



Legislation Details (With Text)

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Title: Resolution to Approve Purchase of Quick Lime for Water and Waste Water Treatment Services from Graymont Western Lime Inc. (estimated \$657,500.00/yr)

Sponsors:

Indexes:

Code sections:

Attachments: 1. Mid Michigan Lime Contract (2), 2. 2015 Consortium Bid Tab, 3. Graymont - Mid Mich - Lime

Date	Ver.	Action By	Action	Result
6/20/2016	1	City Council	Approved	Pass

Resolution to Approve Purchase of Quick Lime for Water and Waste Water Treatment Services from Graymont Western Lime Inc. (estimated \$657,500.00/yr)

Your approval is requested to authorize the purchase of quick lime for the Water and Wastewater Treatment Services Units. The Water Treatment Plant uses quick lime for softening the drinking water. The Wastewater Treatment Plant (WWTP) uses lime for biosolids conditioning. The estimated cost of this chemical for FY17 is \$565,450.00 for Water Treatment Services and \$92,050.00 for Wastewater Treatment, totaling \$657,500.00.

In 2015, bids were obtained through the Mid-Michigan Drinking Water Consortium Bulk Chemicals Bid. The Mid Michigan Consortium was formed in 2014 by utilities in the mid-Michigan area that soften drinking water with quicklime to address chemical supply quality, competitive pricing, and residual disposal. The Consortium members include: Lansing Board of Water and Light; City of Battle Creek; City of Jackson; City of Howell; City of Ann Arbor; City of Fenton; East Lansing Meridian Water & Sewer Authority; Plainfield Township; City of Owosso; Marion-Howell-Osceola-Genoa Water Authority; and Tri-County Regional Planning Commission.

Bids from 2015 were:

Graymont Western Lime: \$131.50/ton
Carneuse Lime : \$132.55/ton
Mississippi Lime: \$165.00/ton

It is recommended that the bid be renewed and the purchase order be awarded to Graymont Western Lime Inc., as the lowest responsible bidder, to provide quick lime to the Water and Wastewater Treatment Services Units for FY17.

It is also recommended that the purchasing agreement may be renewed for two (2) additional one (1) year periods, provided that by 90 days prior to end of the contract both parties agree to an extension at no increase in cost if the vendor is agreeable, and if the City deems it to be in its best interest and

funding is appropriated by Council.

Funds are specifically budgeted for this purchase in the approved FY17 Operations and Maintenance Budget for the Water Supply System Fund and FY17 WWTP Operations and Maintenance budget for the Sewage Disposal System.

Prepared by: Larry Sanford, Assistant Manager, Water Treatment Services

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Tom Crawford, Interim City Administrator

Whereas, The Water Treatment Services Unit needs to soften the drinking water to meet water quality objectives and the Wastewater Treatment Services Unit needs to condition biosolids to meet regulatory requirements;

Whereas, Softening drinking water and biosolids conditioning by using quick lime is the most cost effective method for softening the City's drinking water and conditioning wastewater treatment biosolids;

Whereas, Contracts for supplying estimated requirements are the most stable and cost-effective way of meeting the water and wastewater treatment needs;

Whereas, Graymont Western Lime Inc. has agreed to renew the contract with 2015 Mid-Michigan Drinking Water Consortium Bulk Chemicals for the supply of quick lime;

Whereas, Funding for the purchase of quick lime is available in the approved FY17 Operations and Maintenance Budget for the Water Supply System Fund and FY17 WWTP Operations and Maintenance Budget for the Sewage Disposal System; and

Whereas, Graymont Western Lime Inc. complies with the requirements of the Non-Discrimination Ordinance;

RESOLVED, That Council accepts the renewal of the Graymont Western Lime Inc. contract for \$131.50/ton for the Water Treatment Services Unit and Wastewater Treatment Services Unit in accordance with the terms of the 2015 Mid-Michigan Drinking Water Consortium Bulk Chemicals Bid;

RESOLVED, That the City Administrator be directed to enter into a purchasing agreement in accordance with this resolution at a projected cost of \$657,500.00 for a one-year term ending on June 30, 2017;

RESOLVED, That the City Administrator be authorized to renew the purchasing agreement for up to two (2), one- year (1) periods provided both parties agree to an extension and subject to the availability of funding;

RESOLVED, That the City Administrator be directed to accept the next lowest responsible bidder if Graymont Western Lime Inc. is unable to furnish adequate supplies during the life of their Contract; and

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