



**CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING**

#17-0182

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

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

DATE: March 7, 2017

TITLE: Motion to Approve Contract for Purchase of Hauling and Disposal of Wastewater Treatment Grits, Rags, Solids - Waste Pro of Florida, Inc. - \$486,900 (three-year total) and Contract for Purchase of Hauling and Disposal of Wastewater Treatment Sludge – Merrell Brothers, Inc. - \$5,823,675 (three-year total)

Recommendation

It is recommended that the City Commission approve a three-year contract, in substantially the form attached, with Waste Pro of Florida, Inc. (WPF) for the purchase of hauling and disposal of wastewater treatment grits, rags, and solids in the estimated amount of \$486,900; approve a three-year contract, in substantially the form attached, with Merrell Brothers, Inc. (MB) for the purchase hauling and disposal of sludge in the estimated amount of \$5,823,675; and authorize the City Manager or designee to approve two, one-year renewal options for both contracts, contingent upon appropriation of funds.

Background

The George T. Lohmeyer Wastewater Treatment Plant (GTL) is a central regional facility where wastewater is treated for the City of Fort Lauderdale, Wilton Manors, Oakland Park, and Port Everglades, as well as sections of Tamarac and unincorporated Broward County. GTL treats approximately 40 million gallons of wastewater per day and generates approximately 45 tons of pretreatment grits, rags and solids per month as well as approximately 2,650 tons of treated biosolids (sludge) per month.

These contracts provide for hauling and disposal services for GTL, transporting pre-treatment waste and sludge to an approved disposal location or residuals management facility as defined by the U.S. Environmental Protection Agency and the Florida Department of Environmental Protection regulations. These materials will be disposed of in a manner that complies with the appropriate federal, state, and local regulations.

The City of Fort Lauderdale currently hauls its own grits, rags and solids using 20 cubic yard roll-off open tops and its own trucking equipment. These materials have been taken to the Monarch Hill Landfill, owned and operated by Waste Management Inc. of Florida. As of December 31, 2016, Monarch Hill Landfill is no longer accepting these materials. Considering transport time to more distant disposal facilities and existing

staffing at GTL, the Public Works Department determined it would be appropriate to solicit contractors for this service.

In an effort to save resources and potentially reduce City expenditures, the Procurement Services Division issued Invitation to Bid No. 873-11862 on December 16, 2016 for the hauling and disposal of wastewater treatment grits, rags, solids and sludge to 3,157 vendors.

On January 19, 2017, four vendors responded with two vendors bidding on the first two line items for grits, rags, and solids hauling and disposal and two vendors bidding on the third line item for sludge hauling and disposal.

On January 20, 2017, Procurement Services contacted WPF after a discrepancy was identified by staff in their proposed disposal rate. Per the solicitation, disposal costs would be a direct pass-through to the City and their bid did not reflect same. WPF clarified this error with a letter to the Procurement Services Division, reducing the overall cost (Exhibit 2). As they were already the lowest bidder, this change did not affect the outcome.

The bid from WPF for grits, rags, and solids hauling and disposal has met the specifications of the bid and has been deemed the lowest cost, responsive and responsible bidder.

It was determined by staff that the bid from MB for sludge hauling and disposal met all of the specifications of the bid, was the most responsible and cost effective, and has been deemed the lowest cost, responsive and responsible bid. Compared to the previous service provider, there is an annual estimated cost savings of \$135,525 or \$406,575 over the term of the contract.

Due to this significant cost savings, staff is requesting to terminate the current contract 433-11246 with Biosolids Distribution Services, Inc. for convenience via CAM #17-0323. The award to MB is contingent upon the termination for convenience of the contract with Biosolids Distribution Services, Inc.

A request for pricing to sell nine City-owned roll-off containers was included in the bid. However, staff has opted not to proceed with the sale of these containers at this time.

Resource Impact

For hauling and disposal of wastewater treatment grits, rags, and solids, the estimated current fiscal year impact to the City is \$81,150 and funds are available in the FY 2017 Operating Budget in the accounts listed below. Future year expenditures are contingent upon approval of fiscal year budgets.

<i>Funds available as of February 28, 2017</i>					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT

451-PBS670502-3255	Lohmeyer Regional Plant Maintenance	Services & Materials/ Solid Waste Disposal	\$1,190,204	\$874,956	\$63,000
451-PBS670502-3228	Lohmeyer Regional Plant Maintenance	Services & Materials/ Disposal (Tip) Fee	\$1,190,204	\$874,956	\$18,150
TOTAL →					\$81,150

For hauling and disposal of wastewater treatment sludge, the estimated current fiscal year impact to the City is \$850,000 and funds are available in the FY 2017 Operating Budget in the account listed below. Future year expenditures are contingent upon approval of fiscal year budgets.

<i>Funds available as of February 28, 2017</i>					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
451-PBS670503-3252	Lohmeyer Regional Plant Operations	Services & Materials/ Sludge Disposal	\$6,097,170	\$1,873,378	\$850,000
TOTAL →					\$850,000

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.

This item advances the *Fast Forward Fort Lauderdale 2035 Vision Plan: We Are Ready*.

Related CAM

#17-0323

Attachments

Exhibit 1 – Bid Tabulation
Exhibit 2 – Letter from Waste Pro of Florida, Inc.
Exhibit 3 – Solicitation
Exhibit 4 – Contract with Waste Pro of Florida, Inc.
Exhibit 5 – Contract with Merrell Brothers, Inc.

Prepared by: Nancy J. Gassman, Public Works - Sustainability
Laurie Platkin, Finance
Linda Blanco, Finance

Department Directors: Paul Berg, Public Works
Kirk Buffington, Finance