

MEMORANDUM

TO: Programs, Projects & Operations Subcommittee

SUBJECT: Request from Olsson Associates for Additional Professional Services Fees for Silver Creek Watershed

DATE: February 1, 2010

FROM: Ralph Puls and Paul Woodward – Olsson Associates

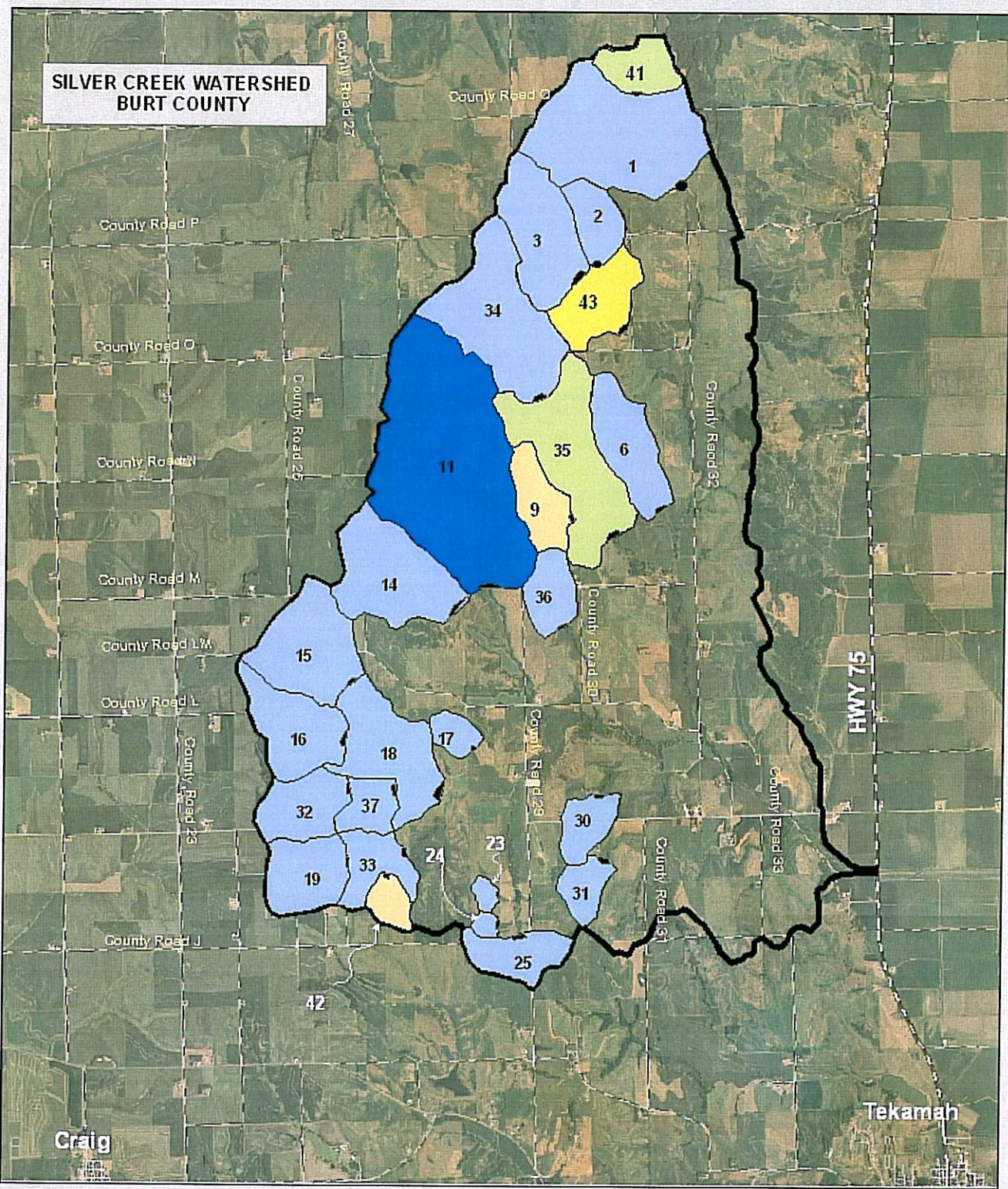
At their November 18, 2004, meeting, the P-MRNRD Board of Directors approved an Agreement with the Natural Resources Conservation Service that would accelerate the design and construction of 10 of the erosion/sediment control dams remaining in the Silver Creek Watershed Project (a map of the project area is attached). This Agreement called for the selection of a Technical Service Provider (TSP) to provide the necessary professional services. Olsson Associates was the Technical Service Provider that was chosen to do this work. A contract with Olssons was approved by both the P-MRNRD and the NRCS; the dollar amount of this contract was \$416,742.00. The costs were to be divided equally between the District and the NRCS. The same was true for the construction costs for the 10 dams in the plan; they were to be shared by the District and the NRCS.

To date, eight of the structures have been built, one has been deleted from the contract and one structure, Site 11, remains to be built. The costs to complete this work and thus to complete the work contracted for have increased since the project was approved.

Attached is a letter from Olsson Associates that explains in detail their request for additional professional service fees in the amount of \$42,180. If approved, it would increase the contract to \$619,263.24.

- **It is recommended by staff that the Subcommittee recommend to the Board that the maximum, not to exceed amount for professional services contract with Olsson Associates for the Silver Creek Watershed Project, be increased to \$619,263.24**

**SILVER CREEK WATERSHED
BURT COUNTY**



Legend

- Structure Schedule
- COMPLETED
 - FALL 2008
 - SUMMER 2009
 - CANCELLED (Landowner request)
 - POTENTIAL SITE



2005 Ortho Imagery Not To Scale



Date: 08/1/2008



January 19, 2010

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

Re: Additional Services for Silver Creek Site 11
Olsson Project No. 2004-1269

Dear Mr. Puls:

This letter is in regard to additional services for the 404 permitting of the Silver Creek Watershed Project. The original contract, approved in December 2004, included the design and construction observation of 10 low hazard dams in the Silver Creek Watershed in Burt County, NE. Of those 10, 8 have been completely designed and constructed under the original contract. Sites 11 and 31, originally designed per the original contract, were determined to be High Hazard structures and required additional design and environmental permitting services. As such, additional requirements resulted in two previous contractual amendments, as shown below:

Work Currently Under Contract

Original Contract:	\$416,742.00
October 2006 Add Services:	\$78,491.24
December 2007 Add Services:	<u>\$81,850.00</u>
Total Contract Cost:	\$577,083.24

Currently, Olsson has invoiced for \$521,767.85, leaving \$55,316.15 remaining. As a result of this effort to date, the final design for Silver Creek Site 11 has been completed and the 404 Permit Application and Alternatives Analysis have been submitted and are under review by the Corps. However, all of the \$50,500 allocated under the previous amendment for 404 Permitting has been utilized to get this far in the permit process. Permitting and design services are still needed to develop a conceptual mitigation plan, prepare final mitigation plans and specifications, and coordinate final permit conditions with the Corps.

According to previous estimates, approximately \$2,500 to \$3,000 per week is needed to perform construction observation for Site 11. Assuming a 20 week construction period, this suggests that a budget of at least \$50,000 to \$60,000 must remain in order to provide adequate construction observation and administration. Therefore, after consultation with NRD staff, it was decided that the remaining budget of \$55,316.15 should be reserved for its intended purpose and that additional scope and fees be recommended to complete the 404 Permit process.

Through recent meetings and discussions with the U.S. Army Corps of Engineers, the process for completing an Individual 404 Permit has been better defined. The major steps necessary to obtain a Section 404 Individual Permit are:

1. Determine Purpose and Need (P&N) through Pre-Application Consultations
2. Prepare and Submit Permit Application describing P&N for the project
3. Meet with Corps to determine appropriate alternatives and analysis
4. Screen Alternatives based on avoidance and minimization
5. Meet with Corps to review screening
6. Prepare Alternatives Analysis Report
7. Meet with the Corps to review report
8. Prepare conceptual mitigation plan based on impact to waters of the U.S.
 - a. Conduct Functional Assessment of existing stream impacts (debits) and assess Functional benefits of proposed mitigation (credits)
9. Meet with Corps to review conceptual mitigation
10. Prepare Final Mitigation Report
11. Meet with Corps to review Final Mitigation Report
12. Prepare Final Mitigation Construction Plans and Specifications
13. Prepare any additional supporting documentation and final permit conditions.
14. Meet with Corps to review final permit conditions

Currently, Olsson Associates, with assistance from NRD Staff, Jaron Bromm (attorney), and Dick Gorton (HDR), have completed steps 1 thru 7 and part of 8. As part of the work under step 8, Olsson completed the field monitoring necessary for the functional assessment of existing stream conditions. So, remaining services are the preparation and review of a Conceptual Mitigation Plan, the preparation and review of a Final Mitigation Report, the preparation of construction plans and specifications for mitigation, and continued meetings and documentation for the Corps. The scope for each of these items and the necessary labor are summarized below.

404 Permit Conceptual Mitigation Plan

Proposed mitigation actions have been discussed with the Corps. Based on these discussions and input from the NRD, Mr. Bromm, and Mr. Gorton, Olsson Associates will develop a conceptual plan to mitigate stream and wetland impacts. Wetland impacts are expected to be mitigated using the wetland mitigation bank that has previously proposed for the Silver Creek Site 11 lake. The majority of effort under this task will be to develop stream mitigation opportunities. To do this, Olsson will complete the functional assessment for existing stream impacts based on guidance from the Corps. Proposed stream mitigation efforts will also be assessed for functionality and that will determine mitigated credits. Using this formula, Olsson will propose a conceptual mitigation plan that meets the Corps minimum criteria and their approval.

One meeting with the Corps is assumed during this step. Some additional field work is also assumed to analyze the functional change of proposed mitigation areas. This scope does not include surveys for cultural resources or endangered species on the mitigation site.

404 Permit Conceptual Mitigation Plan: \$9,458 (see attached cost estimate).

404 Permit Final Mitigation Report

Based on approved measures in the Conceptual Mitigation Plan, Olsson will prepare a report which fully documents the mitigation requirements, mitigation implementation, future monitoring, and criteria for success. These requirements will be reviewed with NRD Staff and the Corps. No services for future monitoring are included as part of this amendment.

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404 Permit Final Mitigation Report: \$3,812 (see attached cost estimate).

404 Permit Mitigation Construction Plans and Specs

In order to fully implement the mitigation requirements, plans and specifications will be necessary for proper construction. Olsson will prepare construction plans and specifications as additions to the existing construction documents for the Silver Creek Site 11 structure. Detailed cost estimates will be prepared based on the design. These plans will be completed in accordance with the requirements set forth in the Final Mitigation Report and will undergo final review for quality assurance and quality control.

404 Permit Mitigation Construction Plans and Specs: \$14,904 (see attached cost estimate).

404 Permit Meetings and Documentation

Throughout the remaining 404 permit process, meetings with the Corps and the internal working group will be required to review submitted documents and discuss 404 Permit details. This scope includes time for overall project management during the permit process, Olsson attendance at meetings, and additional documentation needed for the Corps to issue the final permit. It is assumed that a total of four (4) more meetings will be required. This phase also includes estimated expenses for travel and other expenses during field services.

404 Permit Meetings and Documentation: \$13,916 (see attached cost estimate).

The total additional services beyond what is currently under contract are **\$42,180**. This would expand the total contract to \$619,263.24 and leave the approximately \$55,000 available for the future construction observation of Site 11.

Attached is a contract amendment reflecting this proposed contract addition. If you find this proposal acceptable, please sign both attached executable copies and return one to me in the envelope provided.

As always, I am available for any questions you might have at 402.938.2470.

Sincerely,



Paul W. Woodward, P.E., CFM
Project Engineer

Enclosures

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 May 10, 2007.

Amendment to Owner-Program Manager Agreement

1. Background Data:

- a. Effective Date of Owner-Program Manager Agreement: December 9, 2004
- b. Owner: Papio-Missouri River NRD
- c. Program Manager: Olsson Associates
- d. Program: Silver Creek Watershed in Burt County, NE

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 January 29, 2010 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 February 12, 2010.

OWNER:

PROGRAM MANAGER:

By: John Winkler

By: Louis Lamberty

Title: General Manager

Title: Omaha Office Manager

Date Signed: _____

Date Signed: _____