



Legislation Text

File #: 21-0877, Version: 1

Contract Request Template (Contracts; IGAs; Leases)

Date Submitted: 7-29-21

Requesting Agency: Department of Public Health and Environment
Division:

Subject Matter Expert Name:

Name: Zach Clayton
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Item Title & Description:

(Do not delete the following instructions)

*These appear on the Council meeting agenda. Initially, the requesting agency will enter a 2-3 sentence description. Upon bill filling, the City Attorney's Office should enter the title above the description (the title should be in **bold** font).*

*Both the title and description must be entered between the red "title" and "body" below. Do **not** at any time delete the red "title" or "body" markers from this template.*

A resolution approving a proposed Fourth Amendatory Agreement between the City and County of Denver and Waste Management of Colorado, Inc. for operation of a composting facility at the Denver Arapahoe Disposal Site.

Amends a revenue agreement with Waste Management of Colorado, Inc. by adding one year for a new end date of 12-31-22 for operation of a composting facility at the Denver Arapahoe Disposal Site. No change to the agreement amount (ENVHL-201524286-03). The last regularly scheduled Council meeting within the 30-day review period is on 10-11-21. The Committee approved filing this item at its meeting on 8-11-21.

Affected Council District(s) or citywide? Citywide

Contract Control Number: ENVHL-201524286-03

Vendor/Contractor Name (including any "DBA"): Waste Management of Colorado (WMC)

Type and Scope of services to be performed:

This amendment extends by one year the compost agreement between Waste Management of

Colorado (WMC) and the City and County of Denver (City).

For background, in 2016 the City and WMC entered in to a three-year contract with the option to renew the contract if both parties agree to do so. This contract allows WM, who currently operates the Denver Arapahoe Disposal Site (DADS) landfill on the City's behalf, to also offer composting services. WM obtained State approvals, constructed the composting pad and monitoring well, and met State requirements for operations. They receive food and green material including wood material, generate compost, and sell compostable material and sometimes wood chips. In return for leasing land to WM for the compost operations, the City receives a) an 8 percent(%) royalty on the revenue that WMC generates from the incoming material, b) details on the type and volume of incoming material, and c) information on WMC's operating costs.

Based on the 8% royalty received by the City from 2016 to present, the City has received \$178,626.77 in payment. From WMC's operating costs, we know that the income generated from their compost operations minimally covers the costs of their operations. Both parties continue to be optimistic that the need for composting will increase.

Both the City and WMC want to continue offering compost as an alternative to disposal and request this one-year extension.

Location (if applicable):

WBE/MBE/DBE goals that were applied, if applicable (construction, design, Airport concession contracts):

Are WBE/MBE/DBE goals met (if applicable)?

Is the contract new/a renewal/extension or amendment?

Was this contractor selected by competitive process or sole source?

For New contracts

Term of initial contract:

Options for Renewal:

How many renewals (i.e. up to 2 renewals)?

Term of any renewals (i.e. 1 year each):

Cost of initial contract term:

Cost of any renewals:

Total contract value council is approving if all renewals exercised:

For Amendments/Renewals Extensions:

Is this a change to cost/pricing; length of term; terms unrelated to time or price (List all that apply)?

If length changing

What was the length of the term of the original contract?

1-1-2016 through 12-31-2021

What is the length of the extension/renewal?

One year

What is the revised total term of the contract?

1-1-2016 through 12-31-2022

If cost changing

What was the original value of the entire contract prior to this proposed change?

What is the value of the proposed change?

What is the new/revised total value including change?

If terms changing

Describe the change and the reason for it (i.e. compliance with state law, different way of doing business etc.)