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City of West Allis

Matter Summary

7525 W. Greenfield Ave.
West Allis, WI 53214

File Number	Title	Status
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2004-0240

Request

In Committee

Request from Director of Public Works to proceed, with the assistance of the City Attorney's Office, to negotiate terms and conditions necessary to modify the existing recycling contract with West Allis Salvage to incorporate a proposed five-year extension.

Introduced: 5/4/2004

Controlling Body: Public Works Committee

Administration
Finance

COMMITTEE RECOMMENDATION

Approve

ACTION
DATE:

5-4-04

MOVER

SECONDER

Barczak
Czaplewski
Dobrowski
Kopplin
Lajsic
Narlock
Reinke
Sengstock
Vitale
Weigel

AYE	NO	PRESENT	EXCUSED
x			
x			
x			
x			
x			

TOTAL

5

0

SIGNATURE OF COMMITTEE MEMBER

Chair

Vice-Chair

Member

COMMON COUNCIL ACTION

APPROVAL

ACTION
DATE:

MAY 04 2004

MOVER

SECONDER

Barczak
Czaplewski
Dobrowski
Kopplin
Lajsic
Narlock
Reinke
Sengstock
Vitale
Weigel

AYE	NO	PRESENT	EXCUSED
✓			
✓			
✓			
✓			
✓			
✓			
✓			
✓			
✓			
✓			

TOTAL

10

0



CITY OF WEST ALLIS

WISCONSIN



Public Works Department

MICHAEL PERTMER
Director

April 9, 2004

Mayor Bell and Members of the Common Council
7525 W. Greenfield Ave.
West Allis, WI 53214

Honorable Mayor and Council Members:

In a letter to the Common Council dated February 12, 2004, I informed Council members that it was my intention to execute a provision in our existing Recycling Contract with West Allis Salvage that would extend the terms and conditions of the contract, including the processing fee, for another twenty-seven (27) month period through December 31, 2006. I noted in the letter that the City has had a long and excellent working relationship with this local company and based on this history as well as the competitive recyclable processing fee currently being charged, recommended the contract extension.

My request to extend the contract was discussed before the Board of Public Works and ultimately unanimously approved by the Common Council. On February 19, 2004, I addressed a letter to the president of West Allis Salvage, Phillip Rehberg, notifying him of the City's intention to extend the contract term through December 31, 2006. On April 7, 2004, Mr Rehberg hand delivered a letter of response that, in effect, proposed to reduce the current processing fee by approximately 10% if the City would be willing to extend the contract for a five-year period rather than the twenty-seven months provided for in the existing contract.

Mr. Rehberg's attached letter explains the reasoning behind his offer. West Allis Salvage has been able to secure some five-year commitments with paper mills that buy his processed recycled paper. With the assurance that he can rely on West Allis to provide him with a steady supply of recycled paper for that same period, he will reduce the City's current processing fee by \$2.00 per ton.

Given the fact that the above offer will save the City in excess of \$30,000 over the five year contract term, I respectfully request permission to proceed, with the assistance of the City Attorney's office, negotiating the specific terms and conditions necessary to modify our existing contract to incorporate the proposed five-year extension.

Respectfully,

A handwritten signature in blue ink that reads 'Michael F. Pertmer'.

Michael F. Pertmer
Director of Public Works

Enc.

WEST ALLIS SALVAGE

1909 SOUTH 80TH STREET • WEST Allis, WI 53219 • (414) 321-4134 • fax: (414) 321-4636

April 7, 2004

City of West Allis
7525 W Greenfield Ave
West Allis WI 53214

Dear Mike,

West Allis Salvage Co. would like to offer the City of West Allis the opportunity to save \$2.00 per ton on its recycling costs. We recently renegotiated our contracts with our paper mills. The mills have given us a 5-year contract with improved pricing. We in turn are offering to pass on the savings to the City of West Allis.

We are proposing to reduce our processing charge from \$22.00 to \$20.00 per ton, if the City would agree to modify our contract's length from 27 months to 60 months with the same renewal opportunities.

In addition, we would like to discontinue our performance bonding. We feel that we have established a 10-year record that shows we are capable of handling this program and that we have the financial strength to be here for the long term.

Over 12 years ago, the City of West Allis gave West Allis Salvage Co. a small local company the chance to prove we could compete with the big business' to create a cost effective and environmentally successful Recycling Program.

West Allis Salvage (The Rehberg family) would like to take this opportunity to say Thank You to the City of West Allis, the staff and community for giving us that chance. We look forward to a long and mutually beneficial future of working together with you.

Sincerely,



Phillip Rehberg