

ALBANY WATER BOARD
MINUTES OF REGULAR MEETING
February 16, 2018

A regular meeting of the Albany Water Board was officially convened at 9:30 AM, local time, in the Conference Room at the Albany Water Board, 10 North Enterprise Drive, Albany, New York Friday, February 16, 2018.

PRESENT: William Clay, Chairman; Charles Houghton, Vice Chairman; Rachel Johnson, Secretary; Anthony Owens, Member; Dan Ranellone, Treasurer

STAFF PRESENT: William Simcoe, P.E., Deputy Commissioner; Thomas Dufresne, CFO; Elizabeth Romand, Confidential Assistant

BOARD ADVISORS PRESENT: William Kahn, UHY Advisors; Marisa Franchini, Assistant Corporation Counsel; Greg Daviero, P.E., Schnabel Engineering; Brian Toombs, P.E., Schnabel Engineering

Approval of January 26 Annual Meeting and January 26 Regular Meeting Minutes

Chairman William Clay introduced the minutes of the Annual and Regular Board meetings held on January 26, 2018. With no objection, the reading of minutes was dispensed and Mr. Clay called for a motion to approve the minutes of said meeting. A motion was made by Mr. Houghton seconded by Mr. Ranellone, and passed unanimously.

Public Comment Period

Erik Kulleseid, and Christine Miles; Washington Park Conservancy provided background on their organization and discussed mutual objectives and joint interests relating to water quality of Washington Park Lake. Among the items were better maintenance methods of trails and less use of stone dust to limit erosion and sedimentation; erosion control; potential aeration of lake; outfall structure modifications to match Park architecture. AWD staff noted our use of Opti technology to manage lake levels. Conservancy noted their interest in participating in upgrades to the outlet structure. Conservancy noted their annual meeting is March 8th (6PM to 8 PM) and invited all to attend.

Committee and Other Reports

Financial Report: Thomas Dufresne, Chief Fiscal Officer, submitted a statement of the Albany Water Board's Cash Flows and other combined Financial Information for the one month/year to date period ending January 2018. Revenue is up from the same period last year, and operating expenses were similar to the level of expenses last year. A positive cash flow was realized for the month. The detailed report is attached.

Bill protest: Resident at 1 Blue Bell Lane requested a discount in water bill to reflect discolored water. Samples were taken on two time periods and all results were within water quality standards. AWD is planning a water main cleaning and lining in this neighborhood this coming Spring/Summer. Resident's water consumption was lower than last billing period and no justification to reduce the bill was provided. Resident requested and then did not attend the Bill Protest Review Committee meeting scheduled to hear their protest. No reduction of the bill was authorized.

Commissioner Report: Deputy Commissioner Simcoe presented

Floatables Project: Deputy Commissioner Simcoe reported that the bid date has been extended to March 6 and a Special Board meeting may be required on March 9 to ensure we issue a Notice to Proceed by April 1 as required by the LTCP Consent Order.

Big C is being renamed the "Beaver Creek Clean River Project" and we will be scheduling public outreach meetings, dates to be announced soon.

Safety Consultant: An RFP was issued for Safety Consultant Services and staff recommendation is to contract with Capital Safety Services Loudonville NY.

Deputy Commissioner Simcoe also reported that OBG Engineers is being asked to develop a more detailed report on proposed upgrades at the Water Treatment Plant in Feura Bush to support funding requests to NYSEFC and bond resolutions.

Deputy Commissioner Simcoe reported on the draft CSO SPEDE permit and our review with respect to language relating to mercury minimization.

Deputy Commissioner Simcoe reported on recent correspondence from NYSDEC on engineering assessments reports, and he reported on Schnabel's report on the construction phase of the Alcove Gate replacement project.

Old Business

Deputy Commissioner Simcoe reported on the request from Sprint Cellular to add 6 antennae to the tower at Loudonville Reservoir. This action is allowable under their current lease agreement and we will approve and sign off on the request.

Greg Daviero and Brian Toombs from Schnabel Engineering presented an update on AWB Dam Safety activities, summarized their work including a discussion on the regulatory background associated with the work and dam hazard levels.

Executive Session

Mr. Houghton offered a motion to enter into Executive Session to discuss potential litigation. Mr. Ranellone seconded the motion and Board unanimously agreed to enter in to Executive Session.

The Board exited Executive Session and Mr. Clay noted that no action was taken during Executive Session.

Resolutions

Resolution 18-10: Authorizing the extension of the Master Service Agreement with Lacey Thaler Reilly Wilson Architecture & Preservation, LLP dated April 25, 2016 by election of approval of the second option year (of three) ending April 24, 2019 was offered by Mr. Houghton, seconded by Mr. Ranellone, and passed unanimously.

Resolution 18-11: Authorizing Award of Contract in accordance with the Request for Proposal 2018-03 for Safety Consultant Services to: Capital Safety Services, Inc. Loudonville, New York, at fees outlined in the Rate Schedule presented in their proposal to the Albany Water Board dated February 2, 2018 was offered by Mr. Houghton, seconded by Mr. Ranellone, and passed unanimously.

Resolution 18-12: Authorizing approval of a Task Order to the Master Services Agreement with OBG Engineers for Comprehensive Capital Improvement Project Supplemental Studies for a Fee not to exceed \$50,000 was offered by Mr. Houghton, seconded by Mr. Ranellone, and passed unanimously.

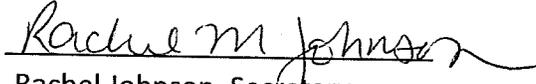
Resolution 18-13: Authorizing approval of a Task Order to the Master Services Agreement with Schnabel Engineering for Alcove Gate Rehabilitation – Additional Construction Phase Services for a Not to Exceed Fee Of \$36,400 was offered by Mr. Houghton, seconded by Mr. Ranellone, and passed unanimously.

Resolution 18-14: Authorizing an Addendum to the Master Services Agreement with Barton & Loguidice Engineers to incorporate required NYSEFC Contract Language for Task Orders related to the Combined Sewer Overflow (CSO) Long term Control Plan (LTCP): Mereline Avenue Sewer Separation and Future Task Orders related to the CSO LTCP was offered by Mr. Houghton, seconded by Ms. Johnson, and passed unanimously.

A reminder to members that the next Regular Meeting of the Albany Water Board is scheduled for Friday, March 23, 2018. A special meeting of the Water Board may be scheduled March 9, 2018 for required actions associated with the Floatables Control Project.

Being no further business, Chairman Clay called for a motion to adjourn the meeting. A motion was made by Mr. Houghton, seconded by Mr. Ranellone and passed unanimously. The meeting was adjourned at 11:05 AM.

Recorded by: Elizabeth Romand

Approved by: 
Rachel Johnson, Secretary

ALBANY WATER BOARD
ALBANY MUNICIPAL WATER FINANCE AUTHORITY
STATEMENTS OF CASH FLOWS
January 31, 2018

	One Month Period Ended		Year-To-Date Periods Ended		Percent Variance	Percent Variance
	2018	2017	2018	2017		
Revenues						
Water/sewer revenue	\$ 3,791,909	\$ 2,816,864	\$ 975,045	\$ 2,816,864	34.6%	34.6%
Investment income	27,009	15,528	11,481	15,528	73.9%	73.9%
Total revenues	3,818,918	2,832,392	986,526	2,832,392	34.8%	34.8%
Operating expenses						
Operation/maintenance costs	1,387,948	1,339,190	48,758	1,339,190	3.6%	3.6%
Board/Authority expenses	28,771	6,371	22,400	89,657	351.6%	-67.9%
Total expenses	1,416,719	1,345,561	71,158	1,428,847	5.3%	-0.8%
Net operating cash flows before debt service and capital project costs	2,402,199	1,486,831	915,368	1,403,545	61.6%	71.2%
Debt service costs	(411,333)	(497,850)	86,517	(497,850)	-17.4%	-17.4%
Capital project costs	-	-	-	-	0.0%	0.0%
Grant Income	-	-	-	-	0.0%	0.0%
Net cash flow (deficiency)	\$ 1,990,866	\$ 988,981	\$ 1,001,885	\$ 905,695	101.3%	119.8%

**ALBANY WATER BOARD
ALBANY MUNICIPAL WATER FINANCE AUTHORITY
SCHEDULE OF REVENUES
January 31, 2018**

	2018		2018 Actual	Variance Favorable (Unfavorable)	Variance %	2017		2017 Actual	Variance Favorable (Unfavorable)	Variance %				
	Budget					Budget								
Water and sewer revenue														
January	3,235,216	\$	3,791,909	\$	556,693	17%	3,313,299	\$	2,816,864	\$	(496,435)	-15%		
Year-to-Date	3,235,216	\$	3,791,909	\$	556,693	17%	3,313,299	\$	2,816,864	\$	(496,435)	-15%		
Investment income														
January	\$	22,917	\$	27,009	\$	4,092	18%	\$	33,333	\$	15,528	\$	(17,805)	-53%
Year-to-Date	\$	22,917	\$	27,009	\$	4,092	18%	\$	33,333	\$	15,528	\$	(17,805)	-53%
Additional Cash Receipts														
			<u>Monthly</u>								<u>YTD</u>			
Miscellaneous														
Other	\$	16,500	\$	16,500										
Fishing Permits	\$	20	\$	20										
Sales of Scrap	\$	800	\$	800										
Insurance Recoveries	\$	-	\$	-										
Delmar Mall Easement	\$	-	\$	-										
Delaware Plaza Easement	\$	-	\$	-										
Rent														
Huck Finn	\$	1,250	\$	1,250										
DASNY Rent	\$	1,250	\$	1,250										
Lamar	\$	-	\$	-										
Time Warner Rent	\$	-	\$	-										
Sprint	\$	-	\$	-										
Totals	\$	19,820	\$	19,820	\$	19,820								

Note: The revenue budgets reflect forecasted revenue collections of \$37,725,000 and \$39,290,000 for 2018 and 2017, respectively.

ALBANY WATER BOARD
ALBANY MUNICIPAL WATER FINANCE AUTHORITY
SCHEDULE OF OPERATING EXPENSES
January 31, 2018

	YEAR-TO-DATE January 2018				2017 YTD ACTUAL
	2018 ANNUAL BUDGET	ADJUSTED BUDGET	ACTUAL	(OVER)/ UNDER	
Administration					
Personnel services	1,263,510	97,193	90,191	7,002	74,408
Equipment/Furniture	2,000	154	-	154	-
Contractual and other expenses	251,395	19,338	1,195	18,143	-
Benefits	465,999	35,846	37,383	(1,537)	48,489
	1,982,904	152,531	128,769	23,762	122,896
Supply, Power and Pumping					
Personnel services	912,712	70,209	54,481	15,727	54,052
Equipment	211,000	16,231	-	16,231	-
Contractual and other expenses	151,735	11,672	944	10,728	25
Benefits	197,367	15,182	29,049	(13,867)	27,322
	1,472,814	113,293	84,474	28,820	81,399
Purification					
Personnel services	1,486,196	114,323	102,490	11,833	73,457
Equipment	255,000	19,615	-	19,615	-
Contractual and other expenses	1,365,728	105,056	-	105,056	-
Benefits	459,287	35,330	46,546	(11,216)	34,452
	3,566,211	274,324	149,035	125,289	107,909
Transmission/Distribution					
Personnel services	2,988,926	229,917	205,557	24,361	184,199
Equipment	570,000	43,846	-	43,846	-
Contractual and other expenses	2,352,159	180,935	-	180,935	8,371
Benefits	967,571	74,429	104,748	(30,320)	91,988
	6,878,656	529,127	310,305	218,823	284,558
Sewer Services					
Personnel services	888,478	68,344	71,529	(3,185)	54,014
Equipment	363,000	27,923	-	27,923	-
Contractual and other expenses	1,854,062	142,620	-	142,620	2,082
Benefits	202,781	15,599	34,959	(19,360)	25,702
	3,308,321	254,486	106,488	147,999	81,798
Pumping Stations					
Personnel services	166,365	12,797	12,040	757	11,072
Equipment	10,000	769	-	769	-
Contractual and other expenses	371,807	28,601	6,532	22,069	-
Benefits	74,015	5,693	6,582	(889)	4,833
	622,187	47,861	25,154	22,706	15,905
Taxes Paid to Municipalities	2,262,758	565,690	486,255	79,434	565,784
County Sewer Contract	6,500,000	-	-	-	-
Contingencies, Insurance and Other	4,516,633	251,984	97,468	154,516	78,941
Total Operating Expenses	31,110,484	2,189,296	1,387,948	801,348	1,339,190
Capital Expenditures					
	3,000,000	3,000,000	-	3,000,000	-
GRAND TOTAL	34,110,484	5,189,296	1,387,948	3,801,348	1,339,190

EXPENSE SUMMARY:

	2018	20107	Change
Personnel Services	536,288	451,202	85,086
Equipment	-	-	-
Contractual and other expenses	8,670	10,478	(1,808)
Benefits	259,267	232,785	26,481
Other	583,724	644,725	(61,001)
	1,387,948	1,339,190	48,758

Percent Increase/Decrease over 2017 3.6%
Percent under Budget -36.6%

Personnel Services under Budget -9.5%
-23.9%

Addendum to Contract Dated January 1, 2015

AGREEMENT the original contract as made on January 1, 2015 by and between the Albany Water Board, with offices at 10 Enterprise Drive, Albany New York 12204, hereinafter referred to as "the Board" and Barton & Loguidice, D.P.C., located at 10 Airline Drive, Suite 200, Albany, NY, 12205.

**ALBANY WATER BOARD AND BARTON & LOGUIDICE, D.P.C.
FOR THE PROVISION OF ENGINEERING SERVICES**

In regard to the following task orders related to the Combined Sewer Overflow Long Term Control Plan (LTCP):

1. Mereline Avenue Sewer Separation, October 10, 2017
2. Future task orders related to the LTCP

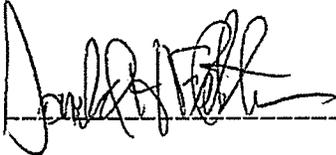
Pursuant to Article XV in the original agreement between the aforementioned parties, which allows such to amend the contract on mutual consent, The Board and Barton & Loguidice, D.P.C. agree to, and incorporate, the terms in the document "NY State Revolving Fund Program Requirements Bid Packet, Non-Construction Contracts", effective October 1, 2016 (attached as Appendix A). The Albany Water Board has received a NYS Water Grant in regard to the Long Term Control Plan, so the MWBE Combined Goal is 23%. This hereby includes the NY State Revolving Fund MWBE / EEO / and AIS language. Also attached as Appendix B is the EFC Utilization Plan & Waiver Request Form.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the day and year first hereinabove written.

ALBANY WATER BOARD

BARTON & LOGUIDICE, D.P.C.

BY: _____

BY:  _____

NAME: WILLIAM M. CLAY
TITLE: CHAIRMAN

NAME: DONALD H. FLETCHER
TITLE: SENIOR VICE PRESIDENT

STATE OF NEW YORK)
COUNTY OF ALBANY)SS.:
CITY OF ALBANY)

On this ___ day of _____, 2018, before me personally came David R. McGuire, to me known and known to me to be the Chairmen of the Albany Water Board, for the City of Albany, New York and the same person who executed the foregoing instrument; and he acknowledged that he executed the foregoing instrument on behalf of the Albany Water Board, for the City of Albany, New York as said Chairmen pursuant to the authority vested in him.

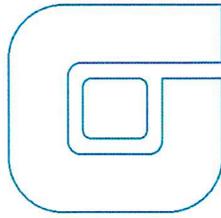
Notary Public

STATE OF NEW YORK)
COUNTY OF Albany)SS.:
CITY OF Albany)

On this 8th day of February, 2018, before me personally came Donald H Fletcher to me known, who being by me duly sworn, did depose and say that he/she is the individual described herein, and that he/she is duly authorized to bind IPP, and which executed the foregoing instrument and that he/she signed his/her name thereto.

Oriana J. Farella
Notary Public

ORIANA J. FARELLA
Notary Public, State of New York
No. 01FA6198150
Qualified in Schenectady County
Commission Expires December 15, 2020



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January 26, 2018

Mr. Joseph E. Coffey, Jr., PE, Commissioner
City of Albany
Department of Water & Water Supply
10 North Enterprise Drive
Albany, NY 12204

RE: Task Order – Comprehensive Capital Improvements Project Supplemental Studies
FILE: 11466/47792

Dear Joe:

O'Brien & Gere, Engineers, Inc. (OBG) is pleased to provide the City of Albany Department of Water & Water Supply (Albany Water) with this task order proposal to conduct supplemental studies in connection with the proposed Comprehensive Capital Improvements Project as outlined in our report dated August 2017. This proposal has been developed based on several meetings and at the request of Bill Simcoe.

PROJECT UNDERSTANDING

The Albany Water Board (Albany Water) last performed major renovations at the Feura Bush Filtration Plant and in the distribution system in the 1990s. Today, facilities have become outdated and in need of repairs and updates. Albany Water has initiated a number of discrete projects to advance the renovation of facilities using funds made available from the annual operating budgets discrete capital improvement funding. In 2017, Albany Water commissioned OBG to study and organize a comprehensive capital improvement project and assist Albany Water with positioning toward implementation of the renovation program using capital improvement grants and loans. The report was completed based on a compilation of independent studies and a limited amount of new investigations to establish planning level project definition and cost estimates. The resulting report, dated August 2017, outlines a \$28,665,000 comprehensive project. OBG prepared a funding application for the project and it is now listed on the 2018 Final Drinking Water State Revolving Fund (DWSRF) annual list, administered by the New York State Environmental Facilities Corporation.

The purpose of this proposal is to complete supplemental investigations to better define key elements of the project, refined the estimated project costs, and establish priorities for project implementation.

SCOPE OF SERVICES

OBG will perform the following scope of services:

Liquid Lime Conversion

The budget for the replacement of the existing lime system is based on continued use of dry hydrated lime. The purpose of this task is to evaluate the feasibility of converting to liquid lime, which would improve employee safety, reduce operational labor, improve the consistency of feed control, and reduce dust and noise in the water treatment plant. Two alternatives will be investigated. The first alternative will be to house the liquid lime storage and feed equipment in a new building near the finished water clearwell. Consideration will be given to using a portion of this building for vehicle and equipment storage. The second option will be to retrofit or



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replace the existing bulk storage silos and house the liquid lime storage and feed systems within the existing building envelope. A key evaluation with the second option is the structural analysis associated with planning for removal existing equipment and the loads associated with liquid lime storage. This structural analysis will be performed by Ryan Biggs.

OBG will also update the projected lime storage needs base usage since the plant has stopped feeding acid alum and evaluate the feasibility of installing a liquid lime storage and feed system at the Loudonville Reservoir complex to maintain finished water quality in the distribution system.

Aeration basin bypass/raw water piping upgrades

The August 2017 report outlines a plan to decommission the hydroelectric generator and re-establish the operability of a bypass around the aeration building. Since this work involves potential disruption of critical large diameter piping and valves, this task includes supplemental efforts to advance the planning and construction sequencing of this work.

Sedimentation Basin Upgrades

The proposed sedimentation basin upgrades outlined in the August 2017 report includes superstructure improvements (primarily a new roof), automated sludge collection equipment and the installation of tube or plate settling equipment. The need for tube or plate settlers was based in part on the desire to re-purpose one or more of the existing settling basins for residual handling. The purpose of this task is to review the need for the installation of the plate or tube settlers which is closely linked to the proposed upgrades to the lagoons, drying beds and residual handling.

Upgrades to Lagoons, Drying Beds, and Residual Handling

This project element was initiated as a result of the observed erosion and ongoing slope instability along the south bank of the Onesquethaw Creek, located immediately north and beneath Basin 2 at the Feura Bush Wastewater Lagoons. The investigation of the slope stability and recommended stabilization had not been finalized at the time of our last report. Consequently, a placeholder budget was included in the plan based on a draft report and verbal input from Schnabel Engineering. That plan projected a reduction in capacity of lagoon No. 2 and consequently recommended a new mechanical dewatering system to account for the reduction in lagoon capacity. Albany Water has subsequently developed a plan for managing residuals that reduces the reliance on Lagoon No. 2 and allows for staging dewatered residuals on City property near the Alcove Reservoir prior to beneficial reuse. This new plan eliminates the need for mechanical dewatering.

Under this task the plan for stabilizing the embankment, and residual, management will be coordinated and updated.

Elevator Upgrades

The existing freight elevator is small and provides limited access from the First Floor to the Second and Basement Floors. The elevator equipment also restricts access to the top of the existing lime silos on the Third Floor. Increasing the size of the elevator could introduce major building modifications and code compliance challenges and is not considered feasible. Replacing the elevator with modern equipment that would eliminate the floor mounted equipment restricting access on the Third Floor may however be feasible. Under this task OBG will coordinate with the company that currently services the elevator and meet with elevator vendors on site to review the current installation and develop alternatives. The feasibility of extension service to the Third Floor will also be investigated. Coordinating temporary access to the elevator shaft to complete elevator upgrades with the lime feed system upgrades could result in cost efficiencies.

Miscellaneous Upgrades

The task will include a general review and update of the remaining project elements outlined in the August 2017 report to improve the project definition, design development, and basis for the cost estimates.

Updated Project Cost Estimate and Prioritization

This task will include updating the estimated project costs for the comprehensive improvement projects and ranking the project elements based on priority. A five-year implementation plan will be developed grouping the project elements into contracts considering cash flow and bonding objectives. It is anticipated that low priority project elements may be deferred. The update will also include a preliminary MWBE utilization plan in anticipation that DWSRF financing may be pursued.

The results of this study will be documented in an amended Engineering Report.

DWSRF Application Assistance:

As part of this task OBG will assistance the Albany Water with the submittals required for short term funding under the DWSRF for both project. Submittals include: application form, bond resolution, Environmental review documents (see task 9), agreement for engineering planning services, smart growth evaluation form and engineering report.

The following work is included under this task:

- Prepare DWSRF Application Form
- Verify that the Engineering Reports meet the requirements of the funding agencies and update if required
- Track status of the supporting documentation required from outside agencies that is needed to file a complete application. Documents include; Updated Engineering Report, Smart Growth Assessment Form, Plan of Finance, DWSRF Application, Certified Bond Resolution, SHPO Project Review Determination Letter, and Environmental Review Determination.

SEQRA AND SHPO REVIEWS

Project funding will be requested through the Drinking Water State Revolving Fund, which is administered by New York State Environmental Facilities Corporation (EFC). Applicants seeking State Revolving Fund financing must comply with the applicable requirements of the State Environmental Quality Review (SEQR) Act as well as the federal State Environmental Review Process (SERP), which may be more stringent than the requirements under SEQR. To comply with SERP, unlisted actions generally must be treated as a Type I Action under SEQR.

Under this task, OBG will prepare Parts 1, 2 and 3 of the Full Environmental Assessment Form (EAF), distribute letters to the identified involved agencies to provide a coordinated review through the SEQRA process, and submit publication to the Environmental Notice Bulletin. The EAF will be supported by information describing proposed actions associated with Albany Water Board's Comprehensive Capital Improvements project. Impact assessments will be supported by a desktop evaluation using existing, readily available information and no field or issue-specific studies are proposed. The completed EAF will be submitted to NYSEFC in support of the loan closure. The City of Albany is recommended as the Lead Agency. Issuance of a Negative Declaration by the SEQRA Lead Agency to complete the SEQRA process is assumed.

It is assumed no Agricultural Districts will be impacted by this proposed project. Therefore, a preliminary notice of intent is not included in this scope and fee.

OBG will consult with New York State Historic Preservation Office (SHPO). OBG has reviewed the SHPO GIS-public access website which indicates that the project site is within their archeological sensitive area. As such, OBG will prepare the following for a preliminary project review by SHPO:

- Project Description
- Maps/figures indicating location the project site

- Photographs of the project surroundings

SHPO will review this information and make a determination if further cultural resource evaluation is required. If SHPO determines that a Phase 1A and/or B archeological survey is required, a separate proposal for those services will be provided by OBG to the City for consideration and authorization.

CLARIFICATIONS AND ASSUMPTIONS

Our proposal reflects the following clarifications and assumptions:

- Additional studies, permits and reports may be required prior to submission of funding applications. It is assumed that the existing engineering reports will be updated and funding applications will be prepared when Albany Water intends to advance the program to the project readiness lists.
- Due to the specialized nature of this Task Order, the engagement of M/WBE subconsultants will be limited to Ryan Biggs for this phase of the project. The planned M/WBE utilization for this Task Order is 25%. Subsequent engineering phases of this project will be subcontracted to certified MBE/WBE consultants to achieve compliance goals of the selected funding programs.

SCHEDULE

OBG will commence work upon receipt of written authorization issued by Albany Water. We anticipate executing services in accordance with the following schedule:

Deliverable or Milestone	Target Date
Initial project kick-off meeting with Albany Water staff	February 6, 2018
Draft comprehensive project descriptions and cost estimates	March 30, 2018
Final Report	May 25, 2018
SEQR/SHPO process complete	July 27, 2018
DWSRF application submission	August 17, 2018



FEE AND TERMS

OBG will perform the scope of services described in this proposal for a not-to-exceed budget amount of \$50,000. Invoices will be prepared monthly, on the basis of the scheduled hourly billing rates plus expenses and subcontracted services. The basis for this fee is attached.

A breakdown of this fee by task is as follows:

Task/Description	Budget
Kick-off Meeting	\$2,635
Liquid Lime Conversion	\$13,100
Aeration basin bypass/raw water piping upgrades	\$3,990
Sedimentation basin upgrades	\$1,710
Upgrades to Lagoons, Drying beds, and Residual Handling	\$1,710
Elevator Upgrades	\$5,365
Miscellaneous upgrades	\$4,940
Updated project cost estimate and prioritization	\$2,605
Report Update	\$3,915
DWSRF Application	\$2,710
SEQR and SHPO Reviews	\$7,320
Total	\$50,000

Services will be performed in accordance with the Professional Engineering Services Agreement.

If this proposal is acceptable, please countersign and return a copy of the proposal to signify Albany Water's acceptance and serve as authorization for OBG to proceed.

We appreciate the opportunity to provide engineering services to Albany Water and look forward to working with you on this important project. Should you have any questions regarding this proposal, please do not hesitate to contact Brian Edwards at 724-7257 or me at (315) 956-6471.

Very truly yours,

O'BRIEN & GERE ENGINEERS, INC.



Richard E. Gell, PE
Project Manager

Proposal accepted,

CITY OF ALBANY

Authorized Signature

Date

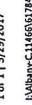
Task Order Assignment Number: _____

Cc: Mr. Brian G. Edwards, OBG
Mr. Jennifer Olivo, OBG

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PROFESSIONAL ENGINEERING SERVICES - SUMMARY												
Level IV Level III.2 Level III.3 Level II.2 Level I.3												
Task/Description	Officer	Manager 2	Architect 2	Engineer 3	Engineer 2	Technician 3	Assistant 3	Total Hours	Labor Cost	Expenses and Directs	Subcontract Cost	Total Cost
Kick Off Meeting	1			8			4		\$ 2,435	\$ 200		\$ 2,635
Liquid Lime Conversion				8			40		\$ 6,104		\$ 7,000	\$ 13,104
Aeration Basin Bypass/Raw Water Piping Upgrades				8			16		\$ 3,992			\$ 3,992
Sedimentation Basin Upgrades				4			8		\$ 1,708			\$ 1,708
Upgrades to Lagoons, Drying Beds, and Residual Handling				4			8		\$ 1,708			\$ 1,708
Elevator Upgrades				4			24		\$ 5,164	\$ 200		\$ 5,364
Miscellaneous Upgrades				4			10		\$ 4,940			\$ 4,940
Updated Project Costs				4			16		\$ 2,604			\$ 2,604
Report Update	2			4			8	12	\$ 3,414	\$ 500		\$ 3,914
DWSRF				2			16		\$ 2,710			\$ 2,710
SEQR and SHPO Reviews				4			4		\$ 576	\$ 60	\$ 6,685	\$ 7,321
TOTAL HOURS	3	50	62	128	12	255						
2018 Hourly Billing Rate	\$235	\$203	\$144	\$112	\$103							
TOTAL FEE	\$705	\$10,150	\$8,928	\$14,356	\$1,236	\$35,355					\$ 960	\$ 50,000





January 19, 2018
(Revised February 1, 2018)

Mr. William Simcoe, PE
Deputy Commissioner
Albany Water Department
10 North Enterprise Drive
Albany, NY 12204

Subject: Albany Dams 2018 Work Order Number 1 – Alcove Reservoir Water Supply Gate Rehabilitation Project – Additional Construction Phase Engineering Services (Schnabel Reference 15925002.3A)

Dear Mr. Simcoe:

SCHNABEL ENGINEERING OF NEW YORK (Schnabel) is pleased to present this proposal to the Albany Water Board (AWB) to provide continuing construction phase engineering services related to the Alcove Reservoir Water Supply Gate Rehabilitation Project (Project).

This proposal builds on our previous Work Orders:

- 2016 Work Order 1 – Design Phase Services for the Project, which concluded with our delivery of the 100% Design Drawings and Technical Specifications.
- 2017 Work Order 3 – Permitting, Bid Phase, and Partial Construction Phase Services for the Project. Permitting and Bid Phase Services have concluded, and Construction Phase Services are ongoing.

The 2017 Work Order 3 authorized Schnabel and MHPE, our electrical subcontractor, a budget of \$40K for Construction Phase Services, with the understanding that our actual fee would ultimately exceed that amount and require additional authorization of resources. As anticipated, our Construction Phase Services budget has now reached the originally allocated \$40K, and we have been working at risk until this 2018 Work Order 1 is authorized to continue our efforts.

The Construction Phase of the Project commenced at the issue of Notices to Proceed to Alpine Construction, LLC (GC) and Stilsing Electric, Inc. (EC), both dated November 14, 2017. To date, our team has spent approximately 260 hours of effort performing both on-site and supporting engineering services. On average, we have worked approximately 30 hours per week during the Construction Phase of the Project. The hours were higher during active construction periods, and lower during non-active construction periods.

Albany Water Board
Construction Phase Services for Alcove Reservoir Gate Improvements

The work performed to date includes the development of conformed contract documentation, numerous on-site and in-person meetings with the contractors, and other project coordination. Active construction occurred during a 4-week period in November and December. During that active construction period, Schnabel and MHPE staff were on site seven times, for a mix of full-day and half-day activities. During both active and non-active construction periods, Schnabel has provided contract administration services, coordination with contractors and Albany Water staff, and review of contractor submittals.

Major activities to date include:

- GC & EC Pre-Construction meeting on November 14, 2017.
- GC began limited activities at Alcove on November 16, with observation of Gate 2 and Well B (not dewatered), followed on November 30 with observation of dewatered Wells F-J-H, and observation of Gate 2 and Well B (dewatered).
- GC continued work in earnest on December 5, with explorations and removal of Gate 5 during a shutdown.
- GC on site December 12, 13, and 14 for removal of Mud Valve 11 and investigation of the Reservoir Drain.
- EC mobilized equipment on December 5, followed by conduit trench excavation on December 6 through 8, and electrical installations on December 11 through 12.
- On-site meeting with EC on December 8 to discuss site access requirements, scheduling, and communication, followed by ongoing coordination and EC oversight.
- Schnabel and MHPE have also responded to GC's first submittal on Gates 5 and 7, bulkheads, and electrical actuator.

In order to develop the estimated fee remaining for this task, we assumed that the contractors' remaining active on-site activities/investigations will be complete over a duration of 6 weeks (not necessarily contiguous). The contractor's work for which we will provide part time field observation includes:

- Investigation, removal, and installation of Gates 1 and 3
- Installation of Gate 5 and actuator
- Removal and installation of Gates 7 and 20 and actuators
- Removal of existing ladders and installation of new ladders
- Installation of Mud Valve 11
- Removal and installation of Mud Valves 8, 9, and 10, and installation of four new mud valves
- Installation of interior Gatehouse electrical
- Startup and testing

There is also a lengthy lead time expected for the fabrication of the gates. It is assumed that our activities would be limited to periodic reviews of submittals and project coordination during approximately 12 weeks of this time. If the contractors indicate that the actual construction durations will differ from these assumptions, then our fee estimate for construction services will be revised accordingly.

PROJECT FEES

For the remaining activities, we included spent effort above the previously authorized value and have budgeted an additional amount based on hourly estimates during the active and non-active construction periods. For the remaining activities we have budgeted for an average of 16 hours per week for on-site

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and support personnel for the active 6 weeks of construction, and 6 hours per week during the 12-week portion of the lead time period. Our estimated fees are based on an average billing rate of \$155/hr, but will be invoiced on a time and materials basis in accordance with our approved term Contract and schedule of personnel fees.

Construction Phase Services	Previously Authorized	This Proposal
Task 3 – Construction Phase Services (Authorized June 13, 2017)	\$40,000	-
Services provided beyond the previously authorized fee (actual)	-	\$10,600
Additional Construction Phase Services (estimated)	-	\$26,040
Subtotal This Proposal		\$36,640⁽¹⁾

(1) Estimated not-to-exceed fee. Includes approximately 15% WBE services. Total estimated Construction Phase Services represents approximately 10% of the combined \$760,000 Construction Contract Value.

2018 WORK ORDER NUMBER 1 AUTHORIZATION

Thank you for the opportunity to submit this proposal. Your acceptance of 2018 Work Order Number 1 for the amount of **\$36,640** can be facilitated by signing and returning a copy of this letter, which, with our professional engineering term Contract effective January 2015 (including 2017 update), will form our agreement for these services. Please do not hesitate to contact me at 518-348-8580, or via email at gdaviero@schabel-eng.com, should you have any questions or need additional information.

Sincerely,

SCHNABEL ENGINEERING OF NEW YORK



Gregory J. Daviero, PhD, PE
Principal

DMR:GJD:hcf

The terms and conditions for 2018 Work Order Number 1, accepted in accordance with our professional engineering term Contract effective January 2015, are:

ACCEPTED BY: _____ **ALBANY WATER BOARD**

SIGNATURE: _____

PRINTED NAME: _____

TITLE: _____ **DATE:** _____

cc: David Railsback, PE – Schnabel
Rebecca Caldon, PE – Albany Water Board