

COUNCIL ACTION FORM

SUBJECT: ENGINEERING SERVICES FOR WATER POLLUTION CONTROL FACILITY METHANE ENGINE GENERATOR REPLACEMENT PROJECT

BACKGROUND:

In 2017, an evaluation of the digesters and the high strength waste receiving system at the Water Pollution Control Facility was performed. The City Council adopted the recommendation of replacing one of the methane engine generators with a dual fuel boiler, primarily to provide a backup heating system for the digesters, but also for a potential decrease in maintenance costs. The installation of a new boiler also requires piping and controls upgrades to address safety issues. Based on the recommendation, funds were designated in the Capital Improvements Plan to address the methane engine generators in the Total Energy building.

In July 2018, a request for proposals (RFP) was issued for design engineering services for the WPC Facility Methane Engine Generator Replacement project. On August 10, 2018, staff received three proposals from the following firms:

Firm Name	Fee Proposal
Strand Associates, Inc.	\$238,600
FOX Engineering	\$342,220
Black and Veatch	\$229,000

Staff utilized a “two-envelope” selection process for professional services, where the 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.

After a thorough review of each firm’s qualifications, Strand Associates was selected as the most qualified firm. Strand’s scope and fee included design, bidding, and construction phase services. At staff’s request, Strand has removed these from the scope for now. After a design has been finalized and the level of effort needed from the consultants during bidding and construction is known, staff will negotiate an amendment

to include those services. After removing the bidding and construction phase services, **Strand's proposal for design-related services was reduced to a lump sum of \$165,000.**

The FY 18/19 budget includes \$1,515,000 for design and construction of replacement of methane engine 1 with a boiler. Included in that amount is \$227,000 for engineering services.

ALTERNATIVES:

1. Award a contract for engineering services to Strand Associates, Inc. of Madison, Wisconsin for design-phase services on the WPCF Methane Engine Generator Replacement Project in an amount not to exceed \$165,000.
2. Award the contract for engineering services to another firm.
3. Do not award a contract to Strand Associates, Inc. and do not complete the project at this time.

CITY MANAGER'S RECOMMENDED ACTION:

The Water Pollution Control Facility's methane engines are almost 30 years old. Replacement of this equipment is necessary to maintain the integrity of the treatment facility and to continue to burn methane generated as part of the treatment process.

Council gave direction in a 2017 workshop to move forward with replacing one of the methane engines with a new, dual fuel boiler. After soliciting proposals, staff performed a thorough review of the proposing engineering firms' qualifications and determined that Strand Associates, Inc. of Madison, Wisconsin is the most qualified firm for this project.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.