



## Legislation Text

---

**File #: 3001-2022, Version: 1**

---

This legislation authorizes the Director of Public Utilities to modify and add funding to the contract with Ohio Mulch Supply, Inc. to provide a biosolids beneficial reuse program, known as the Deep Row Hybrid Poplar (DRHP) program, for the Division of Sewerage and Drainage (DOSD). Ohio Mulch operates the DRHP program on its 1,012-acre New Lexington Tree Farm, LLC (NLTF) in Perry Township, Perry County, Ohio.

All biosolids removed from the WWTPs under the program are Class B dewatered biosolids, which are produced from the stabilization of primary and secondary wastewater solids that have been digested to meet strict OEPA volatile solids and disease vector reduction requirements. Ohio Mulch utilizes the biosolids as a nitrogen source to grow hybrid poplar trees, which are later harvested for mulch. Additionally, the biosolids add valuable organic material to the old abandoned mine site that is now repurposed as the New Lexington Tree Farm. Ohio Mulch utilizes approximately 30 acres per year at the tree farm site, with trees harvested every 6 to 8 years.

The Director of Public Utilities received the Ohio Mulch, Inc. proposal on April 15, 2011 in response to a Request for Proposals for an innovative reuse of biosolids program. It was the only proposal received with the DRHP concept. Other proposals included mechanized dryer processes that would dry and pelletize biosolids for commercial wholesale and biosolids-cake land application proposals. The selection committee deemed Ohio Mulch's DRHP the best fit for the DOSD Biosolids Program.

The terms for the contract award allowed for two continuation options after the first 30 months elapsed: one running for a total of five-years (including the 30 months prior) and another running for ten years (also including the initial 30 months). The latter option was chosen and has undergone a few revisions over its duration to account for unexpected transportation and operational costs. Rates were increased at various times (described in more detail below) and Ohio Mulch Supply, Inc. was required to construct a biosolids storage facility at the NLTF capable of storing 1,000 wet tons of biosolids by January 1, 2016.

This contract originally authorized Ohio Mulch Supply, Inc. to remove a minimum of 27,000 and up to a maximum of 30,000 wet tons of biosolids annually from the Jackson Pike and Southerly Wastewater Treatment Plants (WWTPs) and reuse the biosolids in the DRHP program. Modification No. 3 adjusted the terms by increasing the rate of the first 0-30,000 wet tons removed to \$40.00 per wet ton, and for volumes greater than that to \$35.00 per wet ton. Modification No. 9 further modified the terms, setting rates for removal of the first 0-30,000 wet tons at \$46.97 per wet ton and volumes greater than that at \$41.10 per wet ton. Modification No. 10 extended the contract for six months through June 30, 2023 under the same pricing terms due to delays in bidding a replacement contract. At the time of modification #10, it was a thought a replacement contract would be in place shortly thereafter, so no additional funds were requested on that modification. However, there have since been additional delays with the bidding process and thus getting the expected replacement contract in place.

This proposed unplanned modification #11 adds \$200,000.00 to the contract in response to those issues. The funding covers removal and hauling of biosolids through the remainder of the contract, June 30, 2023, under the same pricing terms to ensure no lapse of services.

This ordinance is being submitted in accordance with the relevant provisions of Chapter 329 of City Code.

1. Amount of additional funds: Total amount of additional funds needed for this contract modification #11 is

\$200,000.00. Total contract amount to date including this modification is \$13,150,000.00.

2. Reasons additional funds were not foreseen: It was thought a replacement contract would be in place at this time. Funds budgeted for that are instead requested to continue this contract to avoid a lapse in services.
3. Reason other procurement processes were not used: Work under this modification is a continuation of services included in the scope of the original bid award and subsequent modifications. The bidding process is underway, albeit delayed, for a replacement contract.
4. How cost was determined: The cost is an estimate of what is needed to cover removal and hauling of biosolids for the remainder of the contract. These needs are somewhat weather dependent.

**SUPPLIER:**

Ohio Mulch Supply, Inc. | Federal EIN 31-1120540 | D365 Vendor #004715 | Expires 12/14/2023  
Ohio Mulch does not hold MBE/WBE status.

The company is not debarred according to the Excluded Party Listing System of the Federal Government or prohibited from being awarded a contract according to the Auditor of State Unresolved Findings for Recovery Certified Search.

**FISCAL IMPACT:**

\$200,000.00 is budgeted and needed for this modification.

\$1,400,119.18 has been spent in 2022

\$1,167,743.96 was spent in 2021

\$1,141,866 was spent in 2020

To authorize the Director of Public Utilities to modify and add funds to the contract with Ohio Mulch Supply, Inc. for services associated with the Deep Row Hybrid Poplar Program for the Division of Sewerage and Drainage, and to authorize the expenditure of \$200,000.00 from the Sewer Operating Sanitary Fund. (\$200,000.00)

**WHEREAS**, the Division of Sewerage and Drainage entered into a contract with Ohio Mulch Supply, Inc. to provide a biosolids beneficial reuse program, which is known as the Deep Row Hybrid Poplar (DRHP) program; and

**WHEREAS**, Ohio Mulch operates the DRHP program on its 1,012-acre New Lexington Tree Farm (NLTF) in Perry Township, Perry County, Ohio

**WHEREAS**, the Director of Public Utilities received proposals on April 15, 2011 in response to a Request for Proposals for an innovative reuse of biosolids program, and Ohio Mulch Supply, Inc., the only proposal with the DRHP concept, was deemed the best fit for DOSD's beneficial reuse of biosolids needs and awarded the contract; and

**WHEREAS**, all biosolids removed from the Jackson Pike and Southerly Wastewater Treatment Plants under the program are Class B dewatered biosolids, which means they are produced from the stabilization of primary and secondary wastewater solids that have been digested to meet strict OEPA volatile solids and disease vector reduction requirements; and

**WHEREAS**, Ohio Mulch utilizes the biosolids as a nitrogen source to grow hybrid poplar trees, which are later harvested for mulch, and additionally, the biosolids add valuable organic material to the old abandoned mine site that is now repurposed as the New Lexington Tree Farm; and

**WHEREAS**, Ohio Mulch utilizes approximately 30 acres per year at the tree farm site with trees harvested every 6 to 8 years; and

**WHEREAS**, the original contract was for a period of six (6) months through July 1, 2013, and contingent upon mutual agreement of the parties, approval by the Columbus City Council, and availability of funds, could be extended for two (2) additional years on a year-to-year basis; and

**WHEREAS**, the terms for the contract award allowed for two continuation options after 30 months had elapsed: one running for a total of five-years (including the 30 months prior) and another running for ten years (also including the initial 30 months), and the latter option was chosen; and

**WHEREAS**, the current iteration of the contract has undergone a few revisions to account for unexpected transportation and operational costs, including increased rates and a requirement that Ohio Mulch construct a biosolids storage facility at the NLTF capable of storing 1,000 wet tons of biosolids by January 1, 2016; and

**WHEREAS**, the current pricing terms are \$46.97/wet ton for annual volumes of 0-30,000 wet tons and \$41.10/wet ton for annual volumes of 30,001 or more wet tons, and runs through June 30, 2023; and

**WHEREAS**, unforeseen issues in advertising new bids resulted in a prior modification to the contract that extended the end date through June 30, 2023, with expectations that a replacement contract would be in place soon and thus no additional funds were expected to be needed; and

**WHEREAS**, there have been further delays in bidding and getting the expected replacement contract in place so this proposed modification #11 is for additional funding under the same price terms over the remainder of the contract; and

**WHEREAS**, this contract modification is in accordance with the relevant provisions of Chapter 329 of City Code; and

**WHEREAS**, the expenditure of \$200,000.00, or so much thereof as may be needed, is hereby authorized in Fund 6100, Sewer Operating Sanitary Fund, in object class 03, Services, per the accounting codes in the attachment to this ordinance; and

**WHEREAS**, it has become necessary in the usual daily operation of the Department of Public Utilities, Division of Sewerage and Drainage, to authorize the Director of Public Utilities to modify and add funding to the contract for the Deep Row Hybrid Poplar program with Ohio Mulch Supply, Inc.; now, therefore

**BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:**

**SECTION 1.** That the Director of Public Utilities is hereby authorized to modify and add funding to contract EL013611 with Ohio Mulch Supply, Inc., 1600 Universal Road, Columbus, Ohio 43207, for the Deep Row Hybrid Poplar biosolids beneficial reuse program, in accordance with the terms and conditions on file in the office of the Division of Sewerage and Drainage. Total contract amount including this modification is \$13,150,000.00.

**SECTION 2.** That this modification is in accordance with the relevant provisions of Chapter 329 of City Code.

**SECTION 3.** That the expenditure of \$200,000.00 or so much thereof as may be needed, is hereby authorized in Fund 6100, Sewer Operating Sanitary Fund, in object class 03, Services, per the accounting codes in the attachment to this ordinance.

**SECTION 4.** That the funds necessary to carry out the purpose of this ordinance are hereby deemed appropriated and the City Auditor shall establish such accounting codes as necessary.

**SECTION 5.** That the City Auditor is authorized to make any accounting changes to revise the funding source for all contracts or contract modifications associated with this ordinance.

**SECTION 6.** That this Ordinance shall take effect and be in force from and after the earliest period allowed by law.