



Meeting Date: August 31, 2023 **Agenda Type:** Consent Items for Action

From: Brent Lundmark **Reviewed by:** Michael Short, P.E.
Water Treatment & Director of Water Services and
Compliance Manager Compliance

Submitted by: Michael Short, P.E. **Approved by:** Ryan Kelso
Director of Water Services Interim Chief Executive Officer
and Compliance

RECOMMENDED ACTION: Authorize Interim CEO or His Designee to Negotiate and Execute a First Amendment to the Professional Services Agreement with Residuals Transport Corporation to Provide Biosolids and Debris Disposal Services for the Water and Wastewater Facilities

BACKGROUND

On June 24, 2021, the New Braunfels Utilities (“NBU”) Board of Trustees approved a Professional Services Agreement (the “Agreement”) with Residuals Transport Corporation (“Residuals”) for biosolids and debris disposal services for the water and wastewater facilities. Residuals approached NBU staff in May of 2023 to negotiate new pricing for fuel, capital equipment, and insurance based on market conditions. Residuals also requested to add a small box transfer rate as it was included in the proposal and the solicitation but was not included in the Agreement.

In an effort to maintain the continuity of NBU’s disposal needs, NBU staff requests that the Board of Trustees approve the First Amendment to the Agreement (the “First Amendment”) to increase annual compensation for the third, fourth, and fifth terms of the Agreement and add the fee related to the small box transfers. The First Amendment is being presented to the Board because it modifies the Agreement beyond the parameters the Board previously approved.

FINANCIAL IMPACT

The total financial impact of the First Amendment is \$237,652. The third term, fourth term, and fifth term are being amended to increase by \$75,398, \$75,156, and \$83,098, respectively. The total contract amount for the Agreement and the First Amendment is \$4,964,027. The Agreement is budgeted within the Water Treatment and Compliance Operations and Maintenance budget (“O&M Budget”) for fiscal year 2024 and will be budgeted in the O&M Budgets of fiscal year 2024 through fiscal year 2026.

LINK TO STRATEGIC PLAN

Safety and Security

Stewardship

EXHIBITS

1. Residuals Transport Corporation Contract
2. First Amendment with Residuals