

**COUNCIL ACTION FORM**

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

**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 period starts July 1, 2018 and continues through June 30, 2019.

On April 18, 2017, the bids shown below were received for fiscal year 2017/18. That contract was awarded to Graymont Western Lime, Inc., and contained an optional extension for fiscal year 2018/19.

BIDDER	Initial Cost 7/1/17 – 7/30/18		Optional Extension 7/1/18-6/30/19	
	Price Per Ton	Estimated Total Cost	Price Per Ton	Estimated Total Cost
Graymont Western Lime Inc. West Bend, WI	\$156.00	\$468,000	\$160.00	\$480,000
Mississippi Lime Company St. Louis, MO	\$212.40	\$637,200	\$221.00	\$663,000
Lhoist North America of Missouri, Inc. St. Genevieve, MO	\$261.39	\$784,170	No bid	

The total estimated cost in the table above is for an estimated quantity of 3,000 tons per 12-month period. Actual usage will depend on water quality and consumption. The FY 2018/19 operating budget estimates 2,950 tons at \$160 per ton for a total of \$472,000.

**ALTERNATIVES:**

- 1) Approve the contract extension for the purchase of pebble lime with Graymont Western Lime Inc. of West Bend, WI. This extension will provide lime at \$160.00 per ton for FY 2018/19.
- 2) Do not extend the existing contract and attempt to obtain the required services on an as-needed basis.

**CITY MANAGER'S RECOMMENDED ACTION:**

Acquiring an adequate supply of pebble lime is essential for the established water softening process at the City's Water Treatment Plant. Graymont Western Lime Inc. has demonstrated the ability to dependably provide this product at a competitive price, and rates are already set for FY 2018/19 through the contract extension.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1.