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# MEMORANDUM

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Date: April 7, 2022

To: The Honorable Chair and Members  
Pima County Board of Supervisors

From: Jan Leshner   
County Administrator

Re: **Tucson Recycling & Waste Services MA-PO-13-513 Amendment No. 04**

On April 19, 2022, Amendment No. 04 to the above-referenced contract will be considered for approval by the Board of Supervisors to exercise the five-year renewal option to extend the current termination date of 5/31/2028 to 5/31/2033 and increase the award amount to cover monthly service expenses during the renewal period.

## Background

Tucson Recycling and Waste Services (TRWS) has operated the Pima County Solid Waste Facilities under the contract awarded on June 1, 2013. Since that time, TRWS has provided these services with a combination of TRWS-owned equipment and pre-existing Pima County-owned landfill equipment. The pre-existing equipment is now on average over 22 years old and has exceeded its economic life. Further substantial maintenance investments are no longer prudent, and it is necessary for TRWS to invest significant sums in replacement equipment.

Equipment acquisition by TRWS includes but is not limited to a new Caterpillar excavator for the Catalina Transfer Station at an estimated cost of \$235,000.00 and four major equipment purchases at an estimated cost of approximately \$1 million. The time required to recover the cost of these investments is significantly greater than the six years remaining in the current contract term. These factors are further aggravated by current market conditions with limited equipment availability and escalating prices. Exercising the five-year renewal option to extend the termination date to 5/31/2033, will enable TRWS to recover the investment costs necessary to replace the outdated landfill equipment while mitigating the market risks associated with the acquisitions and continue to provide optimal service.

Furthermore, increasing the award amount by \$4,051,080.00 will compensate TRWS for the monthly service expenses of \$61,380 (plus 10% tax) for the 60-month renewal period.

## Recommendation

It is recommended that the Board of Supervisors approve Amendment No. 04 to Contract MA-PO-13-513 to extend the term to 5/31/2033 and increase the award amount by \$4,051,080.00 for a cumulative not-to-exceed contract amount of \$19,195,937.00.

JKL

c: Carmine DeBonis, Jr., Deputy County Administrator for Public Works  
Terri Spencer, Director, Procurement Department  
Barbara Escobar, Interim Director, Environmental Quality