



City of Grand Island

Tuesday, August 12, 2008

Council Session

Item G7

**#2008-202 - Approving Amendment to Resolution 2008-146;
Trucking of Sewage Sludge for the Waste Water Division**

Staff Contact: Steven P. Riehle, City Engineer/Public Works Direc

Council Agenda Memo

From: Steven P. Riehle, Public Works Director

Meeting: August 12, 2008

Subject: Approving Amendment to Resolution 2008-146;
Trucking of Sewage Sludge for the Waste Water
Division

Item #'s: G-7

Presenter(s): Steven P. Riehle, Public Works Director

Background

The City Council approved Resolution 2008-146 for the Trucking of Sewage Sludge bid award to the Butler County Landfill at the May 27, 2008 council meeting. The bid specifications included provisions for a fuel cost adjustment.

Discussion

The fuel cost adjustment was inadvertently omitted from Resolution 2008-146. The calculation for such adjustment was included in the bid specifications and also with the signed contract. The calculation is attached for reference.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council approve the amendment to Resolution 2008-146 reflecting the fuel cost adjustment.

Sample Motion

Move to approve the amendment to Resolution 2008-146.

ATTACHMENT A

Payment for trucking of sewage sludge will also include a fuel cost adjustment according to the Nebraska Department of Roads (NDOR) Standard Specifications for Highway Construction. An item will be included on each monthly invoice to adjust for increases or decreases to the base fuel price as published on the NDOR website for construction projects. No payment for a fuel cost adjustment shall be made in a month in which the monthly fuel cost is less than \$0.05 different than the base fuel price for the month in which bids were opened.

The formula will be as follows:

Calculation of Gallons of Diesel Fuel used per ton of Sludge Hauled

$\frac{A \times B}{C \times D}$	Value
A = Mileage from City's WWTP 3013 E Swift Road, Grand Island, NE to Butler County Landfill, 3558 R Road, David City, NE	79.58
B = Round Trip	2.00
C = Average Fuel Usage as miles per gallon (Based on Truck and Pup)	5.00
D = Tons of Sewage Sludge per Load	30.00
= Gallons of Diesel Fuel used per ton of Sludge Hauled	1.061

Calculation of Monthly payment for Fuel Cost Adjustment

$A \times B \times C$	
A = Monthly Total Tonnage scaled receipts	-----
B = Increase or Decrease in Diesel Fuel price per gallon (only if greater than or equal to \$0.05)	-----
C = Gallons of Diesel Fuel per ton of Sludge	1.061
= Fuel Cost Adjustment in Dollars	\$ _____

Link to Base Diesel Fuel Prices:

www.nebraskatransportation.org/doing_business/contractors_corner/standard_plan_info/base_diesel_fuel_price

R E S O L U T I O N 2008-202

WHEREAS, the City of Grand Island invited sealed bids for Trucking of Sewage Sludge for the Waste Water Division of the Public Works Department, according to specifications on file with the City Engineer; and

WHEREAS, on May 20, 2008 bids were received, opened, and reviewed; and

WHEREAS, Butler County Landfill submitted a bid in accordance with the terms of the advertisement and bid specifications and all other statutory requirements contained therein, such bid being in the amount of \$10.60 per ton; and

WHEREAS, Butler County landfill's bid is less than the estimate for such project; and

WHEREAS, Resolution 2008-146 did not include mention of the Fuel Cost Adjustment, this Resolution will amend Resolution 2008-146 to include the Fuel Cost Adjustment; and

WHEREAS, Butler County Landfill shall start work June 2, 2008 hauling sludge for a minimum period of one (1) year, and the contract shall automatically renew unless discontinued by either party with at least a 30 day written notice; and

WHEREAS, the bid specifications for the work included a Fuel Cost Adjustment to account for increases or decreases in the price of fuel as documented on the Nebraska Department of Roads website; and

WHEREAS, the calculation of monthly payment for Fuel Cost Adjustment shall be *Monthly Total Tonnage scaled receipts x Increase or Decrease in Diesel Fuel Price per gallon (only if greater than or equal to \$0.05) x Gallons of Diesel Fuel per ton of Sludge (\$1.061)*.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of \$10.60 per ton and the monthly payment for Fuel Cost Adjustment to the Butler County Landfill of David City, Nebraska is hereby approved.

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Adopted by the City Council of the City of Grand Island, Nebraska, August 12, 2008.

Margaret Hornady, Mayor

Attest:

Paul Briseno, Deputy City Clerk

Approved as to Form	<input type="checkbox"/> _____
August 7, 2008	<input type="checkbox"/> City Attorney