



City of Grand Island

Tuesday, May 12, 2009

Council Session

Item I3

#2009-117 - Approving Addendum Number 1 to the Agreement for Professional Services for the Design of an Anaerobic Digestion System at the Waste Water Treatment Plant

Staff Contact: Steven P. Riehle, Public Works Director

Council Agenda Memo

From: Steven P. Riehle, Public Works Director

Meeting: May 12, 2009

Subject: Approving Addendum Number 1 to the Agreement for Professional Services for the Design of an Anaerobic Digestion System at the Waste Water Treatment Plant

Item #'s: I-3

Presenter(s): Steven P. Riehle, Public Works Director

Background

On August 26, 2008, by Resolution Number 2008-228, the City Council approved an agreement with the consulting engineering firm, Black & Veatch Corporation of Kansas City, Missouri using Olsson Associates of Grand Island as a sub-consultant. The agreement was for professional services associated with an anaerobic digestion system including preliminary engineering, services during construction, public awareness and a cost of services study related to the digesters only.

On December 16, 2008 by Resolution Number 2008-359, the City Council approved Amendment Number 1 to the agreement that expanded the cost of services study beyond the digesters to include the entire plant and collection system at a cost of \$19,700. The amendment also extended the timeline for the project at a cost of \$16,000 with a council presentation moved from November 2008 to March of 2009.

Discussion

Bill Stoner, Derek Cambridge and Anna White from Black & Veatch discussed digester sizing options and presented the waste water cost of services based rate study report at the May 5th City Council Study Session

Construction of an anaerobic digester complex at the city's waste water treatment plant remains the best long term option for sludge handling. Digestion will eliminate the cost of hauling and disposing of sewage sludge at area landfills. Option number 2 has the lowest initial cost of \$12.9 million, but does not provide capacity for future growth and is a single train without redundancy. Option 2A provides capacity for future growth and is a

double train with redundancy that provides twice the capacity of option 2 at an increased cost of just over 1 1/2 times the cost.

Approving digester sizing option 2A will allow the consultant and city staff to move forward with design on the digester complex.

The negotiated agreement and schedule for the digester project contained an aggressive timeline to keep the project moving forward. Shifting the council presentation on digester sizing from March 2009 to May 2009 necessitates an extension of the time allowance under the agreement from 490 to 550 days from the notice to proceed date of September 23, 2008.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council approve addendum number 1 to the agreement with Black & Veatch Corporation and authorize them to proceed with final design work on digester option 2A as presented at the May 5, 2009 city council study session.

Sample Motion

Move to approve addendum number 1 and authorize Black & Veatch to proceed with final design work on digester option 2A.

ADDENDUM NUMBER 1 TO AGREEMENT FOR PROFESSIONAL SERVICES FOR THE DESIGN OF AN ANAEROBIC DIGESTION SYSTEM

General Provisions

A. **This Document Controlling.** To the extent that there are conflicting provisions between this document and the agreement between The City of Grand Island and Black & Veatch Corporation, this document controls.

B. **Modifications and Deletions.** The following provisions are deleted or modified from original agreement for Professional Services for the Design of an Anaerobic Digestion System; Dated September 23, 2008, and Amendment Number 1 for Professional Services for the Design of an Anaerobic Digestion System; Dated December 16, 2008 as follows:

- (i) **Attachment A; Scope of Services – Anaerobic Digestion Improvements; Page A1-1; Project Information; third paragraph; as stated:**

The ENGINEER shall complete the services described herein within ~~three hundred sixty (360) four hundred and ninety (490)~~ **five hundred fifty (550)** days based on notice to proceed by September 23, 2008. This schedule assumes City Council approval described in Task 1, subtask 3 of this scope of services will be granted by ~~November 4, 2008 March 9, 2009~~ **May 12, 2009**, that documents will be provided to CITY seven (7) working days before major scheduled milestone review workshops, and that all CITY review comments will be received within a reasonable time frame after the workshops.

IN WITNESS WHEREOF, owner and engineer have executed this Addendum Number 1.

City of Grand Island, Nebraska
OWNER

Black & Veatch Corporation
ENGINEER

By: _____

By: _____

Name: Margaret Hornady

Name: William S Stoner

Title: Mayor

Title: Vice President

Date: _____

Date: _____

Attest:

RaNae Edwards, City Clerk

Approved as to Form _____
May 12, 2009 City Attorney

RESOLUTION 2009-117

WHEREAS, on August 26, 2008, by Resolution Number 2008-228, the City Council of the City of Grand Island approved an agreement with the consulting engineering firm, Black & Veatch Corporation of Kansas City, Missouri for the professional services associated to the preliminary engineering for the design of an anaerobic digestion system, public awareness, services during construction and cost of services study related to the digesters only; and

WHEREAS, on December 16, 2008 by Resolution Number 2008-359, the City Council approved Amendment Number 1 to the agreement that expanded the cost of services study beyond the digesters to include the entire plant and collection system; and

WHEREAS, on December 16, 2008 by Resolution Number 2008-359, thru Amendment Number 1 also extended the timeline for the project, with a council presentation moved from November 2008 to March of 2009.

WHEREAS, on May 5, 2009 a Study Session was held regarding Digestion Complex sizing and the Cost of Services based Rate Study where Black & Veatch recommended digester sizing option 2A;

WHEREAS, city staff has negotiated Addendum Number 1 with the consulting engineering firm, Black & Veatch modifying the scope of the original contract with an extension of the agreement time allowance from 490 to 550 days; and

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the notice to proceed with Option 2A for the Digestion System with the calendar days to be adjusted from 490 to 550 days for the consulting engineering firm, Black & Veatch of Kansas City, Missouri, is hereby approved; and

BE IT FURTHER RESOLVED, that the Mayor is hereby authorized and directed to execute such addendum to the agreement on behalf of the City of Grand Island.

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Adopted by the City Council of the City of Grand Island, Nebraska, May 12, 2009.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form _____
May 11, 2009 City Attorney