

10-30-18 City Council Work Session

Item 20: Authorize negotiation and execution of a multi-term contract with Synagro of Texas-CDR, Inc., to provide biosolid composting services, for up to ten years for a total contract amount not to exceed \$19,300,000.

Item A. Minute 12:50

Steve Adler: Next pulled item is Item number 20. Councilmember Alter you pulled that. Thank you.

Allison Alter: Yes. I have some questions for staff. So Item 20 is the biosolids contract. Thank you for coming this morning. So it's my understanding that the authorization and monies for the current contract are running very low. Can you please tell us the drop-dead date for getting this contract done without impacting our operations?

Judy Musgrove: Judy Musgrove, Austin Water. The contract is over end of December, but we're pretty much out of money right now. There's about a \$100,000 left that's um, we can do land application off-site with that. All the compost is pretty much made, and been obligated to, you know the funds obligated to pay for that, so we are really out of money right now. There's been no additional biosolids pulled for compost since August.

Allison Alter: Can you explain that. I've talked to you about it but I don't know if my colleagues have gotten into the nitty gritty about what's going on at Hornsby right now, so...

Judy Musgrove: The current contract, it pays for the compost as it leaves the plant, so they have to make it, start making it. They pull the raw biosolids, and then, you know, it's like three months later before it's even near ready to leave. So they had to stop pulling biosolids in August, so they'd be able to leave before the end of December and get paid for that. So they're just turning the windrows right now. And so they have not been taking any biosolids off the belt press since August to use for anything; we've just been storing it. And now we have this additional solids coming down the sewer line because of the water plants had to discharge into the sewer line with all the solids they were receiving, they couldn't fit them all in their plant, so we've got those additional solids coming too, that we're concerned about.

Allison Alter: Thank you. So, this process has been going on for almost two years now. Can you please compare the contract before us to the contract that we have currently in terms of cost and environmental factors.

Judy Musgrove: There's been three solicitations. The first one was an RFP that was cancelled. The second one was an RFP that was cancelled, and this is the third one and it's actually an Invitation For Bids, and it's the one that's gonna come before you. The second, the Scope of the second solicitation, the RFP, and the Scope for the IFB are different in that we had required under the RFP the contractor make up his own fire prevention plan, dust prevention, dust control plan, spill prevention plan, sampling plans. I don't know if I'm forgetting one, but fire control, did I say that, anyway, under this... and odor control is the big one. And so under this new solicitation we wrote all of those plans and have included them as an attachment to the Scope, so they didn't, that took out all the unknowns out for them, hopefully, and now _____ a better bid.

Allison Alter: I appreciate that information. I was actually trying to get the proposed contract versus the current contract that's in effect...

Judy Musgrove: Oh, the current contract.

Allison Alter: ...because I understand there are cost savings and environmental improvements and I wanted to bring those out.

Judy Musgrove: Right. The current contract includes land application of Class B biosolids and composting, and this new contract would be all 100% composting. So that's better right there, and also the new contract allows for

Dillo Dirt to remain, be made by the contractor – we 'll make it for the first year but then after that the Dillo Dirt will be made by the contractor under our specifications and watch.

Allison Alter: Thank you. So, part of the reason that I pulled this is that I'm ready to approve this this week so that we don't run into a dangerous and unpleasant situation with our biosolids, especially given what we have recently experienced with our water system. I know that ZWAC was not able to give a recommendation to Council from their last meeting. I believe that was mostly process focused though, and so I really wanted to get a sense of where my colleagues are at this point in time. My sense is this is urgent and that we need to move forward and that we have a better contract both environmentally and cost-wise and that this has been going on quite a long time and it's time to bring it to resolution, but I wanted to get a sense of where other folks are at this point.

Steve Adler: Jimmy.

Jimmy Flannigan: I agree with what you've laid out. I think it's time to close the book on this.

Steve Adler: Pio?

Pio: I also agree with that, that we need to move and approve this contract.

Steve Adler: Ms. Houston. Okay. Leslie.

Leslie Pool: Where are storing all the biosolids that haven't been purchased or picked up?

Judy Musgrove: We have storage space onsite. We have storage bins that, one's being used by ARR for the grinding and the rest are available for storage and kind of staging. And we try to use the oldest first in the composting process so that we don't get caught with having too much onsite that's a certain age. That's a TCEQ law. But right now we just store it in the basins and take it out as needed, but like I said, none's been taken out of the basins since August. We've just been putting it there, so...

Leslie Pool: Do we have any storage of compost piles on other, on other city properties?

Judy Musgrove: No. It's all at Hornsby.

Leslie Pool: Okay.

Judy Musgrove: And the yard waste that's coming in also is a problem because it has not been used either because no composting has been going on, so the yard waste is piling up, and that's more of a concern actually than the compost, I mean the biosolids. The biosolids, there's space for storage there. The yard waste, there's no real space for that. We've just been kind of scattering it around the property.

Leslie Pool: Yeah, and we don't, our properties not growing, so...

Judy Musgrove: No.

Leslie Pool: ...the piles are.

Daryl Slusher: Councilmember...

Leslie Pool: Are they dangerous to the extent... I understand that sometimes with biosolids that there's so much heat inside that they can start a fire.

Judy Musgrove: It's more of an odor control issue for biosolids. The Class B isn't flammable, necessarily. What's flammable is when you heat the, when you get the biosolids and the yard waste together and they start cooking and that's what the heat source is. Or the yard waste if it were to get dry and get a spark from somewhere, but the biosolids themselves are not. The problem is the odor.

Leslie Pool: And we're keeping them separate.

Judy Musgrove: Yes.

Leslie Pool: Mr. Slusher, sorry.

Daryl Slusher: Oh that's alright Councilmember, I was just going to refer you to the memo yesterday, October 29th, where we talk about some of the concerns about keeping them onsite longer, but Ms. Musgrove just covered that in more detail even than the memo.

Leslie Pool: Thank you.

Steve Adler: Anything else on this? Okay, let's go to the next item.