



Legislation Text

File #: 33141, **Version:** 1

The Waste Oil Collection program is part of the operations of the Madison Sewer Utility. Revenue from the collection of waste oil is included in the Sewer Utility Operating budget under object 78820. Any costs related to this contract will be paid under account ES01-54809-542130-00-53W1559.

Authorizing the Mayor and City Clerk to enter into an Agreement with Safety-Kleen Systems, Inc. for the collection of waste oil from City drop off sites and other miscellaneous collection and disposal of City generated waste oil products.

PREAMBLE

The City of Madison operates 4 facilities to collect waste oil from City residents, for their convenience and to promote proper disposal of waste oil in an environmentally responsible manner. A contract is awarded to a vendor to perform the oil collection service from these sites and typically generates revenue payments from the vendor to the City. Additionally the vendor will perform other services for a fee, such as collection of used oil filters, oily rags, and other waste oil products generated by various City owned facilities. In 2012 the City experienced an incident of PCB laden oil dumped into a drop off site. Before the vendor could detect the contamination, it was mixed with other collected oils. The larger contaminated volume of oil had to be transported to an EPA approved facility for proper disposal and resulted in a claim from the Vendor for costs incurred. The Vendor has agreed to settle the claim for an amount far below the original claim amount, subject to the City making a good faith effort to extend their current contract. City Engineering, in consultation with the City Attorney and City Risk Manager, believe this is a fair and reasonable settlement and that a contract extension can be made in both parties' interest, subject to negotiation of contract terms to better address this type of incident.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Clerk are hereby authorized to enter into an Agreement with Safety-Kleen Systems, Inc. for the collection of waste oil from City drop off sites and other miscellaneous collection and disposal of City generated waste oil products.

BE IT FURTHER RESOLVED that the City Engineer and City Attorney are directed to negotiate the terms of this contract and it may extend thru 12/31/2015 and may allow for up to 2 additional 1 year extensions at the City's discretion.