

COUNCIL ACTION FORM

SUBJECT: FY 2021/22 PEBBLE LIME PURCHASE FOR WATER PLANT

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. The contract period starts July 1, 2021, and continues through June 30, 2022. On April 15, 2021, bids were received for fiscal year 2021/2022 with an optional extension for FY 2022/2023.

BIDDER	July 1, 2021 - June 30, 2022	Optional Extension July 1, 2022 – June 30, 2023
	Price Per Ton	Price Per Ton
Graymont Western Lime Inc. West Bend, WI	\$166.50	\$168.50
Mississippi Lime Company St. Louis, MO	\$232.00	No bid
Lhoist North America of Missouri, Inc. St. Genevieve, MO	\$302.00	No bid

Actual usage will depend on water quality and consumption. The FY 2021/22 operating budget estimates 2,800 tons at \$176 per ton for a total of \$492,800.

ALTERNATIVES:

- 1) Award a contract for the purchase of pebble lime to Graymont Western Lime, Inc. of West Bend, WI, in the amount of \$166.50 per ton for FY 2021/2022.

This alternative will include the option to allow the City Council to approve the second year, FY 2022/23, at the stated rate of \$168.50 next year at the City's discretion.

- 2) Award a contract to one of the other bidders. This would result in an increased expense of approximately \$183,000 (or more) in the first year and would require rebidding the contract for the second year.
- 3) Reject all bids and attempt to obtain the required services on an as-needed basis.

CITY MANAGER'S RECOMMENDED ACTION:

Acquiring an adequate supply of pebble lime is essential for the water softening process by 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, as described above.