TO:            HONORABLE CITY COUNCIL
FROM:          CITY MANAGER              DEPARTMENT: PUBLIC WORKS
DATE:          MAY 7, 2007
SUBJECT:       APPROVAL OF AN ENTERPRISE FUND CONTRACT WITH ROMIC ENVIRONMENTAL TECHNOLOGIES CORPORATION IN THE BASE AMOUNT OF $212,128 FOR PROVISION OF SERVICES FOR TRANSPORTATION AND DISPOSAL OF ASH FOR THE REGIONAL WATER QUALITY CONTROL PLANT

RECOMMENDATION
Staff recommends that Council:

1. Approve and authorize the City Manager or his designee to execute the attached contract with Romic Environmental Technologies Corporation in the amount of $212,128 for provision of services for transportation and disposal of ash for the Regional Water Quality Control Plant (Attachment A).

2. Authorize the City Manager or his designee to negotiate and execute one or more change orders to the contract with Romic Environmental Technologies Corporation for related, additional but unforeseen work which may develop during the project, the total value of which shall not exceed $21,212 per year.

3. Authorize the City Manager or his designee to exercise the option to renew the contract for the second and third year at a five percent increase per year provided the contractor is responsive to the City’s needs and the quality of the contractor’s work is acceptable during the prior year(s) of the contract.

DISCUSSION
Project Description
The work to be performed under the contract is hauling and disposal of incinerator ash from the Regional Water Quality Control Plant (RWQCP). The RWQCP operates two sludge incinerators that produce about 1,211 dry tons of incinerator ash per year. Currently, RWQCP ash is used as an agricultural soil amendment in the San Joaquin Valley [CMR 403:05; 205:02], and this is still the preferred method of disposal. The new contractor, Romic Environmental Technologies Corporation, will provide a backup hauling and disposal service in the event that (a) the current disposal contractor, Offset Environmental Services, is unable to haul or dispose of the ash or (b) if the ash fails to meet quality standards for application to farmland. Ash is hauled away twice per week. The plant does not have any ad hoc capabilities (e.g., onsite storage facilities, hauling equipment, etc.) to deal with surplus ash in the event Offset Environmental Services is unable to
haul or dispose of plant ash. It is common to have a backup contract to provide for use of a landfill when beneficial reuse cannot be pursued.

A request for quotation for the project was posted at City Hall and sent to four bidders. The bidding period was 21 days. Bids were received from two qualified contractors on March 13, 2007, as listed on the attached bid summary (Attachment B). Bids ranged from a high of $234,575.22 to a low bid of $212,127.50.

### Summary of Bid Process

<table>
<thead>
<tr>
<th>Bid Name/Number</th>
<th>Transportation and Disposal of Ash/RFQ 121081</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Length of Project</td>
<td>12 months</td>
</tr>
<tr>
<td>Number of Bids Mailed to Contractors</td>
<td>4</td>
</tr>
<tr>
<td>Number of Bids Mailed to Builder’s Exchanges</td>
<td>0</td>
</tr>
<tr>
<td>Total Days to Respond to Bid</td>
<td>21</td>
</tr>
<tr>
<td>Pre-Bid Meeting?</td>
<td>No</td>
</tr>
<tr>
<td>Number of *Bids Received:</td>
<td>2</td>
</tr>
<tr>
<td>Bid Price Range</td>
<td>From a low of $212,127.50 to a high of $234,575.22</td>
</tr>
</tbody>
</table>

*Bid summary provided in Attachment B. The Certification of Nondiscrimination is Attachment C.

Staff has reviewed all bids submitted and recommends that the bid of $212,127.50 submitted by Romic Environmental Technologies Corporation be accepted and that Romic Environmental Technologies Corporation be declared the lowest responsible bidder. The bid is 12 percent below the engineer's estimate of $241,153.

Staff checked references supplied by the contractor for previous work performed and found no significant complaints. Staff also checked with the Contractor's State License Board and found that the contractor has an active license on file.

**RESOURCE IMPACT**

Funds for the first year of the contract have been appropriated in the FY 2006-2007 Wastewater Enterprise Funds. Fund for years two and three are contingent upon Council approval of the budget for each subsequent year.

**POLICY IMPLICATIONS**

This recommendation does not represent any change to existing City policies.

**ENVIRONMENTAL REVIEW**

The recommended action is exempt from review under the California Environmental Quality Act pursuant to CEQA Guidelines Section 15301 (b), which exempts negligible expansion of an existing use including operation of publicly-owned sewerage services, structures, facilities, mechanical equipment, or topographical features.
ATTACHMENTS
Attachment A: Contract
Attachment B: Bid Summary
Attachment C: Certification of Nondiscrimination

PREPARED BY: James Allen, Project Engineer RWQCP
               Rick Wetzel, Manager RWQCP

DEPARTMENT HEAD:_____________________________________
GLENN S. ROBERTS
Director of Public Works

CITY MANAGER APPROVAL:______________________________
EMILY HARRISON
Assistant City Manager