

COUNCIL ACTION FORM

SUBJECT: DESIGN SERVICES FOR WPC FACILITY DIGESTER IMPROVEMENTS

BACKGROUND:

This item involves award of a contract for design of digester improvements at the City's Water Pollution Control (WPC) facility. In evaluating proposals of this type, WPC staff utilize a "two-envelope" selection process for professional services, where each firm's qualifications and proposed scope of work is submitted in one envelope, and their proposed fee is submitted in a second envelope. This process allows staff to first review the submitted proposals in order to identify the firm whose qualifications and proposed scope of work are most appropriate. Then, after selecting the preferred firm, staff opens the proposed fee envelopes to confirm that the selected firm is proposing a fee that is in line with what other firms would propose for a similar scope of work. **In all cases, the final scope of work and fee is negotiated with the firm identified as having submitted the most appropriate submittal.**

On August 9, 2013 a request for proposals (RFP) was issued for design, bid and construction-phase engineering services for the WPC Facility Digester Improvements project. On August 23, 2013, staff received six proposals from the firms shown below. A thorough review of each firm's qualifications was performed, and the firms are listed in order of the qualitative ranking.

Firm	Fee Proposal	
	Construction Bid as 1 Multi-Year Contract	Construction Bid as 3 Separate Contracts
FOX Engineering	\$ 194,000	\$ 238,000
HR Green Co.	98,400	-
Veenstra & Kimm	-	149,400
Bolton & Menk	80,000	130,000
HDR, Inc.	54,970	-
Stanley Consultants	-	105,364

Prior to opening the fee envelopes, FOX Engineering of Ames, Iowa was identified as the most qualified firm. FOX's initial scope and fee, however, recommended a number of additional components that were not requested by staff in the RFP. Staff has negotiated the final scope of work with FOX Engineering to perform all necessary design and bid phase assistance, based on a single multi-year construction contract, and construction phase engineering services required to complete the project as originally intended, excluding the majority of the additional components not requested in the RFP. The final negotiated fee is a lump sum amount not to exceed \$99,400 without prior approval by the City.

In reviewing the submittals, staff noted that the fee proposal from HDR was substantially lower than the other firms. While the hours allotted by HDR to the design and bidding phases was comparable to the other firms, the hours they allotted for construction phase services were significantly lower than the other firms. **Had HDR been identified as the most appropriate firm for this project, staff would have needed to negotiate an increase in the construction phase services in their final scope of work, with a corresponding increase in their fee.**

The Digester Improvements Project is shown in the CIP as a multi-year project. \$889,000 is included in the current year, with a total of \$2,858,000 over the full three year timeframe.

ALTERNATIVES:

1. Award a contract for design, bid, and construction phase engineering services to FOX Engineering Associates, Inc. of Ames, Iowa in a lump sum amount not to exceed \$99,400 without prior approval.
2. Do not award a contract at this time and do not move forward with the Digester Improvements Project.

MANAGER'S RECOMMENDED ACTION:

The WPC Facility's digesters and associated equipment are 23 years old. The mixing equipment and certain piping and valves have reached the end of their useful life and are in need of replacement. Replacement of this equipment is necessary to maintain the integrity of the treatment facility and to ensure wastewater continues to be treated in compliance with the facility's NPDES permit.

Staff has performed a thorough review of the engineering firms' qualifications and has determined FOX Engineering Associates, Inc. of Ames, Iowa to be the most qualified firm for this project.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving a contract for engineering services with FOX Engineering Associates, Inc. of Ames, Iowa in a lump sum amount not to exceed \$99,400 without prior approval.