

ITEM #:	<u>20</u>
DATE:	<u>08-26-25</u>
DEPT:	<u>W&amp;PC</u>

### COUNCIL ACTION FORM

**SUBJECT:        WATER TREATMENT PLANT LIME SLUDGE DISPOSAL CONTRACT**

**BACKGROUND:**

The City's 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 being beneficially applied on agricultural ground as a soil conditioner. To continue to have adequate storage for the lime sludge, the material must be removed from the lagoons annually.

On April 25, 2023, City Council awarded a contract to Wulfekuhle Injection and Pumping, Inc. of Peosta, Iowa for the removal and disposal of lime sludge. The contract calls for the removal of 26,000 wet tons of lime at a unit cost of \$14.89 per wet ton, plus mobilization charges of \$5,000, for a total contract price of \$392,140. 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 Year Two of the agreement has been completed. There was a single change order approved by Council to carry over a portion of the Year One quantities that were delayed due to a warm winter and wet spring. Wulfekuhle disposed of 33,576.38 wet tons of the maximum 36,000 wet tons authorized, for a total contract price of \$504,952.30. **The work is completed and is ready for Council acceptance.**

**The City Council is also being asked to award the third year of the agreement to Wulfekuhle Injection and Pumping Inc. in an amount not to exceed \$392,140 for FY 2025/26 (contract period July 1, 2025 – June 30, 2026).** Funding for this contract is outlined in the table below:

FY 2025/26 Contract		
	Expenses	Funding Source
Mobilization	\$5,000	
Lime Sludge Disposal, 26,000 wet tons	\$387,140	
FY 2025/26 Water Treatment Operating Budget		\$392,140
<b>TOTAL</b>	<b>\$392,140</b>	<b>\$392,140</b>

Award for future renewal years will be brought to Council annually and will be subject to the contractor's acceptable ongoing performance, the proposed cost increase, and the annual allocation of sufficient funds.

**ALTERNATIVES:**

1. The City Council can:
  - a. Accept completion of the Year Two contract (FY 2024/25) for lime sludge disposal with Wulfekuhle Injection and Pumping of Peosta, IA in the final amount of \$504,952.30.
  - b. Award a contract to Wulfekuhle Injection and Pumping Inc. of Peosta, IA for FY 2025/26 (Year Three) lime sludge disposal service in the amount of \$392,140.
2. Reject bids and direct staff to solicit new bids for lime sludge disposal.
3. Reject bids and direct staff to pursue landfilling of the lime sludge in lieu of land application.

**CITY MANAGER'S RECOMMENDED ACTION:**

Wulfekuhle Injection and Pumping, Inc. has completed the FY 2024/25 lime sludge disposal contract, and an Engineer's Statement of Completion has been received (attached).

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 to date and is recommending that a third year be awarded at the same unit cost as FY 2024/25. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 a. and b. as stated above.

**ATTACHMENT(S):**

[Engineer's Statement of Completion.pdf](#)