ITEM # <u>9</u> DATE <u>09-24-13</u>

COUNCIL ACTION FORM

SUBJECT: WATER POLLUTION CONTROL FACILITY 3-YEAR BIOSOLIDS HAULING AND DIGESTER CLEANING PROJECT

BACKGROUND:

The City of Ames Water Pollution Control Facility (WPCF) produces approximately 30,000 gallons of Class II biosolids each day. Throughout the year, biosolids are stored in the facility's biosolids storage lagoon and secondary digester and ultimately disposed of by land application as fertilizer on city-owned farm ground directly adjacent to the WPCF. The bulk of the land application occurs in the fall after crops have been harvested; however, some land application is performed throughout the year to maintain adequate storage capacity. Primary hauling in the fall is conducted by a contracted hauler and periodic hauling throughout the year is performed by City staff. The previous three-year biosolids hauling contract has expired with all work being successfully completed on time and under budget.

The mixing systems in the WPCF's primary digesters, the decant system in the secondary digester, and much of the digester piping and valves have reached the end of their useful life and are budgeted for replacement. Staff is in the process of selecting an engineering firm to design the needed improvements. However, work under that project will require that one digester tank be emptied and cleaned each year for the next three years so that digester equipment and piping can be replaced.

On August 8, 2013, a request for proposals was issued for a new three-year biosolids hauling and digester cleaning project. Combining the annual biosolids hauling work with the digester cleaning work can be accomplished at a lower cost than bidding as two separate projects since the work could be performed by the same company. On Thursday, August 29, 2013, four bid submittals were received:

	Mobilization/ Demobilization	Biosolids Hauling		Digester Cleaning		
Bidder		Unit Price per Gallon Bid	Total Bid for 2,500,000 gallons	Unit Price per Gallon Bid	Total Bid for 500,000 gallons	Total Bid Amount
Nutri-Ject Systems, Inc.	\$2,500.00	\$ 0.017775	\$ 44,437.50	\$ 0.1309	\$65,450.00	\$112,387.50
Wulfekuhle Injection & Pumping	\$5,800.00	\$ 0.05	\$ 125,000.00	\$ 0.052	\$156,800.00	\$156,800.00
Stewart Spreading, Inc.	\$12,000.00	\$ 0.0225	\$ 56250.00	\$ 0.26	\$130,000.00	\$198,250.00
Synagro	NO BID					

Nutri-Ject System, Inc. of Hudson, Iowa, was determined to be the lowest responsible, responsive bidder. Nutri-Ject Systems, Inc. completed the WPCF's previous biosolids hauling and disposal project to staff's satisfaction. The current project budget is as follows:

Biosolids Hauling (Operating Budget)	=	\$ 100,000
Digester Cleaning (CIP Project Budget)	=	83,000
Total Project Budget	=	\$ 183,000

The work was bid on a unit price basis, as the exact number of gallons disposed may vary from year to year. Because the work takes place in a very short window each fall, staff is recommending that the award include a "not to exceed" cap that would allow up to a 25% increase in quantities without the need to suspend work to obtain change order approval from Council to adjust quantities.

ALTERNATIVES:

- Award a contract for the biosolids disposal and digester cleaning to Nutri-Ject Systems, Inc. of Hudson, Iowa with reimbursement based on the unit prices bid of \$2,500.00 lump sum for mobilization/demobilization, \$0.017775 per gallon for annual biosolids hauling operations and \$0.1309 per gallon for cleaning of the digesters with the total contract amount not to exceed the current budget amount of \$139,859.38.
- 2. Award a contract to one of the two other bidders.
- 3. Receive bids and do not award a contract at this time.
- 4. Do not award a contract for biosolids hauling and direct staff to purchase the additional equipment necessary to perform the work with City staff.

MANAGER'S RECOMMENDED ACTION:

Disposal of biosolids at the WPC Facility is necessary for uninterrupted operation of the facility and continued compliance with the facility's NPDES permit. Nutri-Ject System, Inc. has demonstrated their ability to complete the work under this project by successfully completing the prior biosolids hauling work for the City of Ames. Therefore it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving a contract with Nutri-Ject Systems, Inc. Since the actual amount of solids may vary, the total contract shall be in an amount not to exceed \$139,859.38 with actual reimbursement based on the unit prices bid and actual quantity of solids disposed.