



## Legislation Text

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**File #:** 21-1467, **Version:** 1

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Resolution to Approve a Professional Services Agreement with ATC Group Services LLC for Environmental Services at 2000 S. Industrial Highway and to Appropriate Funding in the Amount of \$60,000.00 from the Water Supply System Fund Balance **(8 Votes Required)**

During an excavation for a new electrical service at 2000 S. Industrial Highway, an unknown underground storage tank (UST) was identified. Under an emergency purchase order authorization approved by City Council on June 7, 2021, ATC Group Services LLC was retained to identify and remove the tank and take the required soils samples to determine if a release had occurred. The tank was an orphaned, 1,000-gallon heating oil tank used to heat the facility, which was used for Utility operations, that had leaked and contaminated the surrounding soils. The tank was pumped out, cleaned and removed and the site was covered pending further activity. Heating oil tanks are regulated by the State of Michigan under Part 201.

Based on the soil sample test results, a remedial investigation (RI) is required under Part 201. This is the second of what will likely be a three-step process. The first step was identification and removal of the UST which is complete. The second step is determining the scope of contamination in the soil or groundwater surrounding the UST. The third step is a remedial action plan, subject to State approval, that will result in the removal of contaminated soils and treatment of groundwater if required.

Funding requested under this proposed resolution includes the \$29,359.00 estimated proposal from ATC Group Services for the RI and an additional \$30,641.00 for contingency and the implementation of the anticipated remedial action plan. If the remedial action costs are going to exceed the estimate, staff will return to City Council for further consideration. The additional work was identified after the FY22 budget was adopted so the appropriation from the Water Supply Fund fund balance is necessary.

ATC Group Services is national, qualified environmental consulting firm who can complete the required activities and brings familiarity of the site, project and subsurface conditions. ATC Group Services LLC complies with the requirements of the City's Conflict of Interest, Living Wage and Non-Discrimination ordinances.

Budget/Fiscal Impact: Funding for the work is available in the Water Supply System Fund Unobligated Fund Balance.

Prepared by: Matthew J. Kulhanek, Fleet & Facilities Manager

Reviewed by: John Fournier, Assistant City Administrator

Approved by: John Fournier, Assistant City Administrator

Whereas, An unknown and abandoned underground heating oil storage tank was recently located at 2000 S. Industrial Highway;

Whereas, Pursuant with State of Michigan Part 201 regulations, the underground tank was properly removed and soil samples taken which revealed a discharge from the tank and contamination of the

surrounding soils;

Whereas, The City must determine the scope of contamination through a remedial investigation and then remove any contaminated soils or treat groundwater as part of a remedial action plan if necessary;

Whereas, ATC Group Services LLC has provided a proposal with an estimated cost of \$29,359.00 to complete the remedial investigation at the site;

Whereas, Staff has requested an additional authorization for ATC Group Services LLC in the amount of \$30,641.00 to cover any contingency for the remedial investigation and to implement the remedial action plan once the scope of contamination has been delineated;

Whereas, Adequate funds for the work in the amount of \$60,000.00 are available in the Water Supply System unobligated fund balance; and

Whereas, ATC Group Services LLC complies with the requirements of the City's Conflict of Interest, Living Wage and Non-Discrimination ordinances;

RESOLVED, That City Council approve and appropriate \$60,000.00 from the Water Supply Fund unobligated fund balance; thereby, increasing both the Water Supply Fund Operational revenue and expenditure budgets;

RESOLVED, That City Council approve a professional services agreement with ATC Group Services LLC, in the amount of \$29,359.00 for the remedial investigation and authorize an additional \$30,641.00 for contingency and implementation of the remedial action plan to remove the contaminated soils and cover potential contract change orders;

RESOLVED, That the Appropriated funds be available without regard to fiscal year;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute said agreement after approval as to substance by the City Administrator and approval as to form by the City Attorney; and

RESOLVED, That the City Administrator is authorized to take all necessary actions to implement this resolution including the approval and execution of change orders within the approved contingency amount.