

COUNCIL ACTION FORM

**SUBJECT: WATER TREATMENT PLANT LIME SLUDGE DISPOSAL
CONTRACT RENEWAL**

BACKGROUND:

The City's Water Treatment Plant is a conventional lime-softening facility. The plant generates approximately 22,000 wet tons of lime sludge, a by-product of the lime softening process, each year. The lime sludge consists primarily of calcium carbonate and magnesium hydroxide and is dewatered and stored in lagoons prior to disposal on agricultural ground as a soil conditioner. To continue to have adequate storage for the lime sludge, the lime sludge must be cleaned out of the lagoons annually.

On May 28, 2013, City Council awarded a contract to Wulfekuhle Injection and Pumping, Inc. of New Vienna, Iowa for the removal and disposal of lime sludge. The contract agreement calls for the removal of 28,000 wet tons of lime at a unit cost of \$10.99 per wet ton, four dust control applications at \$500 per application, and mobilization charges totaling \$6,500 for a total contract price of \$316,220. **The contract is renewable annually for a total of five years, dependent on successful performance by the contractor each year.** The contract unit prices bid are fixed for the entire five-year agreement.

Work performed by the contractor is being completed to staff's satisfaction and in accordance with the contract requirements. The FY 2014/15 operating budget includes \$316,220 for this work.

ALTERNATIVES:

1. Award the second year of the lime sludge disposal contract to Wulfekuhle Injection and Pumping, Inc. of New Vienna, Iowa in the amount of \$316,220.
2. Do not award the contract for FY 2014/15 to Wulfekuhle Injection and Pumping, Inc.; and direct staff to solicit new bids for removal and disposal of lime sludge.

MANAGER'S RECOMMENDED ACTION:

The contractor has been completing the lime sludge disposal work to staff's satisfaction.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving renewal of the second year of the five-year agreement with Wulfekuhle Injection and Pumping Inc. for removal and disposal of the Water Treatment Plant's lime sludge in the amount of \$316,220.