



Legislation Text

File #: 2022-039, Version: 1

Proposed Unsolicited Private Sale of Four Decommissioned Alfa Laval DS-706 Centrifuge Units at WRRF

Agenda of: January 26, 2022

Item No.: **2022-039**

Amount:	Sale Offer for Each Unit	\$ 55,000.00
	Sale Offer for a Total of Four Units	\$ 220,000.00
	Buyer Cost for Removal & Transport	-\$ 20,000.00
	Total Net Offer to GLWA	\$ 200,000.00

TO: The Honorable
Board of Directors
Great Lakes Water Authority

FROM: Suzanne R. Coffey, P.E.,
Interim Chief Executive Officer
Great Lakes Water Authority

DATE: January 24, 2022

**RE: Proposed Unsolicited Private Sale of Four Decommissioned
Alfa Laval DS-706 Centrifuge Units at WRRF
Buyer: TARO Holdings Inc.**

MOTION

Upon recommendation of Navid Mehram, Chief Operating Officer - Wastewater Operating Services and Randal Brown, General Counsel, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), authorizes the Interim Chief Executive Officer (ICEO) to enter into a private sale of four decommissioned Alfa Laval DS-706 centrifuge units, and receive a net revenue of not less than \$200,000.00 to GLWA credit; and authorizes the ICEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

The Water Resource Recovery Facility (WRRF) utilize dewatering equipment to remove water from sludge, a byproduct of wastewater treatment, prior to treatment and disposal. The WRRF contains twenty-two (22) Belt Filter Press units and twelve (12) centrifuges, of which four (4) are Alfa Laval DS-706 units and eight are Westphalia units. However, with the commissioning of the Biosolids Drying Facility (BDF) in 2016 the majority of our solids are dewatered and treated for

beneficial reuse through the BDF. Based on the reduction of demand on our dewatering equipment within the WRRF facility, a decommissioning notification was issued to the Department of Environment, Great Lakes, and Energy (EGLE) on September 22, 2015 for the eight (8) Westphalia centrifuges. Another notification of decommissioning for four (4) Alfa Laval DS 706 centrifuges was issued to EGLE on May 24, 2019. The Alfa Laval DS-706 units were installed in the year 1999.

JUSTIFICATION

The Alfa Laval DS-706 centrifuge units are more than 20 years old. These centrifuge units are not in operation for the past six years, and there are no plans to utilize these units due to lack of current or future operational demands since BDF completes its own dewatering for the biosolids production. These four units were decommissioned in 2019 after GLWA entered into a contractual agreement with NEFCO for the dewatering operation at BDF. As such there is no need for the centrifuge units at WRRF. The sale of these centrifuge units through this private sale will provide GLWA with a net revenue of \$200,000.00.

Furthermore, GLWA has reviewed recent national sales of both private and by auction for similar units and benchmarked with the manufacturer of the equipment and found the offered amount equitable and fair for the GLWA Alfa Laval units.

FINANCIAL PLAN IMPACT

Summary: The proposed sale offer will generate a \$200,000.00 net revenue to GLWA.

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Sale Offer for a Total of Four Units	\$ 220,000.00
Buyer Cost for Removal & Transport	-\$ 20,000.00
Total Net Offer to GLWA	\$ 200,000.00

COMMITTEE REVIEW

This item was presented to the Legal Committee at its meeting on January 26, 2022.

SHARED SERVICES IMPACT

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