



Legislation Text

File #: 07-0161, Version: 1

Resolution to Award a Contract for Removal and Marketing of Water Treatment Plant Residual Limestone Bid No. 3894 (\$279,400.00)

Your approval is requested to award a five year contract to Prolime Corporation for the removal and marketing of its Water Treatment Services limestone residual.

Limestone residual is generated at the Water Treatment Plant as a result of the water softening process. The limestone residual has been designated an agricultural liming material by the Michigan Department of Agriculture and can be recycled by applying it to farmland. Additionally, it has been approved as a soil ad-mixture to fill gravel pits.

A complete pressing and discharge of residual from one of the filter presses at the Water Plant is termed a "dump". A dump is approximately seven (7) cubic yards and weighs eight (8) tons. The plant produces approximately 2000 dumps per year. At \$139.70 per dump the estimated first year contract would be \$279,400. After the first year the contract provides for annual adjustments to the unit price based upon 80% of the Consumers Price Index. The estimated five year cost is \$1,397,000. Continuation in the second through fifth years is subject to the annual appropriation of funds. The contract also provides for five (5), one year renewal options.

Following bids were received for lime residuals hauling in response to bid no 3894:

Prolime Corporation	\$139.70/dump
Synagro	\$172.50/dump
Homrich Inc	\$196.00/dump

Staff evaluated the bids and recommends that Prolime Corporation's bid in the amount of \$139.70/dump be accepted for removal of residual limestone at the Water Treatment Plant. The resolution also authorizes renewal of the agreement for five (5) additional one year periods, upon approval by the City Administrator, for a total of approximately \$1,397,000 over five years, with the same terms and conditions. Continuation in years two through five of the initial term and the renewal periods all are subject to the annual appropriation of funds.

Funds for the first year of this work are budgeted in the approved FY08 Operations and Maintenance Budget for the Water Supply System.

Prepared by: Sumedh Bahl, P.E., Manager, Water Treatment Services

Reviewed by: Sue F. McCormick, Public Services Administrator

Approved by: Roger W. Fraser, City Administrator

Whereas, the Water Treatment Services of the Public Services Unit annually produces approximately 14,000 cubic yards (2,000 dumps) of water softening residual (limestone), in the form of filter press cake, which must be removed and disposed of;

Whereas, the limestone residuals are designated an agricultural liming material which can be recycled by spreading on farmland and may also be used as a land reclamation material because it is inert;

Whereas, of the bids received, Prolime Corporation has submitted the lowest and most responsible bid in the amount of \$139.70/dump, an estimated first year cost of \$279,400.00 and an estimated five year cost of \$1,397,000.00, subject to annual CPI adjustments;

Whereas, the City has requested a five year contract with five, one year renewal options and Prolime Corporation is agreeable; and

Whereas, Prolime Corporation received the Human Rights and Living Wage approval on April 25, 2007;

RESOLVED, That Council accept Prolime Corporation's bid of \$139.70/dump for the removal and marketing of limestone residuals;

RESOLVED, That Council awards a five year contract to Prolime Corporation for lime residual removal services at the Water Treatment Plant per Bid No 3894, with the option to extend the agreement for five additional one year periods, upon approval by the City Administrator;

RESOLVED, That the said lime residual removal services during FY08 be funded from the approved FY08 Operation and Maintenance budget of the Water Supply System and similarly for each additional year of the contract and all renewal periods, subject to annual appropriations of funds; and

RESOLVED, That the City Administrator be authorized to take all necessary actions to implement this resolution.