



Legislation Text

File #: 08-1118, **Version:** 1

Resolution to Approve an Agreement with Greeley and Hansen, LLC for Construction Engineering Services for the Residuals Handling Improvements Project at the Wastewater Treatment Plant, RFP No. 601 (\$4,225,604.00)

Your approval is requested to approve a Professional Service Agreement with Greeley and Hansen, LLC (G&H) for construction engineering services in the amount of \$4,225,604.00 to support construction of the Residuals Handling Improvements (RHI) Project at the City's Wastewater Treatment Plant (WWTP).

The RHI project consists of the renovations identified in the WWTP's Sewage Residuals Management Plan (SRMP). The SRMP is a comprehensive 25-year planning document that provides the basis and schedule for rehabilitation and replacement of major solids handling equipment and systems at the WWTP. Project improvements include demolition and replacement of existing solids handling equipment and systems with more effective and efficient equipment and systems, and complete demolition of the City's sludge incinerator. The RHI is a major plant renovation project included in the City's Capital Improvements Plan (CIP) for the WWTP and will extend over two and a half years.

On August 15, 2005, Council approved a contract with G&H to design the RHI project based on the selection process for proposals received in response to RFP No. 601. G&H is the most cost effective and efficient firm to provide construction support engineering services for this project, based on its knowledge of the basis and details of the project design. As part of the agreement, G&H will provide on-site construction inspectors, submittal reviews, record drawings, change order assistance, construction administration, document management, claims evaluation, equipment training and start-up assistance.

WWTP staff reviewed G&H's proposed services and fees for this project and found them to be reasonable and consistent with a project of this size and duration. You are requested to approve award of an agreement to G&H in the amount of \$4,225,604.00 and a contingency of \$422,000.00 to finance amendments to the agreement. Further, you are requested to approve the contract for the life of the project with funds to be available until expended without regard to fiscal year and to authorize the City Administrator to approve amendments to the contract.

The budget for this project was approved by Council during the FY08 capital budget process and is included in the approved FY08-13 CIP. Bonds were sold in spring 2008 for the RHI and funding is still available for this contract.

G&H received Human Rights approval on August 24, 2008, and complies with the City's living wage requirements. The standard agreement for professional services without modifications will be used for this agreement between the City and G&H.

Prepared by: Michael D. Amicangelo, P.E., Senior Engineer, WWT Services

Reviewed by: Sue F. McCormick, Public Services Administrator

Approved by: Roger W. Fraser, City Administrator

Whereas, The City's Wastewater Treatment Plant (WWTP) developed the Sewage Residuals Management Plan (SRMP), a comprehensive 25-year planning document that provides the basis and schedule for rehabilitation and replacement of biosolids processing equipment and systems;

Whereas, The Residuals Handling Improvements Project (RHI) was undertaken to implement the capital improvements recommended in the SRMP;

Whereas, The Residuals Handling Improvements Project and associated budget was approved by Council during the FY08 Capital Budget process;

Whereas, Council authorized Greeley and Hansen, LLC (G&H) to provide professional engineering services to design the RHI and provide assistance to WWTP staff to obtain approval of a construction permit from the Michigan Department of Environmental Quality and the site plan from Ann Arbor Township;

Whereas, WWTP staff solicited public bids for constructing the RHI through ITB No. 3972, and of the five bids received on November 24, 2008, Sorenson Gross Construction Services, LLC (Sorensen) submitted the lowest bid in the amount of \$42,444,927.00;

Whereas, The WWTP needs professional construction engineering services to construct the RHI;

Whereas, G&H engineers are the most cost effective and efficient engineering firm to provide construction engineering services; and

Whereas, G&H received Human Rights approval on August 24, 2008, and complies with the City's living wage requirements;

RESOLVED, That Council approve an agreement with G&H for \$4,225,604.00 to provide construction engineering services;

RESOLVED, That Council approve a contingency of \$422,000.00 to finance amendments to the agreement;

RESOLVED, That the City make the following declaration for the purpose of complying with the reimbursement rules of Treasury Regulations 1.150-2 pursuant to reimburse itself for the expenditures for the cost of the Project with proceeds of Bonds;

RESOLVED, That Council approve the agreement for the life of the project with funds to be available until expended without regard to fiscal year and authorize the City Administrator to approve amendments to the Agreement; and

RESOLVED, That the Mayor and City Clerk be authorized to execute the agreement after approval as to substance by the City Administrator and approval as to form by the City Attorney.