

## MEMORANDUM

**DATE:** July 14, 2020

**TO:** Tom Crawford  
Interim City Administrator

**FROM:** Nicholas S. Hutchinson, P.E.  
City Engineer

**RE:** Southside Interceptor Sanitary Diversion Project  
Emergency Purchase Order Request – Amtrak Railroad Inspection Services  
File No. 2014-025.17 (mgn)

We are writing to request authorization of an Emergency Purchase Order to supplement our current agreement with the National Railroad Passenger Corporation (Amtrak) for additional inspection services to be provided by Amtrak.

On March 11, 2019 the City of Ann Arbor entered into an agreement with Amtrak to provide needed railroad permit review, railroad flagging, and inspection services for the subject project. These services can only be provided by Amtrak as they are the operating agency for the MDOT-owned Wolverine Railroad Line that runs through Ann Arbor.

Amtrak estimated the cost of their services to be \$62,920.00 when the agreement was created. Note, the City was not able to negotiate the value of these services nor were we able to provide input regarding the estimated value of the services. One of the terms of the agreement with Amtrak is that the City is required to pre-pay the inspection fees. Amtrak in turn will draw down the balance of the funds as they are expended. The City and our Contractor have no control whatsoever over the Amtrak personnel regarding the number of employees, the length of time that they are “inspecting” our work, or the equipment used in performing the work. Additionally, we are required by the agreement to have an Amtrak inspector on-site any time work is being performed on the project. Finally, Amtrak stipulates that should the funds be expended that they have the ability to stop the project until such time as the funds have been replenished. In fact, they have informed us that should the funds be completely expended that we would be required to begin the permit approval process again. We cannot allow this to happen. During the original permit application process we expended approximately eight months attempting to obtain the agreement and permit to perform this work. To allow the permit to lapse will cause significant delays in the construction and needless additional expense to the project.

Consequently, we are requesting the issuance of this Emergency Purchase Order in the amount of \$30,000 in order to allow Amtrak to continue their needed railroad flagging and inspection work on the project.

Memorandum to Tom Crawford

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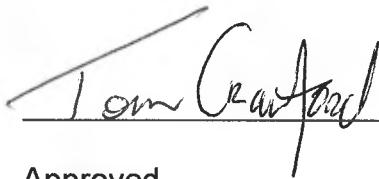
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Funds are available within the contingency line item of the project budget to finance the work of this agreement.

As provided in City Code 1:316, the Engineering Unit of the Public Services Area is seeking an emergency authorization from the City Administrator to increase the value of the agreement with the National Railroad Passenger Corporation for the Southside Interceptor Sanitary Diversion Project by \$30,000.00, for a total revised agreement amount of \$92,920.00 to cover cost for the Amtrak's railroad flagging and inspection services for the subject project. Staff will prepare the appropriate documentation for council notification at the next available meeting as required by City Code.

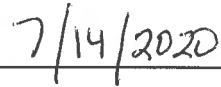
MGN:mgn (amtrak - emergency po request memo - 200714.docx)

cc: Craig Hupy, P.E., Public Services Area Administrator  
Marti Praschan, Chief of Staff  
Michael G. Nearing, P.E., Senior Project Manager



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Approved  
Tom Crawford  
Interim City Administrator



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Date