

James M. Robb
Larry B. Beckner
John A. Achziger
Caré McInnis Raaum
Bryce Palo

Jim Stankis
Your reaction?
Should we re-consider?
Shank
8/13

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May 6, 1994

David B. Palo
(of counsel)
Miles Kara
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cc
5/13/94
[Signature]

Greg: Can you confirm these numbers? Thanks J.

Grand Junction City Council
250 North 5th Street
Grand Junction, Colorado 81501

RE: Central Grand Valley Sanitation District
Line Maintenance Agreement

Dear Members of the City Council:

For a number of years, the City of Grand Junction has been providing line cleaning service for Central Grand Valley. In 1991, the City charged \$61,432.80; in 1992, the City charged \$3,604.00; and in 1993, for eleven months, the City charged \$61,263.00. These amounts do not include the charges from the City for emergency call-outs and lift station maintenance and operation.

Through negotiations with the City, the District was allowed to place the line cleaning charge out for competitive bid. The City submitted its bid of \$71,108.40 per year for a five-year contract. Only two private bids, both from Denver, were higher than the City (\$73,175.00 and \$80,296.00). Four private bids were lower than the City, and the contract was awarded to Southwestern Pipe Management System out of Montrose at a cost of \$30,633.00 per year. This savings of over \$40,000.00 a year will greatly help our District in keeping costs in line.

The District is continuing to pay to the City \$30,000.00 per year for lift station maintenance and operation and for emergency call-outs. Through April 30, 1994, there were only two emergency call-outs in the entire District.

We thought this information may be of some interest to the City Council.

Sincerely,
[Signature]
Larry B. Beckner

LBB:ms