

REQUEST FOR BOARD ACTION

HENDERSON COUNTY BOARD OF COMMISSIONERS

MEETING DATE: December 7, 2009

SUBJECT: Engineering Agreement with McGill & Associates, revised
Solid Waste Capital Improvements

ATTACHMENTS: No

SUMMARY OF REQUEST:

With the approval of McGill & Associates as the most qualified responding Engineer for the subject project during the November 2, 2009 Board Meeting, Engineering staff has negotiated an agreement with McGill & Associates. During the November 18, 2009 Board Meeting, the Board directed the Manager to further negotiate the agreement regarding fee amount. Again, the scope of services is to perform the permitting, design, bidding and construction administration for the proposed Capital Improvements approved in the recent Feasibility Study. The fee for this scope has been further reduced to a lump sum fee of \$464,810 from \$518,850 as proposed on November 18th (10.4% reduction). This proposed fee represents a reduction on top of the reduction included in the proposed agreement from November 18th which amounted to \$88,600. The total fee reduction from McGill's original proposal is \$142,640 or 23.5%. The following table details the negotiations:

<i>Scope</i>	<i>Original Proposal</i>	<i>Nov. 18th Proposal</i>	<i>Dec. 7th Proposal</i>
Pre-Construction	\$374,850	\$354,850	\$320,360
Construction Admin.	\$232,600	\$164,000	\$144,450
Totals	\$607,450	\$518,850	\$464,810

As discussed on November 18th, the funding for this agreement was included in this year's Solid Waste Enterprise Fund budget. However, the budgeted amount was only for permitting, design and bidding of the first year's improvements which were estimated at \$3.2 million. The agreement presented above includes the improvements for the entire plan. This strategy will put us in a position to take advantage of favorable construction bids due to the economy and the economies of scale received from a large project. Should the savings not be realized, portions of the project can be removed from the construction contract as needed and funded at a later date. The construction estimate for the improvements included in this agreement is \$4,504,000 and detailed in the table on the following page:

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Year 1:	
New Entrance Facility	\$1,146,000
Relocate Convenience Center	\$974,600
Recycle Transfer Area	\$99,800
Recycling Processing Facility	\$976,700
Year 3:	
C&D Processing Area	\$167,100
Year 6:	
Composting Area	\$270,100
Year 10:	
Wood Waste – White Goods Area	<u>\$869,700</u>
	\$4,504,000

Due to the possibility of changing the scope of the construction project based on the bid amounts received, executing only the pre-construction portion of the agreement with McGill at this time would avoid having to adjust the agreement after bidding. The Construction Administration portion of the agreement could be executed with the Construction Contract. However, the amount should be no more than what they currently propose at \$144,450. This would make the current agreement for pre-construction agreement \$320,360. This amount is budgeted in the FY2010 Solid Waste Enterprise Fund budget.

BOARD ACTION REQUESTED:

The Board is requested to authorize the County Engineer to execute the proposed agreement for \$320,360 with McGill & Associates to perform the pre-construction engineering for the proposed Solid Waste Capital Improvements

Suggested Motion:

I move that the Board authorize the County Engineer to execute the proposed agreement for \$320,360 with McGill & Associates to perform the pre-construction engineering for the proposed Solid Waste Capital Improvements.