

**COUNCIL ACTION FORM**

**SUBJECT: ENGINEERING SERVICES FOR DEMOLITION DESIGN OF THE OLD WATER TREATMENT PLANT**

**BACKGROUND:**

When staff started design of the new water treatment plant, they held meetings with neighbors of the old water treatment plant. There was some concern expressed that the facility not be allowed to sit and deteriorate. During those discussions more than 10 years ago, a commitment was made that the old treatment facility would be demolished as soon as practical after being shut down so as to not become an abandoned eyesore for the neighborhood. The new plant started operation in the fall of 2017, and it is time to demolish the old water treatment plant.

In February 2020, a Request for Proposals (RFP) was issued for engineering services to develop demolition design plans for the old WTP. In addition to demolition, the CIP project scope includes adding a conference/training room space and an elevator to the existing TSC building. While final design of the new spaces was not included in the RFP's proposed scope of work, a conceptual level plan of the addition will be prepared so that the demolition can proceed with the future work in mind.

Three responses to the Request for Proposals were received and are summarized below.

<b>Firm Name</b>	<b>Base Fee Proposal</b>
Shive Hattery, Inc.	\$126,200
Strand Associates, Inc.	\$135,300
HDR, Inc.	\$227,663

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.

Qualifications of the three responsive firms were similar. Based on the proposal for Shive Hattery, the firm has good demolition experience, but not a lot specifically in the

water/wastewater industry. By comparison, Strand's proposal described experience performing demolition work specifically for treatment plants. Strand also gave good examples of quantifiable sustainability metrics that could be included in the demolition, which is an important organizational goal for the City of Ames. Ultimately, the RFP review team recommended Strand as the firm with the closest match of experience and best overall understanding of the project's goals. Their proposal included additional scope items not specifically requested by the RFP for a site topographic study (\$7,300) and a geotechnical report (\$2,200) – both of which staff recommends be included in the contract. A stormwater features task (\$23,500) was also proposed as an optional scope item. Staff would like the fees for this task to be approved by Council, but to be utilized only at staff's direction as needed as the design progresses. After adding in the optional scope items, the design contract will be a lump sum of \$144,800 plus an additional \$23,500 for stormwater services, if authorized by staff, for a total amount not to exceed \$168,300.

After a demolition design has been finalized and bid, staff will negotiate an amendment with Strand to include construction related services. This amendment would be brought back to Council at a later date for approval.

The FY 20/21 CIP budget includes \$382,000 for design of demolition of the old water treatment plant, plus an additional \$167,000 for the eventual final design of the TSC improvements. The overall authorized budget for the project is \$4,335,250.

**ALTERNATIVES:**

1. Award a contract for engineering services to Strand, Inc. of Madison, WI, for design of the Old Water Treatment Plant Demolition Project in an amount not to exceed \$168,300 which includes \$135,300 for the base scope for demolition design, \$7,300 for the topographic study, \$2,200 for the geotechnical report, and \$23,500 for the storm features design, only to utilized at staff's direction should it be needed.
2. Award the contract for engineering services to one of the other firms.
3. Do not award a contract to Strand, Inc., and do not initiate the project at this time.

**MANAGER'S RECOMMENDED ACTION:**

The demolition of the old water treatment plant is an important project to prevent the structures from becoming dilapidated and potentially dangerous. The project is included in the FY 20/21 CIP at a total of \$4,335,250. A competitive, qualifications-based RFP process was conducted, and a scope of work was negotiated with the preferred firm. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.

**It should be noted that the decision to move ahead with the demolition of the old Water Treatment Plant might be one of the projects that will need to be delayed should the financial impact on the Water Fund from the COVID-19 outbreak necessitate reductions in expenditures for FY 2020/21. Proceeding with the demolition design will result in a shovel ready project should federal stimulus money become available.**