

ITEM#: 22  
DATE: 04-13-21

## **COUNCIL ACTION FORM**

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

### **BACKGROUND:**

On June 25, 2019, City Council awarded a contract to Waste Management of Ames (WMA) for hauling to Boone County Landfill and related services for the Resource Recovery Plant (RRP) during the 2019/20 and 2020/21 fiscal years. WMA was the single bidder at \$14.14/ton with a 3.5% increase each year with three optional renewal periods. Renewals are contingent upon approval of funding by Council.

This contract includes furnishing equipment and hauling of materials that cannot be processed into refuse derived fuel (RDF) from RRP to the Boone County Landfill. The contract is based on a per-ton bid amount with a typical 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 due to a change in disposal procedures. **The approved FY 2021/22 budget includes \$300,000 for this work.**

**This renewal period is from July 1, 2021, through June 30, 2022 at \$15.15/ton.** At this rate, **the annual cost is projected to be approximately \$300,000.** The contract price is adjustable monthly throughout the contact period if diesel fuel is at or above \$5.00 per gallon or below \$2.00 per gallon. This is based on the published index for monthly diesel fuel prices for the Department of Energy's (DOE) "Weekly Retail On-Highway Diesel Prices" for the Midwest region on the first Monday of the month.

### **ALTERNATIVES:**

1. Approve the renewal option for FY 2021/22 for hauling and related services for the Resource Recovery Plant to Waste Management of Ames at the base rate of \$15.15 per ton.
2. Reject the renewal option and re-bid for hauling and related services for the RRP.

### **CITY MANAGER'S RECOMMENDED ACTION:**

Landfill hauling and related services are an important part of RRP operations. Staff has analyzed the bid renewal and finds it consistent with prior contracts.

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