

COUNCIL ACTION FORM

SUBJECT: AWARD OF CONTRACT EXTENSION FOR HAULING AND RELATED SERVICES, RESOURCE RECOVERY PLANT TO THE BOONE COUNTY LANDFILL

BACKGROUND:

On May 11, 2004 Council awarded a contract to Waste Management of Ames for hauling and related services for the Resource Recovery Plant during the 2005 fiscal year.

The period from July 1, 2008, through June 30, 2009, is the fourth and final optional extension period; extension periods are contingent upon approval of funding by Council. The approved FY 2009 budget includes \$204,060 for this work.

Under this contract, containers are provided and materials are hauled from the Resource Recovery Plant to the Boone County Landfill. The contract is based on a per-mile per-ton bid amount and a round trip distance to the Boone County Landfill of 36 miles. There is a provision in the contract to allow longer hauls, up to 120 miles round trip, as well as a provision to cancel the contract if this type of service is no longer needed because of a change in disposal procedures.

The base bid price of \$.295 per mile per ton is adjustable for each extension period based on 10% of the bid amount based on fuel costs, and on the diesel fuel price index as determined by the IDOT on the March 1 preceding the renewal.

The original base bid price of \$.295 per mile per ton translated to \$10.62 per ton for a round trip to the Boone County Landfill. Under the contract adjustment clause, the contract price would increase to \$.3519 per mile per ton for FY 2009, increasing the cost for a round trip to the Boone County Landfill to \$12.67 per ton.

Total cost of this contact is dependent on tonnage hauled. The budget amount will haul approximately 17,000 tons. If tonnage exceeds this amount, the budget will be amended at the appropriate time.

ALTERNATIVES:

1. Approve the renewal option for FY 2009 for hauling and related services for the Resource Recovery Plant to Waste Management of Ames in the amount of \$.3519 per mile per ton.
2. Reject the renewal option and re-bid for hauling and related services for the Resource Recovery Plant.

MANAGER'S RECOMMENDED ACTION:

It is the recommendation of the City Manager that the City Council adopt Alternative No. 1, approving the renewal option for FY 2009 for hauling and related services for the Resource Recovery Plant to Waste Management of Ames in the amount of \$.3519 per mile per ton.