ITEM # ____<u>18</u> DATE <u>01-25-2011</u>

COUNCIL ACTION FORM

SUBJECT: NATIONAL CENTERS FOR ANIMAL HEALTH PUMP STATION RENOVATION AND WASTEWATER METERING FACILITIES IMPROVEMENTS

BACKGROUND:

In November 2009, staff issued a Request for Proposals for an evaluation of the drinking water booster pump station and wastewater metering facilities serving the National Centers for Animal Health (NCAH) on Dayton Avenue. These facilities, constructed in the 1950's, are owned and operated by the City of Ames, and are in need of major maintenance. Costs for the original construction were repaid over time by the US Department of Agriculture. Following a competitive review of the proposals received, Stanley Consultants Inc. was hired to conduct the evaluation of the facilities.

Stanley's final report identified a number of significant deficiencies with the booster pump station facilities, and outlined a general scope of work and estimated construction cost for the needed improvements. In addition, their report recommended the construction of new wastewater metering facilities for the NCAH. The NCAH currently has two wastewater outfalls, one located on the north end of the campus at the pump station and one at the south end of the campus. The wastewater metering equipment at the north outfall is outdated and requires a significant amount of maintenance. In addition, the metering equipment creates a health and safety hazard to city and NCAH employees. Wastewater flows from the NCAH south outfall is currently not metered. Wastewater flows from the south outfall are estimated based on billed water usage. NCAH is being over-billed wastewater fees as a result of not being able to meter wastewater flows at the south wastewater outfall. Improvements to the wastewater metering facilities will ensure that the City is accurately billing the NCAH for wastewater usage.

Staff is recommending that Stanley Consultants be retained to design the pump station and wastewater metering improvements. These improvements include design of new pumps, piping, electrical and HVAC equipment, and other structural and architectural renovations needed to continue use of the pump station long into the future. Awarding a contract to Stanley Consultants will require a waiver of the City's competitive written proposal requirement for professional services. Because of their in-depth familiarity with the facilities and recommended improvements, continuing with Stanley Consultants will require less time and expense to complete the final design compared to starting over with a new consulting firm. Stanley Consultants has submitted a proposal in an amount not to exceed \$98,127 with

compensation on an hourly basis. Stanley's proposed hourly rates are fair, reasonable, and consistent with current market conditions for professional services of this nature. Staff has carefully reviewed the proposal and believes that the scope and compensation are appropriate, and that awarding a contract to Stanley Consultants is in the best interests of the utility.

The proposed mid-year budget amendment contains \$806,100 to perform this design work and subsequent construction. Because only the NCAH will benefit from this project, all costs incurred by the City of Ames for design, as well as for the ultimate construction project, will be reimbursed by the NCAH over a two-year period with interest.

ALTERNATIVES:

- Waive the City's Purchasing Policies for competitive bid of professional services and award a contract to Stanley Consultants Inc. to design improvements to the NCAH pump station and wastewater metering facilities in an amount not to exceed \$98,127.
- 2. Do not waive the City's Purchasing Policies, and direct staff to solicit additional proposals for the design work.
- 3. Do not approve a contract at this time.

MANAGER'S RECOMMENDED ACTION:

Pumping and electrical equipment in the NCAH pump station are original to the 1959 pump station and have reached the end of their useful life. Improvements to the wastewater metering facilities are also necessary to ensure that the City is accurately billing the NCAH for wastewater usage. In addition, there are many aspects of the existing pump station and wastewater metering facilities that create hazards for city and NCAH staff maintaining those facilities.

Stanley Consultants completed the initial evaluation, and their familiarity with the facilities will lessen the expense to the City in completing the final design work. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby waiving the City's Purchasing Policies and awarding a contract to Stanley Consultants in an amount not to exceed \$98,127 for the design of the necessary improvements.