



Legislation Details (With Text)

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Title:	Resolution for Approval of Amendment No. 1 to the Professional Services Agreement with LG Design, Inc., for Professional Engineering Services for the Water Treatment Plant UV Disinfection System Project ITB No. 4568 (\$229,255.00)				

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Attachments: 1. Amendment 1_LG Designs (Jacobs)PSA.pdf, 2. R-18-418_Jacobs UV Design Legislation Details.pdf

Date	Ver.	Action By	Action	Result
4/15/2019	2	City Council	Approved	Pass

Resolution for Approval of Amendment No. 1 to the Professional Services Agreement with LG Design, Inc., for Professional Engineering Services for the Water Treatment Plant UV Disinfection System Project ITB No. 4568 (\$229,255.00)

This memorandum and resolution requests approval of Amendment No. 1 to the Professional Services Agreement with LG Design, Inc. (formerly known as CH2M and a wholly owned subsidiary of Jacobs Engineering, Inc.) for the Water Treatment Plant UV Disinfection System Project, ITB No. 4568 (\$229,255.00).

In June 2017 the Michigan Department of Environmental Quality (MDEQ) notified the City of Ann Arbor that their drinking water supply contained levels of *Cryptosporidium* (a waterborne parasite) that require additional protection to comply with the EPA Long-term 2 Enhanced Surface Water Treatment Rule (LT2) drinking-water regulations. MDEQ stated that compliance for treatment was required by June 2020.

Subsequently, in 2017 the City hired LG Design, Inc. to perform a study to evaluate alternatives for compliance, resulting in the recommendation for implementation of ultraviolet (UV) light disinfection to comply with the necessary drinking water regulations.

In August 2018, LG Design, Inc. was hired by the City to develop the conceptual design of the UV system, which was subsequently approved by MDEQ. In October of 2018, a Resolution for design services with LG Design, Inc. was approved by Council to perform detailed design and prepare construction documents for the WTP UV Disinfection System. The goal of this project is to comply with the MDEQ June 2020 deadline for additional *Cryptosporidium* protection. LG Design, Inc.'s original scope included preliminary investigation, detailed design, construction document preparation and bid phase assistance.

LG Design, Inc. is uniquely positioned to successfully execute this project. LG Design Inc.'s experience with navigating MDEQ regulations and acceptance criteria was critical in obtaining approval for this technology to meet disinfection requirements and in completing the design within an aggressive schedule. This proposed scope of work is a logical continuation of the previous study and design phase efforts recently completed by LG Design, Inc.

The additional scope of this project includes the following construction phase engineering services:

- Completion of an MDEQ Project Plan and assistance with applying for the Drinking Water Revolving Fund (DWRP) low interest loan.
- Construction phase services including construction observation, training and commissioning assistance.

Budget/Fiscal Impact:

LG Design completed a study for this project in the amount of \$24,500.00 to determine the appropriate next steps for MDEQ compliance. Council approved a Professional Services Agreement with LG Design, Inc. for \$145,060.00 on November 28, 2018 as part of Resolution No. R-18-415 for design and bid phase services. It is recommended that Amendment No. 1 to the Professional Services Agreement with LG Design, Inc. in the amount of \$229,255.00 be approved. This project would be funded by the Water Supply System Capital Improvement Budget. This Resolution will bring the total value of engineering services with LG Design, Inc. to \$374,315.00.

LG Design, Inc. complies with the City's Conflict of Interest, Living Wage and Non-Discrimination Ordinances.

Prepared by: Brian Steglitz, Manager, Water Treatment Services

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Howard S. Lazarus, City Administrator

Whereas, It is necessary to complete the WTP UV Disinfection System project to comply with the EPA LT2 drinking water regulation for *Cryptosporidium*;

Whereas, The WTP UV Disinfection System project is necessary to comply with the MDEQ June 2020 deadline for additional *Cryptosporidium* protection;

Whereas, The City previously hired LG Design, Inc. (formerly known as CH2M and a wholly owned subsidiary of Jacobs Engineering, Inc.) in 2017 to develop alternatives to comply with the *Cryptosporidium* requirements, and again in 2018 to develop the detailed design of a UV disinfection system;

Whereas, This project represents a continuation of the study and design phases for the UV Disinfection System project;

Whereas, LG Design, Inc., as the design engineer for the WTP UV Disinfection System project, is uniquely qualified to complete the scope of work for construction phase due to their intimate knowledge of the details of this project;

Whereas, Funding in the amount of \$24,500.00 for the study phase of this project was originally budgeted in the operating budget and it is now recognized as being a part of this larger capital project;

Whereas, Funding in the amount of \$229,255.00 for the WTP UV Disinfection System project is

appropriated from the approved Water Supply System Capital Improvement Budget; and

Whereas, LG Design, Inc. complies with the City's Conflict of Interest, Living Wage and Non-Discrimination Ordinances;

RESOLVED, That \$24,500.00 from the study phase of this project will be added to this project budget;

RESOLVED, That the Amendment No. 1 in the amount of \$229,255.00 to the Professional Services Agreement with LG Design, Inc. for the WTP UV Disinfection System project is approved;

RESOLVED, That a contingency in the amount of \$23,000.00 is approved to finance change orders to the Professional Services Agreement to be approved by the City Administrator;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute the Amendment No. 1 to the Professional Services Agreement after approval as to substance by the City Administrator and approval as to form by the City Attorney;

RESOLVED, That the City make the following declaration for the purposes 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 expect to reimburse itself for expenditures for the costs of the Project with proceeds of Bonds;

RESOLVED, That funds for this project are available for the life of the project without regard to fiscal year; and

RESOLVED, That the City Administrator be authorized to take the necessary administrative actions to implement this resolution.