



INFORMATION ON ATM WARRANT ARTICLE

To see if the Town will vote to authorize the Selectboard to enter into a ten (10) year contract with the option for a five (5) year extension, commencing on July 1, 2020 with the qualified vendor selected by MassDEP through a competitive bid process for recycling processing services for the Town, subject to the Selectboard's determination that the contract is in the best interests of the Town and subject to Town Meeting approval in the Spring of 2020 for funding for these services and/or take any vote or votes in relation thereto.

1. All towns have a contract with DEP and Waste Management for processing recyclables at the Springfield MRF. That contract expires 6/30/20. Towns currently receive \$8/ton revenue. As of 7/1/19 it will be \$6/ton. This applies to all paper and containers.
2. The state owns the Springfield MRF building and land. Because of this, DEP leads the contract renewal process. DEP released a new bid document for recycling processing last November. Bids are due on May 9th. The initial term is 10 years with a 5-year extension option. This is the same term as present. We are in the 5-year extension period of the current contract.
3. DEP anticipates negotiating with the selected vendor through the summer. The goal is to release the finalized information in September. Towns must sign on to the new contract by mid-December 2019. This is the reason for the warrant article. Otherwise, towns will need a STM to vote on the 10-year contract term.
4. The bids will include a per ton processing fee and a revenue share percentage. At next year's ATM towns will need to budget for recycling processing costs.

This article is meant to avoid a Special Town Meeting solely to approve signing the contract for a 10-year term. Although, by the fall the processing fee will be known, it still would not be voted on in the general fund budget until the FY21 budget.

This language was drafted to allow each town to determine if the new bid pricing and revenue is in the best interest of the town. I will be undertaking research and analysis on alternatives to the Springfield MRF. This will include cost/benefits for each town based on the bid cost/revenue compared to any alternatives I identify through my research.