



Agenda Action Form Overview

The Board is requested to authorize the County Manager to increase funding for the interlocal agreement with the City of Durham in the amount of \$35,000, for a total amount of \$210,000 for the City to provide recycling processing and haul services to Durham County for target recycling materials.

Background/Justification

The County entered into this interlocal agreement with the City in 2016. The original agreement allowed the County to bring recyclables from our curbside recycling program to the City's Transfer station. The City then arranged for the transportation of the County's recyclables to their processor, Sonoco Recycling in Raleigh. The City charged the County a fixed tipping fee that allowed the City to recover the costs associated with the loading and transporting of the recyclables. The fee increases each year based on the CPI. The fixed fee for FY19-20 is \$22.40 per ton.

Prior to 2018, the City's contract with Sonoco provided the City with revenue. Due to shifts in the global markets, the City is now charged a variable fee by Sonoco for each ton of recyclables, based on the monthly market rates. This amendment allows the City to pass the variable rate onto the County for the material brought by the County from the curbside program and the convenience sites. The County will now pay a combined rate for each ton of the fixed rate of \$22.40 plus the variable rate charged by Sonoco. In July 2019, the variable rate was \$54.33 per ton, creating a total tipping fee of \$76.73 per ton. The Durham City Council approved the amendment to the ILA on August 19, 2019.

The current request will not amend the interlocal agreement with the City of Durham. All the terms and tonnage fees shall remain unchanged as approved by the Board of County Commissioners on September 23, 2019 and by the Durham City Council on August 19, 2019.

Due to larger than expected recycling tonnage from our convenience sites, the additional amount of \$35,000 will be needed for the current 2019-2020 fiscal year. Funding for this request will come from Solid Waste's contracted services line.

Policy Impact

This agenda item is consistent with historical Board of County Commissioner support for environmental initiatives including recycling. This action does not require BOCC policy changes.

Procurement Background

Type of purchase

- ☐ Goods
- ☒ Services
- ☐ Architect, Engineer or Surveyor Services
- ☐ Construction and Repair



Did this request for purchase go through a bid process? Yes ☐ No ☒

Goods: Bids required if $\geq \$30,000$, BOCC approval if $\geq \$90,000$

Services: Bids required if $\geq \$30,000$, BOCC approval if $> \$40,000$

Construction/Repair work: Bids required if $\geq \$30,000$, BOCC approval if $\geq \$500,000$

If yes, attach a copy of bid tab and the minority and women business enterprise (MWBE) compliance review form provided by the Purchasing Division.

If no, why?

- ☐ Sole source exemption
- ☐ Cooperative purchasing program exemption
- ☐ State and federal contract exemption
- ☐ Contract is an amendment to an existing contract
- ☒ Other (please explain)

If exempted from bidding, has this request been reviewed and approved by the Purchasing Division in the agenda Legistar system? Yes ☐ No ☐

If no, why? There will not be any changes made to the interlocal agreement. All tonnage fees and terms will remain unchanged. The request is for additional funding is do to larger than expected recycling tonnage.

Fiscal Impact

Funding for this request will come from Solid Waste's contracted services line.

Recommendation

The County Manager recommends that the Board authorize the County Manager to increase the interlocal agreement with the City of Durham in the amount of \$35,0000, for a total interlocal agreement amount of \$210,000 for the City to provide recycling processing and haul services to Durham County for target recycling materials.