PUBLIC WORKS DEPARTMENT **MEMORANDUM #2010 – 16**

DATE:

March 11, 2010

TO:

Honorable Mayor Joyce Downing and City Council Members

FROM:

William A. Simmons, City Manager WO
David H. Willett, P.E., Director of Public Works

Karl Heil, Chief Plant Operator

SUBJECT: CR – 51, 2010 Wastewater Treatment Plant Bio-solids Removal, Hauling, and Disposal

BACKGROUND

In accordance with the City's Wastewater Treatment Plant (WWTP) discharge permit, issued by the Colorado Department of Public Health and Environment (CDPHE), the City is prohibited from permanently storing biosolids on-site. As part of the normal operations of the WWTP, approximately 600 tons of bio-solids are produced annually which accumulate in the lagoon system. Biological activity breaks down the organic matter resulting in a nutrient rich material suitable for beneficial uses such as fertilizer and soil conditioner. The bio-solids are dredged from the lagoons for commercial use by state regulated contractors. A portion of the bio-solids that are removed from the WWTP lagoons are applied to the agricultural area located at the WWTP. Last year the City harvested wheat on the property. Corn has also been grown.

In February 2008, the City solicited bids for the removal of the bio-solids. Two contractors responded to the City's request and Liquid Waste Management (LWM) was determined to be the lowest qualified bidder. Attached to this memorandum is the formal bid summary. The Agreement was structured so that pricing was based on tonnage. The Agreement also required both on-site application in association with the agricultural activities, and off-site hauling and disposal. The agreement included a one (1) year fixed price contract, and extension mutually agreed upon for each of the next two years. The annual price increase for the successive years would be equal to the Denver-Boulder Consumer Price Index. Recent Index data from the second half of 2008 through the first half of 2009 shows a decrease of 0.6%. The pricing for calendar 2010 reflects the 0.6% decrease.

The original agreement with LWM was approved by City Council on March 13, 2008, Resolution Number 08-45 (attached). The first one year extension was approved by City Council February 12, 2009, Resolution Number 09-21 (attached).

The City accomplished the following activities during calendar 2009:

- Removed 838 tons of bio-solids
 - o 457 tons were applied to Contactor's sites and 381 tons to the agricultural area owned by the
- Harvested 2564 bushels of wheat, generating \$1500 of revenue.

The City realized a cost savings of approximately \$50,000 on its 2009 bio-solids removal contract by applying the bio-solids to our agricultural property as opposed to hauling it off site.

BUDGET/TIME IMPLICATIONS

The cost of Wastewater Treatment Plant bio-solids removal, hauling, and disposal as proposed is \$215,000. Adequate funding for this service is available from the 2010 Water & Wastewater Fund/Wastewater Operations Division / Technical Services.

Bio-solids March 11, 2010 Page 2/2

RECOMMENDATION

Attached to this memorandum is a Consideration Resolution that, if approved, would authorize the Mayor to execute the Agreement between the City of Northglenn and Liquid Waste Management, Inc. to provide biosolids removal, hauling, and disposal services for an amount not to exceed \$215,000. Staff recommends approval of this resolution.

STAFF REFERENCE

David H. Willett, P.E., Director of Public Works Karl Heil, Chief Plant Operator <u>dwillett@northglenn.org</u> or 303.450.8783 <u>kheil@northglenn.org</u> or 303.457.0931



February 2, 2010

Mr. Karl Heil Chief Wastewater Plant Operator City of Northglenn 303-457-0931 kheil@northglenn.org SENT VIA E-MAIL

Re:

2010 Proposed Pricing

Dear Mr. Heil:

The following is submitted for your consideration regarding price adjustment for the 2010 Contract for Biosolids Removal and Disposal. Liquid Waste Management (LWM) is proposing changes based on the following:

The most recent available information on the U.S. Department of Labor website shows for the Consumer Price Index for the Denver-Boulder-Greeley urban area as follows: mid-year 2009: 207.444; mid-year 2008: 208.741 (Data for year-end 2009 is not available yet.) The decrease in the CPI index for this area for the one-year period from 2008-2009 is 0.62%. Source: (http://data.bls.gov/PDQ/servlet/SurveyOutputServlet?data_tool=dropmap&series_id=C UURA433SA0,CUUSA433SA0)

As such, LWM proposes the following pricing for 2010 Biosolids Removal & Disposal activities. This pricing represents a <u>decrease</u> of 0.62% over 2009 pricing for biosolids removal and dredging services. 2010 pricing for biosolids removal would be as follows:

Quantity removed	City owned property	Hauled off-site to LWM sites
0-200 Dry Tons	\$131.93	\$267.98
200-400 Dry Tons	\$127.80	\$247.36
400-600 Dry Tons	\$119.55	\$247.36
Greater than 600 Tons	\$105.14	\$237.07

I hope that this meets with your approval. Please contact me with any questions at 303-651-7070. We look forward to continuing this beneficial partnership with the City of Northglenn.

Yours truly,

Jay Holmes, President

SPONSORED BY: MAYOR DOWNING		
COUNCILMAN'S RESOLUTION	RESOLUTION NO.	
No. <u>CR-51</u> Series of 2010	Series of 2010	
A RESOLUTION APPROVING AMENDMEN LIQUID WASTE MANAGEMENT, INC. A BIOSOLIDS REMOVAL, HAULING AND DIS TREATMENT PLANT	AND THE CITY OF NORTH	IGLENN FOR
BE IT RESOLVED BY THE CITY COCOLORADO, THAT:	DUNCIL OF THE CITY OF N	ORTHGLENN,
Section 1. The Amendment No. 2 Management, Inc. and the City of Northglenn \$215,000.00 to provide Biosolids Removal, Ha Treatment Plant during the 2010 calendar year is execute same on behalf of the City of Northglenn	, attached hereto, in an amount auling and Disposal services at hereby approved and the Mayor	t not to exceed the Wastewater
DATED at Northglenn, Colorado, this	day of	, 2010.
	JOYCE DOWNING Mayor	
ATTEST:		
JOHANNA SMALL, CMC City Clerk		
APPROVED AS TO FORM:		
COREY Y. HOFFMANN		

City Attorney

AMENDMENT #2 TO AGREEMENT FOR THE 2008 WASTEWATER TREATMENT FACILITY BIO-SOLIDS REMOVAL, HAULING AND DISPOSAL

THIS SECOND AMENDMENT TO TH	E AGREEMENT FOR THE 2008 WASTEWATER
TREATMENT FACILITY BIO-SOLIDS REM	OVAL, HAULING, AND DISPOSAL is made and
entered into this day of	, 2010, by and between the CITY OF
NORTHGLENN, State of Colorado (hereinat	ter referred to as the "City") and Liquid Waste
Management, Inc. (hereinafter referred to as "C	Contractor").

RECITALS:

- A. On March 13, 2008, the City and Contractor entered into an Agreement for the 2008 Wastewater Treatment Facility Bio-solids Removal, Hauling and Disposal (the "Agreement").
- B. The parties desire to modify the Agreement with this Amendment #2 to extend the term of the contract for one year, with the term ending on December 31, 2010.

AGREEMENT

NOW, THEREFORE, it is hereby agreed that for the consideration hereinafter set forth, that Contractor shall provide to the City, services as needed in the manner provided in the Agreement.

- 1. The contractor shall commence work on the term extension within ten (10) days of the issuance of a Notice to Proceed.
- 2. Compensation for the one (1) year extension shall not exceed \$215,000.00 per the pricing in **Exhibit A**, for the work described in the Agreement.
- 3. The original Agreement is in full force and effect and is hereby ratified by the City and the Contractor. The original Agreement and this Amendment constitute all of the agreements between the City and the Contractor.

IN WITNESS WHEREOF, the parties hereto each herewith subscribe to the same in duplicate.

CITY OF NORTHGLENN, COLORADO

	By:	Joyce Downing	Date
ATTEST:	Title: _	Mayor	
Johanna Small, CMC, City Clerk	Date		
APPROVED AS TO FORM:			
Corey Y. Hoffmann, City Attorney	Date		
		CONTRACTOR	
		By: Joy Homer	
			2-19-
ATTEST:		Title	D
Cunthia Ober	<u>~</u>		
Office Marager	2-19 Date	-10	

EXHIBIT A

Pricing for 2010, dredging, farming and bio-solids application to City owned property and offsite Bio-solids application prices are as follows:

If the City can not provide the contracted minimum amount of water for irrigation (75 Acre Feet), the percentage of the total sale of the harvested crop to be paid to the City will be zero percent not the listed amount in Table Part A.

Part A: Dredging, Farming and Bio-solids application to City Owned Property

ITEM	DESCRIPTION	Calendar Year 2010
1.	0-200 Dry Tons	\$131.93
2.	200-400 Dry Tons	\$127.80
3.	400-600 Dry Tons	\$119.55
4.	Greater than 600 Tons	\$105.14
5.	Percent of the total sale of the harvested crop to be paid to the City of Northglenn	15%

Part B: Dredging, hauling and off-site Bio-solids application:

ITEM	DESCRIPTION	Calendar Year 2010
1.	0-200 Dry Tons	\$267.98
2.	200-400 Dry Tons	\$247.36
3.	400-600 Dry Tons	\$247.36
4.	Greater than 600 Tons	\$237.07

SPONSORED BY: MAYOR NOVAK

COUNCILMAN'S RESOLUTION

RESOLUTION NO.

No CR-48	08-45
Series of 2008	Series of 2008

A RESOLUTION APPROVING AN AGREEMENT BETWEEN LIQUID WASTE MANAGEMENT, INC. AND THE CITY OF NORTHGLENN FOR THE 2008 WASTEWATER TREATMENT FACILITY BIO-SOLIDS REMOVAL, HAULING AND DISPOSAL

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTHGLENN, COLORADO, THAT:

Section 1. The Agreement between Liquid Waste Management, Inc. and the City of Northglenn, attached hereto, for the 2008 Wastewater Treatment Facility Bio-Solids Removal, Hauling and Disposal is hereby approved and the Mayor is authorized to execute same on behalf of the City of Northglenn.

DATED at Northglenn, Colorado, this 13h day of March, 2008.

KATHLEEN M. NOVAK

Mayor

ATTEST:

OHANNA SMALL, CMC

Acting City Clerk

APPROVED AS TO FORM:

COREY/Y. HOFFMANN

City Attorney

AGREEMENT

PROJECT NAME: 2008 Wastewater Treatment Facility Bio-solids Removal, Hauling, and Disposal

PROJECT NUMBER: IFB 2008-06 PROJECT MANAGER: Karl Heil

THIS AGREEMENT, made this 240 day of March, 2008, by and between the City of Northglenn, hereinafter called "CITY", and Liquid Waste Management, Inc., hereinafter called "CONTRACTOR".

WITNESSETH: That for and in consideration of the payments and agreements hereinafter mentioned:

1. The CONTRACTOR will commence and complete the project named:

"2008 Wastewater Treatment Facility Bio-solids Removal, Hauling, and Disposal"

- 2. The CONTRACTOR will furnish all of the materials, supplies, tools, equipment, labor supervision, and other services necessary for the completion of the PROJECT described herein.
- 3. The CONTRACTOR will provide performance and payment bonds and a certificate of insurance naming the City as an additional insured for purposes of said project within <u>10</u> days after the date of the NOTICE OF AWARD.
- 4. The CONTRACTOR agrees to perform all of the WORK described in the CONTRACT DOCUMENTS and comply with the terms therein for the sum of **NOT TO EXCEED \$ 180,000.00**, or as shown in the BID schedule. The CONTRACTOR will commence the work within _7_ calendar days after the date of NOTICE TO PROCEED. The CONTRACTOR will complete the work by December 31, 2008, after the date of NOTICE TO PROCEED unless the period for completion is extended otherwise by the CONTRACT DOCUMENTS.
- 5. The term "CONTRACT DOCUMENTS" means and includes all items as set forth in Section 1.01 of the General Conditions.
- 6. The CITY will pay to the CONTRACTOR in the manner and at such times as set forth in the General Conditions such amounts as required by the CONTRACT DOCUMENTS.
- 7. This AGREEMENT shall be binding upon all parties hereto and their respective heirs, executors, administrators, successors, and assigns.

AGREEMENT - Page 2

IN WITNESS WHEREOF, the parties hereto have executed, or caused to be executed by their duly authorized officials, this Agreement in TWO copies, each of which shall be deemed an original on the date first above written.

	CITY:
	City of Northglenn
	By 1 Jathlun Y VY WAL
	Name Kathleen M. Novak
	Title Mayor
ATTEST:	THE
ATTEST.	
Carrie Grand	
7 May War	
Name Diana L. Lentz, CMC	•
Title City Clerk	
(SEAL)	
(02.13)	
A 7777 O 1777 A 6 770 77071 A	
APPROVED AS TO FORM:	
(orly 240)	
Corey(Y.) Hoffmann, Uity Attorney	
	CONTRACTOR:
	LIQUID MASTE MANAGEMENT, INC.
	1 1
(071.47.)	By Variation
(SEAL)	Name /Jay Holmes
ATTEST:	(Please Type or Print)
and son	Title President
	Address P.O. Box 888
Name (Please Print or Type) Tim Larson Title Chief Agronomist	Title President Address P.O. Box 888 Longmont, CO 80502
Title Chief Agronomist	
Title	
	CITY's CONTRACT #
	Karl Heil
	Print Name of City's Project Manager
	No



CITY OF NORTHGLENN FORMAL BID SUMMARY

BID NUMBER:IFB 2008-06	PAGE 1 OF 1
BID NAME:2008 Wastewater Treatment Fa	c Bio-solids Removal, Hauling

•	DEPARTMENT WWTP				
	Liquid Woste Management, Inc		Parker Ag.		
DATE DUE: 02/21/08	BID RECEIVED:	BID RECEIVED: DATE:	BID RECEIVED: DATE:	BID RECEIVED: DATE:	BID RECEIVED: DATE:
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City Clerk, Deputy

2/21/08

PUBLIC WORKS AND UTILITIES MEMORANDUM # 08-05

DATE:

March 13, 2008

TO:

Honorable Mayor Kathleen M. Novak and City Council Members

FROM:

A.J. Krieger, City Manager

David Allen, Director of Public Works and Utilities

SUBJECT:

CR-48 – 2008 Wastewater Treatment Facility Bio-solids Removal, Hauling, and Disposal

RECOMMENDATION:

Attached to this memorandum is a Resolution which, if approved, would authorize the Mayor to execute an Agreement between the City of Northglenn and Liquid Waste Management, Inc. (LWM) to provide Biosolids Removal, Hauling, and Disposal services during the 2008 calendar year for an amount not to exceed \$180,000. Staff recommends approval of the proposed Resolution.

BACKGROUND:

In accordance with the City's Wastewater Treatment Facility (WWTF) discharge permit issued by the Colorado Department of Public Health and Environment, the City is prohibited from permanently storing bio-solids on-site. As part of the normal operations of the WWTF, the City generates approximately 600 dry tons of bio-solids annually. Lagoon Cell 3 East is used to stabilize the bio-solids before they are removed and applied for beneficial use as a fertilizer and soil conditioner pursuant to State and Federal regulations.

The City accomplished the following activities during 2007:

- Permitted the City-owned land adjacent to the WWTF for bio-solids application.
- Removed approximately 470 wet tons of grit from Lagoon Cells 1 and 2 East, and Cells 1 and 2 West.
- Removed over 1,500 dry tons of bio-solids from Lagoon Cells 3 East and West.

By permitting the City-owned lands for bio-solids application, the City was able to avoid the costs of hauling the bio-solids to an off-site location. This allowed the City to remove a greater quantity of bio-solids than was originally planned. As a result, the City realized a cost savings of approximately \$115,000 on its 2007 bio-solids removal program.

To minimize operating costs during 2008, the City is planning to apply bio-solids on the City-owned property adjacent to the WWTF again. However, for this practice to be effective, the City will need to grow crops to consume the elevated nutrient levels which result from last year's application. The contract documents for 2008 were revised accordingly to include provisions for the contractor to grow and harvest crops on the City-owned property. The estimated savings to the City would be approximately \$176,000, assuming all of the bio-solids removed during 2008 can be applied on-site instead of hauling it to an off-site location.

During the course of operating the WWTF for the past 25 years, the City has gradually accumulated between 6,000 and 9,000 tons of bio-solids. This estimate was derived from the following information:

- For the first 10 years of operation (1982 to 1991), no historical records of bio-solids removal are available on-site, except during 1987 when approximately 250 tons were removed.
- In 1992, the City began removing bio-solids on an annual basis. This practice continued through 2002 and the average amount removed during this timeframe was 352 tons per year.

CR-48 – 2008 Wastewater Treatment Facility Bio-solids Removal, Hauling, and Disposal March 13, 2008
Page 2 of 2

- No bio-solids were removed in 2003, 2004, and 2005.
- Approximately 340 and 1,560 tons were removed in 2006 and 2007, respectively.

City staff intends to spread out the removal of the accumulated bio-solids over the next 8 to 10 years. This approach will allow the City to systematically remove the excess accumulation while keeping up with ongoing bio-solids generation.

The City plans to remove approximately 1,400 dry tons of bio-solids during the late summer or fall of 2008. Of this total, most if not all of the bio-solids, will be removed from Lagoon Cell 3 East. If Lagoon Cell 3 East cleaning is completed in 2008 without exceeding the 1,400 dry ton goal, the remaining difference will be removed from Lagoon Cell 3 West that still has accumulated bio-solids but is no longer in service.

The Agreement is structured in a manner so that unit price bids were required for both on-site application with associated farming activities and off-site hauling and disposal. Two contractors responded to the City's request for bids and LWM was determined to be the lowest qualified bidder. Since LWM satisfactorily provided the same type of services to the City during 2007, reference checks were not necessary.

Finally, the contract documents include a provision for the City to renew the agreement for two, one year extensions. The maximum allowable increase of unit costs for each extension will be limited by the percentage change in the Denver/Boulder Consumer Price Index or by an adjustment that is mutually agreed to by both parties. Any future extensions of this Agreement will be presented to City Council in the form of a resolution for consideration and approval.

POTENTIAL OBJECTION:

Other than a temporary increase in odors that may occur during the removal of bio-solids, City Staff is not aware of any specific opposition to the proposed Agreement.

BUDGET/TIME IMPLICATIONS:

There is no impact to the General Fund. The not to exceed cost of the Agreement during 2008 is \$180,000.00. There are sufficient funds in the 2008 Utilities Department Operating Budget (account number 510.65104.000.3199) to pay for the bio-solids removal services.

STAFF REFERENCE:

If Council Members have any comments or questions, they may contact David Allen at (303) 450-8783 or dallen@northglenn.org.

SPONSORED BY: MAYOR NOVAK

COUNCILMAN'S RESOLUTION

RESOLUTION NO.

No. CR-24	09-21
Series of 2009	Series of 2009

A RESOLUTION APPROVING AMENDMENT NO. 1 TO THE AGREEMENT BETWEEN LIQUID WASTE MANAGEMENT, INC. AND THE CITY OF NORTHGLENN FOR BIOSOLIDS REMOVAL, HAULING AND DISPOSAL SERVICES AT THE WASTEWATER TREATMENT FACILITY

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTHGLENN, COLORADO, THAT:

Section 1. The Amendment No. 1 to the Agreement between Liquid Waste Management, Inc. and the City of Northglenn, attached hereto, in an amount not to exceed \$200,000.00 to provide Bio-Solids Removal, Hauling and Disposal services at the Wastewater Treatment Facility during the 2009 calendar year is hereby approved and the Mayor is authorized to execute same on behalf of the City of Northglenn.

DATED at Northglenn, Colorado, this day of February, 2009.

KATHLEEN M. NOVAK

Mayor

ATTEST:

JOHANNA SMALL, CMC

City Clerk

APPROVED AS TO FORM:

COREY Y. HOFFMANN

City Attorney

AMENDMENT #1 TO AGREEMENT FOR THE 2008 WASTEWATER TREATMENT FACILITY BIO-SOLIDS REMOVAL, HAULING AND DISPOSAL

THIS FIRST AMENDMENT TO THE AGREEMENT FOR THE 2008 WASTEWATER TREATMENT FACILITY BIO-SOLIDS REMOVAL, HAULING, AND DISPOSAL is made and entered into this 124 day of February, 2009, by and between the CITY OF NORTHGLENN, State of Colorado (hereinafter referred to as the "City") and Liquid Waste Management, Inc. (hereinafter referred to as "Contractor").

RECITALS:

- A. On March 13, 2009, the City and Contractor entered into an Agreement for the 2008 Wastewater Treatment Facility Bio-solids Removal, Hauling and Disposal (the "Agreement").
- B. The parties desire to modify the Agreement with this Amendment #1 to extend the term of the contract for one year, with the term ending on December 31, 2009.

AGREEMENT

NOW, THEREFORE, it is hereby agreed that for the consideration hereinafter set forth, that Contractor shall provide to the City, services as needed in the manner provided in the Agreement.

- 1. The contractor shall commence work on the term extension within ten (10) days of the issuance of a Notice to Proceed.
- 2. Compensation for the one (1) year extension shall not exceed \$200,000.00 per the pricing in **Exhibit A**, for the work described in the Agreement.
- 3. The original Agreement is in full force and effect and is hereby ratified by the City and the Contractor. The original Agreement and this Amendment constitute all of the agreements between the City and the Contractor.

IN WITNESS WHEREOF, the parties hereto each herewith subscribe to the same in duplicate.

CITY OF NORTHGLENN, COLORADO

	By: Nathley Mors	repolo
	Kathleen M. Novak	Date
	Title: Mayor	
ATTEST:		
John Small :	2/12/09	
Johanna Small, CMC, City Clerk	Date	
APPROVED AS TO FORM:		
Core 71110 -	2/12/09	
Corey Y. Hoffmany City Attorne	y Date	
•	CONTRACTOR	
	By: Joy to	Ques
		1-1 09
	President	0,16-0,
ATTEST:	Title	Date
ATTEST.		
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EXHIBIT A

Pricing for 2009, dredging, farming and bio-solids application to City owned property and offsite Bio-solids application prices are as follows:

If the City can not provide the contracted minimum amount of water for irrigation (75 Acre Feet), the percentage of the total sale of the harvested crop to be paid to the City will be zero percent not the listed amount in Table Part A.

Part A: Dredging, Farming and Bio-solids application to City Owned Property

ITEM	DESCRIPTION	Calendar Year 2009
1.	0-200 Dry Tons	\$132.75
2.	200-400 Dry Tons	\$128.60
3.	400-600 Dry Tons	\$120.30
4.	Greater than 600 Tons	\$105.80
5.	Percent of the total sale of the harvested crop to be paid to the City of Northglenn	15%

Part B: Dredging, hauling and off-site Bio-solids application:

ITEM	DESCRIPTION	Calendar Year 2009
1.	0-200 Dry Tons	\$269.65
2.	200-400 Dry Tons	\$248.90
3.	400-600 Dry Tons	\$248.90
4.	Greater than 600 Tons	\$238.55

Page 1 of 1