



# City Council Report

**Date:** January 28, 2019  
**To:** City Council  
**Through:** Michael Kennington, Chief Financial Officer  
**From:** Edward Quedens, Business Services Director  
Matt Bauer, Procurement Administrator  
**Subject:** Dollar Limit Increase to the Term Contract for Solid Waste Disposal, Recyclable Material Processing, and Vegetative Waste Processing Services as requested by the Environmental Management and Sustainability Department (**Citywide**)

## Recommendation

Council is requested to approve the contract amendment as recommended.

The Environmental Management and Sustainability Department and Purchasing recommend authorizing the amendment, to reflect the revised Contract, increasing by \$230,000 the dollar limit of the multi-vendor Master Agreement, which covers all Solid Waste Disposal, Recyclable Material Processing, and Vegetative Waste Processing Services, to \$8,250,000, based on estimated usage.

## Background / Discussion

This contract provides multiple pre-qualified vendors for solid waste disposal, recyclable materials processing, and vegetative waste processing services for the City of Mesa, the Town of Gilbert, and City of Tempe. This multi-agency contract increases market leverage, and provides the municipalities substantial cost savings on disposal and increased revenues on recyclables. Benefits include competitive low tipping fees that may be secured for at least ten years, and the disposal and recycling sites are within close proximity to the City of Mesa's daily collection routes. This contract provides significant operational savings.

Council awarded this Term Contract on 11/18/2013. The landfill contracts were initiated in January 2014 in the amount of \$5,628,000 as budgeted at the time. Since then, there have been several price increases based on the agreement (refuse, green and recycle fee increases from multiple vendors) as well as City tonnage growth.

Environmental Management and Sustainability completed the tonnage analysis for the 2019 calendar year and is requesting a contract limit increase accordingly.

## Purchase Information

Action: Modification

Procurement Type: Request for Proposals

Contract Number: 2013109

Original Council Award Date: 11/18/2013

Initial Contract Term: Three years

Possible Renewals: Up to three years, renewals subject to Administrative review and approval (through 12/31/2022)

Funding Source: Environmental Management and Sustainability operating budget through the Enterprise Fund, Solid Waste Sub Fund

### Dollar Limit History

Term Contract for 2017 (Mesa Year 4):	\$7,325,000.00
Contract Dollar-Limit Increase 1/22/2018:	\$125,000.00
Vendor Renewal and Increase 9/17/2018:	\$400,000.00
Vendor Renewal and Increase 12/10/2018:	\$170,000.00
<b>Contract Dollar-Limit Increase Request 1/28/2019:</b>	<b><u>\$230,000.00</u></b>
Term Contract for 2019 (Mesa Year 5):	<u>\$8,250,000.00</u>

### Vendors

- Salt River Commercial Landfill Company dba Salt River Landfill
- Republic Services dba Allied Waste Transportation, Inc.
- Allied Transfer Services of Arizona, LLC
- Allied Waste Transfer Services of Arizona, LLC
- Waste Management of Arizona, Inc.
- Republic Services (formerly ReCommunity Holdings II, Inc.)
- United Fibers, LLC
- Waste Technologies, LLC dba Right Away Disposal