

**COUNCIL ACTION FORM**

**SUBJECT: CONSTRUCTION PHASE ENGINEERING SERVICES FOR WATER POLLUTION CONTROL FACILITY DISINFECTION CONSTRUCTION PROJECT**

**BACKGROUND:**

Disinfection of the effluent from the Water Pollution Control (WPC) Facility is a new treatment requirement as part of the City's 2010 NPDES discharge permit. The permit also contains a compliance schedule to construct the disinfection system. In February 2010, Council awarded Stanley Consultants a contract to design the new disinfection system for WPC Facility. The design was completed, and the project was put out for bids to construct the system. On August 14, 2012, Council awarded a bid for construction of an ultraviolet disinfection system.

While department staff will conduct the project administration and oversee the daily construction activities, assistance is needed to ensure the project conforms to construction documents by reviewing submittals, assisting with contractor questions, and inspecting portions of the construction. Stanley has proposed a scope of work and fees to complete this work. The design contract did not include construction services, and the amount of work is largely dependent on the construction contractor's methods and construction schedule in general.

Stanley Consultants has provided a proposed scope of work for construction phase services in the amount of \$99,395. The consultant's time would be billed on an hourly basis with a limit not to be exceeded. Department staff has control over how much the consultant's budget is used. Site visits will be made at staff's request, and documents will be reviewed only when needed. Staff has carefully reviewed the scope of work proposed and finds it to be reasonable. Staff also finds the proposed fee, at 4.9% of the construction cost, to be consistent with construction phase engineering fees on previous projects of this nature.

The anticipated construction phase expenses are as follows:

Construction Engineering Services	\$ 99,395
Construction Contract (Construction and 90% of UV equipment cost)	\$1,984,600
10% of UV Equipment (City to pay after approved submittals)	\$ 37,180
Contingency (~10% of construction cost)	\$ 202,178
<b>TOTAL ESTIMATED PROJECT CONSTRUCTION COST</b>	<b>\$2,322,750</b>

The authorized budget for the remainder of the project is \$2,325,503. Funding for the project will be through a low-interest loan from the Clean Water State Revolving Fund, with repayment of the loan coming from the Sanitary Sewer Fund.

**ALTERNATIVES:**

1. Authorize an amendment to the design contract of Stanley Consultants of Muscatine, Iowa to include construction phase engineering services billed on an hourly basis in an amount not to exceed \$99,395.
2. Do not award construction phase engineering services contract at this time.

**MANAGER'S RECOMMENDED ACTION:**

Successful construction and startup operation of the disinfection system is a requirement of the NPDES discharge permit. Failure to construct a functioning system may result in a violation of the permit. Staff relies on the expertise of consultants to ensure the project is constructed according to design documents.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby authorizing an amendment to the design contract of Stanley Consultants of Muscatine, Iowa to include construction phase engineering services billed on an hourly basis in an amount not to exceed \$99,395.