



CITY COUNCIL MEMORANDUM

TO: City Council

FROM: Matthew R. Schmitz, MPA - City Manager

DATE OF MEETING: December 8, 2025

ITEM TITLE: Engineering Services Approval – Wastewater Treatment Plant Modifications Project – Agreement for Bidding and Construction Related Services

BACKGROUND:

This item concerns the Engineering Services Agreement for Bidding and Construction Related Services for the Wastewater Treatment Plant (WWTP) Modifications Project. This agreement was discussed in detail during the City Council Work Session held on December 1, 2025. While there was extensive discussion regarding the project scope and terms during that session, the City Council ultimately did not recommend any changes to the structure or scope of the contract.

Following that session, the City Attorney and City Manager reviewed the contract to address specific questions and markups. Through that process, necessary adjustments were made, including specifying that any dispute resolution would be conducted first via mediation, if the parties mutually agree, or with a jury trial in the District Court of Buchanan County. Both the City Attorney and City Manager are now comfortable with this form of the contract and recommend its approval.

DISCUSSION:

The proposed agreement with Strand Associates, Inc. covers professional engineering services necessary to move the WWTP Modifications Project from the design phase into construction and final operation. The agreement includes the following key phases:

- **Bidding-Related Services:** Strand Associates will distribute documents, assist with the prebid meeting, answer contractor questions, and assist the City in awarding the construction contract.
- **Construction-Related Services:** This includes contract administration and review of shop drawings and payment requests. The construction schedule anticipates a Notice to Proceed in June 2026 with Final Completion by December 31, 2029.
- **Resident Project Representative (RPR) Services:** The contract provides for up to 7,550 hours of onsite observation, averaging 45 hours per week over the 39-month duration, ensuring the work conforms to design specifications. This includes payment for a weekly trip for the RPR from their Madison, Wisconsin, Office to Independence, and then back to Madison, Wisconsin, at the end of the week.
- **SCADA and Start-Up:** Services include developing the SCADA system for real-time process control and providing 950 hours of start-up assistance and training for City operators.

- Standard of Care: A critical update to this contract is the inclusion of specific Standard of Care language. The Engineer accepts a relationship of trust and confidence with the Owner and agrees to furnish efficient business administration. Crucially, the Engineer makes no warranties but acknowledges that the disclaimer of warranties does not absolve them of liability for negligence. The Engineer will act as an agent of the Owner only to the extent required to perform obligations under the agreement.
- The agreement outlines "If-Authorized Services," which are services after the completion of the project, if the City chooses to pursue those. Those services would be added via a future amendment.

RESULTS:

The City has established priorities during strategic planning sessions. This item supports the Vision from that session of **supporting and enhancing City infrastructure**. This item helps achieve that vision by ensuring the Wastewater Treatment Plant modifications are constructed to the highest quality standards, comply with state and federal regulations, and are integrated effectively into the City's existing operations to serve the community for decades to come.

FINANCIAL CONSIDERATION:

The total overall fee for these services is **\$3,985,000**. This amount is allocated across the following scope items:

- Bidding-Related Services: \$75,000
- Contract Administration: \$1,917,000
- RPR Services (Hourly + Expenses): \$1,435,000
- Start-Up and Training Services: \$191,000
- O&M Manual: \$130,000
- Record Drawings: \$22,000
- SCADA Services: \$194,000
- Loan Assistance Services: \$21,000
- *If-Authorized Services: \$61,000 ****These are not currently included in the total contract price and would require a modification to the agreement in the future if the City decides that we are interested in these services. They are for services after the construction is complete, so we have ample time to evaluate them.*****

This project will be funded through the CWSRF (Clean Water State Revolving Fund) program through the State of Iowa. The City is currently listed on the Intended Use Plan (IUP) for a Total Project Cost of **\$49,436,000.00**.

RECOMMENDATION:

Staff recommends a motion authorizing the City Manager to sign the Engineering Services Approval - Wastewater Treatment Plant Modifications Project - Agreement for Bidding and Construction Related Services with Strand Associates, Inc.