



Legislation Text

File #: 24-0357, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Approve the award of Change Order #1 to Contract 23-026-0.01, Biosolids Removal Services, to Stewart Spreading, Inc. for an amount not to exceed \$110,416.08 and a total award of \$698,796.08

DEPARTMENT: Water Utilities

SUBMITTED BY: Darrell Blenniss, Director of Water Utilities

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

The City Council awarded Contract 23-026 to Stewart Spreading on February 21, 2023, for a 22-month term from March 1, 2023, to December 31, 2024, with two, one-year options to extend. The purpose of this contract is to remove, transport and land apply residual solids generated by the wastewater treatment process. The biosolids are hauled from the Springbrook Water Reclamation Center (SWRC) by a qualified licensed contractor to agricultural farmland and/or sod farms and applied in accordance with United States Environmental Protection Agency (40 Code of Federal Regulations Part 503) and other federal, state and local regulations.

Public Act 103-0327, effective January 1, 2024, amended the Illinois Prevailing Wage Act to include the removal, hauling and transportation of biosolids.

DISCUSSION:

Change Order #1 is requested to add \$110,416.08 to Contract 23-026 for Biosolids Removal Services in 2024. Water Utilities received a letter from Stewart Spreading on March 21, 2024, proposing a rate increase to comply with the amended Prevailing Wage Act.

The original award for the 22-month term was \$588,380 (\$22.63 per cubic yard) to remove an estimated 26,000 cubic yards. In 2023, \$321,708.08 was spent to remove 14,216 cubic yards before the Prevailing Wage Act went into effect.

The contract balance for 2024 is \$266,671.92 which would allow for the removal of 11,784 cubic yards at the current rate of \$22.63. A balance of \$377,088 is needed to haul the same amount at the proposed rate of \$32 per cubic yard.

Staff recommends this Change Order be awarded based on the procurement history for this service and current market conditions. Stewart Spreading was one of only two bidders in 2023, and they were the sole bidder in 2020. The second bid in 2023 was \$32.52 per cubic yard which is higher than

the proposed rate.

FISCAL IMPACT:

CIP #: N/A

Biosolid removal services are expensed to the Operational Services account listed below. In 2024, the Water Department budgeted \$282,875 for biosolid removal services. It is anticipated that this Change Order can be accommodated within the 2024 budget, but staff will continue to monitor the budget throughout the year and adjust spending in other areas as needed.

Account Number	Fund Description	Total Budget Amount
41251530-531308	Water Utility Fund	\$327,875