



Staff Report

TO: City Council
FROM: Thaxton Van Belle, General Manager of Utilities
DATE: April 18, 2023
SUBJECT: Second Amendment of an Agreement to Extend the Contract for Professional Services with Burrtec Waste Industries, Inc. to Provide Sludge Hauling Services for the Wastewater Treatment Plant

Description City staff is requesting approval of the Second Amendment to extend the contract for Sludge Hauling Services with Burrtec Waste Industries.

Background and Analysis:

The City issued a request for proposals (RFP) on January 28, 2019, to interested firms qualified to provide sludge hauling services for the WWTP. Burrtec Waste Industries, Inc. was selected to provide sludge hauling services for the WWTP for a three-year contract with the option to extend for two additional one-year periods, paid at the rate of 56.60 per ton of sludge which adjusts annually, each July 1, by a flat 3% escalator. This contract was executed on May 1, 2019 (Attachment A).

In March 2020, both parties entered into a letter agreement, whereby Burrtec agreed to suspend the automatic 3% escalator in costs under the agreement until January 31, 2021. This letter agreement delayed the implementation of the escalator due to the first wave of Covid and the unknowns both parties faced.

In February 2022, the First Amendment was approved with an increase of 3% from \$60.08/ton to \$61.88/ton beginning July 1, 2022, through April 30, 2023 (Attachment B).

Burrtec Waste Industries provided a "Request for Extension Letter" (Attachment C), to extend the term of the Agreement and agreeing that the escalator shall remain the same. Burrtec has performed well, and staff is recommending this extension.

Fiscal Impact:

The fiscal impact for Sludge Hauling Services for the WWTP is an increase of 3% (\$61.88/Ton to \$63.74/Ton) beginning May 1, 2023, from account 700-4050-7068-0000.

This contract is budgeted for in the current fiscal year and can absorb the percentage increase and will be budgeted for accordingly in the next fiscal year.
The cost to prepare this report is estimated at \$1,200.

Recommended Action:

Approve the Second Amendment of an Agreement to extend the existing contract for Professional Services with Burrtec Waste Industries, Inc., to Provide Sludge Hauling Services for the Wastewater Treatment Plant through April 30, 2024.

Attachments:

- A. Original Agreement for Professional Services by Independent Contractor.
- B. First Amendment Agreement for Extension of Professional Services.
- C. Burrtec Request for Extension Letter.
- D. Second Amendment Agreement for Extension of Professional Services.