

# Lawsuit filed over Indy's controversial recycling deal with Covanta

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INDIANAPOLIS, Ind. (Sept. 11, 2014) - A lawsuit has been filed against the City of Indianapolis over a recently finalized recycling contract. In August, the city agreed to a deal with Covanta worth an estimated \$112 million. Two paper companies and an Indianapolis resident are listed as plaintiffs in the lawsuit.

The city is accused of violating requirements for bidding and public notice. The suing parties are trying to put the brakes on the deal that includes building a \$45 million recycling facility. An attorney for the plaintiffs' declined to comment.

Public comment was allowed during a board meeting but the lawsuit argues a separate hearing was required. It goes on to accuse the city of failing to release any potential agreement and terms before the meeting.

Court documents also show one of the companies, Rock-Tenn Converting, would have potentially bid on the project if it had the opportunity.

The Department of Public Works released a statement via email. "We are perfectly within our legal right to amend our contract with Covanta. The new Advanced Recycling Center will be one of the most modern facilities in the world and is a common-sense program to increase recycling in the city—at no cost to taxpayers or government," said Stephanie Wilson, DPW spokesperson.

Public Works Board Member, Greg Garrett, said he didn't receive a copy of the contract until a couple days before the scheduled vote. A majority of the board members were appointed by the Ballard Administration. Garrett said he tried to raise concerns about the contract and board procedure.

"I said is it necessary for us to have a public hearing before we vote on this? And that was my exact question and our attorney Alex said uh well I don't know, I don't think so," said Garrett.

A spokesperson for Covanta said the company is moving ahead with the construction project. He said the company is currently in the process of obtaining permits. The new facility is scheduled to be up and running by 2016.

"What we're seeing and I think the most troubling thing about this, is that we're seeing a pattern of lack of transparency, and lack of accountability and lack of oversight," said Zach Adamson, City-County Councillor.

Adamson compared the deal to the restrictive contract for the Regional Operations Center. The contract with Covanta discourages competition from alternative recycling programs. Under the terms, Covanta could impose penalties on the city if it launched a new or better recycling program.

Recycling advocates voiced their concern about the new Covanta facility. The Indiana Recycling Coalition or IRC has called the plan a "major step backwards." The IRC expressed concern over a method known as "dirty recycling" where recyclable materials are picked out of collected trash. Covanta's facility would use that method, it would also be unable to recycle glass.

The IRC released the following statement in response to the lawsuit:

"The IRC believes a competitive process would result in a waste disposal that would be much better for taxpayers, for recycling and for job creation.

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