

**COUNCIL ACTION FORM**

**SUBJECT: FLEET REPLACEMENT PROGRAM – ONE FARM TRACTOR AND ONE TANK WAGON WITH BIOSOLIDS INJECTOR SYSTEM**

**BACKGROUND:**

The Water Pollution Control (WPC) Facility currently operates two terragators that are used to transport biosolids from the treatment plant and inject it into the soil. These two units were purchased and put into service in 1988 and are scheduled for replacement.

In addition, a floating dredge, used to remove the biosolids from the holding lagoon and pump it into the terragators, was purchased for \$60,000 and put into service in 1994.

Due to the high cost of new terragators, estimated to be over \$500,000 each, and the fact that they have no versatility other than biosolids disposal, staff has determined that different methods and equipment, at much lower costs, can be used for biosolids disposal.

The new method of biosolids disposal will involve the use of a contractor, who will use his/her own equipment, to remove and dispose of the solids under a fee based contract. The City will acquire a farm tractor, which has more versatility, and a tank wagon with a biosolids injection system, for use at times when the contractor is unable to provide this service. Staff has also determined that the floating dredge is no longer needed, since solids can now be transferred directly from the digesters to the wagon, without the dredge, or if need be from the lagoon with the contractor's pump.

Staff has worked to purchase a new tractor and wagon and to dispose of the two terragators and the lagoon dredge system after the tractor and wagon are delivered. Bids were received as follows:

**Tractor**

<u>Bidder</u>	<u>Tractor Make &amp; Model</u>	<u>Base Bid</u>
Neese Inc	Versatile 305	\$169,794.00
Vetter Equipment	Case IH Magnum 315	\$179,500.00
Rueter's	New Holland T8.360	\$190,000.00
Central Iowa Farm	Massey Ferguson 8670	\$193,500.00
Moss Bros	Massey Ferguson 8680	\$194,861.00
Central Iowa Farm	New Holland T8.360	\$201,850.00
Ryerson	John Deere 831R	\$216,985.00

The low bid tractor does not meet specifications and has been rejected. The second low bid tractor meets all specifications and is acceptable.

**Wagon with Sludge Injection System**

<u>Bidder</u>	<u>Make &amp; Model</u>	<u>Base Bid</u>
Neese Inc.	Nuhn	\$ 81,090.00
Zoske's	Jamesway	\$ 97,450.00
Stutsman Inc	Houle	\$106,215.00

The low bid meets all specifications and is acceptable.

The amounts budgeted for these two purchases are \$200,000 for the tractor and \$120,000 for the tank & injector system. Funding is available in the fleet replacement fund for the two terragators, which have a combined total balance of \$541,445.00.

**ALTERNATIVES:**

1. Award the first bid to Vetter Equipment of Nevada, Iowa, for one 2011 Case-IH Magnum 315 tractor for \$179,500.00; and award the second bid to Neese Inc., of Grand Junction, Iowa, for one Nuhn 7,000 gallon tank wagon with a solids injector system, for \$81,090.00.
2. Refer this item back to staff for other options.
3. Reject all bids.

**MANAGER'S RECOMMENDED ACTION:**

Staff from Fleet Services and WPC have reviewed this equipment and find it acceptable. Staff from WPC believe that this new equipment will improve their ability to process sludge, and will do it with equipment that will be less expensive to purchase and operate and has more versatility.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1, thereby awarding the first bid to Vetter Equipment of Nevada, Iowa, for one 2011 Case-IH Magnum 315 tractor for \$179,500.00; and awarding the second bid to Neese Inc., of Grand Junction, Iowa, for one Nuhn 7,000 gallon tank wagon with a solids injector system, for \$81,090.00.