

E Environment Committee

Meeting date: November 13, 2012

For the Metropolitan Council Meeting of November 28, 2012

ADVISORY INFORMATION

Date:	November 5, 2012
Subject:	Authorization to Award and Execute Contract 12P213 with SKB Environmental, Inc. for Transport and Disposal of Stabilized Biosolids
District(s), Member(s)	All
Policy/Legal Reference:	Council Policy 3-3 Expenditures – Procurement of Goods and Services Over \$250,000
Staff Presented:	Larry Rogacki 651-602-8225; Micky Gutzmann 651-602-1741
Division/Department:	MCES C/O Leisa Thompson, 602-8101

Proposed Action

That the Metropolitan Council authorize its Regional Administrator to award and execute Contract 12P213 with SKB Environmental, Inc. for transport and disposal of alkaline stabilized material in an amount not to exceed \$3,000,000.

Background

Sludge at Metro Plant is normally disposed of by incineration. In the event that the incineration process capacity is reduced, the contingency plan is an alkaline stabilization process which treats the sludge so it can be disposed of directly into a landfill.

Major upgrades to the incinerators are planned in 2013 and 2014 which will result in extended periods of reduced equipment availability. This contract will allow for transport and disposal of biosolids material exceeding process capacity during these extended periods. In addition the contract will also provide a contingency disposal method in the event of any unplanned down time at Metro, Blue Lake, or Empire Plants.

Bids were solicited to provide transportation and disposal services on an as-needed basis for up to 500 tons per day of alkaline stabilized material over a three-year period. There were nine plan holders of record and two bids were received on November 1, 2012. SKB Environmental was the low, responsive, responsible bidder with a unit price of \$32.27 per ton.

The majority of biosolids handled under this contract is expected to be during periods of planned shut downs. The contract does contain a provision for an emergency response rate in the event of an unplanned incident at each of the facilities, a rate for extended operating hours at the landfill, additional services, and a fuel surcharge. In addition the contract contains a provision guaranteeing the hauling and disposal of at least 500 tons of alkaline stabilized material.

Rationale

Council approval is required for procurement of goods or services valued at more than \$250,000.

Funding

To the extent it occurs in 2013 and cannot be offset by other cost reductions, MCES anticipates requesting a budget amendment to make Contingency Reserve funding available. In 2014, funds will be available through the annual operating budget of each facility.

Known Support / Opposition

No known opposition