



Division of Public Works .
1000 South Houser St.
Muscatine, IA 52761

Recycling Center and Transfer Station

Phone (563) 263-9689

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MEMORANDUM

To: Mayor and City Council Members

Cc: Gregg Mandsager, City Administrator

From: Laura Liegois, Solid Waste Manager

Date: September 25, 2015

Re: Request Approval to Enter Into an Agreement for the Compost Grinding Services

Recycling Center
Transfer Station
Landfill Operations
Refuse Collection

Introduction:

On September 9, 2015, bids were opened for compost grinding services for the Muscatine Compost Site. The request for bids detailed the cost for 24 hours of grinding service and a per hour cost after the 24 hours. The agreement is for one year with the option for renewal of two years.

The following three bids were received:

- T and W Grinding - \$14,400.00 for 24 hours and \$600.00 per hour.
- Midland Davis - \$11,625.00 for 24 hours and \$485.00 per hour.
- Mulhscapers, LLC - \$8,928.00 for 24 hours and \$375.00 per hour

Background:

In the past the Muscatine Compost Site has had an agreement with a company to grind wood waste and compost. The company would take the leftover material for their use with no cost to the City of Muscatine. In the spring of 2015, I was notified that the current company was sold and the new owners were closing the facility. This left the city with the burden of finding a new contractor for this service. Staff did try to find a contractor with the same agreement but had no success with the RFP process in the spring of 2015.

Due to the previous agreement, the Compost Site budget had removed grinding costs from the annual budget for several years. An amendment to the 2015-2016 budget will be made during the 2016-2017 budget session.

Recommendation for Service Agreement for Compost Site Grinding:

Staff has reviewed all three bids received and is recommending that Midland Davis be awarded the service contract for the compost grinding.

Midland Davis' equipment has the ability to grind 150-175 cubic yards of wood waste per hour, including larger trees and stumps, in a one-time grind and achieve the two inch wood chip requested in the RFP.

The lowest bid provided by Mulchscapers has equipment that will grind 70-80 cubic yards per hour in a one-time grind but will need to regrind for a two inch wood chip.

With this being presented for approval, Midland Davis will be able to come on site and grind the current wood pile in 40 hours or less with their equipment. The lowest bidder would take longer than 40 hours to grind the current wood pile which could ultimately be up to 80 hours.

The following would be the estimated cost for grinding for the current pile based upon the rates provided in the bid:

Mulchscapers: Total grinding time of at least 80 hours (Based upon equipment use)

First 24 hours: \$8,928.00

56 hours: \$21,000.00

Total Cost: \$29,928.00

Midland Davis: Total grinding time for at least 40 hours (Based upon equipment use)

First 24 hours: \$11,625.00

16 hours: \$7,776.00

Total Cost: \$19,401.00

Staff plans to have grinding done several times a year to prevent from the area from being as large as it currently is.

If you have any questions about the agreement for compost site grinding, please let me know.

**Compost Site Grinding Agreement Between
The City of Muscatine and Midland Davis**

This Agreement is made between The City of Muscatine (City) and Midland Davis on October 1, 2015

The City operates the Muscatine Compost Site for residents and businesses in Muscatine, Iowa. Items accepted include the following: trees, brush, leaves, grass clippings, and any plants that are grown in a residential yard. No food or animal waste is permitted or allowed. The Compost site is normally operated from early spring to late fall each year.

Midland Davis Corp. located in Moline, IL, provides wood grinding services. Midland Davis has all the equipment and staff to grind wood and compost material at the City's Compost Site.

The following agreement, the City will pay Midland Davis \$11,625.00 for the the first 24 hours of grinding service and \$485.00 per hour for the any additional hour after 24 hours on site.

The following terms will be followed by the City for Midland Davis :

1. Maintain the quality of materials avoiding items that are considered trash or non-compostable in the compost or brush areas.
2. Allow Midland Davis the ability to work in the site when the Compost Site is not open to the public during the closed season or during closed hours.
3. Give adequate notice for Midland Davis to arrive on site with equipment to grind.

Midland Davis will follow the following terms for the City:

1. Midland Davis will mulch trees and compost for the City, in the desired amount requested.
2. Midland Davis will provide their own grinder, loader, fuel, trucks, and labor for processing materials and hauling.
3. Midland Davis will not hold the City liable for damage to their equipment during processing of materials.

Both parties agree to incorporate and maintain a good working relationship in the best interest of the residents serviced in the City of Muscatine.

Term of Contract

This Agreement is for a term of one year beginning October 1, 2015 and ending September 30, 2016. The City and Midland Davis may extend this Agreement for a period of two (2) years

under conditions they mutually agreed upon by giving notice of the exercise of this option ninety (90) days prior to the expiration of the then current term of this Agreement. In the event the parties elect to extend the term of Agreement, the terms of this Agreement shall remain in full force and effect during the renewal term(s), except for such terms as the parties may modify or amend.

Termination

This Agreement may be terminated by either party upon 30 days written notice to the other or any the mutual agreement of the parties.

Effect of Termination

The conditions of this Agreement shall remain in effect for all materials delivered prior to the effective date of termination.

The following are the responsible officials in the contract:

The City of Muscatine
Muscatine Recycling Center and Transfer Station
Laura Liegois – Solid Waste Manager
1000 S. Houser St.
Muscatine, Iowa 52761
563-263-9689

Midland Davis
Mitch Davis – Vice President
3301 4th. Ave.
Moline, IL 6723
309-764-6723

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

Midland Davis

By: _____
Mitch Davis – Vice President

Date: _____

Attest: _____

City of Muscatine, Iowa

By: _____
DeWayne Hopkins - Mayor

Date: _____

Attest: _____
Gregg Mandsager – City Administrator