



TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Lee R. Feldman, ICMA-CM, City Manager

DATE: November 19, 2013

TITLE: Motion to award a two-year contract for sludge disposal services –
Invitation to Bid (ITB) 433-11246 - \$5,112,000 (two year cost)

Recommendation

It is recommended that the City Commission award a two-year contract for the purchase of sludge disposal services for option number three to the lowest cost, responsive, and responsible bidder, Biosolids Distribution Services, LLC, utilizing the City's contract (Form P-0001) in the estimated annual amount of \$2,556,000 (two year estimated amount of \$5,112,000) and authorize the City Manager to approve two one-year renewal options contingent upon appropriation of funds.

Background

The purpose of this contract is to provide sludge disposal services for the George T. Lohmeyer Regional Wastewater Treatment Plant (GTL). During the treatment process, biosolids are removed and must be transported to an approved residual management facility as defined by the U.S. Environmental Protection Agency (EPA) and Florida Department of Environmental Protection (FDEP) regulations. Additionally, the material will be disposed of in a manner that complies with all appropriate federal, state, and local regulations.

The Procurement Services Division sent an ITB to 1,606 vendors and received three responses. Staff originally recommended that the Commission award this contract to H&H Sludge Disposal, Inc. because they were the lowest cost bidder and exceeded the minimum requirements by offering to take 75% of the sludge to a residual management facility and the remaining 25% to the landfill. On November 6, 2013, H&H Liquid Sludge Disposal, Inc. withdrew their offer and asked that the City not consider an award to their firm. The bid specifications allowed for three award options. The first option was for a contractor to take 100% of the sludge to a landfill. The second option was for a contractor to take a minimum of 60% of the sludge to a residuals management facility and the remaining sludge to be taken to a landfill. The third option was for 100% of the sludge to be taken to a residual management facility.

It was determined by staff that the most environmentally responsible and cost effective option was to take 100 percent of the sludge to a residual management facility at a unit price of \$63.90 per ton based on 40,000 wet tons per year. Biosolids Distribution Services, LLC was the lowest cost, responsive and responsible bidder for option number three in the estimated annual amount of \$2,556,000.

Resource Impact

There will be a fiscal impact to the City in the amount of \$5,112,000 for the two year contractual term. Future expenditures are contingent upon approval and appropriation of the annual budget.

FUNDS AVAILABILITY LOCATION:

FY	FUND	SUB FUND	FUND NAME	INDEX #	INDEX NAME	SUB OBJ #	SUBJECT NAME	AMOUNT
2014	451	01	Central Regional Wastewater System	PBS670503	Lohmeyer Regional Plant Operations	3252	Sludge Disposal	\$2,556,000.00
2015	451	01	Central Regional Wastewater System	PBS670503	Lohmeyer Regional Plant Operations	3252	Sludge Disposal	\$2,556,000.00
TOTAL								\$5,112,000.00

Strategic Connections:

This item is a *Press Play Fort Lauderdale Strategic Plan 2018* initiative, included within the **Infrastructure Cylinder of Excellence**, specifically advancing:

- **Goal 2:** Be a sustainable and resilient community.
- **Objective 4:** Reduce solid waste disposal and increase recycling.
- **Initiative 4:** Examine the possibility of using sludge from water and wastewater operations more effectively.

Attachment

Exhibit 1 – Bid Tabulation 433-11246

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