

COUNCIL ACTION FORM

SUBJECT: CHANGE ORDER No. 5 - TO PROVIDE DESIGN, ENGINEERING, PERMIT, AND BIDDING SUPPORT SERVICES NECESSARY TO CONVERT THE CITY'S STEAM ELECTRIC PLANT'S ASH IMPOUNDMENT TO COMPLY WITH U.S. EPA'S COAL COMBUSTION RESIDUALS (CCR) STANDARD [40 CFR PART 257]

BACKGROUND:

On April 17, 2015, the Final Rule entitled "Hazardous and Solid Waste Management System; Disposal of Coal Combustion Residuals (CCR) From Electric Utilities" was published in the *Federal Register*, which regulated the disposal of ash in surface impoundments and landfills from the burning of coal in electric utility boilers. Subsequent to that action, there have been two significant amendments to the final rule, where in the first case EPA corrected a key compliance date, and in the second case EPA extended the original compliance deadlines for certain CCR Standard requirements by 547 days.

In response to a greater focus by the EPA on coal ash sites, Electric Services began looking for, and building a long-term relationship with a consulting firm that specialized in coal ash site activities, with deep understanding on current and pending EPA rules.

In 2017, the City needed to comply with several near-term requirements of the CCR Standard adopted by the EPA. For this scope of work the City issued a request for proposal (RFP) that resulted in the City receiving nine (9) proposals ranging in price from \$30,710 to \$124,350, with an average price of \$76,555.33.

SCS Engineers was selected as the preferred consultant from the nine proposals for this initial project based upon the combination of technical expertise and cost. The work required included a structural stability assessment, a safety factor assessment, and a hazard potential classifications assessment. In addition, they prepared the initial inflow design flood control system plan, an initial written closure plan, an initial written post-closure care plan, and an Emergency Action Plan.

It needs to be emphasized that the working relationship between Electric Services and this consulting firm is not like most contractual relationships, with a defined scope with clear beginning and end points. The federal law has many milestones to comply with stretching out over many years. Further, the rules keep changing due to continual court challenges and actions. Therefore, it is imperative that we continue to work with a strong consulting firm with these critical skills. As Electric Services continues to respond to existing and new EPA rules, it is anticipated that additional change orders will be required to meet these ongoing and new requirements.

It should also be noted that staff monitors and reviews time sheets submitted by the consulting firm and pays only on a time and materials basis.

CHANGE ORDER HISTORY:

Since 2017, the City has issued 4 Change Orders with SCS in order to continue to meet EPA requirements for the Power Plant's ash pond.

Change Order No. 1 in the amount of \$4,415 was to satisfy a new CCR Standards requirement for a qualified professional engineer to perform an annual inspection report of the ash site. (This amount covers the first annual inspection. Future inspections will be authorized on a yearly basis via staff-approved requisitions due to the dollar amount.)

Change Order No. 2 in the amount of \$122,780 was to satisfy the new requirements of the CCR Standard to install a groundwater well system around the ash site and to subsequently annually monitor the site by sampling and analyzing water from the wells in accordance with the CCR Standard. (Included in this total is the first year cost to install, monitor, and sample water from the wells. Future monitoring and sampling will be authorized on a yearly basis via staff-approved requisitions due to the dollar amount.)

Change Order No. 3 in the amount of \$10,280 was to: 1) update the Fugitive Dust Control Plan, 2) to conduct a site visit and investigation and prepare the Annual CCR Fugitive Dust Control Report, 3) to conduct a site visit and investigation to prepare the Annual Inspection Report by a qualified professional engineer, and 4) to prepare the Annual Inspection Report by a qualified professional engineer. (Future years will require an annual inspection report).

Change Order No. 4 in the amount of \$39,880 was to provide the City of Ames with feasible alternatives to transition the ash site in its current arrangement into a site that is useful for the future and in compliance with U.S. EPA's CCR Standard.

THIS ACTION:

This change order totaling \$196,180 to SCS Engineers of Clive, Iowa, is to provide 1) design and engineering services for the low cost alternative to comply with EPA's CCR standard, 2) permit acquisition and 3) support the bidding of the project necessary to comply with U.S. EPA's Coal Combustion Residuals (CCR) Standard for "closing-in-place" a portion of the City's Steam Electric Plant's ash impoundment.

The low cost alternative will involve removing the ash for the existing pond, storing it on site, reconstructing the majority of the existing pond with a liner to meet the EPA's new requirements. The scope of services to be provided by SCS Engineers under this change order includes the following:

- 1) Compilation of process water and soils data in order to make informed design and engineering decisions.

- 2) Design and develop site dewatering plans necessary to allow the construction activities to create the features of the site.
- 3) Develop design and engineering plans to acquire the necessary permits, and for the construction of the closure and redevelopment features of the site.
- 4) Prepare a Closure Plan and the permit application(s) and assist the City in obtaining the necessary state and local permits to approve the dewatering of the ash impoundment and to perform the construction closure and reconstruction of the ash impoundment.
- 5) Develop the technical (design and engineering) plans and specifications necessary to create the invitation-to-bid (ITB) package for the project scope of work.
- 6) Support the City during the bidding process by: 1) providing a list of bidders to perform the work, 2) attend pre-bid meetings to help answer questions from potential bidders, 3) provide the City with answers to technical questions that may arise during the bid period, and 4) review bids and provide input to City staff regarding such bids.
- 7) Attend meetings including: 1) an engineering kick-off meeting, 2) a meeting with Iowa DNR regarding permitting, 3) a 60% design review meeting, 4) a 95% design review meeting, and 5) other meetings as necessary.

ALTERNATIVES:

1. Issue Change Order No. 5 to SCS Engineers of Clive, Iowa, in the amount of \$196,180 to provide the engineering and related services necessary to design a “close-in-place” portion of the City’s Steam Electric Plant’s ash impoundment and to construct and redevelop the remaining portion to comply with U.S. EPA’s Coal Combustion Residuals (CCR) Standard and to accommodate the Power Plant’s ash handling requirements.
2. Reject the proposal and solicit equivalent engineering services from another engineering firms.

CITY MANAGER'S RECOMMENDED ACTION:

This scope of work is necessary for the City of Ames Steam Electric Plant to continue to functionally operate and be in compliance with U.S. EPA’s CCR Standard. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above. Funding for this consulting work has been included in the \$2,200,000 Ash Pond Modifications project in the CIP.