



**One Year Extension of Contract with Allied
Waste Services
&
Authorize the Mayor or Designee to Exercise
one or more of the Remaining Two Options**

**Natural Resources and Culture Committee
Meeting**

February 29, 2012



Background

- **April 2010 entered into agreement with Allied Waste for refuse & recyclable collection services at City facilities**
- **Two year contract with three one-year options to renew**
 - **Beginning April 1, 2010**
- **Contract managed centrally by ESD staff, serving as sole liaison between the City and Allied Waste**
- **Anticipated significant savings and increased recycling at City facilities under the new agreement**



Fiscal Considerations

- **Anticipated savings were realized in initial two-year term**
- **The two years before the agreement with Allied (FY09 & FY10) combined expenditures totaled \$1,891,568**
- **City Council approved \$1,608,596 for the initial agreement with Allied**
- **We are currently projected to end the initial term under budget by approximately \$300,000**
- **Resulting in a 30% savings over costs incurred under previous contract**



Fiscal Considerations Cont.

- The following costs are anticipated for FY12-15

FY12 (April 1-June 30)	FY13	FY14	FY15 (July 1 – Mar 31)
\$160,000	\$ 720,000	\$ 750,000	\$ 606,000

- Each fiscal year assumes a 5% annual price increase, the maximum allowable CPI adjustment



Staff Recommendations

- **Authorize one year extension of contract with Allied Waste Services**
- **Allocate funding for first extension year**
- **Authorize the Mayor or his Designee to exercise one or more options to extend the agreement for up to two additional one-year periods**