

City of Fayetteville Staff Review Form

2019-0264

Legistar File ID

6/4/2019

City Council Meeting Date - Agenda Item Only
N/A for Non-Agenda Item

Tim Nyander

4/23/2019

WASTEWATER TREATMENT (730)

Submitted By

Submitted Date

Division / Department

Action Recommendation:

Staff recommends the approval of the installation of critical replacement parts for the thermal dryer at the Biosolids Management Site by AIT Services Inc. in the amount of \$58,250.00 plus applicable taxes, approval of a labor contingency in the amount of \$10,000.00, and approval of a budget adjustment.

Budget Impact:

5400.730.5800-5414.00

Water and Sewer

Account Number

Fund

02069.1

Plant Pumps and Equipment - WWTP

Project Number

Project Title

Budgeted Item? Yes

Current Budget \$ 906,843.00

Funds Obligated \$ 901,558.87

Current Balance \$ 5,284.13

Does item have a cost? Yes

Item Cost \$ 73,929.38

Budget Adjustment Attached? Yes

Budget Adjustment \$ 73,930.00

Remaining Budget \$ 5,284.75

V20180321

Purchase Order Number: _____

Previous Ordinance or Resolution # _____

Change Order Number: _____

Approval Date: _____

Original Contract Number: _____

Comments: Taxes are estimated in the amount of \$5,679.38. Including the contingency, this item has a potential total cost of \$73,929.38.



MEETING OF JUNE 4, 2019

TO: Mayor and City Council

THRU: Don Marr, Chief of Staff
Water & Sewer Committee
Tim Nyander, Utilities Director

FROM: Greg Weeks, Wastewater Treatment

DATE: April 23, 2019

SUBJECT: Installation of Critical Replacement Parts on the Thermal Dryer System at the Biosolids Management Site by AIT Services, Inc.

RECOMMENDATION:

Staff recommends the approval of the installation of critical replacement parts for the thermal dryer at the Biosolids Management Site by AIT Services Inc. in the amount of \$58,250.00 plus applicable taxes, approval of a labor contingency in the amount of \$10,000.00, and approval of a budget adjustment.

BACKGROUND:

The Biosolids Management Site (BMS) utilizes a 24-cubic yard Fenton CM 7212 Thermal Dryer system to convert wet biosolids to a Class-A fertilizer. Biosolids are the byproduct of the city's wastewater biological nutrient removal process. The Noland and West Side treatment facilities produce an average of over 100,000 pounds of dewatered biosolids every day. The thermal dryer, in combination with the site's solar house dryers, reduces the daily biosolids volume down to approximately 15,000 lbs. of Class-A, Exceptional Quality fertilizer. The nearly full-time biosolids dryer operation saves the city significant landfill costs annually, as well as allows for beneficial reuse of the biosolids material.

DISCUSSION:

The thermal dryer has been in operation for 6.5 years and several critical parts are reaching their life expectancy. Recent inspections identified need of replacement for dryer parts such as rotor-drive sprockets, rotor swivels, rotor bearings and end-gland packing. Earlier this year, Council approved an ordinance (No.6147) for purchase of the critical replacement parts. These parts are very specific to the Fenton Dryer system where AIT technicians provide parts-specific technical training and service experience. Ordinance No. 6147 also waived the requirement of formal competitive bidding and authorizes future parts purchases, installation and repair services through AIT Services, Inc as they are the sole source authorized service and parts provider for Fenton Drying Systems.

AIT Services recently submitted a quote of \$58,250.00 for installation-rebuild of eight critical replacement parts for the Fenton Dryer. Staff recommends approval of parts installation services by AIT in the amount of \$58,250.00 plus applicable taxes. Staff also recommends the approval of a contingency in the amount of \$10,000.00, allowing for additional AIT labor and lodging resulting from site-specific unforeseen circumstances or delays caused by the owner-operator.

BUDGET/STAFF IMPACT:

A budget adjustment from capital project No.14018 Sanitary Sewer Rehabilitation – Ramsey and Overcrest will be necessary to fund this purchase of spare parts. The budgeted funds being transferred is cost savings left over after completing the sewer rehabilitation project.

Attachments:

AIT Services Quote
Ordinance 6147
Budget Adjustment

AIT SERVICES, Inc.

Date: April 15, 2019

To: Tim Luther
Jacobs
Fayetteville WWTP

From: Dan Bolton
AIT Services, Inc.

Re: Parts Installation Quote

Tim:

The following is the price for the labor and other costs associated with:

- Replacing both rotor drive sprockets
- Replacing one complete rotor swivel with a new unit
- Rebuilding one rotor swivel
- Replace both rotor bearing rollers with new components
- Replacing packing in both end glands on the rotor shaft.
- Assisting Jacobs personnel with verbal instructions to install the water column gauge and fill limiting arm.

AIT will provide:

- 4 to 5 qualified personnel to perform the work.
- All required equipment (welder, torch, hand tools, etc.).
- All lifting equipment (forklift(s), rigging, etc.) required.

Price: \$ 58,250.00 (based on 4 to 5 men @ 5 days onsite and 2 days travel time)

Terms: 50% (\$ 29,125.00) Down Payment Due With Purchase Order

50% (\$ 29,125.00) Due Net 30 Days after Work Completion

NO LOCAL, STATE OR FEDERAL SALES TAXES ARE INCLUDED IN THIS QUOTE.

NOTE:

- All work defined above can be accomplished within the timeframe quoted or less, unless there are unforeseen circumstances related to site-specific delays such as limited access to perform the work, weather, etc., or unanticipated issues with the drying system that may be identified during the work process which, at the customer's request needs to be corrected at that time. Any additional days which may be required by AIT personnel over the time specified above will be billed at \$1250.00 per man per day for every day the personnel show up at the site, plus \$300.00 per man per day for lodging, meals and miscellaneous living expenses.

1100 County Road 134, Brownwood, Texas
325-646-9754

- The above price is good for 120 days.

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

Thanks,

A handwritten signature in cursive script that reads "Dan Bolton". The signature is written in dark ink and has a fluid, connected style.

Dan Bolton
325-642-3544



113 West Mountain Street
Fayetteville, AR 72701
(479) 575-8323

Ordinance: 6147

File Number: 2018-0741

AIT SERVICES, INC.:

AN ORDINANCE TO WAIVE THE REQUIREMENTS OF FORMAL COMPETITIVE BIDDING AND AUTHORIZE THE PURCHASE OF SPARE PARTS AND REPAIR SERVICES FOR THE THERMAL DRYING UNIT LOCATED AT THE BIOSOLIDS MANAGEMENT SITE FROM AIT SERVICES, INC. IN THE AMOUNT OF \$117,917.67 PLUS APPLICABLE TAXES, TO APPROVE A PROJECT CONTINGENCY IN THE AMOUNT OF \$20,000.00, AND TO WAIVE THE REQUIREMENTS OF FORMAL COMPETITIVE BIDDING FOR FUTURE PURCHASES OF PARTS AND REPAIR SERVICES FOR THE THERMAL DRYING UNIT FROM AIT SERVICES, INC. THROUGH DECEMBER 31, 2021

WHEREAS, the thermal dryer located at the City's Biosolids Management Site has helped save the City approximately \$1,000,000.00 in landfill costs and generated \$48,500.00 in revenue through fertilizer sales to the public in 2018; and

WHEREAS, a recent inspection identified stress damage to split bearings, critical parts that support each end of the rotating drum, and the replacement or repair of the bearings and other worn or failing components should extend the life of the dryer up to five more years; and

WHEREAS, AIT Services, Inc. is the sole provider of replacement parts for the thermal dryer.

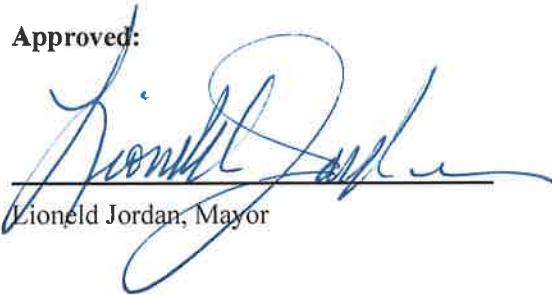
NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby determines an exceptional situation exists in which competitive bidding is deemed not feasible or practical and therefore waives the requirements of formal competitive bidding and authorizes the purchase of spare parts for the thermal drying unit located at the Biosolids Management Site from AIT Services, Inc. in the amount of \$117,917.67 plus applicable taxes, and further approves a project contingency in the amount of \$20,000.00.


Section 2: That the City Council of the City of Fayetteville, Arkansas hereby determines that, because AIT Services, Inc. is the sole provider of replacement parts for the dryer unit, an exceptional situation exists in which competitive bidding is deemed not feasible or practical for future purchases and therefore waives the requirements of formal competitive bidding through December 31, 2021.

PASSED and APPROVED on 2/5/2019

Approved:


Lioneld Jordan, Mayor

Attest:


Lisa Branson, Deputy City Clerk





City of Fayetteville, Arkansas

113 West Mountain Street
Fayetteville, AR 72701
(479) 575-8323

Text File

File Number: 2018-0741

Agenda Date: 2/5/2019

Version: 1

Status: Passed

In Control: City Council Meeting

File Type: Ordinance

Agenda Number: D. 2

AIT SERVICES, INC.:

AN ORDINANCE TO WAIVE THE REQUIREMENTS OF FORMAL COMPETITIVE BIDDING AND AUTHORIZE THE PURCHASE OF SPARE PARTS AND REPAIR SERVICES FOR THE THERMAL DRYING UNIT LOCATED AT THE BIOSOLIDS MANAGEMENT SITE FROM AIT SERVICES, INC. IN THE AMOUNT OF \$117,917.67 PLUS APPLICABLE TAXES, TO APPROVE A PROJECT CONTINGENCY IN THE AMOUNT OF \$20,000.00, AND TO WAIVE THE REQUIREMENTS OF FORMAL COMPETITIVE BIDDING FOR FUTURE PURCHASES OF PARTS AND REPAIR SERVICES FOR THE THERMAL DRYING UNIT FROM AIT SERVICES, INC. THROUGH DECEMBER 31, 2021

WHEREAS, the thermal dryer located at the City's Biosolids Management Site has helped save the City approximately \$1,000,000.00 in landfill costs and generated \$48,500.00 in revenue through fertilizer sales to the public in 2018; and

WHEREAS, a recent inspection identified stress damage to split bearings, critical parts that support each end of the rotating drum, and the replacement or repair of the bearings and other worn or failing components should extend the life of the dryer up to five more years; and

WHEREAS, AIT Services, Inc. is the sole provider of replacement parts for the thermal dryer.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby determines an exceptional situation exists in which competitive bidding is deemed not feasible or practical and therefore waives the requirements of formal competitive bidding and authorizes the purchase of spare parts for the thermal drying unit located at the Biosolids Management Site from AIT Services, Inc. in the amount of \$117,917.67 plus applicable taxes, and further approves a project contingency in the amount of \$20,000.00.

Section 2: That the City Council of the City of Fayetteville, Arkansas hereby determines that, because AIT Services, Inc. is the sole provider of replacement parts for the dryer unit, an exceptional situation exists in which competitive bidding is deemed not feasible or practical for future purchases and therefore waives the requirements of formal competitive bidding through December 31, 2021.

City of Fayetteville Staff Review Form

2018-0741

Legistar File ID

2/5/2019

City Council Meeting Date - Agenda Item Only

N/A for Non-Agenda Item

Greg Weeks

1/4/2019

WASTEWATER TREATMENT (730)

Submitted By

Submitted Date

Division / Department

Action Recommendation:

Staff recommends the approval of the purchase of spare parts and repair services for the thermal drying unit located at the Biosolids Management Site (BMS) from AIT Services, Inc. in the amount of \$117,917.67 plus applicable taxes, to approve a project contingency in the amount of \$20,000.00, and to authorize future purchases of parts and repair services through December 31, 2019.

Budget Impact:

<u>5400.730.5800-5414.00</u>		<u>Water/Sewer</u>	
<u>Account Number</u>		<u>Fund</u>	
<u>02069.1</u>		<u>Plant Pumps and Equipment - WWTP</u>	
<u>Project Number</u>		<u>Project Title</u>	
Budgeted Item?	<u>Yes</u>	Current Budget	\$ 844,807.00
		Funds Obligated	\$ 698,366.79
		Current Balance	\$ 146,440.21
Does item have a cost?	<u>Yes</u>	Item Cost	\$ 137,917.67
Budget Adjustment Attached?	<u>No</u>	Budget Adjustment	\$ -
		Remaining Budget	\$ 8,522.54

V20180321

Purchase Order Number: _____

Previous Ordinance or Resolution # _____

Change Order Number: _____

Approval Date: _____

Original Contract Number: _____

Comments:



MEETING OF FEBRUARY 5, 2019

TO: Mayor and City Council

THRU: Don Marr, Chief of Staff
Tim Nyander, Utilities Director
Water and Sewer Committee

FROM: Greg Weeks, Jacobs Area Manager

DATE: January 4, 2019

SUBJECT: Thermal Dryer Parts and Repairs at the Biosolids Management Site

RECOMMENDATION:

Staff recommends the approval of the purchase of spare parts and repair services for the thermal drying unit located at the Biosolids Management Site (BMS) from AIT Services, Inc. in the amount of \$117,917.67 plus applicable taxes, to approve a project contingency in the amount of \$20,000.00, and to authorize future purchases of parts and repair services through December 31, 2019.

BACKGROUND:

Biosolids are the solid by-product from the water recovery process. Prior to 2012, all biosolids were landfill disposed. In 2012, the City implemented a sustainable, beneficial reuse drying process that converts the biosolids to a thermally dehydrated, organic-based Class-A, Exceptional Quality fertilizer, which is then sold for public use. The drying process is accomplished through operation of a 24-cubic yard Fenton CM 7214 Thermal Dryer system. The biosolids drying process saves the City significant landfill costs annually, and through November 2018 generated approximately \$48,500 in fertilizer sales.

DISCUSSION:

The biosolids are dried within a rotating drum supported on either end by large split bearings. Recent equipment inspections performed by AIT Services, Inc. identified stress damage to both split bearings; more recently shaft movement has also been measured pointing towards impending bearing failure. The manufacturer specified bearings are fabricated on a per order basis resulting in lead times of up to 5 months. If a bearing fails without the availability of a critical spare the thermal dryer down time could generate more than \$500,000 of additional landfill fees while waiting for parts fabrication and delivery. The recent equipment inspection also identified several dryer components that are recommended to be replaced due to wear. These parts are needed to extend the life of the dryer for up to 5 more years. AIT Services, Inc is the sole authorized service and parts provider for Fenton Drying Systems.

AIT Services, Inc. quoted \$114,917.67 for the thermal dryer parts and repairs, and freight has been estimated in the amount of \$3,000.00 for a total of \$117,617.67. City staff recommends the approval of a contingency in the amount of \$20,000.00 for potential parts and labor costs that could arise during the repair process.

BUDGET/STAFF IMPACT:

Funds are available in the Wastewater Treatment Plant CIP – Plant Pumps and Equipment project.

Attachments:

Quotes from AIT Services, Inc.

AIT Services, INC.
 1100 CR 134
 Brownwood, TX 76801
 325-646-9754



QUOTE

11/7/18

TO	SHIP TO	INSTRUCTIONS
City of Fayetteville 2435 S Industrial Dr Fayetteville, AR 72701	Same as recipient	Add additional instructions

QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL
1	Rotor sprocket	\$9,669.52	\$9,669.52
1	Motor drive sprocket	\$8,508.09	\$8,508.09
1	Complete swivel	\$22,659.63	\$22,659.63
2	Swivel rebuild kit including brass compression rings and compression washers	\$2,602.55	\$5,205.10
1	Stainless Steel Venturi	\$2,453.88	\$2,453.88
1	Stainless Steel U trough with classifier box and screen. approximately 12' 3" long with lids and one end	\$9,927.44	\$9,927.44
2	Rotor packing glands this includes two aluminum packing rings and packing	\$1,303.87	\$2,607.74
1	Chamber product fill limiting arm plus bearings	\$385.00	\$385.00
1	Thermocouple brush parts plus bearings and extra brush	\$735.00	\$735.00
1	Water column gauge 0-10"	\$81.25	\$81.25
SUBTOTAL			\$62,232.65
SALES TAX			0
PLUS, ALL SHIPPING			TBD
TOTAL			\$62,232.65

Thank you for your business!

AIT Services, INC.
1100 CR 134
Brownwood, TX 76801
325-646-9754



QUOTE

11/7/18

TO	SHIP TO	INSTRUCTIONS
City of Fayetteville 2435 S Industrial Dr Fayetteville, AR 72701	Same as recipient	Add additional instructions

QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL
1	Craft Float Bearing: cartridge, bearing and pedestal	\$26,342.51	\$26,342.51
1	Craft Locking Bearing: cartridge, bearing and pedestal	\$26,342.51	\$26,342.51

These are an alternate to the cooper
bearings all specs are the same

4 - 6 weeks ship date

SUBTOTAL	\$52,685.02
SALES TAX	0
PLUS, ALL SHIPPING	TBD
TOTAL	\$52,685.02

Thank you for your business!