



Legislation Text

File #: 08-0081, **Version:** 1

Resolution to Approve Amendment No. 2 to the Professional Services Agreement with Malcolm Pirnie, Inc. for Design of the Facilities Renovations Project at the Wastewater Treatment Plant, (\$2,691,025.00)

We request your approval of Amendment No. 2 to the Professional Services Agreement with Malcolm Pirnie, Inc. (MPI) in the amount of \$2,691,025.00 for design of the Facilities Renovations Project at the City's Wastewater Treatment Plant (WWTP).

The work to be performed under this project is to design the renovations identified in the City of Ann Arbor WWTP Facilities Master Plan. The WWTP Facilities Master Plan is a comprehensive, 25-year planning document that provides the basis and schedule for rehabilitation and replacement of major equipment at the WWTP. The older West Plant portion of the WWTP was first constructed in the 1930's and the newer East Plant was constructed in the late 1970's. The West Plant has exceeded its useful life and is no longer operable. Replacement of the West Plant is necessary for the WWTP to reliably meet current and future wastewater treatment capacity requirements.

Renovations to the WWTP include complete demolition and replacement of the West Plant and miscellaneous renovations and improvements throughout the facility to maintain treatment viability and reliability. This work must be done without interrupting flow to the plant. MPI will produce final bid drawings (approximately 450 sheets) and specifications to be used for securing necessary permits and soliciting bids from qualified contractors. MPI will also provide support during the bid stage by generating all necessary addenda and providing contractor evaluations and recommendations of award.

On March 7, 2005, Council approved the original agreement with MPI in the amount of \$2,996,670.00. The scope of services in the original agreement included evaluation of alternatives, site assessments, assessment of geotechnical, hydrogeological and environmental site characteristics, utility investigation, temporary utility coordination, preliminary design, final design, bid documents and bidding support services for demolishing and replacing the West Plant, and modifying the East Plant to improve its reliability.

On June 14, 2006, Council approved Amendment No. 1 to the agreement with MPI in the amount of \$427,831.19. The scope of services in Amendment No. 1 included engineering services to evaluate and develop conceptual plans for the Administration and Maintenance Buildings, various treatment structures and stand-by power facilities. Also included in Amendment No. 1 was an expansion of the site-wide hydrogeological investigation, preparation of a laboratory data management system and a document management system, coordination with DTE regarding overhead line replacement and preparation of a flood response plan.

The cost and scope of services for Amendment No. 2 could not be determined until after various design and equipment alternatives were evaluated and selected in the preliminary design process. Amendment No. 2 adds the engineering services to complete the design of alternatives that were

identified during the evaluations performed under the original agreement and Amendment No. 1. Also included are design efforts for renovations that greatly enhance plant performance, reliability and flexibility and are most cost effectively completed as part of this project.

MPI submitted the proposed scopes of additional services and associated fees for this work at the request of WWTP staff. WWTP staff worked with MPI to revise the scope of services to ensure it was appropriate to achieve the objectives of the WWTP Facilities Master Plan. Based on its review, WWTP staff determined that the proposed fee is reasonable and consistent with the scope of services being provided.

This project will extend over six fiscal years and construct over \$72 million in improvements. Total design engineering costs account for less than ten percent of the anticipated project construction costs. Engineering design costs of ten percent of construction are reasonable for projects of this magnitude.

The budget for this project was approved by Council during the FY05 budget process and 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.

MPI 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 modification will be used for this amendment between the City and MPI.

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

Reviewed by: Sue F. McCormick, Public Services Administrator

Approved by: Roger W. Fraser, City Administrator

Whereas, The City's Wastewater treatment Plant (WWTP) West Plant has exceeded its useful life and is no longer operable;

Whereas, Replacement of the West Plant and improvements to the WWTP are required to improve process reliability and meet current and future wastewater treatment capacity requirements;

Whereas, The Facilities Renovations Project is a major plant renovation project at the WWTP that is currently being designed;

Whereas, The WWTP renovations are identified in the City of Ann Arbor WWTP Facilities Master Plan and included in the approved FY06-12 Capital Improvements Plans;

Whereas, On March 7, 2005, Council authorized award of an agreement with Malcolm Pirnie, Inc. in the amount of \$2,996,670.00 to begin design on the Facilities Master Plan;

Whereas, On June 14, 2006, Council approved Amendment No. 1 to the agreement with Malcolm Pirnie, Inc. in the amount of \$427,831.19 to design additional project elements that added value to the City;

Whereas, Amendment No. 2 adds the engineering services to complete the design of alternatives that were identified during the evaluations performed under the original agreement and Amendment No. 1;

Whereas; Per the FY08 budget process, funding is available from prior Council approved budgets to fund Amendment No. 2; and

Whereas, MPI received Human Rights approval on August 22, 2007, and complies with the City's Living Wage requirements;

RESOLVED, That Council approve Amendment No. 2 to the agreement with Malcolm Pirnie, Inc. for \$2,691,025.00 to provide expanded professional engineering services;

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 Amendment No. 2 after approval as to substance by the City Administrator and approval as to form by the City Attorney.