

## COUNCIL ACTION FORM

**SUBJECT: CONTRACT FOR RESOURCE RECOVERY PLANT HAULING TO THE BOONE COUNTY LANDFILL AND RELATED SERVICES**

**BACKGROUND:**

This contract includes furnishing container services and hauling materials from the Resource Recovery Plant to the Boone County Landfill. Materials hauled under this contract are those that cannot be processed into fuel by the Resource Recovery Plant. The proposed 2009/10 operating budget includes \$204,060 for this work.

The contract is based on a per-mile, per-ton bid amount and a round trip distance of 36 miles per trip. 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 contract period is from July 1, 2009 through June 30, 2010, with four 12-month extension periods contingent upon approval of funding by Council. The bid price is adjustable for each extension period based on the diesel fuel price index as determined by the IDOT. The adjustment will be calculated using the percent of the bid price that the Contractor indicated on his or her bid is based on fuel cost.

Bids were publicly opened and read aloud at 2:00 p.m. on April 14, 2009.

<b>BIDDER</b>	<b>PER MILE, PER TON BID AMOUNT</b>	<b>FUEL COST %</b>	<b>ROUND TRIP COST PER TON</b>
Waste Management of Ames	\$.3333	12.0	\$12.00
Walters Sanitary Service, Inc., Boone, IA	.39	6.0	14.04
Golden Valley Hardscapes, Story City, IA	.52	10.0	18.72

Total cost of this contact is dependent on tonnage hauled. The budget amount will haul approximately 12,500 tons. If tonnage exceeds this amount, the budget will be amended at the appropriate time.

Staff has analyzed the bids and determined that the lowest net evaluated bid came from Waste Management of Ames.

**ALTERNATIVES:**

1. Award the contract for 2009/10 hauling and related services for the Resource Recovery Plant to Waste Management of Ames, Iowa, in the amount of \$.3333 per mile per ton, with four optional extension periods, contingent upon approval of funding by Council. The bid price will be adjusted for the extension periods based

on 12% of the bid amount based on fuel costs and the diesel fuel price index as established by the IDOT.

2. Reject the bids and attempt to obtain hauling and related services on an as-needed basis.

**MANAGER'S RECOMMENDED ACTION:**

Landfill hauling and related services are an important part of our Resource Recovery Plant's operations, and the bidding process has identified the lowest evaluated price.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, awarding the contract for 2009/10 hauling and related services to Waste Management of Ames.