

# **City of Scottsbluff, Nebraska**

**Monday, June 1, 2020**

**Regular Meeting**

## **Item Reports6**

**Council to discuss and consider action on approving an RFP  
Contract for solid waste disposal options to extend the life of the  
Gering landfill.**

**Staff Contact: Rick Kuckkahn, Interim City Manager**



**CITY OF SCOTTSBLUFF**

**PROPOSAL FOR SOLID WASTE & RECYCLING DISPOSAL & HAULING**

**SUBMITTED BY: WASTE CONNECTIONS OF NEBRASKA, INC.**

**MAY 27, 2020**

**Term:** 5 years, followed by with 5- 1 year renewal options

**Tipping Fee:** \$43.00/ton for MSW delivered to the WCN transfer station; \$750 per load of recycling hauled to the Waste Management material recovery facility (MRF) in Denver, CO. All MRF processing fees will be billed directly to the City of Scottsbluff.

**Rate adjustments:** Annual adjustment based on U.S. Bureau of Labor Statistics CPI for All Urban Consumers (CPI-U)- Midwest area. The CPI-based rate adjustment will be capped at 3.0% each year.

[https://data.bls.gov/pdq/SurveyOutputServlet?data\\_tool=dropmap&series\\_id=CUUR0200SA0,CUUS0200SA0](https://data.bls.gov/pdq/SurveyOutputServlet?data_tool=dropmap&series_id=CUUR0200SA0,CUUS0200SA0) .

WCN will pass through to the City any costs associated with changes in local, state or federal rules, ordinances or regulations applicable to WCN's operations or the services provided hereunder, and any increases in and newly imposed taxes, fees or other governmental charges assessed against or passed through to WCN (other than income or real property taxes).

**Start date:** as early as August/2020 or whenever mutually agreeable by both parties.

Waste Connections of Nebraska, 710 Country Club Road, Gering, NE 69341



# City of Gering, Nebraska

1025 P Street • P.O. Box 687 • Gering, NE 69341 • (308) 436-5096

April 16, 2020

Rick Kuckkahn  
City Manager  
City of Scottsbluff  
2525 Circle Drive  
Scottsbluff, NE 69361

RE: Agreement for Service and Construction of New Landfill

Dear Mr. Kuckkahn:

The purpose of this letter is to express, in relevant part, the position of the City of Gering related to the Agreement for Service and Construction of New Landfill (hereinafter "Agreement"). As you know, the Cities of Gering and Scottsbluff entered into this Agreement on July 2, 2007. The purpose of the Agreement was mutual cooperation for the disposal of municipal solid waste for the life of the Gering Landfill, and thereafter ongoing cooperation through the siting and construction of a new joint landfill. The Agreement laid out various legal obligations and responsibilities of the Cities of Gering and Scottsbluff.

Specifically, the agreement states in relevant part as follows:

4. Delivery of Waste to the Landfill. SCOTTSBLUFF is responsible for delivery of all its municipal solid waste to the Gering Landfill site, except rolloff and compactors which SCOTTSBLUFF grants an exclusive right to the City of Gering to serve, subject to provisions of 3(f) above.

...

10. Reserve Account for New Landfill Site: SCOTTSBLUFF and GERING agree that for the term of this agreement (life of the GERING landfill), each community shall contribute \$7.50 per ton into a separate reserve interest bearing account which shall be nonrefundable to each city.

...

The intent of this agreement is for Gering and Scottsbluff to partner in a new landfill at a different location, and accumulate and invest money to site and construct the same. If either of the parties of this agreement do not participate in the joint effort to site and build a new landfill, all Reserve Account money through the life of the current Gering landfill will remain in the new landfill Reserve Account, and the non-participating city shall forfeit all money contributed into that Reserve Account through the end of the term of this agreement (life of the current landfill).

Scottsbluff is responsible for delivery of all its municipal solid waste to the current Gering landfill for the life of the Gering landfill. For each ton of municipal solid waste delivered to the landfill a contribution of \$7.50 per ton is made to the Reserve Account for the siting and construction of a new joint landfill. The intent of the Agreement is to partner in a new landfill at a different location and jointly accumulate and invest money to site and construct the same. These contributions have been made without interruption since the Agreement was signed in 2007, and reflect the course of conduct and understanding of the parties. If a City fails to participate in the joint effort, all Reserve Account contributions of that city are forfeited.

If the City of Scottsbluff elects to deliver its municipal solid waste to another Landfill, it would fail in its obligation under the Agreement to deliver all of its municipal solid waste to the Gering landfill for the life of the Gering Landfill – a breach of the Agreement. In addition, the City of Scottsbluff would no longer be participating in the joint effort to accumulate and invest money to site and construct a new landfill in the future through Reserve Account contributions. Scottsbluff's failure to deliver its municipal solid waste to Gering would mean a failure to make the \$7.50 per ton contribution to the reserve account. By not participating in the joint effort to accumulate and invest money, Scottsbluff would forfeit all money contributed into the Reserve Account through the end of the term of the Agreement. In sum, it is the position of the City of Gering that if the City of Scottsbluff elects to deliver its municipal solid waste elsewhere, it is a breach of Agreement and will result in the forfeiture of the City of Scottsbluff's Reserve Account contributions, among other remedies available to the City of Gering.

In the event of termination of the Agreement, there may be other obligations of the parties that would require resolution including but not limited to rolloff and compactor service, expenditures for unanticipated state and federal mandates, compost and spring clean up issues, and other contractual obligations. In that event, the City of Gering reserves its right to pursue whatever remedies may be available to it in law and in equity.

In the alternative, if the City of Scottsbluff wishes to deliver its municipal solid waste elsewhere, and further wishes to participate in the joint effort to accumulate and invest money to site and build a joint landfill, the City of Gering would consider allowing the City of Scottsbluff to make the \$7.50 per ton contribution to the reserve account for all municipal solid waste delivered elsewhere, and still preserve its Reserve Account contributions to date to be used toward the joint effort for a future landfill.

This letter is limited in scope, not a comprehensive explanation of the Agreement, and simply meant to express the position of the City of Gering related to the possible delivery of Scottsbluff's municipal solid waste to another landfill. I invite you to contact me if you have any questions or concerns.



Sincerely,  
Lane Danielzuk  
City of Gering Administrator