

Agenda Item 7.

Memorandum

TO: Programs, Projects and Operations Subcommittee

RE: Pigeon/Jones Site #15 Final Design for Professional Services,
Request for Additional Fees

Date: March 4, 2009

From: Ralph Puls, Land/Water Programs Coordinator

In September 2007, the P-MRNRD Board of Directors approved a contract with Olsson Associates for the Pigeon/Jones Creek Watershed Site #15 Final Design in the amount of \$534,573. The contract is for the design of the dam, design of County road improvements and design of downstream levees and the off-line storage area. The work also includes the surveys, geotechnical investigations, the implementation of the Community Based Watershed Planning process and the acquisition of permits. To date, these tasks are approximately 90% completed. As a result of this work, the project has been approved for funding from the Natural Resources Development Fund (NRDF) in the amount of \$6,482,667, the Nebraska Environmental Trust (NET) for \$685,000, Dakota County for \$300,000 and the potential for up to \$1,000,000 from other sources including the Sport Fish Restoration Fund administered by the Nebraska Game and Parks Commission and the Nebraska Department of Environmental Quality for Clean Water Act (319) funds.

Olsson Associates is requesting additional Professional Services funding to complete design work for the structures and for the preparation of the application of the Nebraska Environmental Trust application. A copy of their letter of requesting additional funds is attached. A change in the criteria used for dam design resulted in additional costs, but should result in a saving of as much as \$250,000 in construction costs. The preparation of an application for Nebraska Environmental Trust funds was not included in the contract with Olsson. As noted above that work resulted in a grant for \$685,000. Olsson's request is for \$42,780 for redesign of the dam and \$8,600 for the preparation of a NET application; a total of \$51,380. The maximum not to exceed amount for the contract would then be \$585,953.

Not included in Olsson's request are additional fees for the acquisition of a Corps of Engineers 404 permit. This permit would allow the District to build the Site #15 dam in waters of the United States, in this case, Jones Creek. The process has become more complicated and costly than previously; but without the permit, the dam could not be built. It is not possible at this time to determine the added costs for completing the 404 Permit application work, but it is anticipated that it will exceed the originally budgeted amount of \$53,508. Because of the difficulty in estimating the added costs for the 404 Permit, it is advisable to wait until the amount needed, if any, can be more accurately determined.

- **It is Management's recommendation that the Subcommittee recommend to the Board of Directors that the limitation on professional fees and costs, provided by the District's contract with Olsson Associates, for Pigeon/Jones Creek Watershed Site #15 design services, should be increased from \$534,573 to \$585,953; and that the General Manager, on behalf of the District, should execute a contract amendment providing for such increase.**



March 3, 2009

Mr. Ralph Puls
Papio-Missouri River NRD
8901 S. 154th Street
Omaha, NE 68138-3621

Re: Pigeon-Jones Creek Site 15 Additional Services
OA Project No. 007-1658

Dear Ralph:

This letter is in reference to the current state of the contract for the Pigeon-Jones Site 15 Project. As you are aware, our most recent invoice brought the total amount billed to date to \$488,696.65, and the original contract price was **\$534,573.00**.

We respectfully request that you consider a total contract increase of **\$51,380.00**

1. Additional services to date of \$42,780 for redesigns of the dam based on the release of updated Probable Maximum Precipitation (PMP) information for the State of Nebraska. The dam re-design resulted in potential construction **savings of \$250,000** due to a lower dam height.
2. \$8,600 to prepare the application for Nebraska Environmental Trust Funds. The application resulted in a **\$685,000 grant toward the project**.

This request for additional services does *not* include work that is anticipated beyond the original contract amount toward the 404 application process. We are currently coordinating with the Corps to try to get a better idea of what will be required for this project. When we get feedback from the Corps, we will be better able to evaluate what additional services, if any, are necessary to obtain an approved 404 permit.

If approved, the increase of \$51,380.00 would bring the total contract amount to **\$585,953.00**.

Thank you for your consideration of our proposal. As always, feel free to contact me with any questions you may have.

Sincerely,

A handwritten signature in cursive script that reads "Paul W. Woodward".

Paul W. Woodward, P.E., CFM

SUGGESTED FORMAT
(for use with E-582, 2004 Edition)

This is **EXHIBIT K**, consisting of 1 pages, referred to in and part of the **Agreement between Owner and Program Manager** dated October 4, 2007.

Amendment to Owner-Program Manager Agreement

1. Background Data:

- a. Effective Date of Owner-Program Manager Agreement: March 13, 2009
- b. Owner: Papio-Missouri River NRD
- c. Program Manager: Olsson Associates
- d. Program: PMRNRD Pigeon/Jones Creek Watershed Site 15 Final Design

2. Nature of Amendment [Check those that are applicable and delete those that are inapplicable.]

- Additional Services to be performed by Program Manager
 Modifications to Services of Program Manager
 Modifications to Responsibilities of Owner
 Modifications to Payment to Program Manager
 Modifications to Time(s) for rendering Services
 Modifications to other terms and conditions of the Agreement

3. Description of Modifications

Attached letter to Ralph Puls dated March 3, 2009 detailing the nature of the requested additional services.

Owner and Program Manager hereby agree to modify the above-referenced Agreement as set forth in this Amendment. All provisions of the Agreement not modified by this or previous Amendments remain in effect. The Effective Date of this Amendment is March 13, 2009.

OWNER:

PROGRAM MANAGER:

By: John Winkler

By: Louis Lamberty

Title: General Manager

Title: Omaha Office Manager

Date Signed: _____

Date Signed: March 4, 2009