

**COUNCIL ACTION FORM**

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

**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. On April 25, 2013, bids were received for fiscal year 2014. Graymont Western Lime Inc. was the successful bidder, with an optional extension for fiscal year 2015. This current action relates to the optional annual extension period with Graymont, beginning on July 1, 2014 and continuing through June 30, 2015.

BIDDER	July 1, 2013 - June 30, 2014		Optional Extension 7/1/14-6/30/15	
	Price Per Ton	Estimated Total Cost	Price Per Ton	Estimated Total Cost
Graymont Western Lime Inc. West Bend, WI	\$141.00	\$408,900	\$146.00	\$423,400
Mississippi Lime Company St. Louis, MO	\$186.70	\$541,430	\$196.70	570,430
Lhoist North America of Missouri, Inc. St. Genevieve, MO	\$237.00	\$687,300	No bid	

The total estimated cost in the table above is for an estimated quantity of 2,900 tons per 12-month period. Actual usage will depend on water quality and consumption. The 2014/15 operating budget includes \$498,800 for water treatment chemicals.

**ALTERNATIVES:**

- 1) Award a contract for the purchase of pebble lime to Graymont Western Lime Inc. of West Bend, WI. The contract provides lime at \$146.00 per ton for FY 2015.
- 2) Do not exercise the extension option for a second year with Graymont Western Lime Inc. and direct staff to solicit bids for an annual supply of pebble lime.
- 3) Reject all bids and attempt to obtain the required services on an as-needed basis.

**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 rate.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, awarding a contract for the purchase of FY 2015 pebble lime

requirements to Graymont Western Lime Inc. of West Bend, WI in the amount of \$146 per ton for FY 2015.