Legislation Text

File #: 2020-040, **Version:** 1

Contract No. 2000068
Landfill Service for Lime Stabilized Dewatered Sludge
CIP # / BCE Score: O&M Project

Agenda of: February 26, 2020
Item No.: **2020-040**
Amount: $2,000,000.00

TO: The Honorable
Board of Directors
Great Lakes Water Authority

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

DATE: February 26, 2020

RE: **Contract No. 2000068**
Landfill Service for Lime Stabilized Dewatered Sludge
Vendor: Waste Management of Michigan, Inc.

MOTION

Upon recommendation of Navid Mehram, Chief Operating Officer - Wastewater Operating Services, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), authorizes the Chief Executive Officer (CEO) to **enter into Contract No. 2000068, "Landfill Service for Lime Stabilized Dewatered Sludge" with Waste Management of Michigan, Inc., at a cost not to exceed $2,000,000.00 for a duration of five years;** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

The GLWA Water Resource Recovery Facility (WRRF), generates a by-product (sewage sludge)

through treatment of domestic wastewater. Sewage sludge include scum or solids removed in primary and secondary treatment processes. The GLWA facility generates on average, 1,440 wet tons per day of solids. Operations utilize three methods of processing to adequately dispose of the generated solids. The processes include from most favorable to least favorable: Biosolids Dryer Facility (BDF) that generates class-A biosolids which is then land applied as fertilizer; multiple hearth incineration which converts the sludge into an ash product which is landfilled; and Central Offload Facility (COF) which processes dewatered sludge with the addition of lime for stabilization prior to landfill disposal. The lime stabilized dewatered sludge is a solid residual similar to slightly wet dirt.

The GLWA continues to work with EGLE and the operations team on minimizing the use of the COF and the transition of the operating status of the facility from active to long-term standby. However, as part of our commitment for readiness of the facility, it is important to have the appropriate services in places to minimize the impact and maintain operational continuity.

JUSTIFICATION

In the event of a catastrophic failure to the BDF and/ or incinerators, GLWA will be required to recommission the COF facility to its full capacity. At full capacity the COF can produce nearly one thousand two hundred (1,200) wet tons per day of lime stabilized dewatered sludge.

Waste Management (WM) owns and operates most of the landfills in this region. Additionally, WM is the only provider who can comply with the 1,200 wet tons per day guaranteed capacity. In order to maintain reliability necessary for landfill disposal and maintain compliance with the facilities National Pollutant Discharge Elimination System (NPDES) permit.

FINANCIAL PLAN IMPACT

Summary: Disposal of lime stabilized dewatered sludge to landfill is anticipated in the development of Water Resource Recovery Facility financial plan. The maximum value of the contract is within the current financial plan in total. The volume of the lime stabilized dewatered sludge 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 the table below.

FY 2020 Budget (prorated)	$504,500
FY 2021 Plan	290,000
FY 2022 Plan	326,000
FY 2023 Plan	326,000

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FY 2024 Plan	359,000
FY 2025 Plan (prorated)	269,250
Financial Plan Forecast	$2,074,750
Maximum Contract	$2,000,000
Forecast Variance	74,750

COMMITTEE REVIEW

This item was presented to the Operations and Resources Committee at its meeting on February 12, 2020. 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.