

# Department of Public Works

City Hall  
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Racine, WI 53403  
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Richard M. Jones, P.E.  
Commissioner of Public Works

Thomas M. Eeg, P.E.  
Asst. Comm. of Public Works/Operations

John C. Rooney, P.E.  
Asst. Comm. of Public Works/Engineering

November 25, 2008

Ald. Gregory Holding  
Chairman, Public Works  
and Services Committee  
Racine, Wisconsin

Dear Ald. Holding:

We received proposals for the processing of recycling materials from the two largest processors in the region - Recycle America, a Waste Management Company, and Resource Management Companies.

It is our recommendation that the Mayor and City Clerk be authorized and directed to enter into a three year agreement with Resource Management Companies. The proposal is based upon a processing fee of \$75.50 per ton, a transportation fee of \$190.00 per truck load, and a fuel adjustment factor for diesel of \$2.50 per gallon. The agreement also includes that the City of Racine will receive, as a revenue, the market value for the recyclables. It is further assumed that the residuals equal 9.56% of the total materials delivered.

The financial cost of the agreement will vary depending on market conditions. Based on November 2008 estimates, the annual cost would be approximately \$154,000.00.

Sincerely,

A handwritten signature in cursive script that reads "Richard M. Jones".

Richard M. Jones  
Commissioner of Public Works/City Engineer

RMJ:das