

## **BILL/ RESOLUTION REQUEST**

- 1. Title:** This request is to extend an existing term of the Lease Agreement with Recycled Materials Company Inc. (RMCI) and to modify 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).
  
- 2. Requesting Agency:** Environmental Health
  
- 3. Contact Person *with actual knowledge of proposed ordinance***  
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- 4. 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:**See above  
**Phone:**  
**Email:**
  
- 5. Describe the proposed ordinance, including what the proposed ordinance is intended to accomplish, who's involved**
  - a. Scope of Work**

his 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.

**b. Duration**

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.

**c. Location**

3500 South Gun Club Road, Aurora, CO

**d. Affected Council District**

No Denver Districts directly affected

**e. Benefits**

Contract will generate income. 1. The lease extension will also a) increase the base rent that RMCI pays from \$6494.12 per month to \$8000 per month, b) increase 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) add 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.

**f. Costs**

No Costs; income contract

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

No

**Bill Request Number: BR10-0621**

**Date: 7/13/2010**