

MEMORANDUM

TO: DDA Board

FROM: Amber Miller, DDA Capital Projects and Planning Manager

DATE: May 31, 2024

REGARDING: Cost Sharing Agreement with the City of Ann Arbor to study Geothermal Feasibility in the DDA District.

The DDA has begun work on new Development and TIF Plans, which will include an extensive list of needed capital projects. To inform these needs, the DDA is partnering on various City efforts, including the Comprehensive Plan, Jurisdictional Transfer Study, Downtown Circulation Study, and a Geothermal assessment. Following a competitive RFP process, the City Council approved a contract with Stantec Inc. for Geothermal Advisory and Professional Services in March 2024. A portion of this work will examine geothermal feasibility within the DDA District. To continue partnering on this effort, staff recommend approving the attached cost share with the City of Ann Arbor. This study was planned through the DDA's Capital Improvement Plan projects and dollars are available in the TIF capital budget.

Cost Share Summary

Task	City Share %	City Cost	DDA Cost	DDA Share %	Cost Based on Bid
Task 1 Geothermal Technical Advisor	100%	\$ 32,530.00	-	0%	\$ 32,530.00
Task 2 General Owner's Agent	100%	\$ 17,720.00	-	0%	\$ 17,720.00
Task 3 Networked Geothermal Feasibility Study	84%	\$ 538,950.00	\$ 100,000.00	16%	\$ 638,950.00
Contract Amount		\$ 589,200.00	\$ 100,000.00		\$ 689,200.00
Contingency 10%		\$ 58,920.00	\$ 10,000.00		\$ 68,920.00
Total Contract		\$ 648,120.00	\$ 110,000.00		\$ 758,120.00

Action Recommended: DDA staff recommend approval of the attached resolution –

RESOLUTION TO APPROVE A COST SHARING AGREEMENT WITH THE CITY OF ANN ARBOR FOR GEOTHERMAL ADVISORY AND PROFESSIONAL SERVICES