

COUNCIL ACTION FORM

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

BACKGROUND:

The City's current boiler, machinery, and property insurance carrier has noted deficiencies in the City's power production fire protection program. Staff has made progress in addressing some of the insurer's recommendations, but there are situations where staff's and the insurance company's priorities differ. In order to address these fire risks and possible loss events, staff is pursuing a contract to provide fire protection engineering, contract administration, and possible field installation oversight. The fire protection standards of today are more inclusive than the requirements when the Plant was originally built.

The 2017-2021 Capital Improvements Plan (Page 37) recently submitted to the City Council outlines planned fire protection improvements to various facilities within Electric Production. The Utility staff has determined that the projects in this plan will address the most pressing needs for fire protection upgrades within Production. Staff will utilize this contract to prioritize our plans with the insurance company to achieve the most value and protection for the dollar.

This contract will allow the Power Plant to hire 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.

Anticipated areas of study and projects include: 1) Steam Turbine Generator oil systems protection with focus on the single walled oil pipe and bearings; 2) Cooling Tower fire risk mitigation; 3) Combustion Turbine fuel oil systems, generators, main transformers, engines, control rooms, auxiliary equipment areas and work shop; 4) 300,000 gallon above ground oil storage facility; 5) RDF Bin and 6) main plant control, computer and cable spread areas. The design and engineering services for these projects will occur over a number of years.

The scope of work requires the engineering firm to: 1) be the engineer for the areas listed above, 2) develop plans and specifications, 3) provide detailed cost estimates, 4) provide lists of potential bidders, 5) evaluate contractors, 6) carry out contract management and 7) perform field installation administration as needed, required, and requested for each project. Council should note that this engineering firm will not be allowed to contract for any part of the actual fire protection system installation.

On April 4, 2017, the Request for Proposal (RFP) document was issued to twenty-nine firms for proposals. It was also sent to two plan rooms.

On May 4, 2017, staff received competitive proposals from five firms, which were then sent to a staff committee for evaluation. The committee members independently evaluated and scored all three of the proposals. Each proposal was evaluated based on: 1) knowledge, capabilities, skills, and abilities of the proposed project team based on information submitted; 2) firms' experience lists with similar projects; 3) price; and 4) firms' experience with the facilities involved.

Based on the matrix, the averaged scores are as follows:

OFFERORS	AVERAGE SCORE
Burns & McDonnell, Chesterfield, MO	932
Lutz, Daily & Brain, LLC, Overland Park, KS	801
Brown Engineering Company, Des Moines, IA	784
Sargent & Lundy, Chicago, IL	738
HDR Engineering, Inc., Des Moines, IA	664

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

Based on the averaged scores and a unanimous decision by the evaluation committee, staff recommends that a contract be awarded to Burns & McDonnell, Chesterfield, MO, for an amount not to exceed \$50,000. Payments would be calculated on unit prices bid for actual work performed. **Council should note that this contract will be for the period of July 1, 2017 through June 30, 2018. 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 are 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 2017/18 Capital Improvements Plan in the Power Plant Fire Protection System Project.

ALTERNATIVES:

- 1) Award a contract to Burns & McDonnell, Chesterfield, MO, for the Professional Services for Fire Risk Mitigation in an amount not to exceed \$50,000. The

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

- 2) Award a contract to one of the other companies on the list for the Professional Services for Fire Risk Mitigation in an amount not to exceed \$50,000.
- 3) Reject all proposals and ask staff to take proposals on upcoming projects individually, thus delaying the engineering for all of the projects.

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. It is cost-effective for the Power Plant to have a company under contract to provide these services because of their specialized knowledge of current National Fire Protection Association (NFPA) code requirements and of mitigation equipment currently utilized in this industry.

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