

**PUBLIC WORKS AND UTILITIES
MEMORANDUM # 09-06**

DATE: February 12, 2009

TO: Honorable Mayor Kathleen M. Novak and City Council Members

FROM: William Simmons, City Manager *WMS*
Raymond Reling, Acting Director of Utilities *RR*

SUBJECT: CR-24 2009 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 extend an Agreement between the City of Northglenn and Liquid Waste Management, Inc. (LWM) to provide Bio-solids Removal, Hauling, and Disposal services during the 2009 calendar year for an amount not to exceed \$200,000. 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.

In 2008, the City removed 475 dry tons of bio-solids from Lagoon Cells 3. The quantity was below expected removal of approximately 1000 dry tons. There were problems with the biosolids application and the contractor, resulting in a shortfall of approximately 525 dry tons. The Staff will be asking for carryover of not to exceed \$110,000 from the 2008 operations budget so the contractor can complete the terms of his purchase order. Staff will be asking City Council in the form of a resolution for consideration and approval for those additional funds for bio-solids removal once available.

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. As a result, the City realized a cost savings of approximately \$58,926 on its 2008 bio-solids removal program.

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 (IFB 2008-06) and LWM was determined to be the lowest qualified bidder. The original contract with LWM was approved by City Council on March 13, 2008, as a one (1) year fixed price contract, with a maximum two (2) one (1) year extensions at a price rate increase equal to the Denver-Boulder Consumer Price Index or by an adjustment that is mutually agreed to by both parties. The most recent data available for the Denver-Boulder Consumer Price Index from the first half of 2007 through the first half of 2008, which showed an increase of 3.7%. 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 2009 is \$ 200,000.00. There are sufficient funds in the 2009 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 Ray Reling, Acting Utilities Director at (303) 450-4049 or rreling@northglenn.org.

SPONSORED BY: MAYOR NOVAK

COUNCILMAN'S RESOLUTION

RESOLUTION NO.

No. CR-24
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 BIO-SOLIDS 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 _____, 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 _____ day of _____, 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: _____
Kathleen M. Novak Date
Title: Mayor

ATTEST:

Johanna Small, CMC, City Clerk Date

APPROVED AS TO FORM:

Corey Y. Hoffmann, City Attorney Date

CONTRACTOR

By: Jay Huber
President 2-6-09
Title Date

ATTEST:

Cynthia Klein
Office Manager 2-6-09
Title Date

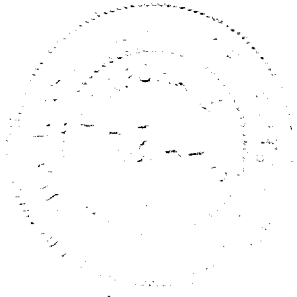


EXHIBIT A

Pricing for 2009, dredging, farming and bio-solids application to City owned property and off-site 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

**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 Bio-solids 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.

- 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-48
Series of 2008

08-45
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.

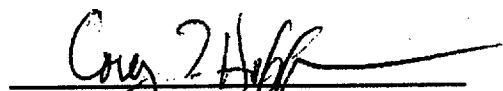
DATED at Northglenn, Colorado, this 13th day of March, 2008.


KATHLEEN M. NOVAK
Mayor

ATTEST:


JOHANNA 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 Hell

THIS AGREEMENT, made this 13th 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 10 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 *Kathleen M. Novak*
Name Kathleen M. Novak
Title Mayor

ATTEST:

Diana L. Lentz
Name Diana L. Lentz, CMC
Title City Clerk

(SEAL)

APPROVED AS TO FORM:

Corey Y. Hoffmann
Corey Y. Hoffmann, City Attorney

(SEAL)

ATTEST:

Tim Larson
Name (Please Print or Type) Tim Larson
Title Chief Agronomist

CONTRACTOR:

LIQUID WASTE MANAGEMENT, INC.

By *Jay Holmes*
Name Jay Holmes
(Please Type or Print)

Title President
Address P.O. Box 888
Longmont, CO 80502

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 Fac Bio-solids Removal, Haulin

DEPARTMENT WWTP

DATE DUE: 02/21/08	BID RECEIVED:	BID RECEIVED:	BID RECEIVED:	BID RECEIVED:	BID RECEIVED:
TIME: 2:00 pm	DATE:	DATE:	DATE:	DATE:	DATE:
	TIME:	TIME:	TIME:	TIME:	TIME:
			Parker Ag		
Total Cost					
Addendum	yes		yes		
Illegal Alien form submitted	yes		yes		
0-200 Dry TONS	128.00	260.00	318.00	1133.00	
200-400 Dry TONS	124.00	240.00	173.00	556.00	
400-600 Dry TONS	116.00	240.00	144.00	440.00	
Greater than 600 TONS	102.00	230.00	137.00	412.00	
1-10 Days	2,400.00		1356.00		
11-20 Days	2,300.00		1174.00		
21-30 Days	2,200.00		1137.00		

Buyer Kathleen Kraemer 2/21/08

Crystal MESSICK
City Clerk, Deputy

2/21/08
Date