



San Francisco Office of the City Administrator
City Administrator Carmen Chu

Biosolids and Grit Hauling Service

Contract ID 1000015461

File [220923](#)

Office of Contract Administration

Board of Supervisors' Budget and Finance Committee
September 21, 2022

Contract Summary

- Provides hauling services for 60,000 tons of biosolids, 4,000 tons of grit, and 600,000 gallons of primary treatment solids from PUC's Wastewater Treatment plants.
- Primary and secondary contracts awarded to Denali Water Solutions and S&S Trucking via competitive solicitation in April 2019:
 - Aggregate 1 is for the hauling of Biosolids and Grit.
 - Aggregate 2 comprises the hauling of untreated wastewater solids from Treasure Island.

Contract Summary

- Denali is the primary awardee and S&S the secondary awardee on Aggregate 1. S&S is the primary awardee and Denali is the secondary awardee on Aggregate 2.
 - Aggregate 1—Denali (Primary): Current NTE \$8.6M
 - Aggregate 1—S&S (Secondary): Current NTE \$2.5M
 - Aggregate 2—S&S (Primary): Current NTE \$1M
 - Aggregate 2—Denali (Secondary): Current NTE \$100K
- Pricing based on fixed unit pricing
 - A base price per load and a price per mile are combined for total price.
 - May be adjusted based on a change in (a) prevailing wage rate (b) diesel fuel index.
- Used exclusively by SFPUC Wastewater Enterprise

Aggregate 1 Expenditures

FY19-20 (9 months)	FY20-21	FY21-22	TOTAL SPEND
\$1.61 M	\$1.72 M	\$1.95 M	\$5.28 M

- Biosolids production dropped by more than 20% at the Southeast Treatment Plant during 2020 and remains much lower than pre-pandemic levels.
 - 9 months of service in FY19-20 was close to the same cost as 12 months of service in FY20-21.

Aggregate 1 Expenditures

FY19-20 (9 months)	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27 (3 months)
\$1.61 M	\$1.72 M	\$1.95 M	\$2.73 M	\$3.09 M	\$3.30 M	\$3.46 M	\$0.89M

- Forecasting for future expenditures assumes a return to pre-pandemic biosolids production
- Contract costs will increase with fuel cost increases as well as any changes to prevailing wage rates for the hauling of solid waste

Proposed Amendment

- OCA requests approval of the resolution to amend the agreement for Aggregate 1 with Denali, based on actual and projected expenditures:
 - Increase by \$10,200,00 to \$18,800,000
 - Extend duration to total of seven years, through September 30, 2026

Thank You