

Waste Management offered a 5% increase for a one-year extension, or the City can lock in a 5% annual increase with a two-year extension. The hauling rate of materials that cannot be processed into RDF would increase from \$19.50/ton to \$20.48/ton for FY 2025/26 and \$21.50/ton for FY 2026/27.

The two-year extension meets the City's transition date of June 30, 2027. City staff is pursuing the possibility to own and operate the City's own fleet of trucks and trailers and may no longer need the contract. At this point, it will be difficult to find another company that would want to establish service for a two-year contract, knowing there will not be any extensions available. A one-year extension with WMA leaves the final year at risk of a larger increase or the possibility that no companies are able and willing to service the contract. WMA has agreed to a non-appropriation clause for the two-year extension.

ALTERNATIVES:

1. Award a two-year contract extension to Waste Management of Ames in the amount of \$20.48/ton for FY 2025/26 and \$21.50/ton for FY 2026/27.
2. Award a one-year contract extension for FY 2025/26 to Waste Management of Ames in the amount of \$20.48/ton.
3. Rebid the contract.

CITY MANAGER'S RECOMMENDED ACTION:

Landfill hauling and related services are an integral part of RRP operations. The per-ton price for hauling is an acceptable increase and funding for these services is available in the FY 2025/26 Resource Recovery operating budget. The two-year extension provides security for the final years of hauling needs. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as described above.