

COUNCIL ACTION FORM

SUBJECT: WATER TREATMENT PLANT LIME SLUDGE DISPOSAL CONTRACT RENEWAL

BACKGROUND:

The City of Ames Water Treatment Plant (WTP) is a conventional lime-softening facility that generates lime sludge as a by-product of the lime softening process. The lime sludge consists primarily of calcium carbonate and magnesium hydroxide which is dewatered and stored in lagoons prior to disposal on agricultural ground as a soil conditioner. To continue to have adequate storage for the lime sludge, the lime sludge must be cleaned out of the lagoons annually.

On May 28, 2013, City Council awarded a contract to Wulfekuhle Injection and Pumping, Inc. of New Vienna, Iowa for the removal and disposal of lime sludge. The contract agreement calls for the removal of 28,000 wet tons of lime at a unit cost of \$10.99 per wet ton, four dust control applications at \$500 per application, and mobilization charges totaling \$6,500 for a total contract price of \$316,220. The contract is renewable annually for a total of five years, dependent on successful performance by the contractor each year. The contract unit prices are fixed for the entire five-year agreement.

Work performed under contract for FY 16/17 has been completed to staff's satisfaction and in accordance with the contract requirements. There was one change order in the amount of \$29,673 to remove additional lime. After reconciliation of final quantities, the final contract amount is \$345,002.89. Staff recommends acceptance of the FY 16/17 contract and recommends awarding the fifth year of the agreement to Wulfekuhle Injection and Pumping Inc. in the amount of \$316,220.

Lime Sludge Disposal	28,000 tons	@	\$10.99/ton	\$307,720
Mobilization	1	@	\$6,500 ea	6,500
Dust Control	4	@	\$500 ea	2,000
Total FY 17/18 Contract Award				\$316,220

The FY 17/18 operating budget includes \$349,000 for this work.

ALTERNATIVES:

1. a.) Accept completion of Year Four (FY 16/17) lime sludge disposal contract in the amount of \$345,002.89.

b.) Award Year Five (FY 17/18) of the lime sludge disposal contract to Wulfekuhle Injection and Pumping, Inc. of New Vienna, Iowa in the amount of \$316,220.

2. Do not award the contract for FY 17/18 to Wulfekuhle Injection and Pumping, Inc. and direct staff to solicit new bids for removal and disposal of lime sludge.

MANAGER'S RECOMMENDED ACTION:

Wulfekuhle Injection and Pumping, Inc. has completed the FY 16/17 lime sludge disposal work to staff's satisfaction and in accordance with the contract requirements. The original bid included the option to extend the agreement for up to five years, on a year-to-year basis. Staff is satisfied with the performance of the contractor and is recommending that the fifth and final year be awarded. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.