



Request for Council Action

TO: Mayor and City Council
THROUGH: Tim Murray, City Administrator
FROM: Travis Block, Public Works Director
MEETING DATE: April 9, 2019
SUBJECT: Approve Biosolids Hauling and Application Agreement Extension

Background:

The City has held an agreement with Fergus Power Pump, Inc. for the dredging, hauling, and land application of biosolids (sludge) from the Water Reclamation Facility (WRF). The Council approved this agreement on March 10, 2015. The agreement allows for yearly extensions based upon satisfactory performance.

The WRF personnel are satisfied with the services provided by Fergus Power Pump under this contract, and are recommending proceeding with a one-year extension for 2019. The cost for the work is the same as the previous year \$0.0520/gallon. The City has been working with this company since 1997. Included in this agreement, Fergus Power Pump, Inc. will complete all of the required reporting and permitting for the hauling and land application of the biosolids.

Recommendation:

Approve Biosolids Hauling and Application Agreement Extension for 2019 with Fergus Power Pump Inc.

Attachments:

- Letter



FERGUS
POWER
PUMP INC.

**Biosolids
Management**

- 24978 - 225th Street • Fergus Falls, MN 56537
- Phone (218) 736-6772 • Fax (218) 736-7115
- Email: fppinc@prtcl.com • www.ferguspump.com

March 25, 2019

Mr. Henry Morgan
City of Faribault
214NE 14th Street
Faribault, MN 55021

REF: Contract Extension

Dear Mr. Morgan,

Fergus Power Pump, Inc. would like to thank you for the possibility of extension of the current contract for additional one year. The request for extension is based on current contract to be extended to the agreement based upon satisfactory performance.

All specifications in the original contract will apply to the contract extension.

City of Faribault is responsible to supply a crane for unloading and loading the dredge into the lagoon, along with providing anchors to support the dredge. The anchors will need to be mobile and have a gross weight of a minimum of 4,000 pounds.

Fergus Power Pump, Inc. proposes a project cost for dredging based on an estimated 3.0 million gallons per application with a 12-mile haul to permitted field sites as follows:

2019 \$0.052 / gallon

Dredging, hauling, land application will be conducted as per Minnesota Pollution Control Agency, MPCA and EPA Rules. Fergus Power Pump is a MPCA Type IV Certified Corporation.

A Fuel surcharge will be added should the price of fuel be over \$3.50/gallon, per invoice of usage per unit. All equipment necessary will be full of fuel at the start of the project and refueled at the end of the project.

Example: Surcharge=Current price of fuel \$3.85 - \$3.50= \$0.35 gallons used per unit.

Please send letter of acceptance to the one-year contract extension as outline per this letter.

If you have any questions, please do not hesitate to call.

Sincerely,

Mitch Okerstrom, C.E.O.