



Legislation Text

File #: 18-1033, Version: 1

MOTION TO APPROVE THE FIRST AMENDMENT TO THE AGREEMENT WITH WESTWIND CONTRACTING INC. FOR LIME SLUDGE REMOVAL AND HAULING AT THE WATER PLANT, RENEWING THE AGREEMENT FOR THE FIRST TWO YEAR RENEWAL OPTION AND TO ALIGN THE AGREEMENT TO THE CITY'S FISCAL YEAR AT A COST NOT TO EXCEED \$279,994 PER YEAR.

SUMMARY EXPLANATION AND BACKGROUND:

Note: This item was previously presented as File ID # 18-0885 (Agenda Item # 6) on August 22, 2018, and was deferred by the City Commission to the September 4, 2018 Commission meeting so that questions could be provided to staff in writing so that specific answers can be provided to the City Commission.

1. The City of Pembroke Pines Water Plant utilizes lime as part of the process to treat water. Lime sludge is created as a bi-product of this process.
2. The Water Plant stores the lime sludge on-site. In 2017, lime sludge was transferred and hauled from the plant about every 2 to 3 months by a contractor, with approximately 18,000 cubic yards of lime sludge being transferred and hauled annually.
3. On February 1, 2017, the City Commission authorized the advertisement of PSUT-17-01 "Lime Sludge Removal and Hauling at the Water Plant", which was advertised on February 7, 2017.
4. On March 7, 2017, the City opened two (2) proposals from the following vendors:

Vendor Name	Cost Per Cubic Yard	Total Cost Based on 18,000 CY
Westwind Contracting Inc.	\$8.90	\$160,200
Austin Tupler Trucking, Inc.	\$10.75	\$193,500

5. On April 5, 2017, the City Commission awarded PSUT-17-01 "Lime Sludge Removal and Hauling at the Water Plant" to the most responsive/responsible bidder, Westwind Contracting Inc. in the amount of \$8.90 per cubic yard, for an initial two year period commencing on May 1, 2017 and ending on April 30, 2019, with two additional two year renewal terms.
6. Due to changes at the Water Plant, the Utilities Department has seen an increase in lime sludge production. As a result, the Utilities Department now estimates that approximately 31,460 cubic yards of lime sludge would need to be transferred and hauled annually at an estimated cost \$279,994.
7. At the August 22, 2018 Commission meeting, the City Commission deferred the item to the

September 4, 2018 Commission meeting so that staff could have time to answer questions posed by the Commission. Due to the amount of time needed to gather data from other Cities, the Utilities Department is presenting this agenda item to Commission on the September 17, 2018 meeting with the following information to address the questions that were raised at the August 22, 2018 meeting.

A. Question - The changes in the water plant (were or were not) related to the reports (Jacobs and other 2 reports) that the City had conducted and adopted by Commission?

Answer - The changes at the water plant were recommended by two of the three reports (Jacobs and PUMPS) and discussed by the third (Chadik).

B. Question - How does this proposed pricing compare to what other Cities are paying?

Answer - The Utilities Department has conducted an analysis of prices that other Cities currently pay and has determined that the current pricing is commensurate with other City costs. This is considering the extra cost associated with maintenance, or transferring sludge internally from one lagoon to another, in addition to loading hauling cost, which other Cities may or may not require. (See attached Lime Sludge Analysis).

8. The Utilities Department would like to align the Westwind Contracting Inc. agreement to the City's fiscal year and renew the agreement for the first renewal term, commencing on October 1, 2018 through September 30, 2020.

9. Request Commission to approve the first amendment to the agreement with Westwind Contracting Inc. for Lime Sludge Removal and Hauling at the Water Plant, renewing the agreement for the first two year renewal option and to aligning the agreement to the City's fiscal year at a cost not to exceed \$279,994 per year.

FINANCIAL IMPACT DETAIL:

a) **Initial Cost:** \$279,994 annually (\$8.90 per cubic yard X 31,460 cubic yards = \$279,994).

b) **Amount budgeted for this item in Account No:** Funds are currently budgeted in account # 471-533-6031-34450 Contract - Sludge Removal.

c) **Source of funding for difference, if not fully budgeted:** Not applicable.

d) **5 year projection of the operational cost of the project:** For FY2018 the expense is estimated to increase to \$240,203 based on the new estimated lime sludge production. The renewal is for a period commencing on October 1, 2018 through September 30, 2020, and will have one remaining two year renewal option.

	10/1/17 - 9/30/18	10/1/18 - 9/30/19	10/1/19 - 9/30/20	Year 4	Year 5
Revenues	\$0	\$0	\$0	N/A	N/A
Expenditures	\$240,203	\$279,994	\$279,994	N/A	N/A
Net Cost	\$240,203	\$279,994	\$279,994	N/A	N/A

e) **Detail of additional staff requirements:** Not Applicable.