

**RESOLUTION NO. 2084**

**A RESOLUTION OF THE CITY OF WILSONVILLE ACTING IN ITS CAPACITY AS THE LOCAL CONTRACT REVIEW BOARD FOR THE CITY OF WILSONVILLE, APPROVING THE BID PROCESS; ACCEPTING THE PROPOSAL WHICH WILL BEST SERVE THE INTEREST OF THE CITY; AWARDED THE CONTRACT TO PETROLEUM SOLIDS CONTROL, INC. ;AND VERIFYING FUND AVAILABILITY FOR THE PROJECT KNOWN AS THE MOBILE CENTRIFUGE UNIT FOR THE WASTEWATER TREATMENT PLANT**

WHEREAS, in FY 2007-08 the City adopted budget included funding for the rental of a Mobile Centrifuge Unit for the processing of bio-solids from the wastewater treatment plant; and

WHEREAS, a Request for Proposal for a Mobile Centrifuge Unit was duly advertised for competitive proposals in the Daily Journal of Commerce, a newspaper of general circulation; and

WHEREAS, four sealed proposals were received, opened, and registered on November 29, 2007, at the City of Wilsonville Public Works Offices, 8455 SW Elligsen Road, Wilsonville, Oregon. The City's staff recommendation and summary of proposals marked "Exhibit A," attached hereto and incorporated herein; and

"Whereas, the proposal of \$333,150, by Petroleum Solids Control, Inc, is upon recommendation of the Public Works Director, as set forth in Exhibit A and Exhibit B attached hereto and incorporated by reference herein, is satisfactory in all respects and will serve the best interest of the City; and".

WHEREAS, in the public interest the City Council acting as the Local Contract Review Board may exercise its rights to reject any bids and waive informalities as reserved in its Request for Proposal; and

WHEREAS, the City of Wilsonville desires to execute a Lease-Purchase Agreement in a timely manner; and

WHEREAS, the original budget for rental of a centrifuge in FY 2007-08 was \$125,000; and,

WHEREAS, an increase to the FY 2007-08 budget is required to lease to purchase a Mobile Centrifuge Unit in the amount of \$208,150, to cover the costs, such amount to be funded from the Sewer Operating Fund.

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

1. The City Council acting as the Local Contract Review Board finds and concludes:
  - a. The recital of findings above is incorporated by reference herein.
  - b. The proposal of \$ 333,150 is deemed responsive and is in the best interest of the City.
2. Subject to the final review and approval of the Public Works Director and in accordance with the provisions of the Oregon Revised Statutes, Chapter 279, Public Bids and Contracting and Wilsonville Code 2.3.14, Contracts with the city, and the Attorney General's Model rules which the City has adopted as its contracting rules; the City Council acting as the Local Contract Review Board hereby awards the contract for the Mobile Centrifuge Unit to Petroleum Solids Control, Inc. , in the amount of \$333,148.
3. Subject to final completion of all the requirements in the contract documents and any supplemental changes, the Public Works Director is authorized to certify the required equipment and improvements complete and make final payment.
4. The Public Works Director is authorized to approve change orders to this contract so long as total project costs do not exceed the budget amount.
5. Authorize a project budget and expenditure of funds, subject to a future supplemental budget, in the amount of the proposal:

<u>ACCOUNT</u>	<u>AMOUNT</u>
320.720.44201.0000	\$333,150
6. Include an increase to the FY 2007-08 budget in the amount of \$208,150 with the next periodic supplemental budget adjustment.
7. This resolution is effective upon adoption.

ADOPTED by the Wilsonville City Council at a regular meeting thereof this 3<sup>rd</sup> day of December, 2007, and filed with the Wilsonville City Recorder this date.



ALAN KIRK, COUNCIL PRESIDENT

ATTEST:



Sandra C. King, City Recorder, MMC

SUMMARY OF VOTES:

Mayor Lehan	Excused
Councilor Kirk	Yes
Councilor Knapp	Yes
Councilor Núñez	Yes
Councilor Ripple	Yes

Attachments:

Exhibit A – Public Works Staff Report from Delora Kerber, Public Works Director, dated November 27, 2007

Exhibit B – Public Works Staff Report from Delora Kerber, Public Works Director, dated December 3, 2007

**PUBLIC WORKS STAFF REPORT**

Date: November 27, 2007  
To: Arlene Loble, City Manager  
From: Delora Kerber, Public Works Director  
Subject: Mobile Centrifuge Unit for the Wastewater Treatment Plant

Background –

The Wilsonville Bio-solids Program, as described in the Bio-solids Management Plan, relies exclusively on the application of wastewater plant generated bio-solids to agricultural land as soil augmentation or beneficial use material. Over the past few years it has become increasingly difficult to acquire or maintain winter or wet weather application sites for final disposition of the liquid-phase Class B bio-solids generated by the City's wastewater treatment plant. Since November 2006, we have experienced a net loss of available acreage as land owners have found alternative uses for their property. In addition, the Oregon DEQ has not allowed any new land to be permitted for liquid application since the winter of 2006/2007 and we have been limited by restrictive winter application conditions.

Last winter the storage capacity for bio-solids in the digester and aeration storage cells was close to full. When the storage capacity is full there is a potential impact to other plant processes including a greater potential for odors. To address that critical situation we rented a mobile dewatering unit (AKA centrifuge) that removed 75- 85% water from the bio-solid liquid making it into sludge which then could be hauled to a certified landfill for disposal as a solid waste or applied to agricultural land.

Project –

Knowing that we would face the same limitations of land application this winter and the following years pending the upgrades to the wastewater treatment plant, we planned for the rental of a centrifuge in this year's budget. It is anticipated that the dewatering equipment will be used for three to four months until we are able to resume liquid application on fields in the spring.

A Request for Proposal (RFP) soliciting a mobile skid or trailer mounted centrifuge dewatering process unit for the treatment of bio-solids generated at the wastewater treatment plant was advertised in the Daily Journal of Commerce. The scope of work outlined the minimum specifications for the system, deliverables, timeframe and three different cost options.

Three cost proposals are being requested to ensure that the most fiscally responsible proposal will be selected. Based on preliminary information on rental costs for mobile

centrifuge unit and anticipating that a unit may need to be rented for the next several years, the costs of purchasing may be more economical than renting. Thus, proposals will include options for: Rental for four consecutive years for a minimum of three months per year; Lease to Purchase; and Purchase.

Other selection criteria include the specific equipment specifications; training program and staff qualifications; performance and equipment guarantees. **Staff recommendation and a summary of proposals will be provided at the December 3<sup>rd</sup> Council meeting.**

Schedule

Request for Proposal advertised – November 14 & 15, 2007

Last Date for Specification Protest – November 23, 2007

Request for Proposal (RFP) Opening – November 29, 2007

Statement of Qualifications due – June 29, 2007

Notification of Vendor Selection/Intent to Award – December 4, 2007

Last Date to Protest Award – December 14, 2007

Award Contract – December 17, 2007

On-site Installation Complete – January 7, 2007

Budget -

In the FY 2007-08 budget \$125,000 was allocated for the rental of a centrifuge unit. It is anticipated that a similar amount will be requested for each of the next several years.

During the evaluation of the proposals, if it is determined that purchasing a centrifuge is more economical than renting additional funds will be requested for the 2007/08 budget. If needed, this amount would be subsidized from the Sewer Operating Fund and would replace the future annual request of funds for the rental of a centrifuge. **Supplementary budget information will be provided at the December 3<sup>rd</sup> Council meeting.**

Recommendation -

It is recommended that the City Council approve the bid process; accept the proposal that will best serve the interest of the City; and award the contract to that bidder.

**PUBLIC WORKS STAFF REPORT**

Date: December 3, 2007  
To: Arlene Loble, City Manager  
From: Delora Kerber, Public Works Director  
Subject: Mobile Centrifuge Unit for the Wastewater Treatment Plant

Recommendation –

It is recommended that the City Council approve the bid process; accept the lease-to-purchase proposal for an amount not to exceed \$333,150; and award the contract to Petroleum Solids Control, Inc.

Discussion –

Four (4) formal bid proposals were received for this request. Three of the four bids included a rental, lease-to-purchase and purchase cost options. The fourth bid included only a rental cost option.

The proposals were reviewed by City staff and submittals included details related to the equipment being offered, qualifications of the trainers and the amount of training included in the proposal, warranties for the equipment and guarantees for the processing ability along with the various cost options. After reviewing the bid information in detail, it was determined that pursuing a lease-to-purchase option would be the most economical option.

This determination was made based on several factors. One is that the cost for the lease to purchase was less than rental costs assuming the unit would be used for four months per year for the next four years. Another is that in addition to the planned usage, the unit could also provide processing flexibility when performing routine maintenance (cleaning) on the digesters. In addition, at the end of the assumed four year usage period there would be residual value to the unit that would be recouped when sold.

Proposal Cost Options were as follows:

<u>Company</u>	<u>Rental</u>	<u>Lease to Purchase</u>	<u>Purchase</u>
Centrisys Corporation	\$456,000	\$415,000	\$415,000
PACE Dewatering Systems	\$557,000	\$453,500	\$522,000
<b>Petroleum Solids Control</b>	\$368,006	<b>\$333,150</b>	\$332,312
SENSAC Inc.	\$519,000		

Budget -

In the FY 2007-08 budget \$125,000 was allocated for the rental of a centrifuge unit. It is anticipated that a similar amount will be requested for each of the next several years. During the evaluation of the proposals, it was determined that the lease-to-purchase option would be the most economical alternative. Therefore an increase to the FY 2007-08 budget is required to cover the costs this year and would replace the future annual request of funds for the rental of a centrifuge. This amount would be funded from the Sewer Operating Fund and will occur with the next periodic supplemental budget adjustment.