



Legislation Text

File #: 12-0522, **Version:** 1

Resolution to Approve Amendment No. 2 with Greeley and Hansen, LLC for Construction Engineering Services at the Wastewater Treatment Plant (\$304,940.00)

Your approval is requested to amend a Professional Service Agreement with Greeley and Hansen, LLC (G&H) for construction engineering services in the amount of \$304,940.00 to complete 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. Construction of this project started in January 2009 and is currently 98% complete.

On January 5, 2009, Council approved a construction contract with Sorensen Gross Construction Services, LLC (SG) in the amount of \$42,444,927.00 to construct the RHI project. On January 20, 2009 Council approved an agreement with G&H in the amount of \$4,225,604.00 to provide construction engineering services for the RHI project. As part of the agreement, G&H provides on-site construction inspectors, submittal reviews, record drawings, change order assistance, construction administration, document management, claims evaluation, equipment training and start-up assistance.

On November 21, 2011, the City Administrator approved Amendment No. 1 to the Agreement with G&H in the amount of \$420,123.00 to provide additional construction engineering services including submittal reviews, change order assistance, equipment start-up and performance testing, contingency planning, programming assistance and purchase of project specific chemicals. Amendment No. 1 was funded from a contingency of \$422,000.00 that was authorized by Council with the original contract.

Due to City requested equipment additions and changes to the construction contract with SG, the RHI project construction schedule has been extended by ten months to June 15, 2012. Amendment No. 2 to the agreement with G&H is needed to provide additional construction engineering services through this date. G&H will continue to provide the construction engineering services described in the original agreement. In addition, G&H is to provide an evaluation of electrical and natural gas usage for the heating, ventilation and air conditioning and lighting systems in the rehabilitated Solids Handling Building, with options for reducing and optimizing energy usage for these systems.

WWTP staff reviewed G&H's proposed services and fees for this amendment and found them to be reasonable. The new total amended contract amount for G&H is less than eleven percent of the total amended project construction costs. This amount is reasonable and within the typical range for a

project of this size and complexity, particularly one that includes retrofitting an existing facility without interrupting process operations.

You are requested to approve award of Amendment No. 2 to G&H in the amount of \$304,940.00. In addition, you are requested to approve the amendment 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 FY09 budget process and is included in the approved FY08-13 CIP. Bonds were sold in spring 2008 for the RHI and funding is available in the sewer system capital budget for this amendment.

G&H received Human Rights approval on March 23, 2012, and Living Wage approval on April 4, 2012. 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: Craig Hupy, Interim Public Services Administrator

Approved by: Steven D. Powers, 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 (RHI) project was undertaken to implement the capital improvements recommended in the SRMP;

Whereas, The RHI project and associated budget was approved by Council during the FY08 Capital Budget process;

Whereas, On January 20, 2009, Council approved an agreement with Greeley & Hansen, LLC (G&H) in the amount of \$4,225,604.00 to provide construction engineering services for the RHI project;

Whereas, On November 21, 2011, the City Administrator approved Amendment No. 1 to the Agreement with G&H in the amount of \$420,123.00 to provide additional construction engineering services;

Whereas, Amendment No. 1 was funded from a contingency of \$422,000.00 which was authorized by Council with the original contract;

Whereas, Due to City requested equipment additions and changes to the construction contract with Sorensen Gross Construction, the RHI project construction schedule has been extended to June 15, 2012;

Whereas, WWTP staff requested G&H to provide a proposed scope and fee schedule to provide construction engineering services to complete construction of the RHI project and found the proposal to be reasonable;

Whereas, G&H received Human Rights approval on March 23, 2012, and Living Wage approval on April 4, 2012; and

Whereas, Funding is available in the sewer system capital budget for this amendment;

RESOLVED, That Council approve Amendment No. 2 to the agreement with G&H for \$304,940 to provide additional construction engineering services to complete construction of the RHI project;

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 amendment 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.