



Legislation Text

File #: 11-1062, **Version:** 1

Resolution for Approval of Amendment No. 1 to the Professional Services Agreement with Stantec Consulting Michigan, Inc. (\$448,675.00) for the Barton and South Industrial Pump Stations Electrical Improvements Project

This memorandum and resolution requests approval of Amendment No.1 to the professional services agreement with Stantec Consulting Michigan Inc. for the Barton and South Industrial Pump Stations Electrical Improvements Project.

The Barton Pump Station Electrical Improvements Project is included as a high priority project in fiscal years 2011 and 2012 in the City's approved Capital Improvement Plan. This project will replace some aging electrical switchgear at Barton Pump Station that dates back to 1949. This switchgear is not compliant with current National Electrical Code and creates a safety hazard for staff. In addition, spare parts are not readily available, and in the event of a failure would be difficult to repair. Failure of this equipment would jeopardize the Water Treatment Plant's ability to provide a sufficient quantity of water to City customers.

Since inclusion in the Capital Budget for FY12 the scope of this project has been expanded to include replacement of switchgear at the South Industrial Pump Station. Within the past year, Water Treatment Services has experienced several electrical switchgear failures at this station. This switchgear is also over 50 years old and difficult to repair as spare parts are not readily available. Similar to the Barton Pump Station gear, this switchgear poses a safety hazard for Water Treatment Services staff. Because the components replaced would be similar to those at Barton Pump Station, there will be a cost savings to design and construct these projects together. Therefore, it is recommended to include this work as part of the Barton Electrical Improvements Project.

In April 2010, staff received Council approval (Resolution No. R-10-137) to award a Professional Services Agreement to Stantec Consulting Michigan, Inc. to complete the study phase of the Barton Electrical Improvements project. It was indicated that once the study phase was complete, staff would return with a request for the design and construction services phases of the project. This Amendment requests the balance of the engineering services required to complete the Barton and South Industrial Pump Stations Electrical Improvements project.

It is recommended that Amendment No. 1 to the professional services agreement in the amount of \$448,675.00 be approved. Your approval is also requested for a contingency of \$50,000.00 for change orders to the contract with Stantec to be approved by the City Administrator.

Stantec received Human Rights approval on January 20, 2011, and complies with the living wage ordinance.

Council approved the Barton Pump Station Electrical Improvements Project and associated funding during the FY11 and FY12 Capital Budget process. This resolution will bring the total value of engineering services with Stantec to \$577,325.00.

Funds for Barton Pump Station Electrical Improvements (\$372,209.00) portion of this project are to be advanced from the Water Supply System Unobligated Fund Balance to be repaid pending the sale of water revenue bonds via the Drinking Water Revolving Loan Fund (DWRF). This project is part of the FY13 funding for DWRF projects.

Funds for the South Industrial Electrical Improvements (\$76,466.00) portion of this project are to be advanced from the Water Supply System Unobligated Fund Balance to be repaid pending the sale of water revenue bonds.

Prepared by: Brian Steglitz, P.E., Sr. Utilities Engineer, WTP

Reviewed by: Sue F. McCormick, Public Services Administrator

Approved by: Steve D. Powers, Interim City Administrator

Whereas, It is necessary to complete the Barton and South Industrial Pump Stations Electrical Improvements Project to replace switchgear that has exceeded its expected life and is not compliant with current National Electrical Code standards;

Whereas, The Barton Pump Station Electrical Improvements project was included as part of the Drinking Water Revolving Loan Fund application made by the City for a select number of water system projects and has been accepted for funding through this program;

Whereas, Council approved the Barton Pump Station Electrical Improvements Project and associated funding during the FY11 and FY12 Capital Budget process;

Whereas, there is an economy of scale benefit for combining the Barton Pump Station and South Industrial Pump Station Electrical Improvements Projects into one design and construction project because of their similarity in scope;

Whereas, Stantec Consulting Michigan, Inc., as the design engineer for the Barton Pump Station Electrical Improvements Project, is uniquely qualified to complete the expanded scope of work because of their intimate knowledge this project; and

Whereas, Stantec Consulting Michigan, Inc., has received Human Rights approval on January 20, 2011, and complies with the living wage ordinance;

RESOLVED, That Amendment No. 1 in the amount of \$448,675.00 to the Professional Services Agreement with Stantec Consulting Michigan, Inc., be approved;

RESOLVED, That Council approve a contingency to the professional services agreement with Stantec Consulting Michigan, Inc. in the amount of \$50,000.00 to finance change orders to be approved by the City Administrator;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute 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 purpose of complying with the reimbursement rules of Treas. Reg. 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 funding in the amount of \$372,209.00 for the Barton Pump Station Electrical Improvements portion of the project was approved in the FY11 Capital Projects Budget and is to be advanced from the Water Supply System Operating Fund Balance to be repaid pending the sale of water revenue bonds via the Drinking Water Revolving Loan Fund;

RESOLVED, That funding in the amount of \$76,466.00 for the South Industrial Pump Station Electrical Improvements portion of the project is to be advanced from the Water Supply System Operating Fund Balance to be repaid pending the sale of water revenue bonds; and

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