

ITEM #: 41
DATE: 05-14-24
DEPT: W&PC

COUNCIL ACTION FORM

SUBJECT: WPC FACILITY BIOSOLIDS DISPOSAL OPERATIONS

BACKGROUND:

On July 11, 2023, City Council awarded a contract in an amount not-to-exceed \$92,187.50 to Wulfekuhle Injection & Pumping of Peosta, Iowa, to complete the second year of a three-year biosolids disposal contract at the Water Pollution Control Facility (WPC). The contract is renewable annually for up to a total of three years, dependent upon successful performance by the contractor each year. **Wulfekuhle provided a uniform bid price that is constant across all three years of the contract with no annual cost escalators.**

All work under the FY 2023/24 contract was completed to the satisfaction of staff and in accordance with the contract. A total of 2,548,119 gallons of biosolids were land-applied at a final cost of \$75,073.27. **Staff is requesting that Council accept completion of the work under the FY 2023/24 contract.**

The bid for FY 2024/25 includes an estimated quantity of 2.75 million gallons at a unit cost of \$0.0275 per gallon, plus \$5,000 for mobilization to the site, for an estimated annual total of \$80,625 for lagoon biosolids disposal. Additionally, a digester cleaning is scheduled to take place in FY 2024/25, with 200,000 gallons to be disposed of at a bid price of \$0.10 per gallon, plus \$5,000 for mobilization, for an additional bid amount of \$25,000. The combined total for FY 2024/25 is \$105,625.

Because the work takes place in a very short window each fall, staff is recommending that the award include a not-to-exceed amount that allows for up to a 20% increase in the quantities disposed. The rationale for this unusual step is that it would not be possible to obtain Council approval for a change order on short notice if one was necessary during the fall hauling window. **Staff is recommending that the FY 2024/25 contract be awarded to Wulfekuhle, and that the contract's not-to-exceed amount be for a maximum total of \$126,750. The FY 2024/25 operating budget includes \$115,260 for this work. If necessary, funds for work exceeding the budgeted amount will be reallocated from elsewhere in the operating budget.**

ALTERNATIVES:

1. a. Accept completion of the FY 2023/24 contract in a final amount of \$75,073.27
b. Award the FY 2024/25 contract for biosolids disposal to Wulfekuhle Injection & Pumping of Peosta, Iowa, with payment based on the unit prices bid of \$5,000 lump sum per mobilization, \$0.0275 per gallon for annual lagoon biosolids hauling operations, and \$0.10 per gallon for digester cleaning with the total contract amount not to exceed \$126,750.
2. Accept completion of the second year's contract and direct staff to obtain new bids for FY 2024/25.
3. Accept completion of the second year's contract and direct staff to purchase the additional equipment necessary to perform the work with City staff.

CITY MANAGER'S RECOMMENDED ACTION:

Disposal of biosolids at the WPC Facility is necessary for uninterrupted operation of the facility and continued permit compliance. Wulfekuhle Injection & Pumping has successfully completed the work required for FY 2023/24. The contract can be renewed for a third year with no increase in the unit pricing. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.