

COUNCIL ACTION FORM

**SUBJECT: PROFESSIONAL SERVICES FOR POWER PLANT FIRE RISK
MITIGATION**

BACKGROUND:

City Council may recall at the February 14, 2012 meeting a contract was awarded to Black & Veatch, Kansas City, MO, for the Professional Services for Fire Risk Mitigation that was to be paid based on unit prices for actual work performed in an amount not to exceed \$50,000. This contract included a provision that would allow the City to renew the contract for up to four additional one-year terms.

This contract allows the Power Plant to have an engineering firm with fire protection expertise or a fire protection firm to act as the Owner's Engineer/ Designer/Representative for various fire risk mitigation studies, for the preparation of specific fire system and installation design and specifications, and for fire system installation management, inspection and testing.

To this point, Black & Veatch has produced a report outlining fire suppression options for the Fuel Forwarding building, the oil tank, and the GT1 engine compartment. The low cost fire suppression system appears to be a "CO2" option for the engine compartment with "water misting" second, but with nearly a \$130,000 increase in cost. After much deliberation, staff has decided to pursue fire risk mitigation projects with CO2 as a viable option for fire protection. **However, Black and Veatch is unable to consider CO2 as an option given the following B&V standard as stated in their Power Plant Fire Risk Mitigation Projects – Phase 1 report:**

"The B&V QMS Standard for Carbon Dioxide Fire Suppression (Energy-Std-3-03113-02303, Rev.3) explicitly states CO2 systems shall not be specified and installed in areas subject to occupancy by personnel."

On Oct 31, 2012, staff had a conference call with Black & Veatch over the standard and came to an understanding that the City would be better served if a different engineering firm is used. **Due to this standard, staff recommends cancelling the contract with Black & Veatch and awarding it to the Offeror who had the second highest score when the proposals were evaluated. Council should note that per the contract between the City and Black & Veatch that a termination notice must be given at least 15 days prior notice from when it is to be effective. Staff recommends issuing the termination notice with an effective date of January 10, 2013.**

Based on the evaluation matrix, the averaged scores were as followed:

OFFERORS	AVERAGED SCORE
Black & Veatch, Kansas City, MO	834.50
Burns & McDonnell, Chesterfield, MO	764.00
Hughes Associates, Inc., Baltimore, MD	737.50
Brown Engineering Company, Des Moines, IA	692.00
Innovative Engineers, Inc., Iowa City, IA	665.00
Rolf Jensen & Associates, Inc., Chicago, IL	507.50

Each score was based on a scale of 1 to 10. Overall, 1,000 possible points were available cumulatively for each company that responded.

Since Black & Veatch is unable to perform the aforementioned option, staff recommends cancelling the contract and awarding it to Burns & McDonnell, Chesterfield, MO who had the second highest score for an amount not to exceed \$50,000. Payments would still be calculated on unit prices bid for actual work performed. Their labor unit costs are actually cheaper than Black and Veatch.

Council should note that this contract will be for the period from January 2013 through June 30, 2013. This will enable future renewals to coincide with the City's fiscal year. This contract also includes provisions that allow it to be renewed for up to four additional twelve month periods for a total contract length of not more than five years. Renewals periods are at the City's option and will be contingent upon approval by the City Council. Staff believes that consistency in the engineering firm for the next several years will be advantageous in keeping contractors accountable for implementing the engineered work.

Staff believes that in order to accomplish the needed protection in the most economical way possible, the assistance of a specialized engineering firm is needed to prioritize and establish a sensible path to react to individual recommendations of our insurance carrier. Funding is available from the 2012/13 Capital Improvements Plan in the Power Plant Fire Protection System Project.

ALTERNATIVES:

- 1) a. Direct staff to issue a termination notice to Black & Veatch with an effective date of January 10, 2013. Council should understand that \$25,433.88 has already been spent under this contract. However, the information provided by Black & Veatch to date can be utilized to design fire suppression projects for the fuel tanks and fuel pumping system.
- b. Award a contract to Burns & McDonnell, Chesterfield, MO, for the Professional Services for Fire Risk Mitigation in an amount not to exceed \$50,000 through June 30, 2013 in accordance with previously quoted labor unit prices. The

contract includes a provision that would allow the City to renew the contract for up to four additional one-year terms.

- 2) Cancel existing contract with Black & Veatch and direct staff to re-issue Request For Proposals.

MANAGER'S RECOMMENDED ACTION:

This work is necessary for fire risk mitigation (fire detection, alarm, & suppression) to protect critical plant equipment. If not done, the loss event resulting from a fire could be catastrophic because electricity production could stop. Using CO2 in fire suppression is a viable, low-cost option accepted and offered by General Electric, Westinghouse and others. Further, the City of Ames already uses CO2 for fire suppression in GT2.

Since it is Black and Veatch's policy not to support a CO2 fire suppression system, it will not be possible for the City to pursue this lower cost alternative. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 and authorize the cancellation of the consulting services contract with Black and Veatch and authorize a similar contract with Burns and McDonnell based on unit prices for actual work performed up to \$50,000 through June 2013.

Example Work Scenario:	Staff evaluated the cost component of the proposal based on the three primary engineer job classifications that are anticipated to be utilized. Time distribution: 10% by pm or principle, 60% by engineer and 30% by technician type.
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Offeror	PM (10%)	
	\$5,000.00	
	Hrly	Score
Innovative Eng.	\$125.00	10.00
Brown Eng.	\$130.00	9.96
Rolf J	\$175.00	7.14
Burns & Mac	\$179.00	6.98
Black & Veatch	\$180.00	6.94
Hughes Associates	\$180.51	6.92

OVERALL					
Offeror	PM	ENG	TECH	TOTAL	RANK
Innovative Eng.	1.000	6.000	3.000	10.0	1
Brown Eng.	0.996	4.914	1.704	7.6	2
Hughes	0.692	4.614	1.644	7.0	3
Burns & Mac	0.698	3.654	2.343	6.7	4
Rolf J	0.714	3.564	1.764	6.0	5
Black & Veatch	0.694	3.516	1.377	5.6	6

Offeror	Eng (60%)	
	\$30,000.00	
	Hrly	Score
Innovative Eng.	\$95.00	10.00
Brown Eng.	\$116.00	8.19
Hughes Associates	\$123.61	7.69
Burns & Mac	\$156.00	6.09
Rolf J	\$160.00	5.94
Black & Veatch	\$162.00	5.86

Offeror	Tech (30%)	
	\$15,000.00	
	Hrly	Score
Innovative Eng.	\$50.00	10.00
Burns & Mac	\$64.00	7.81
Rolf J	\$85.00	5.88
Brown Eng.	\$88.00	5.68
Hughes Associates	\$91.25	5.48
Black & Veatch	\$109.00	4.59