during less than favorable market conditions



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QUESTIONS

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