

COUNCIL ACTION FORM

SUBJECT: PROVIDE ENGINEERING AND RELATED CONSULTING SERVICES NECESSARY TO COMPLY WITH U.S. EPA'S COAL COMBUSTION RESIDUALS (CCR) STANDARD [40 CFR PART 257] – CHANGE ORDER #8

BACKGROUND:

On April 17, 2015, a Final Rule entitled “Hazardous and Solid Waste Management System; Disposal of Coal Combustion Residuals From Electric Utilities” was published in the *Federal Register*, which regulated the disposal of ash in surface impoundments and landfills resulting from the burning of coal in electric utility boilers.

In response to this emphasis by the U.S. EPA on coal ash sites, the City of Ames Electric Services began looking for a consulting firm that specializes in coal ash site activities, with deep understanding of the regulations governing coal ash sites, especially the CCR rule.

In 2017, the City needed to comply with several near-term requirements of the CCR rule adopted by the EPA. For this scope of work, the City issued a request for proposals (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 of Clive, Iowa, was selected as the preferred engineering consultant from the nine proposals for this initial project based upon the combination of technical expertise and price (SCS's proposal was the lowest priced). On December 19, 2017, SCS Engineers was issued a Purchase Order to complete nine (9) studies/reports required to comply (by April 17, 2018) with the CCR rule. This initial scope of work included:

- 1) documenting the liner type
- 2) compiling the history of construction of the site
- 3) classifying the initial hazard potential
- 4) assessing the initial structural stability
- 5) assessing the initial safety factor
- 6) preparing the initial inflow design flood control system plan
- 7) preparing the initial written closure plan
- 8) preparing the initial written post-closure plan
- 9) preparing an emergency action plan (compliance date of October 16, 2018)

It needs to be emphasized that the working relationship between Electric Services and the consulting firm for this work is not like most contractual relationships, with a defined scope with clear start and end points. The CCR rule has many milestones

to comply with stretching out over many years. Further, the rules keep changing due to 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.

CHANGE ORDER HISTORY:

Change Order No. 1, in the amount not to exceed of \$4,415 was to satisfy the CCR rule's requirement for a qualified professional engineer to perform an annual inspection (with a report) of the ash site. The amount of Change Order 1 actually spent was \$4,415.

Change Order No. 2, in the amount not to exceed of \$122,780 was to satisfy the requirements of the CCR rule to install a groundwater well system around the ash site and to subsequently monitor the site by sampling and analyzing water from the wells in accordance with the CCR rule. The amount of Change Order 2 actually spent was \$119,260.98.

Change Order No. 3, in the amount not to exceed of \$10,820 for 2018-19 was to update the Fugitive Dust Control Plan, conduct a site visit and prepare the Annual CCR Fugitive Dust Control Report, conduct a site visit and prepare the Annual Inspection Report by a qualified professional engineer. The amount of Change Order 3 actually spent was \$9,892.50.

Change Order No. 4, in the amount not to exceed 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 rule. The amount of Change Order 4 actually spent was \$39,865.81.

Change Order No. 5, in an amount not to exceed of \$196,180 was to provide design and engineering services along with permit acquisition and bidding support necessary to comply with U.S. EPA's Coal Combustion Residuals (CCR) rule by closing-in-place a portion of the City's Steam Electric Plant's ash impoundment, and by reconstructing the remainder of the impoundment to support the power plant's future ash handling needs. This Changer Order remains open.

Change Order No. 6, in an amount not to exceed of \$57,025 for 2019-20 was to sample the groundwater monitoring wells and prepare the Annual Groundwater and Corrective Action Report, conduct a site visit and prepare the Annual CCR Fugitive Dust Control Report, conduct a site visit and prepare the Annual Inspection Report by a qualified professional engineer, and prepare a report that assesses the site regarding five (5) location restrictions. The amount of Change Order actually spent was \$40,271.70.

Change Order No. 7 in an amount not to exceed of \$41,585 for 2020-21 was to sample the groundwater monitoring wells and prepare the Annual Groundwater and Corrective Action Report, conduct a site visit and prepare the Annual CCR Fugitive Dust Control

Report, conduct a site visit and prepare the Annual Inspection Report by a qualified professional engineer, and provide a fund for additional engineering and related services. This Changer Order remains open.

THIS ACTION – CHANGE ORDER No. 8:

This change order, Change Order No. 8, for an estimated price of \$53,585 to SCS Engineers of Clive, Iowa, is for consulting engineering services necessary to comply with the U.S. EPA's CCR regulation's annual requirements for 2021-22. The scope of work of this change order is listed and briefly described below:

- 1) Perform semi-annual groundwater sampling of the ash impoundment's monitoring wells (2 events),
- 2) Perform additional groundwater sampling if needed and as required by code (the change order assumes 4 additional sampling events),
- 3) Laboratory testing charges.
- 4) Develop and prepare the required Annual Groundwater Monitoring and Corrective Action Report,
- 5) Annual licensing fee for the software used to perform the required statistical analysis of the groundwater monitoring results.
- 6) Prepare the required Annual CCR Fugitive Dust Control Report,
- 7) Inspect the site and prepare the required Annual Inspection Report by a Qualified Professional Engineer
- 8) An allowance for additional engineering and related services, however, at this time, such additional services are unknown and uncommitted.

The Ash Pond Modification Project budget in the CIP has a current balance of \$5,824,845.

ALTERNATIVES:

1. Approve Change Order No. 8 in the amount of \$53,585 to SCS Engineers of Clive, Iowa, to provide engineering and related services necessary to comply with U.S. EPA's CCR regulation's annual requirements pertaining to groundwater monitoring, fugitive dust control, and the annual engineering inspection of the City of Ames Steam Electric Plant's ash site. **With this latest change order, the contract with SCS will be increased to \$532,610.99.**
2. Reject the proposal and solicit equivalent engineering services from another engineering firm.

CITY MANAGER'S RECOMMENDED ACTION:

This scope of work is necessary for the City of Ames Steam Electric Plant to continue to function and be in compliance with U.S. EPA's CCR rule. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1.

Because this monitoring and EPA reporting work must continue indefinitely into the future, staff intends in the future to solicit bids for these tasks for a multi-year contract with annual renewals for this future work.