



Legislation Details (With Text)

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On agenda: 8/22/2018 **Final action:** 8/22/2018

Title: Contract No. RFB 1128
Hauling and Disposal of Bar Rack Screening and Grit

Sponsors: Suzanne Coffey (WRRF)

Indexes: Wastewater Operations

Code sections:

Attachments: 1. RFB 1128 Bid Tab, 2. Procurement Board Report Bar Rack and Grit, 3. Memo - RFB 1128 Hauling and Disposal of Grit 8-20-18

Date	Ver.	Action By	Action	Result
8/22/2018	1	Board of Directors	Approved	Pass
8/8/2018	1	Operations and Resources Committee	Recommended for Approval	Pass

Contract No. RFB 1128

Hauling and Disposal of Bar Rack Screening and Grit

Agenda of: August 22, 2018
Item No.: **2018-869**
Amount: \$ 1,713,000.00 Two Years
 \$ 856,500.00 First Year Renewal Option
 \$ 856,500.00 Second Year Renewal Option
Total: \$ 3,426,000.00

TO: The Honorable
Board of Directors
Great Lakes Water Authority

FROM: Sue F. McCormick
Chief Executive Officer
Great Lakes Water Authority

DATE: July 30, 2018

RE: **Contract No. RFB 1128**
Hauling and Disposal of Bar Rack Screening and Grit
Vendor: Waste Management of Michigan, Inc.

MOTION

Upon recommendation of Suzanne Coffey, Chief Planning Officer, Interim Chief Operating Officer -Wastewater, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), authorizes the Chief Executive Officer (CEO) to **enter into Contract No. RFB 1128, "Hauling and Disposal of Bar Rack Screening and Grit" with Waste Management of**

Michigan, Inc., at a cost not to exceed \$1,713,000.00 for a duration of two years with two one-year renewal options at \$856,500.00 per year; and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

When wastewater enters the Water Resource Recovery Facility (WRRF), screenings (rags, sticks and other objects) and grit are removed by preliminary and primary treatment of wastewater. The screenings and grit are transported by conveyors and temporarily staged in waste storage bins while awaiting final disposal to landfill. The services to be provided under this contract consist of furnishing all labor, equipment, containers, transportation and disposal of screenings and grit from Pump Station-I and Pump Station-II at WRRF, and various Combined Sewer Overflow (CSO) treatment facilities to the landfills. The contractor is responsible for the safe transportation and disposal of screenings and grit, estimated to be 15,000 tons per year, into a State approved, licensed landfill.

JUSTIFICATION

The NPDES Permit MI0022802 requires GLWA to remove and dispose of the screenings and grit to limit solids discharged into the Detroit River and Rouge River. A vendor is needed to haul and dispose of screenings and grit from WRRF and CSO treatment facilities to various State approved landfills.

FINANCIAL PLAN IMPACT

Summary: The forecast for the disposal of material from the Wastewater Primary Processing for screenings and grit was increased in the Financial Plan. This was due to the decommissioning of Incineration Complex I, which had been a disposal method for grit now covered by this contract. The volume was increased to 15,000 tons at an average rate of \$55.37 per ton. The maximum value of the contract exceeds the current financial plan in total. The volume of screening and grit disposed may vary by year which could possibly require an amendment to that years' financial plan.

Funding Source: Operations and Maintenance Budget

Cost Center: Biosolids Dryer Facility, Central Offloading Facility & Hauling
(Sewage Disposal Cost Center 892227)

Expense Type: Contractual Operating Services (5960-892227.000-617900-SD9020)

Estimated Cost by Year and Related Forecast Variance: See table below.

FY 2019 Budget (prorated)	\$423,475
FY 2020 Plan	797,500
FY 2021 Plan	813,400
FY 2022 Plan	829,700
FY 2023 Plan (prorated)	<u>458,413</u>
Financial Plan Forecast	\$3,322,488
Maximum Contract	<u>\$3,426,000</u>
Forecast Variance	<u>(\$103,512)</u>

SAVINGS, COST OPTIMIZATION, AND REVENUE ENHANCEMENT IMPACT

This award of this contract provides a variance of \$ (1.73) per ton

Financial Plan Estimate	\$55.37/ton
Contract Award Value	<u>\$57.10/ton</u>

Forecast Variance

\$ (1.73)/ton

COMMITTEE REVIEW

This item was presented to the Operations and Resources Committee at its meeting on August 8, 2018. The Operations and Resources Committee unanimously recommended that the GLWA Board adopt the resolution as presented, subject to receiving the attached report from staff regarding the strategic decision to haul and landfill as opposed to incineration.

SHARED SERVICES IMPACT

This item does not impact the shared services agreement between GLWA and DWSD.