

Paper companies sue over Indianapolis recycling deal

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Two paper companies and a citizen are asking a Marion County judge to halt Covanta's agreement with the city of Indianapolis to build a \$45 million recycling facility.

Graphic Packaging International Inc., Rock-Tenn Converting Co. and Cathy Weinmann filed a lawsuit Sept. 5 in Marion Superior Court alleging the Indianapolis Board of Public Works violated public bidding requirements and state law governing the collection and disposal of waste in Indianapolis.

The plaintiffs' attorney, Allison Wells Gritton of Indianapolis-based Spalding & Hilmes PC, declined to comment.

The Board of Public Works on Aug. 6 voted to amend and extend

(<http://www.ibj.com/update-city-board-approves-recycling-deal-with-covanta/PARAMS/article/48928>)

through 2028 a \$112 million contract with Covanta, which receives the city's household trash at its Harding Street incinerator. Under the contract, Covanta would build a \$45 million "advanced materials recovery facility" at the site where it would pluck out recyclables before burning the rest of the material.

"We are perfectly within our legal right to amend our contract with Covanta," Department of Public Works spokeswoman Stephanie Wilson said via email Wednesday. "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."

Covanta spokesman James Regan said the company is pursuing permits for the facility.

Covanta's plan to reclaim recyclable material after it's already mixed with household trash has drawn opposition from some companies because they say some recyclables will be ruined or degraded in the process.

One of the plaintiffs is a potential competitor to Covanta. Rock-Tenn, based in Georgia, collects recycled fiber and also operates paper mills that make recycled paperboard. The company has

facilities in Eaton and Indianapolis. The local facility collects, sorts and bales paper, plastics, metals and other recyclable materials.

story continues below

Rock-Tenn would have bid on or responded to a request for proposals for a materials-recovery facility, according to the lawsuit.

Graphic Packaging, based in Delaware, has a Kendallville facility that makes folding cartons for food and purchases recycled paper and paperboard.

Weinmann is a citizen who has an interest in promoting waste reduction and increasing clean recycling, according to the lawsuit.

Covanta's recycling facility fits the definition of a "by-product recovery facility" and should be subject to the law requiring public bidding, the plaintiffs allege.

Indianapolis in 2011 issued a request for proposals for recycling services, but the lawsuit says the Board of Public Works didn't follow the process set out by law when it approved Covanta's deal.

Covanta made a presentation to the board on June 25, and the board allowed public comment at its July 23 meeting. The proposed agreement with Covanta wasn't made available to the public and the meeting wasn't a hearing with proper notice given, the lawsuit alleges.

In response to a board member's questions on Aug. 6, counsel for the board said the July 23 meeting was an opportunity for public comment, but not a legal public hearing. He said the agreement didn't require a hearing.

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McLaughlin covered business for daily newspapers in Massachusetts and Florida before joining IBJ in 2008. A native of the St. Louis area, she appreciates Indiana's Midwestern hospitality. Given her beats, you may find her taking in art, chronicling the death of a factory town or touring suburban developments. McLaughlin graduated from the University of Missouri School of Journalism in 1998.

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DioxinClouds • 2 years ago



Go get 'em, plaintiffs! No one seems to be mentioning this name change or the boatload of EPA violations Ogden Martin's incinerators received in Indy 2 decades ago... ..or that Covanta directors were unloading huge numbers of stocks in the company in July and August of this year (check EDGAR)... ..or the issues Covanta has had more recently, both environmentally and otherwise, in places as far-flung as Dublin, Ireland. There are WAY too many things to question about the award of this contract!

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Tom Cobb • 2 years ago



The Ballard contract is really a scheme to insure that their polluting waste incinerator has enough fuel to operate profitability. It needs over six hundred thousand tons a year. An effective recycling program would remove most paper and profits would fall dramatically. The Ballard scheme is merely a plan to prevent that.

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Janna • 2 years ago



This deal is sums up the Ballard Administration perfectly. Secret, no bid deals given to political contributors.

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