

COUNCIL ACTION FORM

SUBJECT: GEOTECHNICAL ENGINEERING CONSULTING SERVICES - LIME AND ASH PONDS

BACKGROUND:

On December 22, 2008, an ash pond dike at Tennessee Valley Authority's (TVA) Kingston Power Plant failed, spilling 5.4 million cubic yards of ash material into the Emory and Clinch Rivers, ultimately requiring seven years and costing TVA \$1.2 billion to cleanup and repair the damage. This failure was the impetus for the United States Environmental Protection Agency (EPA) to launch a nationwide effort to assess the structural integrity of power plant ash impoundment and landfill dikes.

In August of 2012, an engineering consulting firm, Dewberry Consultants, LLC of Fairfax, Virginia, on behalf of EPA performed an on-site inspection and assessment of the impoundment dikes at the City's ash and lime pond system. A final report of the assessment was issued by EPA in April of 2014, which included recommendations that EPA expected the City to undertake. The report's recommendations included engineering analyses and studies to assess specific risks, and physical enhancements to the dikes and embankments to reduce the risk of failure. Then, in April of this year, EPA published the final rule regarding the disposal of coal ash from electric utilities, commonly referred to as the Coal Combustion Residuals (CCR) rule. Certain features of this (CCR) rule closely parallel the recommendations of EPA's inspection/assessment report of the lime/ash pond dikes in 2014.

The scope of work to be accomplished is to:

- 1) Perform a static and seismic slope stability analysis of the lime and ash ponds exterior dikes.
- 2) Develop a written fugitive dust control plan for the lime and ash pond system in accordance with the requirements of the recently promulgated CCR regulation. This item must be completed and placed in the facility's operating record by October 19, 2015. 40 C.F.R. 257.80
- 3) Perform the initial annual inspection of the ash system "CCR surface impoundment" and the "CCR landfill" by a "qualified professional engineer" in accordance with the requirements of the recently promulgated CCR regulation. 40 C.F.R. 257.83 and 40 C.F.R. 257.84

This project is to hire a consulting engineer to furnish labor, materials, and equipment necessary to accomplish items 1) through 3) above.

The City initially requested quotations from three consulting engineering firms with the geotechnical experience and expertise to perform the work. One of the firms by their responses proved to be uninterested in performing the work. The other two firms were and continue to be very interested in performing the work. Both firms have personnel with significant credentials and the necessary experience to perform the work. The two firms provided quotations for the scope of work as follows:

GEI Consultants, Inc.	Green Bay, WI	\$60,800
Wenck Associates, Inc.	Maple Plain, MN	\$62,800

Although the proposals are very close in price and similar in their approach, it is staff's recommendation that Wenck Associates, Inc. be awarded the work on the basis that they proposed performing more soil borings than GEI proposed to ascertain the subsurface conditions.

Funding in the amount of \$59,000 will be carried forward from the approved FY 2014/15 Power Plant operating budget in the Unit #8 Ash system account. Additional funds are available in the FY 2015/16 Unit #8 Ash system account to cover the remaining \$3,800 that is needed.

ALTERNATIVES:

1. Award the scope of work (itemized above) to Wenck Associates, Inc. of Maple Plain, Minnesota, in accordance with their proposal dated June 19, 2015, for the estimated price of \$62,800.
2. Award the scope of work (itemized above) to GEI Consultants, Inc. of Green Bay, WI in accordance with their proposal dated June 29, 2015, for the estimated price of \$60,800.
3. Require staff to seek other quotations for this work.

MANAGER'S RECOMMENDED ACTION:

EPA's rules regarding CCR were published in April of 2015. In order to comply with deadlines outlined in the rule, the City is working quickly to accomplish the scope of work outlined above. Any delay seriously jeopardizes the City's ability to be in compliance with the October 19, 2015, due date for the "CCR fugitive dust control plan" and inspection/assessment required by early next year.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.