

**COUNCIL ACTION FORM**

**SUBJECT: CONTRACT EXTENSION FOR RESOURCE RECOVERY PLANT  
HAULING TO 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 or otherwise recovered by the Resource Recovery Plant.

On May 26, 2009, Council awarded a contract to Waste Management of Ames for these services during the 2009/10 fiscal year. This bid had four optional extension periods through June 30, 2014. The extension periods are contingent upon approval of funding by Council. The period from July 1, 2013, through June 30, 2014, will be the fourth and final optional extension period. The approved 2013/14 budget includes \$213,750 for this work.

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 \$.3333 per mile per ton is adjustable for each extension period. This adjustment is based on 12% of the bid amount based on fuel costs, and on the diesel fuel price index as determined by IDOT on the March 1<sup>st</sup> preceding the renewal.

The original base bid price of \$.3333 per mile per ton translated to \$12.00 per ton for a round trip to the Boone County Landfill. Under the contract adjustment clause, the contract price will increase to \$.3941 per mile per ton for 2013/14, setting the cost for a round trip to the Boone County Landfill at \$14.19 per ton.

Total cost of this contract is dependent on tonnage hauled. The budget amount will haul approximately 15,063 tons. If tonnage exceeds this amount, the budget will be amended at the appropriate time.

**ALTERNATIVES:**

1. Approve the 2013/14 renewal option for hauling and related services for the Resource Recovery Plant to Waste Management of Ames in the amount of \$.3941 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:**

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

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the 2013/14 renewal option for hauling and related services for the Resource Recovery Plant to Waste Management of Ames in the amount of \$.3941 per mile per ton.