

**COUNCIL ACTION FORM**

**SUBJECT: PEBBLE LIME PURCHASE FOR WATER TREATMENT**

**BACKGROUND:**

Pebble lime is used in the water treatment process to remove water hardness. Almost 3,000 tons are used annually and it is the largest chemical cost for the Water Plant. The contract for pebble lime is bid for the upcoming fiscal year plus an optional extension for the subsequent year. On April 23, 2015, bids were received for fiscal year 2015/16:

BIDDER	July 1, 2015 - June 30, 2016		Optional Extension 7/1/16-6/30/17	
	Price Per Ton	Estimated Total Cost	Price Per Ton	Estimated Total Cost
Graymont Western Lime Inc. West Bend, WI	\$148.00	\$429,200	\$154.00	\$446,600
Mississippi Lime Company St. Louis, MO	\$202.40	\$586,960	\$212.40	\$615,960
Lhoist North America of Missouri, Inc. St. Genevieve, MO	\$251.50	\$729,350	No bid	

The total cost in the table above is for an estimated quantity of 2,900 tons per 12-month period. Actual usage will depend on water quality and demand. The 2015/16 operating budget estimates 2,754 tons at \$156.15 per ton for a total of \$430,000.

**ALTERNATIVES:**

1. Award a contract for the purchase of pebble lime to Graymont Western Lime Inc. of West Bend, WI. The contract provides lime at \$148.00 per ton for FY 2015/16. A decision to award the optional second year will be made a year from now.
2. Award the contract for the purchase of pebble lime to one of the other two bidders.
3. Reject all bids and attempt to obtain the required services on an as-needed basis.

**MANAGER'S RECOMMENDED ACTION:**

Acquiring an adequate supply of pebble lime is essential for the established water softening process at the Water Treatment Plant. Graymont Western Lime Inc. has demonstrated the ability to dependably provide this product at a competitive rate. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby awarding a contract for the purchase of FY 2015/16 pebble lime requirements to Graymont Western Lime Inc. of West Bend, WI in the amount of \$148.00 per ton.