

City of Mesquite, Texas

Legislation Text

File #: 20-4911, **Version:** 1

Authorize the City Manager to finalize and execute Change Order No. 1 to Bid No. 2019-112, Annual Grinding of Brush, with GWG Wood Group, Inc., for an increase in the contract amount of \$60,000.00.

On October 21, 2019, the City Council approved Bid No. 2019-112, Annual Grinding of Brush, with GWG Wood Group, Inc., in the amount of \$247,786.56. The brush grinding performed in this contract converts the brush waste received at the Mesquite Compost Facility into compost and mulch which is sold, providing a revenue stream for the City and reducing the amount of waste taken to the landfill.

Due to the increased brush waste received by the Mesquite Compost Facility this year, as of July 8, 2020, the City has expended \$240,000.00 of the annual brush grinding contract. This increase in yard waste is due to residents performing more yard work while sheltering in place as a result of the COVID-19 pandemic as well as the closing of other facilities that normally receive brush waste.

The Mesquite Compost Facility is on track to set another record year for revenue from brush waste received and compost and mulch sold; however, this will require increasing the annual brush grinding contract by \$60,000.00. If this change order is approved, the City will receive an additional estimated \$130,000.00 to \$180,000.00 in revenue through the remainder of the fiscal year. The Mesquite Compost Facility does not have the storage space to continue to collect the commercial brush waste without continued grinding.

Financial Implications

If approved, the revenue for this year is estimated to be between \$590,000.00 and \$640,000.00, over twice the budgeted revenue of \$280,000.00. This does not include the savings realized by the reduction of solid waste taken to the landfill.

Recommended/Desired Action

Staff recommends approval of the change order.

Attachment(s)

Change Order No. 1

Drafter

Steve Glass, P.E.

Head of Department

Matthew Holzapfel, P.E.