



RESOLUTION NO. 39787

1 A RESOLUTION relating to the Solid Waste Utility; amending the agreement
2 with Pierce County Recycling, Composting and Disposal, LLC, d.b.a. LRI,
3 in the amount of approximately \$75,723,228, budgeted from the Solid
4 Waste Fund, for disposal of solid waste collected by the Solid Waste
Management Division, and extending the term for a ten-year period, from
February 2020 through February 2030.

5 WHEREAS solid waste collection and disposal is an essential public
6 health service, and proper disposal is crucial to maintaining a healthy and safe
7 environment for citizens, and

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9 WHEREAS, on February 1, 2000, pursuant to Resolution No. 34662, the
10 City Council approved a new Solid Waste Disposal Agreement with Land
11 Recovery Inc. ("LRI") dated February 4, 2000, for a 20-year term, which requires
12 the City to truck waste to the landfill using tractor/trailer combinations, and

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14 WHEREAS the current agreement will expire in February 2020, but
15 provides for extensions through 2030 if a negotiated extension is executed by
16 both parties, and

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18 WHEREAS, because the lead time to secure a new disposal agreement
19 can be two or more years, Environmental Services ("ES") staff began the process
20 of negotiating an extension to the current agreement in early 2016 and
21 consideration of long-haul rail transport services ("Rail Haul") alternatives to
22 disposal at the 304th Street Landfill, and

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24 WHEREAS ES staff has determined that, although the City has direct
25 access to rail lines in the Tide Flats, there are disadvantages to using Rail Haul
26 which include transport costs to the Tide Flats of \$4.50 per ton, a risk of rail line



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interruptions impacting disposal operations and efficiency, higher greenhouse gas emissions than disposal at the 304th Street Landfill, the added requirement of processing of asbestos and medical waste for rail transport, the necessity of making significant changes to the City’s solid waste management operations, and the risk that Rail Haul bids would be higher than current projections, and

WHEREAS extending the current contract with LRI through 2030, at the proposed rate of \$39.00 per ton with an 85 percent CPI inflationary adjustment, would provide an advantage over Rail Haul, such as cost savings over the life of the proposed contract, protecting the City against high inflation and market fluctuations in the cost of Rail Haul, allowing for efficiency and cost improvements such as the conversion of walking floor trailers to higher capacity trailers used with tippers, and maintaining costs in line with the current solid waste disposal contract, and there would be no increase in greenhouse gas emissions, and

WHEREAS the policies set forth in the City’s Comprehensive Plan support the reduction of the City’s contributions to greenhouse gas emissions and require the City to conduct operations and practices that reduce such emissions, and

WHEREAS contracting for Rail Haul to dispose of solid waste would increase greenhouse gas emissions, which is contrary to the environmental stewardship policies of the City’s Comprehensive Plan, the City’s Climate Action Plan (calling for aggressive reductions in greenhouse gas emissions), and the City’s joint efforts with the Compact of Mayors to reduce carbon emissions, and



1 WHEREAS the City Council finds that contracting for Rail Haul for
2 disposal of solid waste would increase greenhouse gas emissions, create more
3 uncertainty regarding the costs of solid waste disposal, negatively impact the
4 efficiency and predictability of solid waste operations, limit flexibility to implement
5 operational cost savings and efficiency changes, and result in greater solid waste
6 disposal costs as compared to the proposed contract extension with LRI, and

7 WHEREAS ES staff is recommending that the City extend the existing
8 agreement with LRI for a period of ten years, through December 31, 2030, and

9 WHEREAS, on May 24, 2017, ES staff provided an overview of the
10 proposed amendment to the Infrastructure, Planning and Sustainability Committee,
11 which approved the proposed amendment for City Council consideration, and
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13 WHEREAS the City Council finds that it would be in the best interests of
14 the solid waste ratepayers and the health, safety, and welfare of the City to waive
15 the competitive selection requirements for solid waste disposal services and
16 authorize the execution of an amendment to the 2000 Agreement providing for,
17 among other things, a tipping rate of \$39.00 per ton, an inflationary adjustment
18 capped at 85 percent CPI, and an extension of the term until 2030 upon the
19 terms and conditions as set forth therein; Now, Therefore,
20

21 BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:
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23 That the proper officers of the City are hereby authorized to amend the
24 agreement with Pierce County Recycling, Composting and Disposal, LLC, d.b.a.
25 LRI, in the amount of approximately \$75,723,228, budgeted from the Solid Waste
26 Fund, for disposal of solid waste collected by the Solid Waste Management



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Division, and extend the term of the agreement for a ten-year period, from
February 2020 through February 2030, as more specifically set forth in the
agreement on file in the office of the City Clerk.

Adopted _____

Mayor

Attest:

City Clerk

Approved as to form:

Chief Deputy City Attorney