

City of Fayetteville Staff Review Form

2019-0191

Legistar File ID

7/2/2019

City Council Meeting Date - Agenda Item Only
N/A for Non-Agenda Item

Tim Nyander

6/4/2019

WASTEWATER TREATMENT (730)

Submitted By

Submitted Date

Division / Department

Action Recommendation:

Staff recommends the approval of a Limited Service Agreement with Black Hills Energy in the amount of \$10,948.00 plus applicable taxes to install a natural gas meter and bypass valve for the thermal drying unit at the Biosolids Management Site, and approval of a budget adjustment.

Budget Impact:

5400.730.5800-5414.00

Water and Sewer

Account Number

Fund

02069.1

Plant Pumps and Equipment - WWTP

Project Number

Project Title

Budgeted Item? Yes

Current Budget \$ 980,773.00

Funds Obligated \$ 975,488.87

Current Balance \$ 5,284.13

Does item have a cost? Yes

Item Cost \$ 12,015.43

Budget Adjustment Attached? Yes

Budget Adjustment \$ 12,016.00

Remaining Budget \$ 5,284.70

V20180321

Purchase Order Number: _____

Previous Ordinance or Resolution # _____

Change Order Number: _____

Approval Date: _____

Original Contract Number: _____

Comments: Taxes are estimated at \$1,067.43 for a total of \$12,015.43.



MEETING OF JULY 2, 2019

TO: Mayor and City Council

THRU: Don Marr, Chief of Staff

FROM: Tim Nyander, Utilities Director

DATE: June 4, 2019

SUBJECT: **Limited Service Agreement with Black Hills Energy for Installation of a Natural Gas Submeter and Bypass Loop for the Thermal Dryer at the Biosolids Management Site**

RECOMMENDATION:

Staff recommends approval of the installation of a natural gas submeter and bypass loop at the Biosolids Management Site by Black Hills Energy in the amount of \$10,948.00 plus applicable taxes, and approval of a budget adjustment.

BACKGROUND:

The thermal dryer located at the Noland wastewater treatment facility's Biosolids Management Site represents a major single-point consumption of natural gas for city-owned utilities. City staff have pointed out the value of isolating the thermal dryer's gas consumption for better evaluating city natural gas usage and energy reporting. The submeter would allow for a helpful measure of monthly, seasonal, and annual natural gas consumption.

DISCUSSION:

The Limited Service Agreement with Black Hills Energy includes the purchase and installation of a Mercury Mini submeter unit and associated equipment in the amount of \$5,960.00. The proposed agreement also includes the purchase and installation of a bypass loop in the amount of \$4,988.00 to maintain uninterrupted feed of natural gas to the dryer during times of submeter maintenance, inspection, testing and/or replacement. The submeter and bypass loop have a total cost of \$10,948.00 plus applicable taxes.

BUDGET/STAFF IMPACT:

A budget adjustment from capital project No.14018 Sanitary Sewer Rehabilitation – Ramsey and Overcrest will be necessary to fund this purchase and installation of the submeter and bypass loop. The budgeted funds being transferred is cost savings left over after completing the sewer rehabilitation project.

Attachments:

Limited Service Agreement
Budget Adjustment

**Black Hills Energy
Limited Service Agreement**

Date: June 3, 2019
Name: Fayetteville Wastewater Treatment Plant
Attn: Jerry Genz
Address: 16464 Wyman Rd.
City/State/Zip: Fayetteville, AR 72701

Scope of Services:

Please consider the following a proposal from Black Hills Energy ("Company") for the Fayetteville Wastewater Treatment Plant ("Customer") for the Service described below.

Service/Cost

Company agrees to provide services as requested by Customer at the costs set forth below ("Service"):

Scope of Service(s):

Install a Mercury Mini unit and associated equipment to correct the uncorrected meter volumes by accounting for temperature and pressure

Option 1: Build bypass loop for meter testing in order to maintain gas flow to building if meter needs to be tested or replaced

Contingencies

1. Customer will obtain all necessary permits

Cost (not including taxes):

 X Install Mercury Mini unit and associated equipment - \$5,960 plus taxes during regular hours

 X Option 1: \$4,988 plus taxes during regular hours

Regular hours are defined as 8:00 AM – 5:00 PM, Monday – Friday.

Please initial by "Install Mercury Mini" and/or "Option 1" to select services you agree to purchase.

Upon completion of the Service (so long as any such Service does not last longer than one month, in which case the Company will submit a monthly invoice), Company will submit an invoice to Customer for the amount in excess of the above estimate. Customer shall make full payment of this amount to Company within seven (7) days after receipt of payment.

Company and Customer agree that each assumes full responsibility and liability for its own negligence in the operation of facilities owned by it and the carrying out of its roles and responsibilities related to this Agreement and the facilities that are the subject of this Agreement.

COMPANY MAKES NO REPRESENTATIONS, COVENANTS, WARRANTIES, OR GUARANTEES, (EXPRESS, IMPLIED, STATUTORY, OR OTHER) OTHER THAN THOSE SPECIFICALLY SET FORTH HEREIN, IF ANY, INCLUDING BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE SERVICES OR OTHER DELIVERABLES TO BE PROVIDED HEREUNDER. Without limiting the foregoing, no implied warranty arising by usage of trade, course of dealing or course of performance is given by Company to Customer or will arise by or in connection with this Agreement or the parties conduct in relation hereto or to each other.

Company shall not be responsible for the acts or omissions of the Customer, contractor, subcontractor or supplier, or of any contractor's agents or employees or any other person's (except Company's own employees or contractors) furnishing or performing any work or services, the conditions of any of Customer's properties or facilities or for any decisions or interpretations of Customer regarding the Customer's properties and/or facilities.

Notwithstanding anything in this Agreement to the contrary, if prior to the completion date, any portion of the workmanship of Company included in the Services is found to be not in conformance with this Agreement ("Defective Work"), Customer shall promptly notify Company in writing. Unless Customer provides written acceptance of the condition, Company shall promptly correct the Defective Work at its sole expense.

Neither party shall be liable to the other for any special, indirect or consequential damages, including, without limitation, loss of profit, loss of product, or loss of value, arising out of the performance of this Agreement, regardless of fault or negligence.

Please indicate your acceptance of this Agreement by signing below and returning this form to me. We appreciate the opportunity to provide this Service to you. If you have any questions regarding this Proposal, please feel free to contact me at the number listed below.

Sincerely,

Marshall Moody
Customer Solutions Representative
(479) 601-5257

ACCEPTED AND AGREED TO THIS ____ DAY OF _____, 2019.

BY: _____

NAME: _____

TITLE: _____