

City of Fayetteville Staff Review Form

2020-0520

Legistar File ID

7/7/2020

City Council Meeting Date - Agenda Item Only
N/A for Non-Agenda Item

Tim Nyander

6/18/2020

WASTEWATER TREATMENT (730)

Submitted By

Submitted Date

Division / Department

Action Recommendation:

Staff recommends the approval an Out-Of-Scope Agreement with CH2M Hill, Inc. (CH2M) for performing repairs to the Thermal Dryer at the Biosolids Management Site.

Budget Impact:

N/A	N/A
Account Number	Fund
N/A	N/A
Project Number	Project Title
Budgeted Item? <u>NA</u>	Current Budget \$ -
	Funds Obligated \$ -
	Current Balance \$ -
Does item have a cost? <u>NA</u>	Item Cost \$ -
Budget Adjustment Attached? <u>NA</u>	Budget Adjustment \$ -
	Remaining Budget \$ -

V20180321

Purchase Order Number: _____

Previous Ordinance or Resolution # _____

Change Order Number: _____

Approval Date: _____

Original Contract Number: _____

Comments:



MEETING OF JULY 7, 2020

TO: Mayor Lioneld Jordan

THRU: Susan Norton, Chief of Staff

FROM: Tim Nyander, Utilities Director

DATE: June 18, 2020

SUBJECT: Out-Of-Scope Agreement with CH2M Hill Engineers, Inc. for Thermal Dryer Repairs at the Biosolids Management Site

RECOMMENDATION:

Staff recommends the approval an Out-Of-Scope Agreement with CH2M Hill, Inc. (CH2M) a wholly owned subsidiary of Jacob's Engineering Group, Inc. for performing repairs to the Thermal Dryer at the Biosolids Management Site.

BACKGROUND:

CH2M Hill is currently under contract to provide water and sewer operation and maintenance services to the City's water and sewer systems. This agreement includes the management, operation and maintenance of the City's Biosolids Management Site.

The Biosolids Management Site utilizes a 24-cubic yard Fenton Thermal Dryer system to convert wet biosolids to a Class-A fertilizer. Biosolids, a dewatered microbial biomass, is the byproduct of the city's wastewater biological nutrient removal process. The Noland and West Side treatment facilities produce an average of over 100,000 pounds of dewatered biosolids every day. The thermal dryer, in combination with the site's solar house dryers, reduces the daily biosolids volume down to approximately 15,000 lbs. of Class-A, Exceptional Quality fertilizer. The nearly full-time biosolids dryer operation saves the city significant landfill costs annually, as well as allows for beneficial reuse of the biosolids material.

DISCUSSION:

As the thermal dryer ages, repairs to continue its operation have become more frequent. The dryer is nearly the only piece of major equipment in the treatment process that does not have a second unit for redundancy. When the dryer is being repaired, each day that it is inoperable requires staff to transport partially dewatered biosolids to the landfill for disposal. The average cost for landfill disposal is approximately \$2,500 per day.

This Out-of-Scope Agreement will allow CH2M to directly perform or subcontract repairs to the dryer in excess of \$10,000, which is currently the threshold for direct repairs as specified in the Agreement for Operations and Maintenance between CH2M and the City of Fayetteville. This Out-Of-Scope agreement will facilitate the expedited repair of the thermal dryer, thus saving funds

by reducing the landfill disposal costs. The repair services performed will be contingent on the approval of the City's Utilities Director. The Out-Of-Scope Agreement will allow the repairs to be performed through December 31, 2020.

BUDGET/STAFF IMPACT:

CH2M will invoice these charges, along with the other Operations and Maintenance charges, the month after the costs are incurred in accordance with Section D.2.4 of the current contract.

Attachments:

Out-Of-Scope Letter Agreement – BMS Dryer Subcontract

June 18, 2020

Mr. Tim Nyander
City of Fayetteville
113 West Mountain Street
Fayetteville, AR 72701

Subject: Out of Scope Letter Agreement- BMS Dryer Subcontract

Dear Mr. Nyander

In order to facilitate the expedited repair of the thermal dryer at the Biosolids Management Site, the City of Fayetteville (the "City") has requested for CH2M HILL Engineers, Inc. ("CH2M") to perform certain services which are ancillary to the services provided by CH2M to the City under the terms of the Agreement for Operations and Maintenance Services dated December 15, 2009 (the "Agreement") between the parties. The additional Out of Scope services will be performed as set forth below:

What is being provided:	Capital Expenditures (as defined in Section B.2 of the Agreement) related to the Thermal Dryer Repairs at Biosolids Management site, more specifically allowing CH2M to perform or subcontract performance of repairs to the dryer in excess of \$10,000 directly.
When it is being provided:	The Services will be provided upon approval of this Out of Scope Letter Agreement by the City's Utility Director and continue through December 31, 2020.
Price of services:	The cost of services under this Out of Scope Letter Agreement shall be in accordance with Section D.2.3 of the Agreement, as it has subsequently been amended. .
Payment terms:	Invoices shall be paid in accordance with D.2.4 of Amendment 11 to the Agreement dated December 5, 2019.

All other terms and conditions of the Agreement, as it has subsequently been amended, between CH2M and The City of Fayetteville remain in full force and effect.

If these terms are agreeable to you, please sign both copies of this letter. We will return one fully executed original for your files.

CH2M appreciates the opportunity to provide these additional services to the City of Fayetteville.

Sincerely,



Greg Weeks

Both parties indicate their approval of the above-described services by their signature below.

Authorized CH2M:

Authorized City of Fayetteville, Arkansas:



Name: Steve Carpenter

Title: Manager of Projects

Date: 06/18/2020

Name: Lioneld Jordan

Title: Mayor

Date: _____