

COUNCIL ACTION FORM

SUBJECT: INCREASE PURCHASE ORDER TO BOONE COUNTY LANDFILL FOR RESOURCE RECOVERY WASTE DISPOSAL OPERATIONS

BACKGROUND:

On February 28, 2012, by resolution No. 12-064, Council awarded a contract for joint and cooperative action for waste disposal operations by Boone County and the City of Ames (purchase order #58303). The period from July 1, 2020 through June 30, 2021, is the ninth of ten 12-month extension periods. Each extension requires funding approval by Council. The adopted FY 2020/21 budget includes \$650,000 for this work.

The amount estimated to be disposed in FY 2020/21 was 13,500 tons at \$48.00/ton. **Staff now estimates the actual amount to be disposed will be 17,075 tons at \$52.00/ton, for an additional cost of \$238,000, bringing the amount of the current purchase order to \$888,000. This additional cost is mainly due to an increase of rejects from processed waste due to the on-going Power Plant rehabilitation projects for Unit 7 and Unit 8. The increase was anticipated at the time of final amendments to the operating budget and is covered with various identified savings within the current amended budget.**

ALTERNATIVES:

1. Approve a change order to Purchase Order #58303 in the amount of \$238,000 to cover the cost of the additional tonnage of waste deposited in the Boone County Landfill in FY 2020/21.
2. Do not approve the increased Purchase Order.

CITY MANAGER'S RECOMMENDED ACTION:

The Resource Recovery Plant is experiencing an increase in processed tons from what was expected due to on-going maintenance projects at the Power Plant and is striving to provide a high-quality RDF product to the Power Plant. A result of these factors is an increase in reject tonnage being shipped to the Boone Landfill.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as described above.