

COUNCIL ACTION FORM

SUBJECT: SOLICITATION OF PROFESSIONAL SERVICES FOR WATER TREATMENT PLANT EXPANSION PROJECT

BACKGROUND:

The FY 2008/09 CIP includes the initial evaluation of the infrastructure and capacity needs for the Water Treatment Plant project. This assessment is the initial concept development phase for an anticipated Water Treatment Plant expansion, renovation, and/or replacement.

The first step in beginning this project is to select the consulting firm who will assist the City in the evaluation process. The consulting firm will be asked to conduct an evaluation of the existing Water Treatment Plant infrastructure, evaluate different treatment methods and techniques that might be appropriate, and evaluate the demand projections being developed by staff. After completing these evaluations, the firm will be asked to assist staff in a quantitative assessment of whether the most appropriate, cost-effective alternative is to rehabilitate or replace the existing plant. If a new plant is the recommendation, the firm will also be asked to make a recommendation on whether to stay at the existing plant site or to move to a new site. As a last step in the assessment phase, the firm will be asked to provide an updated planning-level budget for the recommendations provided.

Because of the potential scope of the project, staff anticipate considerable interest from consulting engineering firms for this work. In addition, if the assessment phase leads into a major plant renovation or replacement project, it is conceivable that the total engineering services contract could exceed \$2 million. In light of this, staff are proposing to use a more structured consultant selection process than is typically used for smaller-scoped projects.

The planned consultant selection process will consist of four distinct phases.

1. Statements of Interest. The first phase is an open Request for Statements of Interest. This will establish a consultant candidate pool and gather the necessary contact information for later steps. Based on the general introductions provided in the Statements of Interest, the City may restrict the number of firms invited to continue to the next step. The Statements of Interest will be limited to six pages in length.

2. Statements of Qualifications. The City will invite those firms who demonstrate a minimal level of experience and expertise to submit a formal Statement of Qualifications. Consulting firms will be required to conduct individual on-site tours to become familiar with the intended scope of work and the expectations of the City for the project. Firms will be required to provide information in the following areas: general firm profile, key personnel, availability, example reference projects, estimates of resources necessary to complete the work, and any other supplemental information that may be critical for the City to understand the submitted qualifications. There will be no limit on the length of the Statements of Qualifications. Participating firms will be provided in advance with a copy of the scoring form that will be used to rank the submissions.
3. Formal Interviews. Based on the scored evaluation of the Statements of Qualifications, the City will invite approximately four firms to participate in formal interviews with the selection team. At this point, firms will also be required to submit a formal cost proposal.
4. Negotiation of Final Scope. Following the formal interviews, staff will identify the preferred consulting firm for the project and will negotiate the final scope of services and contract price. If an acceptable agreement cannot be reached, staff will next attempt to negotiate the mutually acceptable agreement with the next preferred firm.

The selected firm will have a demonstrated record of successfully completing similar projects. Particular emphasis will be placed on the importance of innovative alternatives and cost-effective solutions.

Even though the initial professional services agreement will include only the assessment phase, staff intend that a single firm be retained for the entire project. As long as the quality of work provided in the assessment phase meets staff expectations, a contract for subsequent phases will be negotiated and brought to the City Council for approval. Consulting firms are being expressly cautioned that there is no guarantee that the successful firm in the assessment phase will be retained for subsequent phases.

ALTERNATIVES:

1. Approve the plan for procuring professional services related to the Water Treatment Plant Expansion Project.
2. Direct staff to use a different procurement process.
3. Direct staff not to proceed with procuring professional services for the Water Treatment Plant Expansion Project at this time.

MANAGER'S RECOMMENDED ACTION:

The Water Treatment Plant Expansion Project is going to play a crucial role in shaping the future of the water utility for several decades. Selecting the consultant with the best combination of skills and abilities is essential for the long-range success of the project. Staff have prepared a formal selection process to evaluate interested firms and identify that firm that best matches the needs of the City. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the plan for procuring professional services related to the Water Treatment Plant Expansion Project.