



WEST DES MOINES WATER WORK BOARD OF TRUSTEES MEETING COMMUNICATION

ITEM:

DATE: August 20, 2018

6. Recommendation from Staff
b. Motion - Approving the Contract Agreement with Kelderman Lime, Inc. for Disposal of Lime Residuals

FINANCIAL IMPACT: Fixed wet ton cost of \$18.95/ton.

SUMMARY: Approval of this contract with Kelderman Lime, Inc. will provide for a fixed cost and known reliable service provider for three years for the disposal of lime residuals, a by-product of the West Des Moines Water Works treatment process. The price quoted per wet ton is approximately 15% higher than the last contract signed in 2015. However, the quoted contract cost remains \$1.03 per wet ton less than the low quote that Des Moines Water Works received in 2015.

BACKGROUND: Kelderman Lime, Inc. has been the West Des Moines Water Works' lime residual hauler for over 18 years. Kelderman has provided reliable service and competitive pricing, and has expanded their business to directly apply lime residuals to local farm fields as a soil conditioner.

In May 2015, Des Moines Water Works received proposals for a five year contract for removal and disposal of lime residuals, with the results as follows for price per ton:

Beneficial Reuse Management	\$24.47
Chamness Technology, Inc.	\$20.10*
Synagro Central, LLC	\$19.98

*Assuming \$3.60/gallon fuel price

Due to the need for absolute reliability from the lime residuals contractor and the consistency in cost and service from Kelderman, staff requests entering a three year contract agreement. All terms of the agreement, with the exception of the increased tonnage price, remains consistent with the existing contract.

To Concur with the recommendation of staff and approve the contract agreement with Kelderman Lime, Inc. for disposal of lime sludge.

RECOMMENDED ACTION BY THE BOARD OF TRUSTEES:

Prepared by: _____

Approved for Content by: _____

Agreement For Removal Of Lime Residuals

Parties:

The parties to the Agreement are the Board of Water Works Trustees of the City of West Des Moines, Iowa on behalf of the West Des Moines Water Works ("WDMWW") and Kelderman Lime Inc. ("Kelderman").

Recitals:

WDMWW and Kelderman have entered into this agreement for the disposal of lime sludge from the West Des Moines sludge dewatering facility and the West Des Moines lime residual holding ponds.

Agreement:

1. Term. The term of this Agreement is 3 years commencing on October 1, 2018.
2. Scope of Work. The scope of work required of Kelderman by this Agreement is to receive the production of lime residuals from WDMWW's dewatering facility at the Railroad Avenue Water Treatment Plant ("Railroad WTP") and from the lime residuals holding ponds at the WDMWW Lagoons ("WDMWWL") and to remove such residuals to other locations at the sole cost, risk and expense of Kelderman in such a manner as will not reflect adversely on WDMWW. To that end, Kelderman shall:
 - a. Furnish the necessary equipment and manpower to accomplish the loading and removal of the lime residuals at the Water Works Lime Residuals Dewatering Building ("RDB") at the Railroad WTP as shall be reasonably necessary.
 - b. Furnish the necessary equipment and manpower to remove lime residuals from the WDMWW Lagoons. Kelderman will commence removal upon direction from WDMWW. The amount to be removed in any year shall not exceed the amount authorized by the WDMWW.
 - c. Obtain and maintain all necessary permits for the transportation disposal of the lime residuals and make all necessary reports to any regulatory agencies.
 - d. Provide WDMWW with copies of permits and reports to regulatory agencies.
 - e. Kelderman shall be responsible for the lime residuals removed from the lagoon by the removal process in all respects from the commencement of removal by Kelderman equipment and shall use its best efforts to dispose of such residuals.
 - f. Accept and haul residuals solid concentrations which may vary because of equipment problems. Solid concentrations below 25% may be hauled directly to the WDMWW lagoons for a per load trip charge of \$100.00.

nature. In the event the defaulting party fails to cure the default within thirty (30) days or such longer period if the same is not reasonably curable in thirty days, then the other party may terminate this Agreement.

Signed this _____ day of _____, 2018

Kelderman Lime, Inc.

By: _____

Clint Kelderman, Vice President

Board of Trustees

West Des Moines Water Works

By: _____