

**COUNCIL ACTION FORM**

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**SUBJECT: WPC FACILITY BIOSOLIDS DISPOSAL OPERATIONS**

**BACKGROUND:**

On August 24, 2010, City Council awarded a \$46,200 contract to Nutri-Ject Systems, Inc. of Hudson, Iowa to complete the first year of a contract for biosolids disposal at the City's Water Pollution Control (WPC) facility. The contract is renewable annually for up to a total of three years, dependent upon successful performance by the contractor each year. Unit rates for annual renewals are pegged to changes in the Consumer Price Index (CPI) and the Construction Cost Index (CCI). For the upcoming renewal period, the price adjustment is 3.2%.

All work on the first year's contract was completed to the satisfaction of staff and in accordance with the requirements of the contract. Council accepted completion of the work on January 11, 2011. Staff recommends award to Nutri-Ject Systems, Inc. for the second year of the agreement in the amount of \$47,680. The 2011/12 operating budget includes an allocation of \$100,000 for this work.

**ALTERNATIVES:**

1. Award a contract in the amount of \$47,680 to Nutri-Ject Systems, Inc. of Hudson Iowa for year two of a three-year agreement for biosolids disposal.
2. Do not award a contract at this time and direct staff to solicit new bids for biosolids disposal.
3. Do not award a contract and direct staff to pursue equipment purchases to allow staff to perform this operation using City resources.

**MANAGER'S RECOMMENDED ACTION:**

After an operational evaluation performed two years ago, it was determined that contracted biosolids disposal was the most cost-effective option. Competitive bids were solicited in the summer of 2010, and the low bid was below the engineer's estimate and within the approved operating budget.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving a contract in the amount of \$47,680 with Nutri-Ject Systems, Inc. of Hudson Iowa for year two of a three-year agreement for biosolids disposal.