



## Legislation Text

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**File #:** 07-1178, **Version:** 1

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Resolution to Amend an Agreement with Greeley and Hansen, LLC for the Residuals Handling Improvements Project at the Wastewater Treatment Plant, RFP No. 601 (\$133,550.00)

Your approval is requested to amend a Professional Service Agreement with Greeley and Hansen, LLC (G&H) in the amount of \$133,550.00 for professional engineering services to assist in obtaining additional regulatory review and permitting required for the Residuals Handling Improvements (RHI) Project at the City's Wastewater Treatment Plant (WWTP).

On August 15, 2005, Council approved an agreement with G&H in the amount of \$2,531,133.00 for professional engineering services to design the RHI Project. The work performed under this contract was to design 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. On May 21, 2007, Council approved Amendment No. 1 to the Agreement with G&H in the amount of \$198,300.00 to design additional project elements that added value to the City.

The WWTP is located in Ann Arbor Township. During the initial design phase of the RHI Project, G&H contacted township staff to determine regulatory code and permitting jurisdiction for the RHI Project. In September 2005, township staff verbally advised G&H that the City of Ann Arbor would have this jurisdiction. Similarly in August 2007, township staff verbally advised the City's Building Services Unit that the City had regulatory code and permitting jurisdiction over the projects being designed for the WWTP. However, when City staff requested written confirmation of this determination of jurisdiction, township staff indicated it was retaining jurisdiction and that the City would be required to comply with township ordinances and secure preliminary and final site plan approval. Based upon the previous communications with township staff, consultant services to address these township requirements were not included in G&H's scope of services for Amendment No.1

G&H has completed design of the RHI Project and the Michigan Department of Environmental Quality (MDEQ) has issued a construction permit for the project and an air permit to install odor control equipment. Preliminary site plans for the project have been submitted to the township for review and comment and a public meeting with the Ann Arbor Township Planning Commission was held on December 3, 2007. G&H developed a scope for additional services based upon preliminary site plan review comments recently received from the township. Included in the additional scope are services to secure a flood plain permit from the MDEQ if necessary, to obtain necessary reviews by the Washtenaw County Drain and Road Commissions and reimbursement to G&H for payment of the township plan review application fee. WWTP staff has reviewed the proposed scope and fees for the additional services and found them to be reasonable.

You are requested to approve an amendment to the professional service agreement with G&H in the

amount of \$133,550.00. A contingency of \$20,000.00 is requested to address additional services that may be needed based upon future final plan review comments from the township. In addition, you are requested to approve these funds to be available until expended without regard to fiscal year.

G&H received Human Rights approval on August 22, 2007, and complies with the City's living wage requirements. The standard amendment to agreement for professional services without modifications will be used for this amendment between the City and G&H.

The total project cost of approximately \$42,600,000.00 is included in the approved FY06-12 CIP. Council approved a portion of the total project budget during the FY08 budget process where funding for this amendment is still available. You are requested to authorize the City Administrator to approve amendments to the Agreement. Funds to finance this amendment are available in the proceeds of the Sewer Revenue Bonds Series XIX, sold in the spring of 2004.

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

Reviewed by: Sue F. McCormick, Public Services Administrator

Approved by: Roger W. Fraser, City Administrator

Whereas, The City's Wastewater Treatment Plant (WWTP) needs professional engineering services to assist in obtaining additional regulatory review and permitting required for the Residuals Handling Improvements (RHI) Project at the City's Wastewater Treatment Plant (WWTP);

Whereas, The WWTP renovations are identified in the City of Ann Arbor WWTP Sewage Residuals Management Plan and included in the approved FY 06/12 Capital Improvements Plans;

Whereas, Funding is available in the project budget approved by Council during the FY08 capital budget process;

Whereas, The RHI Project is necessary for the WWTP to improve process reliability and meet current and future solids capacity requirements, and avoid discharge permit violations and associated fines, as well as the discharge of sewage solids at concentrations that are harmful to the environment;

Whereas, On August 15, 2005 Council approved an agreement with Greeley and Hansen, LLC in the amount of \$2,531,133.00 for professional engineering services to design the RHI Project;

Whereas, On May 21, 2007 Council approved Amendment No. 1 to the Agreement with G&H in the amount of \$198,300.00 to design additional project elements that added value to the City;

Whereas, Additional engineering services are needed to prepare preliminary and final site plans for Ann Arbor Charter Township review and comment, to prepare for and attend public meetings with the Ann Arbor Township Planning Commission, to secure a flood plain permit from the MDEQ if necessary, to obtain necessary reviews by the Washtenaw County Drain and Road Commissions and reimbursement of payment of the township plan review application fee; and

Whereas, Greeley & Hansen, LLC received Human Rights approval on August 22, 2007, and complies with the City's living wage requirements;

**RESOLVED**, That Council approve an amendment to an agreement with Greeley & Hansen, LLC for \$133,550.00 to provide expanded professional engineering services;

RESOLVED, That Council approve a contingency of \$20,000.00 to address additional services that may be needed based upon future final plan review comments from the township;

RESOLVED, That the City makes the following declaration for the purpose of complying with the reimbursement rules of Treasury Regulations 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended, that the City reasonably expects to reimburse itself for expenditures for the costs 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.