



Legislation Details (With Text)

File #: 2019-179 **Version:** 1 **Name:**
Type: Resolution **Status:** Passed
File created: 4/26/2019 **In control:** Board of Directors
On agenda: 5/22/2019 **Final action:** 5/22/2019
Title: Contract No. 1803456
Hauling, Loading and Disposal of Scum WRRF
Sponsors: Navid Mehram
Indexes: Wastewater Operations
Code sections:

Attachments: 1. Procurement Board Summary RFB 1803456, 2. Vendor Response Form RFB 1803456, 3. RFB 1803456 Bid Tab, 4. Rickman Letter Regarding 2019 Cost Increase

Date	Ver.	Action By	Action	Result
5/22/2019	1	Board of Directors	Approved	Pass
5/8/2019	1	Operations and Resources Committee	Recommended for Approval	Pass

Contract No. 1803456 Hauling, Loading and Disposal of Scum WRRF

Agenda of: May 22, 2019

Item No.: **2019-179**

Amount:	3-Year Contract	\$907,290.00
	First Year Renewal Option	302,430.00
	Second Year Renewal Option	302,430.00
	Total	\$1,512,150.00

TO: The Honorable
Board of Directors
Great Lakes Water Authority

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

DATE: May 8, 2019

RE: **Contract No. 1803456**

**Hauling, Loading and Disposal of Scum WRRF
Vendor: Rickman Enterprise Group**

MOTION

Upon recommendation of Navid Mehram, Chief Operating Officer - Wastewater Operations, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), authorizes the Chief Executive Officer (CEO) **to enter into Contract No. 1803456, to secure a contract, in the amount of \$907,290.00 for three (3) years, with two (2) one-year renewal options at a cost of \$302,430.00 for each renewal year with Rickman Enterprise Group** to load, haul and dispose of scum from GLWA Water Resource and Recovery Facility; and also authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

The Water Resource Recovery Facility primary treatment process include the separation of fats, oil and grease (FOG) and other floatables from the flow downstream of preliminary treatment. The combination of all floatable material separated through the primary treatment process is commonly referred to as Scum. Scum is skimmed from the surface of primary settling tanks where then is concentrated through decanting methods and stored into enclosed 20-yard dumpsters for landfill disposal. The facility generates approximately 1,400 tons of scum per year. The production of the material is weather dependent and can vary from zero to 50 tons per day.

JUSTIFICATION

Scum is the floating material skimmed from the surface of primary settling tanks at the GLWA Water Resource Recovery Facility (WRRF). The separation of the material and appropriate disposal is essential for the operations of the facility and maintaining compliance with our NPDES permit MI0022802.

The production amounts provided are intended to give the Vendor the relative idea of the quantities they'll be responsible for removing on average, but do not entitle the Vendor to additional compensation if the daily amount generated is less than, or exceeds the daily amounts identified above.

FINANCIAL PLAN IMPACT

Summary: The forecast for the disposal of scum was increased in the Financial Plan from 1,200 to 1,361 tons for FY 2020. The proposed maximum volume and consequently maximum value of the contract exceeds the current financial plan in total. The volume of scum disposed may vary by year which could possibly require an amendment to that years' financial plan. Any negative variance would first be offset by other positive variances for the disposal of solid waste and other wastewater services prior to drawing from the Unallocated Reserve.

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)	\$33,000
FY 2020 Plan	225,000
FY 2021 Plan	230,000
FY 2022 Plan	235,000
FY 2023 Plan	245,000
FY 2024 Plan (prorated)	<u>204,200</u>
Financial Plan Forecast	\$1,167,500
Maximum Contract	<u>\$1,512,150</u>
Forecast Variance	<u>(\$344,650)</u>

SAVINGS, COST OPTIMIZATION, AND REVENUE ENHANCEMENT IMPACT

COMMITTEE REVIEW

This item was presented to the Operations and Resources Committee at its meeting on May 8, 2019. The Operations and Resources Committee unanimously recommended that the GLWA Board adopt the resolution as presented.

SHARED SERVICES IMPACT

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