



Legislation Text

File #: ID 20-0778, **Version:** 1

Resolution Authorizing One-Year Extension of Service Contract 2016-10480 in the Amount of \$4,800,000 with Waste Management of Carolinas, Inc. for Municipal Solid Waste Disposal Services

Council Priority: Maintain Infrastructure and Provide Sustainable Growth Opportunities

Department: Field Operations
Council District: All

Public Hearing: N/A
Advertising Date/By: N/A

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PURPOSE:

The Field Operations department requests City Council approval to extend the contract for municipal solid waste disposal services with Waste Management of Carolinas, Inc. for a period of one year from January 1, 2021.

BACKGROUND:

At its September 6, 2016 meeting, City Council authorized the City Manager to enter into a contract with Waste Management of Carolinas, Inc. for municipal solid waste disposal services. The contract was to have an initial 3 year term with the option of two additional one-year extensions. In January of 2017, the City entered into a contract with Waste Management of Carolinas, Inc. to provide disposal services for municipal solid waste hauled from the City's Burnt Poplar Road transfer station to Waste Management's Great Oak Landfill in Randolph County, NC. The first of two 1-year extensions was executed in January 2020. In FY 2019-20, the cost to dispose of about 207,733 tons of municipal solid waste from the City's transfer station was about \$4,281,042.

The contract contains an annual CPI increase, which takes effect January 1, 2021. Planning for a 5% increase in waste tonnage and the CPI increase, the estimated annual cost of this extension is \$4,800,000. This contract extension is the second (last) of two available one-year extensions under Contract 2016-10480.

BUDGET IMPACT:

The funds for this contract extension are available in the current approved and subsequent operating budget in account #551-4306-07.5429

RECOMMENDATION / ACTION REQUESTED:

The Field Operations department recommends and requests that City Council approve the one-year contract extension for municipal solid waste disposal services with Waste Management of Carolinas, Inc. estimated at \$4,800,000.