

MEMORANDUM

To:

David Billingsley, CPSM, CPM, Chief Procurement Officer

Procurement and Contracts Division

From:

David. J. Bass, P.E., Division Manager

Wastewater Division

Date:

November 15, 2016

Subject:

Water Conserv II WRF

Extension of Biosolids Contract (No. SCN-0108-02):

Showcase of Citrus

The purpose of this letter is to request an extension for the Agreement with the Showcase of Citrus from January 1, 2017 through September 30, 2017. Several unique circumstances created the need for this request, which are discussed in the following paragraphs.

The existing anaerobic digesters at the City's Water Conserv II Water Reclamation Facility (WRF) are more than 30 years old and are in dire need of urgent repairs and upgrades. A cost-benefit analysis was performed by the City's consultant to determine the best option for stabilization of biosolids in the future. The Schwing BioSet process was chosen as the most cost effective option and to replace the existing deteriorated anaerobic digesters.

The City entered into an agreement with Schwing BioSet during 2015 to permit and construct the necessary facilities for the biosolids stabilization process. The order for the process equipment was placed in the fall of 2015. Currently, Schwing BioSet is constructing the facilities, installing the equipment, and performing the necessary start-up of the process. Construction of facilities was delayed due to the availability of parts and minor field modifications, but was essentially complete in October 2016. However, several problems were encountered during start-up operations with the process not continuously achieving the proper temperature for compliance with the EPA/ FDEP approved protocols for the process. Schwing BioSet is under contract to conduct a six month start-up and testing program, which was suspended until the problems with the temperature issues is resolved and the punch list is completed. Installation and start-up is now anticipated to conclude prior to July 01, 2017.

The City currently has an agreement with the Showcase of Citrus to handle the stabilized biosolids from the Water Conserv II WRF. City staff transports the biosolids to the designated location for beneficial reuse. The Showcase of Citrus may either land spread the stabilized biosolids at a permitted application site or create a registered fertilizer product with the digested material at their biosolids management facility.

The current extension to the Agreement with the Showcase of Citrus is set to expire on December 31, 2016. Under normal circumstances, the Purchasing and Materials Management Division would prepare and issue an RFP to secure the services of a Contractor going forward. Currently, few Contractors are hauling and handling biosolids for beneficial reuse. With an abbreviated term of nine months, few Contractors, if any, would submit bids to provide these services. Any bids that may be received would be excessively high.

The Showcase of Citrus has been very cooperative in working with the City for the past 30 years. In response to the extended wet weather conditions and the unavailability of application sites and biosolids management facilities, the Showcase of Citrus took the initiative on multiple occasions to provide alternative locations for the storage or handling of biosolids. The Showcase of Citrus extended these resources to help the City with the biosolids from the Iron Bridge Regional WRF.

John Arnold, Jr., President of Showcase of Citrus, has agreed during recent discussions to extend the current Agreement with the same terms and price, and to provide the same facilities for the beneficial reuse of biosolids from the Water Conserv II WRF. Mr. Arnold is willing to extend the Agreement as long as necessary for the City to complete the project at Water Conserv II.

Based on the average number of loads per month hauled by City staff each month to the Showcase of Citrus facilities during 2015, the total estimated cost for these services will be about \$165,000.

David, if you should have any questions or need additional information concerning this request to extend the Agreement for the Showcase of Citrus, please do not hesitate to contact me. Thank you for your cooperation and assistance in this matter.

DIB

C: Diane Weatherington, Senior Purchasing Agent, Procurement and Contracts Division Paul K. Deuel, Assistant Division Manager, Wastewater Division Steve Shelnutt, Plant Manager, Water Conserv II WRF