

## City of Ann Arbor

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## Legislation Details (With Text)

File #: 12-0398 Version: 1 Name: 4/16/12 - BioTech Contract Resolution

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File created: 4/16/2012 In control: City Council

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Enactment date: 4/16/2012 Enactment #: R-12-156

Title: Resolution to Approve a Service Agreement with BioTech Agronomics, Inc. for Land Application of

Wastewater Biosolids, RFP No. 816 (\$0.0321 per gallon, approximately \$514,000.00 per year)

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
4/16/2012	1	City Council	Approved	Pass

Resolution to Approve a Service Agreement with BioTech Agronomics, Inc. for Land Application of Wastewater Biosolids, RFP No. 816 (\$0.0321 per gallon, approximately \$514,000.00 per year) Your approval is requested to award a service agreement to BioTech Agronomics, Inc. (BioTech) for hauling and land application of wastewater biosolids from the City's Wastewater Treatment Plant (WWTP) at a cost of \$0.0321 per gallon.

Biosolids are organic material, rich in nutrients, which are removed from wastewater through various treatment processes. During the months of approximately April through December, the WWTP utilizes contracted services for the application of stabilized biosolids to farmland as an agricultural soil supplement. These services enable the WWTP to achieve beneficial reuse of stabilized biosolids in a managed program that benefits the environment. The yearly amount of biosolids currently land applied is approximately 16 million gallons. During the balance of the year, the WWTP processes and disposes biosolids in a landfill.

Through RFP No. 816, WWTP staff solicited proposals for providing biosolids land application services. Proposals were received from Biotech and Synagro Central, LLC. Based on the selection criteria listed in RFP No. 816, BioTech was determined to be the most qualified and cost effective company to provide the requested services.

BioTech received Human Rights approval on March 13, 2012, and complies with the City's living wage requirements. The standard agreement for services without modification will be used for this contract between the City and BioTech.

You are requested to approve a service agreement with BioTech for three years with the option for two, one-year renewals. At the projected production of approximately 16 million gallons of biosolids per season and the \$0.0321 per gallon land application fee, the estimated first year cost is about \$514,000.00. After the first year, the agreement allows for periodic fuel cost adjustments based on a fuel index maintained by the US Department Energy.

File #: 12-0398, Version: 1

Funds to finance the FY12 services are included in the approved WWTP Operations and Maintenance budget for the Sewage Disposal System. Approval for FY13 and subsequent years is subject to the availability of funding.

Prepared by: Ed Sajewski, Contract/Project Services Manager Review by: Craig Hupy, Interim Public Services Administrator

Approved by: Steven D. Powers, City Administrator

Whereas, During the months of April through December, the City's Wastewater Treatment Plant (WWTP) utilizes contracted services for the application of stabilized biosolids to farmland as an agricultural soil supplement and during the balance of the year processes and disposes biosolids in a landfill;

Whereas, WWTP staff issued RFP No. 816 for the land application of wastewater biosolids to continue this beneficial reuse of biosolids;

Whereas, Based on WWTP staff review of proposals from Synagro Central, LLC and BioTech Agronomics, Inc. (BioTech), BioTech was determined to have the most qualified and cost effective proposal to provide the requested services;

Whereas, BioTech received Human Rights approval on March 13, 2012, and complies with the City's living wage requirements; and

Whereas, Funds have been budgeted in the Public Services Sewage Disposal Fund WWTP Operation and Maintenance budget for FY12 and approval for FY13 and subsequent years is subject to the availability of funding;

RESOLVED, That Council approve the service agreement with BioTech in the amount of \$0.0321 per gallon for land application of wastewater biosolids (at an estimated cost of \$514,000.00 for FY12 and FY13), with periodic fuel cost adjustments commencing after the first year based on a fuel index maintained by the US Department of Energy in accordance with RFP No. 816;

RESOLVED, That the Mayor and City Clerk be authorized to execute the services agreement with Biotech after approval as to substance by the City Administrator and approval as to form by the City Attorney; and

RESOLVED, That the City Administrator be authorized to renew the services agreement with Biotech for up to two one-year periods after the initial three-year period provided both parties agree to an extension.