

ITEM #: 31
DATE: 04-08-25
DEPT: PW

COUNCIL ACTION FORM

SUBJECT: **CHANGE ORDER #1 FOR WASTE DISPOSAL OPERATIONS THE
BOONE COUNTY LANDFILL**

BACKGROUND:

On June 28, 2022, City Council awarded a three-year contract extension to the Agreement for Joint and Cooperative Action for Waste Disposal Operations with Boone County through June 30, 2025. Municipal solid waste (MSW) that cannot be processed into Refuse Derived Fuel (RDF) is currently disposed of at the Boone County Landfill (BCL). **This contract establishes tipping fees for reject MSW that must be hauled to BCL after being received at the Resource Recovery Plant.**

The adopted FY 2024/25 budget included \$565,700 for these fees, a lower amount than the prior years. The amount contained in the approved contract reflects this budgeted amount. The reduced cost compared to prior years was based on the anticipated improvements in boiler reliability and an increased amount of material being directly hauled to BCL by garbage haulers in the winter months when natural gas at the Power Plant is restricted. **However, the current trend indicates that a higher reject tonnage will occur in FY 2024/25. Based on reject tonnages so far this year, staff estimates that up to an additional \$303,603 may be needed for the remainder of the current fiscal year. The adjusted FY 2024/25 budget presented to City Council includes \$829,863 for reject materials to be hauled to the Boone County Landfill.** If necessary, staff will include additional funding in the final FY 2024/25 Budget Amendments, which will be considered later this spring. Seasonal natural gas restrictions ended on March 31, 2025, which now allows for additional RDF to be utilized at the Power Plant.

Fiscal Year	Price Per Ton	Annual Cost
FY 19-20	\$48.00	\$787,332.96
FY 20-21	\$52.00	\$781,205.48
FY 21-22	\$52.00	\$784,647.62
FY 22-23	\$54.00	\$787,446.00
FY 23-24	\$57.00	\$848,256.00
FY 24-25 (adjusted amount)	\$57.00	\$829,863.00 (est)

ALTERNATIVES:

1. Approve Change Order No. 1 to the Boone County Landfill in the amount of \$306,603.
2. Reject the change order.

CITY MANAGER'S RECOMMENDED ACTION:

Landfill hauling and related services are an integral part of RRP operations. This change order is based on an increase in reject tonnage projections due to more downtime at the Power Plant and

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