



Legislation Text

File #: K-1920-6, **Version:** 1

CONSIDERATION OF AWARDING OF BID-1819-80, CONTRACT K-1920-6 BY AND BETWEEN THE NORMAN UTILITIES AUTHORITY AND INDUSTRIAL HYDRO SERVICES, L.L.C. IN THE AMOUNT OF \$0.195 PER GALLON FOR AN ESTIMATED TOTAL CONTRACT AMOUNT OF \$156,000, PERFORMANCE BOND B-1920-9, AND STATUTORY BOND B-1920-10 FOR REMOVAL AND LAND APPLICATION OF DIGESTER BIO-SOLIDS AND BUDGET APPROPRIATION FROM THE WATER RECLAMATION FUND BALANCE.

BACKGROUND: The Water Reclamation Facility (WRF) is required by Federal and State law to remove and properly dispose of treated bio-solids. Frequent regular removal of these solids from the treatment process is essential for maintaining treatment efficiency. In order to keep the anaerobic digesters operating in an efficient manner, inspection and cleaning of a digester should occur every five (5) to ten (10) years. Contract services are necessary because of the expertise and specialized equipment needed for the project. The project will remove approximately 800,000 gallons of bio-solids from anaerobic digester #4.

DISCUSSION: Bids for this contract were advertised and sent to vendors on June 19, 2019. Three (3) bids (as shown on the attached Bid Record) were received on July 18, 2019. Industrial Hydro Solutions (IHS) of Purcell, Oklahoma submitted the lowest bid of \$0.195 per gallon. The total contract amount is anticipated to cost \$156,000 depending on how many gallons are actually removed and partial funding of \$126,763 is available in Water Reclamation Fund, Business Services/Sludge Removal (Org 32955145; Object 44121) leaving a negative balance of \$29,237.

Without a local land application site available for this project the bidders had to develop a plan for disposal either by alternate land sites or disposal in a landfill. Developing an alternate disposal caused the project cost to be higher than expected. Staff is requesting \$35,000 (an additional \$5,000 will be added for contingency if the amount of debris in the digester exceeds estimates) from the Water Reclamation Fund balance to pay for the project.

RECOMMENDATION: Staff recommends award of Bid-819-80 to Industrial Hydro Services, for \$0.195 per gallon as the lowest and best bidder meeting specifications and approval of Contract K-1920-6, and approval of Performance Bond B-1920-9, and Statutory Bond B-1920-10 each in the amount of the estimated total cost of \$156,000. Staff further recommends that \$35,000 be appropriated from Water Reclamation Fund balance (Org 32 Object 29000) to Business Services/Sludge Removal (Org 32955145 Object 44121).