

CITY OF GRAND JUNCTION
SOLE SOURCE JUSTIFICATION FORM

Date: 3/18/26 Requested By: Chip Reiber
Department: Utilities Division: Persigo
Vendor Name: Delta Compost Net Cost Delivered: \$ 3500 per month

Provide G/L Account where funds are budgeted: 902-640-823-6703
Project code, if applicable

SOLE SOURCE JUSTIFICATION
(INITIAL ALL ENTRIES THAT APPLY)
Material/Service Description: CHT Resources LLC d/b/a Delta Compost - Grease Collection, Hauling, and Compost
1. X - Uniqueness: Is unique and unavailable from any other source due to proprietary rights, patents, copyrights, secret processes, or monopoly control;
2. - Compatibility: There is a need for compatibility with existing equipment, technologies, or processes, and only a specific product or service can satisfy that need;
3. X - Urgency: Delay would lead to serious injury, death, or significant financial loss;
4. X - Expertise: The vendor has unique experience, expertise, or capabilities unavailable elsewhere;
5. - Standardization: There is a need to standardize specific equipment or supplies to reduce training, inventory, or maintenance costs, and only one vendor can meet this need;
6. - Written demonstration and justification is available which reasonably and practicably establishes that the selection of a sole source vendor is in the best interest of the City.

Attach Justification Memo and Pricing Documentation, then proceed with signatures below.
After Dept Head approval, forward to Purchasing.

Department Director Approval:
I recommend that competitive procurement be waived and that the service or material described herein be purchased as a sole source.
Signed by: Randi Kim 4/9/2026
F3B7E9047688412... Department Head Signature Date

Purchasing Approval:
Based on the above and attached documents, I have determined this to be a sole source with no other vendor practicably available.
Signed by: Jay Valentine 4/13/2026
09BA36D53ED04B7... Purchasing Manager Signature Date

Final Authorization
City Manager Approval Required (\$25K to \$50K) yes
Signed by: Michael P Bennett 4/14/2026
7245B2BCA88F4F3... City Manager Signature Date

City Council Approval Required (over \$50K) no



Date: March 18, 2026

To: Randi Kim, Utilities Director
Jay Valentine, Purchasing Manager
Mike Bennett, City Manager

From: Chip Reiber, Wastewater Operations Supervisor

Subject: Sole Source Request – Delta Compost

This memorandum serves as the formal sole source justification for the procurement of grease collection, hauling, and composting services from CHT Resources LLC d/b/a Delta Compost.

Delta Compost provides a unique and specialized service by supplying a frac tank specifically designed for grease collection. This equipment integrates seamlessly into current operations and allows for efficient, contained storage of grease waste without requiring additional infrastructure or facility modifications. Additionally, Delta Compost provides transportation and beneficial reuse of the collected grease.

Unlike conventional grease processing methods, which require specialized equipment and intermediate handling at facilities such as grease separators, Delta Compost collects raw grease directly, transports it, and beneficially reuses it at its composting facility. This capability eliminates additional processing steps, reduces operational complexity, and supports environmentally responsible waste management practices.

Historically, grease handling and disposal have been performed in house. However, the existing grease separator is currently out of service, and there remains an ongoing need to accept grease from haulers to prevent environmental issues and service disruptions. Using an alternate provider would require significant changes in equipment, logistics, and potentially regulatory compliance. Delta Compost's ability to provide end to end service, from collection through final reuse, ensures operational continuity, efficiency, and compliance.

Based on these factors, Delta Compost is the only vendor capable of meeting operational requirements without disruption. Continued use of this provider is necessary to maintain consistency, operational efficiency, and environmental stewardship.

This procurement meets the criteria outlined in the City of Grand Junction's Purchasing Policy and Procedure Manual under Uniqueness, Expertise, and Urgency.



Date: 12/31/2025

From: CHT Resources LLC dba Delta Compost

To: Chip Reiber, City of Grand Junction

RE: Collecting, hauling and composting grease trap waste

Delta Compost appreciates the opportunity to provide grease trap collection, hauling and composting services for the City of Grand Junction. Below outlines the services provided and pricing for 2026.

Collection: Delta Compost will provide one frac tank that will hold up to 20,000 gallons of waste. Delta Compost will provide all necessary valves and hoses at the tank. The City will maintain the route into the tank, keeping it free from snow/ice when necessary.

Hauling Schedule and Frequency: Delta Compost will pick up 5,000 to 6,500 gallons at a time in tanker trucks. It's estimated this service would be provided weekly or bi-weekly, depending on how full the tank is getting. It is the responsibility of The City to monitor the level in the tank and request pickups as needed from Delta Compost. Frequency could be increased at any time as requested by City staff.

Additional Labor: Our hauling rate includes our regular pumping labor, however if extra time is needed for tank cleaning or service we've included that hourly rate.

Costs:

Item	Estimated amount	Rate
Collection (tank/valve rental)		\$400/month
Hauling/Composting	\$0.25/gallon - minimum 5000 gallons per trip	\$1,250 to \$1,625 per trip
Additional labor if needed		\$95/hr
Set-up	Crane costs reimbursed	TBD

Physical Address: 11289 Doughspoon Rd, Austin, CO 81410

Mailing Address: PO Box 1420, Carbondale, CO 81623

Deltacompost.com



Contacts:

Erica Sparhawk, CEO. erica@deltacompost.com - 970-456-9447

Coordinating schedule:

Jake DeWolfe, COO. jake@deltacompost.com - 970-319-9786

Billing and invoicing: Emelie Piper, emelie@chtresources.com, 970-379-1062

Invoicing: Delta Compost will invoice the City of Grand Junction monthly.

All prices are good for 2026. Delta Compost would like to review costs at the end of 2026 and will discuss any possible price escalations with contract renewal discussions with the City of Grand Junction for 2027.

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