



Department of Public Works | 860.584.6125

MEMORANDUM

DATE: April 7, 2021

TO: Mayor Ellen Zoppo-Sassu
Board of Public Works

FROM: Raymond A. Rogozinski, P.E., Director of Public Works

RE: BRRFOC Recycling Processing Contract Extension & Rubbish Disposal Contract Update

The City currently utilizes the services of Murphy Road LLC to process single stream recycling collected by DPW. The two year contract is through BRFFOC and expired in March of this year. BRFFOC has negotiated a contract extension to June 2024. DPW and the City’s Corporation Counsel recommends City Council approval of the contract extension at its April 13, 2021 meeting.

The primary basis of the contract will remain as is and will continue to be based on the commodity prices of the following materials.

Commodity
OCC (cardboard)
Mixed Paper
Glass
Steel Cans
Aluminum
Natural HDPE
Colored HDPE
PET
Residue (Rubbish)

The contract does revise the percent of commodities contained in the recycling stream and adjusts prices which will increase cost approximately 3 percent.

Current recycling processing cost are approximately \$75/ton. As the Board may recall the City as recently as FY 2018-19 received a credit/payment for recycling of \$9/ton, however due to



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international collapse of the recycling markets associated with China's decision to reduce imports, the value of recycling has decreased. I would say that city cost has decreased from its peak of \$87/ton to the current price of \$75/ton.

The DPW and BRFFOC is also concerned with the City's rubbish disposal contract. Through BRFFOC the City currently disposes curbside collected rubbish at Covanta at a cost of approximately \$67.50/ton. The existing contract extends an additional 30 years with yearly increases that are scheduled to vary 3-5 percent each year. The current Connecticut market rate is approximately \$105/ton. As the gap between the City's disposal rate and the market rate increases the concern of maintaining the existing contract price structure and contract time increases.

Please feel free to contact me with any question or concerns at 860-584-6113.