



DEPARTMENT OF
UTILITIES

Department of Utilities
Wastewater Treatment Plant
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MEMORANDUM

Date: June 4, 2026
To: Chairperson Denise Fenton and Members of the Finance Committee
CC: Ryan Rice, Deputy Director of Utilities
Jeri Ohman, Enterprise Accounting Manager
From: Chris Stempa, Director of Utilities
RE: **Action: Award Sole Source Contract to Full Service Organics Management LLC, as part of the AWWTP Anaerobic Digester Inspection, Maintenance, and Improvements Project in the amount of \$157,360 plus a 20% contingency of \$31,472 for a total cost of \$188,832**

BACKGROUND:

The Appleton Wastewater Treatment Plant (AWWTP) operates two 2.2-million gallon egg-shaped, primary anaerobic digesters at the AWWTP. Each egg-shaped anaerobic digester (ESD) is 113.56-ft tall and 80-ft in diameter at their girth. The nominal liquid height is 105.5 ft. The two ESDs operate in parallel, providing a total primary digestion volume of 4.4-mgal.

The main body of the ESDs are constructed of carbon steel. The “caps” at the top of the ESDs are constructed of stainless steel. The “caps” are 16-ft diameter by 9-ft tall cylindrical sections at the top of each egg. All interior and exterior surfaces are coated.

The AWWTP management and operations team, with the support of a contractor, will drain and clean the interior of ESD 1 and ESD 2 to facilitate an inspection and provide a safe environment for equipment replacement and various upgrades. ESD 1 was previously cleaned in 2025, during which 245 tons of dewatered grit and solids were transported to the Outagamie County Landfill. That experience established a sound approach to the scope of work and informs what can be expected for the current project. ESD 1 will also require cleaning as part of this effort but is expected to have minimal grit accumulation given it has been in service only since late October 2025.

SOLE SOURCE JUSTIFICATION:

A sole source procurement is warranted because Full Service Organics (FSO) is the only regional contractor with the specialized equipment, proven methodology, and directly relevant field experience to perform this work safely and on the required schedule. FSO

was founded 10 years ago in Oconto Falls, Wisconsin and specializes in municipal wastewater and water treatment plant tank cleaning, with particular expertise in anaerobic digesters. The company's owner serves as the lead field services representative and previously managed a national corporate division providing municipal and industrial tank cleaning and sludge management services before founding FSO. Since 2016, FSO has grown substantially, performing regular contract work with wastewater treatment plants across Wisconsin, Upper Michigan, Minnesota, and Illinois. FSO is highly recommended by the municipalities it serves because of the consistent quality of work delivered regardless of scope size or complexity.

FSO's demonstrated their qualifications in 2025 as part of the initial phase of the AWWTP Digester Cleaning and Inspection Project that focused on ESD 1. During that project, it was discovered that the amount of heavy grit accumulation within ESD 1 was 10x what was forecasted in the scope of work contracted to the mechanical contractor. That scope of work was predicated on the observations and experience from the 2010 digester inspection. The unanticipated volume and characteristics of the material that was conveyed to an empty primary clarifier coupled with the heavy grit that remained inside of Digester #1. That in turn put a halt to work while Utilities Management staff and the contracted engineer, Donohue, sought alternatives to continue the project within an already tight timeline to restore treatment operations.

Referrals were quickly sought out from other area municipalities and each identified FSO based on their personal experiences with similar work. FSO was immediately contacted and committed to a quick-turn schedule in order to accommodate our work. That commitment required the ability to quickly mobilize experienced field staff along with specialized pumping equipment including a mobile sludge dewatering unit. As a result, an emergency contract with FSO was authorized which prevented an extended delay to the project. That decision also mitigated financial losses because of curtailed hauled waste revenue of up to \$4,500 per day and the need to purchase natural gas because of the diminished biogas production. Moreover, every additional day the project was extended exposed the treatment operations to risk while operating on one anaerobic digester.

FSO successfully completed the work in less than six days and exceeded expectations, processing over 350,000 gallons of sludge which generated 245 tons of dewater solids that were landfilled.

PROPOSED CONTRACT SCOPE AND COST:

The proposed sole source contract with FSO covers the full scope of cleaning services and accounts for the additional material to be removed and processed. The fee structure totaling \$157,360 is based on the unit rates established under the 2025 Digester #1 emergency contract, which were determined to be fair and reasonable at that time. A 20% contingency of \$31,472 is also being requested to account for uncertainty in the volume and

characteristics of grit accumulation, consistent with the variability encountered during the 2025 cleaning. The scope of services and fee structures are itemized as follows:

PRODUCT OR SERVICE	DESCRIPTION	ESD #1 QTY	ESD #2 QTY	RATE	TOTAL AMOUNT
EQUIPMENT					
Equipment Rental	Rental of 6" diesel Pump	1	1	\$4,500	\$9,000
Mob/Demob	Moving of equipment and setting up on jobsite	1	1	\$10,000	\$20,000
LABOR					
Digester Cleaning	# of Personnel 7a-6p (6 personnel)	66	66	\$90	\$11,880
Pumping	Pump running 8:30a-5:30p	9	9	\$90	\$1,620
Digester Cleaning	Pull pump and equipment out and reset	12	12	\$90	\$2,160
MISC	Transfer of water if needed	15	15	\$90	\$2,700
DEWATERING/DISPOSAL					
Dewatering, Tank Cleaning and Disposal		150,000	400,000	\$0.20/gal	\$110,000
Note: Landfill disposal costs will be paid directly by Department of Utilities					
TOTAL					\$157,360.00

FUNDING SOURCE:

The proposed contract falls within the existing project budget. The original AWWTP Anaerobic Digester Inspection, Maintenance, and Improvements Project budget included \$2,509,226 in funding. There is presently \$267,000 not-under-contract (amount includes approved contract contingencies) available for the FSO contract, which is sufficient to cover the proposed contract amount including contingency.

RECOMMENDATION:

Utilities Department management recommends approval of a sole source contract award to Full Service Organics Management LLC, as part of the AWWTP Anaerobic Digester Inspection, Maintenance, and Improvements Project in the amount of \$157,360 plus a 20% contingency of \$31,472 for a total cost of \$188,832.

If you have any questions regarding this project, please contact Chris Stempa at ph: 832-5945.



SOLE SOURCE REQUEST

The undersigned certifies that the commodity/service shown below qualifies as a sole source request and meets one or more of the following requirements. The department has demonstrated, and the Purchasing Manager concurs that only one source exists, the price is equitable, and/or noncompetitive negotiation is in the best interests of the City.

- Unique, proprietary, or one-of-a-kind:** Specific commodity/service is required and available from only one source, giving the City a superior and necessary benefit that cannot be obtained from other sources.
- Inadequate competition: Purchasing** solicitation (bid, proposal, or quote) did not result in any qualified vendor responses and competition is determined to be inadequate.
- Health or Safety Concern: When** a health or safety concern exists that is *not* an immediate threat but needs to be addressed in a period that does not allow for formal competitive procurement procedures.
- Continuity of design: Consistency** with current commodity or service.
- Emergency procurement: A** risk of human suffering or substantial damage to real or personal property exists requiring immediate attention.
- Cooperative purchase: Purchase** from another governmental unit contract or state approved purchasing association.
- Other: Description** provided below

PROPOSED DETAILS
Requesting dept: Utilities - Wastewater Treatment Plant
Product/service: Cleaning services portion of the Anaerobic Digester, Inspection, Maintenance and Improvements Project
Vendor name: Full Service Organics Management LLC
Total cost: \$157,360 w/ 20% contingency not to exceed \$188,832

Justification and price quotation provided by the department, for the items to be considered and approved as a sole source purchase attached for review.

Jenifer Huss
Purchasing Manager

06/03/26
Date