CITY OF COFFEYVILLE
BOARD OF COMMISSIONERS AGENDA ITEM

MEETING DATE	January 12, 2016	
RESOLUTION OR ORDINANCE NUMBER	R-16-05	
AGENDA TITLE	**A RESOLUTION TO AUTHORIZE THE MAYOR TO EXECUTE AN ENGEERING SERVICES AGREEMENT WITH SEGA, INC. FOR AIR COMPLIANCE REPORTING SERVICES**	
REQUESTING DEPARTMENT	Electric Utility - Generation	
PRESENTER	Gene Ratzlaff	
FISCAL INFORMATION	Cost as recommended:	$6,600
	Budget Line Item:	800-5-030-478
	Balance Available	$75,000
	New Appropriation Required:	[ ] Yes [X] No
PURPOSE	Authorizes the Mayor to execute an agreement with SEGA, Inc. for Engineering Services	
BACKGROUND	Sega has been providing engineering services to assist staff with both the KDHE and EPA Clean Air Act Compliance Programs for the Electric Utility. Sega provides two Environmental Engineers to assist in evaluating and directing the compliance program for the Utility, including all quarterly and semiannual reporting efforts, renewal permitting process, as well as any new or pending regulation changes for the year 2016.	
SPECIAL NOTES	NA	
ANALYSIS	NA	

PUBLIC INFORMATION PROCESS	NA
BOARD OR COMMISSION RECOMMENDATION	NA
STAFF RECOMMENDATION	Staff recommends the Mayor be authorized to execute a Professional Services Agreement with Sega, Inc. for Air Compliance Reporting Services for the Electric Utility.
REFERENCE DOCUMENTS ATTACHED	Proposed Engineering Services Agreement (SEGA Task Authorization # 17)

RESOLUTION NO. R-16-05

A RESOLUTION TO AUTHORIZE THE EXECUTION OF AN ENGINEERING SERVICES AGREEMENT WITH SEGA TO PROVIDE AIR COMPLIANCE REPORTING ASSISTANCE TO THE CITY OF COFFEYVILLE ELECTRIC UTILITY FOR FY 2016.

BE IT RESOLVED by the Board of Commissioners of the City of Coffeyville, Kansas that the Mayor be and is hereby authorized and directed to execute an Engineering Services Agreement with Sega, Inc. in the amount not to exceed $6,600.00 to provide Air Compliance Reporting assistance to the City of Coffeyville Electric Utility for FY 2016.

ADOPTED THIS 12th DAY OF JANUARY 2016.

_____
Christopher V. Williams, Mayor

ATTEST:

_____
Cindy Price, City Clerk

APPROVED AS TO FORM AND LEGALITY:

_____
Paul Kritz, City Attorney

CITY OF COFFEYVILLE, KANSAS (Client)
and
SEGA INC. (Engineer)

Task Authorization No. 17

Air Quality Compliance Reporting Services

This Task Authorization is proposed in accordance with the GENERAL SERVICES AGREEMENT between CITY OF COFFEYVILLE and SEGA INC. which has an effective date of June 28, 2006. This is a renewal of Task Authorization No. 16 executed December 2014.

1. Project Description – The Client must perform certain monitoring, recordkeeping, reporting, and other compliance activities as required in the Municipal Power Plant's Title V Operating Permit, federal Acid Rain program, and applicable air quality regulations (both federal and state). These activities include, but are not limited to, periodic Operating Permit renewals, quarterly emission data reports to the EPA, annual air emission inventory reports to the KDHE, annual compliance certification to the KDHE, and semi-annual reports to the KDHE. Activities also include responding to periodic inspections by KDHE staff and providing Power Plant management with general compliance strategy consulting services on an as-requested basis.

2. Scope of Services – Engineer will provide the following engineering services in support of the project:

   a. Visit the plant site (if requested) to obtain the necessary information and data required to review and provide input to the periodic air quality compliance reports.

   b. The following periodic air quality compliance reports required for the Client's emission units will be prepared by the Client. If requested, Engineer will assist the Client's staff by reviewing these reports and providing input as appropriate.

      1) Quarterly emission monitoring reports (required by the Operating Permit).

      2) Semi-annual reports (required by the Operating Permit).

      3) Annual Compliance Certification (required by the Operating Permit).

      4) Annual Emission Inventory (required by the KDHE).

      5) Quarterly Emission Data Report for Unit 4 (required by the Acid Rain Program).

      6) Annual Certification for Unit 4 (required by the Acid Rain Program).

c. Engineer will provide to the Client's staff the following compliance-related advisory services, on an "as requested" basis.

1) Make a visit to the plant to assess the functional status of the StackVision/CEMS compliance monitoring system and discuss the general plant compliance status with Client's staff.

2) Assist the Client's staff to determine if and when CEMS testing (RATA) is required.

3) Assist Client's staff in responding to periodic KDHE staff inspections by obtaining requested reports from StackVision and assisting in understanding compliance requirements and required reporting.

4) Assist Client's staff in troubleshooting general CEMS issues. This service does not include assistance with CEMS hardware (analyzers, probes, sample lines, sample conditioning, electronics, and calibration system).

5) Review and assist the City in its submittal of information to the Acid Rain program software.

6) Assist the City in determining its compliance requirements under the Cross-State Air Pollution Rule (CSAPR) or its successor, Industrial Boiler MACT, Greenhouse Gas Reporting, and other federal air quality regulatory programs.

7) Assist the City in the Municipal Power Plant's Title V Operating Permit 5-year renewal process, including discussion and negotiations with the KDHE, and review of the draft operating permit issued by the KDHE.

3. Staffing – The services will be managed by Brian Petermann, P.E., and performed by Steven Babler and Brian Petermann. Other staff may be used to perform these services, as needed.

4. Schedule – Engineer will initiate this scope upon receipt of an executed Task Authorization, after which these services will be on-going through December 31, 2016. Engineer will continue these services beyond December 31, 2016 upon receipt of a Task Authorization renewal.

5. Fee – Engineer proposes to conduct this project on a time-and-expense basis using the attached Rate Schedule for Professional Services. The total cost for these services will be dependant on the amount of effort required on a monthly basis to assist the Client's staff. This will, at times, include troubleshooting the existing StackVision emissions data collection and reporting system. The cost will also depend on the amount of on-site effort necessary to ensure the complete and accurate compilation of the operational and emissions data required for the various compliance reports.

Engineer recommends that an initial total project cost estimate of $6,600 be assumed for initiation of the project ($550 per month, assuming approximately 0.5 man-day's of

labor every month). Engineer will invoice the Client for only the amount of effort and cost directly associated with the compliance reporting efforts. If the accumulated monthly costs are less than $6,600 through December 31, 2016, then Client will realize these savings. If additional effort is required which drives the total cost over $6,600, then Engineer will notify the Client and submit a change order to request additional funding for the required effort.

6. Clarification of Responsibility – The reports and certifications which Sega will be reviewing and providing input on will be submitted by The City's "Responsible Official" as defined by the KDHE regulations, and by the City's "Designated Representative" as defined by the federal Acid Rain Program rules. Sega is in no way assuming the role of "Responsible Official" or "Designated Representative" in assisting and providing input to these reports and certifications for the City's use in submitting to the appropriate agencies. In accordance with Article 6 (Standard of Care) of the general services agreement dated June 28, 2006 between the City of Coffeyville and Sega, Inc., no warranty, expressed or implied, is included in this Scope of Services and the City maintains responsibility for the reports and certifications submitted to the KDHE and EPA and for on-going compliance with applicable air quality regulations.

CITY OF COFFEYVILLE, KANSAS	SEGA INC.
Signed_____	Signed_____
Name_____	Name Jeff Arroyo
Title_____	Title Vice President
Date_____	Date November 24, 2015

RATE SCHEDULE FOR PROFESSIONAL SERVICES

EFFECTIVE THROUGH DECEMBER 31, 2016

ENGINEERING SERVICES

Project Manager / Principal Engineer	$ 206.00/hr.
Project Engineer / Associate Engineer	$ 196.00/hr.
Senior Engineer / Senior Specialist	$ 174.00/hr.
Staff Engineer / Staff Specialist	$ 157.00/hr.
Engineer / Specialist	$ 134.00/hr.
Assistant Engineer / Assistant Specialist	$ 124.00/hr.

TECHNICAL AND SUPPORT SERVICES

Senior Engineering Assistant	$ 124.00/hr.
Engineering Assistant	$ 103.00/hr.
Senior Drafting Technician	$ 84.00/hr.
Drafting Technician	$ 72.00/hr.
Engineering Secretary / Engineering Aide	$ 56.00/hr.
Technical Documentation	$ 46.00/hr.

FIELD SERVICES

Premium applied to all above rates for long-term field assignments (includes construction management, oversight, and outage work)	$ 10.00/hr.

PROJECT-RELATED EXPENSES

1. Approved outside special consultants are billed at actual cost plus 10 percent.
2. Travel and living expenses are billed at actual cost plus 10 percent, except for personal automobile mileage that is billed according to the IRS guideline.
3. Reproduction costs such as printing, copying, and binding are billed at commercial rates.
4. Shipping charges are billed at cost.
5. Equipment, material, and subcontracted construction are billed at cost plus 10 percent.
6. Daily travel and living expenses incurred during long duration on-site work may be consolidated into a mutually agreeable per-diem charge.
7. Site office facilities and equipment are billed at actual cost plus 10 percent.