



City Council Report

Date: January 25, 2021
To: City Council
Through: Michael Kennington, Deputy City Manager/Chief Financial Officer
From: Edward Quedens, Business Services Director
Matt Bauer, Procurement Administrator
Subject: One-Year Renewal with a One-Year Renewal Option to the Term Contract for Bio-Solids Removal and Reuse/Disposal Services for the Water Resources Department **(Citywide)**

Recommendation

Council is requested to approve the contract renewal as recommended.

The Water Resources Department and Purchasing recommend authorizing the renewal with Denali Water Solutions, LLC at \$480,000 annually, with an annual increase allowance of up to 5% or the adjusted Consumer Price Index.

Background / Discussion

This contract provides materials, equipment and labor to load, transport, and reuse/dispose of dewatered bio-solids from Mesa's Northwest and Greenfield Water Reclamation Plants. Loading and hauling are included, therefore, all bio-solids dewatered during the previous 24-hours are removed from the plant site daily.

Denali Water Solutions, LLC has agreed to renew the contract with an increase of 1.33% (a per wet ton price increase from the \$14.24 to \$14.43). This is the first price increase requested. It is based on the minimum wage increases of approximately 9.09% (2018, 2019 and 2020). The Consumer Price Index has also increased over the last two years. The City has been satisfied with vendor's performance. This contract continues to be advantageous to the City and it is in the City's best interest to renew the contract.

Purchase Information

Action: Renewal (1st of 2 possible)
Procurement Type: Request for Proposals
Contract Number: 2018042
Original Council Award Date: 1/8/2018
Initial Contract Term: Three years
Possible Renewals: One-year renewal subject to Administrative review and approval
Funding Source: Water Resources Department operating budget (Wastewater Operations and Maintenance)