



Agenda Report

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SUBJECT:

DIGESTER CLEANING AND DISPOSAL CONTRACT

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

- A. Approve a Service Contract for Digester Cleaning and Disposal with American Process Group, Inc., per Specification No. S-2020-1165BD, for a total amount not to exceed \$4,636,674 per year, for the period of November 1, 2020 through October 31, 2025, with four optional one-year renewals; and
- B. Approve an annual contingency of \$463,667 (10%).

BACKGROUND

Digesters stabilize organic solids from primary and secondary treatment processes and produce biosolids and digester gas to fuel the Orange County Sanitation District's (Sanitation District) Central Generation facilities. The Sanitation District periodically cleans the digesters to remove undigestible materials that build up over time. This material can build-up and limit process capacity and inhibit the digester's performance. After cleaning, the Sanitation District assesses the structural and mechanical conditions inside of the digesters. More frequent minor repairs inside the digesters prevent larger scale, more costly damage.

RELEVANT STANDARDS

- Maintain a proactive asset management program
- Safe, beneficial reuse of Biosolids
- Maintain a culture of improving efficiency to reduce the cost to provide the current service level or standard

PROBLEM

Without periodic digester cleaning to remove undigestible materials, the digester's process capacity and performance are compromised. Additionally, it is necessary to clean the Sanitation District's holding digesters more frequently to protect the newly installed centrifuges from damaging debris which can accumulate and pass through. Finally, the Sanitation District will not have the opportunity

to properly assess the structural and mechanical conditions inside the digesters.

PROPOSED SOLUTION

Staff recommends American Process Group, Inc. (APG) be awarded the Digester Cleaning and Disposal Service Contract. This action will support the Sanitation District's Asset Management Plan and maintain necessary solids processing capacity.

TIMING CONCERNS

Timely approval of the Service Contract will enable staff to stay on track with the cleaning schedule and maximize available digester capacity for solids treatment.

RAMIFICATIONS OF NOT TAKING ACTION

Inability to perform routine digester cleaning to remove materials that build up over time limits process capacity. Lack of cleaning also limits the ability to assess the structural and mechanical conditions of the digesters after cleaning. Finally, the centrifuges at each Plant are at risk of damage if debris is not removed from the holding digesters on a regular basis.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

The previous Digester Cleaning Service Contract was terminated due to a commercial disagreement. The former service provider claimed a higher cost and changed conditions due to a new co-thickening treatment process that introduced polymerized sludge into the digestion process at Plant No. 1. The vendor claimed this changed condition required a different method to clean and dewater the digesters. The Sanitation District decided to seek new proposals to address this situation rather than negotiate a change.

A new Request for Proposal was issued on June 5, 2020 via PlanetBids. Two proposals were received by the Sanitation District and are listed below.

Individual scoring was the chosen method of evaluation for this procurement. Staff performed an independent review of the proposals and ranked the proposals in accordance with the Sanitation District Purchasing Policies and Procedures and evaluated the proposals based on the following criterion:

CRITERION	WEIGHT
Qualifications & Experience of Firm	15%
Proposed Staffing & Project Organization	15%
Work Plan	30%
Interview	10%

Cost	30%
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The two proposals were received and evaluated, and both proposers were interviewed. The evaluation team ranked the firms based on both the proposals and interviews using the evaluation criterion and weighting listed above. All proposals were accompanied by a sealed cost proposal. Below are the evaluation results for the two proposals received:

Rank	Proposer	Criterion 1	Criterion 2	Criterion 3	Interview	Cost	Total Weighted Score
1	APG	14%	14%	27%	9%	30%	94%
2	Synagro	12%	11%	21%	5%	27%	76%

Proposals	Total Cost
Synagro-WWT, Inc.	\$5,139,280.00
American Process Group, Inc.	\$4,636,673.51

The cost proposals received are based upon a unit cost per dry ton, unit cost per gallons of material removed and disposed, and equipment mobilization and demobilization costs.

Staff recommends awarding the Service Contract to the highest-ranking proposer, American Process Group, Inc. The term of this Service Contract will begin November 1, 2020 through October 31, 2025 with four optional one-year renewals.

CEQA

N/A

FINANCIAL CONSIDERATIONS

This request complies with authority levels of the Sanitation District’s Purchasing Ordinance. This recommendation will be funded under the Repair and Maintenance line item for Plant Nos. 1 and 2 Maintenance Department (Budget Fiscal Year 2020-21, Section 6, Pages 92 and 96). The available funding is sufficient for this action.

<u>Date of Approval</u>	<u>Contract Amount</u>	<u>Contingency</u>
09/23/2020	\$4,636,674	\$463,667 (10%)

ATTACHMENT

The following attachment(s) may be viewed on-line at the OCSD website (www.ocsd.com) with the complete agenda package:

- Service Contract

RM:MP:ab