



REQUEST FOR COUNCIL ACTION

Title: Request for Proposals for WWTP Value Engineering Study

Preferred Agenda: September 22, 2020

Submitted By: Trish Rice, Engineering Tech 2
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Reviewed By: Ray Towry, City Manager

Type of Action: Resolution ____ Motion X Roll Call ____ Other ____

Relevant Code/Policy: N/A

Towards Council Goal: 1.b Develop specific steps for implementation of the adopted infrastructure master plans – sewer
2.5 Continue to implement best financial practices

Attachments: RFP for Value Engineering Study

Purpose of this RCA:

Staff is requesting authorization to post a Request for Proposals (RFP) to solicit an engineer to conduct the Value Engineering Study for the Wastewater Treatment Plant (WWTP) Improvement Project.

Background/Context:

The WWTP Improvement Project 60% design was completed in June 2020 and is now entering the 90% design phase. USDA and DEQ require a Value Engineering (VE) study as part of our USDA financing application. A VE study is a third-party engineering review that checks the design for construction efficiency, equipment selections, and other cost-saving measures. The VE study will provide a list of suggested cost saving options. The City will review the suggestions with the Murraysmith design team and decide what to incorporate. Staff anticipates tasking West Yost as the engineer of record to assist with reviewing the VE study findings.

The study is anticipated to take one week. This study is necessary before beginning 90% design work.

The Challenge/Problem:

How will the City ensure the best value for the City's investment and meet financing application requirements?

Stakeholders:

- City of Sweet Home citizens – Ratepayers pay for all treatment works. It is our responsibility to deliver services as effectively and efficiently as possible.
- City of Sweet Home – The City must be a responsible steward of the public money and facilities in our care.
- City of Sweet Home Public Works staff – Public Works staff provide oversight and support for the WWTP design. City staff and Murraysmith engineers will work together to review the VE study results and incorporate changes.
- Murraysmith – The design engineers are responsible for designing efficient treatment processes. City staff and Murraysmith engineers will work together to review the VE study results and incorporate changes.
- USDA and DEQ – These regulatory agencies require the VE study as part of the City's USDA financing application.

Issues and Financial Impacts:

The VE study is estimated to cost **around \$80,000** and will be charged to the WWTP project budget.

Elements of a Stable Solution:

The ideal solution will meet financing application requirements and ensure the best value for the City's investment.

Options:

1. Do Nothing. This will require us to seek an alternative financing source and will delay the project.
2. Authorize the solicitation of Value Engineering Services by the posting of this RFP. Posting the solicitation through the City website, local media, and the Daily Journal of Commerce will provide the broadest possible reach for potential proposers. Staff will rank responses and conduct negotiations with the highest-ranked proposer, then return to Council to authorize the proposed contract.
3. Review the Value Engineering services RFP and suggest revisions. Staff will revise the RFP to address Council's areas of concern and present a new draft to Council at a later date.

Recommendation:

Staff recommends Option 2, Authorize the solicitation of Value Engineering Services by the posting of this RFP.