

ITEM #: 17
DATE: 07-11-23
DEPT: W&PC

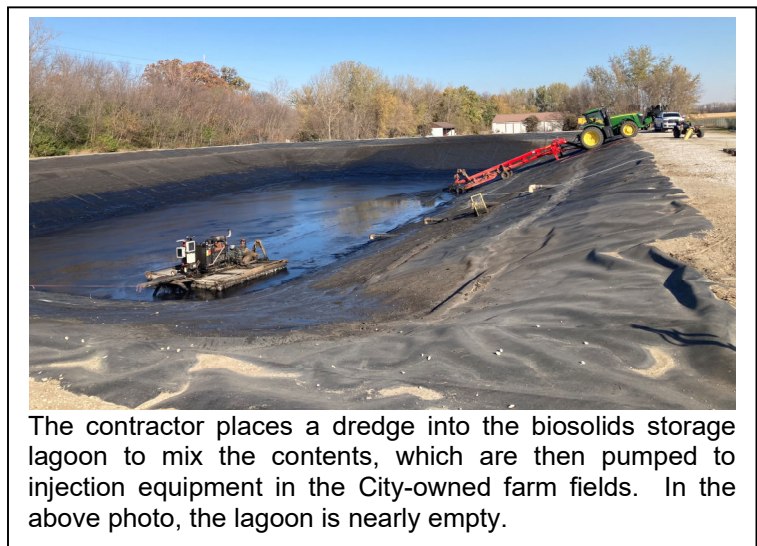
COUNCIL ACTION FORM

SUBJECT: WPC FACILITY BIOSOLIDS DISPOSAL OPERATIONS – ACCEPTANCE OF FIRST YEAR’S WORK AND AWARD OF SECOND YEAR OF CONTRACT

BACKGROUND:

On July 12, 2022, City Council awarded a contract to Wulfekuhle Injection & Pumping of Peosta, Iowa, in an amount not-to-exceed \$120,312.50 to complete the first year of a three-year biosolids disposal contract at the Water Pollution Control Facility (WPC). The contract is renewable annually for up to a total of three years, dependent upon successful performance by the contractor each year. **Wulfekuhle provided a uniform bid price that is constant across all three years of the contract with no annual cost escalators.**

All work on the first year’s contract was completed to the satisfaction of staff and in accordance with the contract. 3,061,829 gallons of biosolids were land applied at a final cost of \$89,200.30. Staff is requesting that Council accept completion of the work under the first year’s contract, and award the second year of the contract to Wulfekuhle Injection & Pumping.



The bid for FY 2023/24 includes an assumed quantity of 2.5 million gallons per year at a unit cost of \$0.0275 per gallon, plus \$5,000 annually for mobilization to the site, for an estimated annual total of \$73,750. Because the work takes place in a very short window each fall, staff is recommending that the award include a not-to-exceed amount that allows for up to a 25% increase in the quantities disposed. The rationale for this unusual step is that it would not be possible to obtain Council approval for a change order on short notice if one was necessary during the fall hauling window. Staff is recommending that the contract’s not-to-exceed amount be 25% higher than the original bid’s estimated amount, for a maximum total of \$92,187.50 for FY 2023/24. The FY 2023/24 operating budget includes \$110,000 for this work.

ALTERNATIVES:

1. a. Accept completion of the FY 2022/23 contract in a final amount of \$89,200.30.

b. Award the FY 2023/24 contract for biosolids disposal to Wulfekuhle Injection & Pumping of Peosta, Iowa, with payment based on the unit prices bid of \$5,000.00 lump sum for mobilization/demobilization and \$0.0275 per gallon for annual lagoon biosolids hauling operations, with the total contract amount not to exceed \$92,187.50.
2. Accept completion of the first year's contract and direct staff to obtain new bids for FY 2023/24
3. Accept completion of the first year's contract and direct staff to purchase the additional equipment necessary to perform the work with City staff.

CITY MANAGER'S RECOMMENDED ACTION:

Disposal of biosolids at the WPC Facility is necessary for uninterrupted operation of the facility and continued permit compliance. Wulfekuhle Injection & Pumping has demonstrated their ability to complete the work required successfully for FY 2022/23. The contract can be renewed for a second year with no increase in the unit pricing, and for an amount that is within the adopted FY 2023/24 operating budget. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.