

AGENDA REPORT

TO: Mayor & City Commission
FROM: Ken Hibl, City Manager
DATE: April 28, 2010
RE: Purchase of Lagoon Aerator

For the Agenda of May 3, 2010

Background. The City recently experienced failure of one of its primary lagoon aerators, thereby causing oxygenation problems with one of the City's waste treatment lagoons (*see copy of att'd memo of Superintendent John Holland w/supporting letter*). The replacement of the failed aerator is crucial to the continued operation of our treatment plant. But due to the pending improvements and upgrades scheduled to be completed at our treatment plant, we are hesitant to expend the funds needed to purchase a new aerator. John researched the possibility of purchasing a refurbished aerator, thus saving approximately \$4K in the purchase price. The City Commission is asked to approve the purchase of the refurbished aerator.

Issues & Questions Specified. Should the City Commission approve the purchase of the refurbished aerator?

Alternatives.

1. Approve the purchase of the used aerator.
2. Direct the purchase of a new aerator.
3. Direct that no action be taken at this time.
4. Set aside decision regarding this matter to a later date.

Financial Impact. The cost of the refurbished aerator is \$5,900 plus approximately \$400 in freight and shipping charges. The Sewer Fund has the monies available to acquire the needed equipment.

Recommendation. I recommend that the City Commission approve purchase of the refurbished aerator by adoption of Resolution 2010-037(*copy att'd*).

Attachments.

1. Memo of John Holland.
2. Resolution 2010-037.

INTEROFFICE MEMORANDUM

TO: KEN HIBL
FROM: JOHN HOLLAND
SUBJECT: 7.5 HP AERATOR
DATE: 4/27/2010
CC: STEVEN KINGSBURY

Ken

As you have been made aware, the WWTP has had problems with the oxygen content in lagoon #1 at sufficient levels. In anticipation of the WWTP upgrade and not knowing if the aerators would be utilized in the upgrade, I have avoided as much as possible in putting money into the aerators. Unfortunately, I must do something to get through interim. It is my opinion that the best option is to purchase a refurbished 7.5 HP aerator for Solberg, Knowles and Associates. They currently have one in stock for \$5,900 with a freight charge of \$350 to \$400 for a total price of \$6,250 to \$6,300. Normally 30 HP aerators are used in lagoon #1, the 7.5 HP aerator could be used as a solution until the upgrade is completed. It also has the advantage of being able to be used as a replacement for one of the aerators in lagoon #2 after completion of the upgrade.

John

RESOLUTION 2010-037

A RESOLUTION OF THE CLARE CITY COMMISSION APPROVING THE PURCHASE OF A LAGOON AERATOR.

WHEREAS, the City has experienced an unanticipated failure of one of its lagoon aerators; and

WHEREAS, said aerator is crucial to the continued operation of the City's wastewater treatment plant; and

WHEREAS, the City's Wastewater Superintendent has queried the cost of a new aerator and concurrently searched for a used aerator; and

WHEREAS, based on said query and search has recommended the purchase of a refurbished aerator, thereby saving approximately \$4,000; and

WHEREAS, the City Commission has considered and deemed it prudent to approve said recommendation.

NOW THEREFORE BE IT RESOLVED that the City Commission of the City of Clare hereby approves the purchase of a refurbished lagoon aerator from Solberg, Knowles, & Associates of Newaygo, Michigan for a purchase price of \$5,900 plus freight and shipping costs, which are estimated to be approximately \$400.

ALL RESOLUTIONS AND PARTS OF RESOLUTIONS INSOFAR AS THEY CONFLICT WITH THE PROVISIONS OF THIS RESOLUTION BE AND THE SAME ARE HEREBY RESCINDED.

The Resolution was introduced by Commissioner _____ and supported by Commissioner _____. The Resolution declared adopted by the following roll call vote:

YEAS:

NAYS:

ABSENT:

Resolution approved for adoption on this 3rd of May 2010.

Diane Schmidt, City Clerk