



Legislation Details (With Text)

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Title: A Resolution to Extend the Current Contract with Stewart Spreading, Inc., for Lime Sludge Removal and Disposal for the Water Production Division

Sponsors:

Indexes:

Code sections:

Attachments: 1. City Resolution R12-289 - 10-23-12.pdf, 2. Current Lime Sludge Contract Language - Extension.pdf, 3. Lime Residual - Per Wet Ton Costs - Aug 2019.pdf, 4. Letter of Understanding - SIGNED - July 2019.pdf

Date	Ver.	Action By	Action	Result
8/27/2019	1	City Council	approved	Pass
8/20/2019	1	Committee of the Whole	(PLACED ON CONSENT AGENDA)	
8/15/2019	1	Finance Committee	recommended for approval	Pass

TO: Mayor Richard C. Irvin

FROM: David E. Schumacher, P.E., Superintendent of Water Production

DATE: August 15, 2019

SUBJECT:

Resolution to Extend the Current Contract with Stewart Spreading, Inc., for Lime Sludge Removal and Disposal for the Water Production Division

PURPOSE:

The city's lime softening water treatment plant produces a lime residual (sludge) which currently is disposed through landfilling and land application processes. In July 2012 the vital work to load, haul, and ultimately dispose of the material was publicly bid. Three bids were received. Subsequently, on October 23, 2012 the City entered into a contractual agreement with Stewart Spreading, Inc. (Stewart), Sheridan, IL, to remove and dispose of the lime sludge generated. The initial term of the agreement expired on October 22, 2014.

BACKGROUND:

There are clauses in both the current contractual document as well as the resolution passed by the City Council (Resolution 12-289 adopted on October 23, 2012), which specifically allow the contract to be extended upon mutual consent of the city and the contractor (both the resolution and appropriate contract sections are attached for reference). Subsequently, the agreement was extended by mutual consent until October 22, 2016, again until October 22, 2018, and lastly until October 22, 2019.

DISCUSSION:

The Water Production Division has approached Stewart regarding additionally extending the current contract under the same terms and conditions for another year. Stewart has agreed to the extension. A Letter of Understanding that would accomplish the contract extension has been signed by Stewart and is also attached for reference.

Extending the current contract eliminates the risk of unknown price increases received through future open bidding, and most importantly, secures a historically consistent, stable, and quality lime residual disposal contractor as the City works to transition the ultimate disposal of the lime residual to an alternative method, hopefully within the next twelve months.

Given that the current contract and the city resolution specifically provide the option to extend the current contract, the WPD believes that the City's overall best interests are served if the existing contract is extended for an additional period of 12 months until October 22, 2020.

Funds are available in account number 510-4058-511-36-58 for the budget year 2019 (\$1,652,374) and have been requested in the same account for budget year 2020.

IMPACT STATEMENT:

Not extending the contract could lead to severe operational difficulties for the city's Water Treatment Plant.

RECOMMENDATIONS:

That the attached resolution to extend the existing contract for an additional 12 months for Stewart Spreading be forwarded to the Finance Committee for their review and approval.

cc: Finance Committee



CITY OF AURORA, ILLINOIS

RESOLUTION NO. _____
DATE OF PASSAGE _____

A Resolution to Extend the Current Contract with Stewart Spreading, Inc., for Lime Sludge Removal and Disposal for the Water Production Division

WHEREAS, the City of Aurora has a population of more than 25,000 persons and is, therefore, a home rule unit under subsection (a) of Section 6 of Article VII of the Illinois Constitution of 1970; and

WHEREAS, subject to said Section, a home rule unit may exercise any power and perform any function pertaining to its government and affairs for the protection of the public health, safety, morals, and welfare; and

WHEREAS, the Water Production Division generates a lime residual product from the water treatment process which must be removed and disposed either via landfilling or via land application by an external contractor whose current contract is due to expire on October 22, 2019; and

WHEREAS, the city entered into a contract with Stewart Spreading, Inc., Sheridan, IL via Resolution 12-289, and Stewart Spreading has been satisfactorily executing the provisions of the contract since that time, and

WHEREAS, the current contract permits extensions by mutual consent and both parties wish to extend the contract for a period of 12 months, ending on October 22, 2020.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Aurora, Illinois, as follows: does hereby authorize the Purchasing Director to execute the Letter of Understanding to approve the 12-month contract extension and to generate purchase orders to accomplish the same for lime sludge removal and disposal.