

ITEM #:	<u>27</u>
DATE:	<u>08-12-25</u>
DEPT:	<u>ELEC</u>

COUNCIL ACTION FORM

**SUBJECT: EXCAVATION AND HAULING SERVICES FOR ELECTRIC SERVICES -
CHANGE ORDER NO. 1**

BACKGROUND:

The Power Plant has a contract to remove Refuse Derived Fuel sluiced ash ("RDF ash") that builds up in the settling pond and reduces the available capacity of the pond. This ash must be regularly removed and piled, via excavating or dredging, to a location at the pond site that will allow for it to dry. The dried ash is later hauled to a landfill. City Council awarded a contract on June 10, 2025 to Marshall County Landfill for the disposal of ash.

On April 8, 2025, City Council awarded a contract renewal to Wulfekuhle Injection & Pumping, Peosta, IA, for FY 2025/26 Ash Pond Cell Maintenance Services for Electric Services. As part of this contract, Wulfekuhle provided an hourly rate to perform the excavation and unit prices to haul ash. This contract was a renewal of a contract dating to FY 2022/23. When that contract was originally bid, Wulfekuhle's hourly digging price was approximately 71% lower than the other bidder, and the firm's hauling price per-ton was approximately 83% lower than the other bidder.

THIS ACTION:

The Electric department has a CIP project to clean up the former coal yard. Part of the project includes removing coal residual which is primarily located near the retention basins. **The material and methods to excavate coal residual are similar to the methods used in the RDF Ash removal contract that Wulfekuhle currently holds.** The coal residual material will be hauled to and disposed of at Marshall County Landfill. Staff estimates that there is approximately 2,000 tons of coal residual to remove. **Therefore, Change Order No. 1 for \$200,000 is being requested to use the excavation and hauling rates to remove coal residual.**

Invoices will be based on contract rates for time and materials for services actually received and accepted by the City. The FY 2025/26 CIP budget includes \$250,000 for Coal Yard Reclamation. The funding for this change order will come from the Coal Yard Reclamation CIP account.

ALTERNATIVES:

1. Approve Change Order No. 1 with Wulfekuhle Injection & Pumping, Peosta, IA, for Excavation and Hauling Services for Electric Services in an amount not-to-exceed \$200,000.
2. Do not approve the change order but rather seek separate proposals from companies to remove materials from the coal yard.

CITY MANAGER'S RECOMMENDED ACTION:

The FY 2025/26 Capital Improvements Plan describes the Electric Department's intent to reclaim the former coal yard. The first step in restoring the site is to remove the coal residual. The RDF ash removal contract was awarded to the qualified responsive bidder with the lowest hourly rates and unit prices. Because the material and methods to excavate the coal residual are similar to the RDF ash removal, Electric staff believes it to be in the best interest of the utility to increase the amount of the current contract with Wulfekuhle and have the company perform the coal residue removal, as opposed to separately bidding the services. A separate bid process would require an increased investment in staff time and is not likely to result in more competitive pricing. Additionally, approving this change order would allow Wulfekuhle to begin the work **without delay**. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1 as stated above.