



**Request for City Council Committee Action
From the Department of Public Works**

Date: September 14, 2006
To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee
Referral: Honorable Paul Ostrow, Chair Ways & Means/Budget Committee
Subject: **Engineering Services Agreement with CH2M Hill, Inc. for the Design and Construction of the Membrane Filtration Plant in Fridley**

Recommendation:

Request authorization to negotiate and execute an agreement for Engineering Services with CH2M Hill, Inc. for the Design and Construction of the Membrane Filtration Plant in Fridley with a fee not to exceed \$4,990,000. Funds are available within the project budget (Water 7400/ 950/ 9515/ C5200024).

Previous Directives:

- On May 26, 2006, the City Council authorized distribution of a Request for Proposals for Engineering Services for the Design and Construction of the Fridley Membrane Filtration Plant.

Prepared by: Dale A. Folen, P.E., Professional Engineer, Ext. 4908
Shahin Rezania, P.E., Director of Water Treatment and Distribution Services, ext. 2418

Approved by:

Steven A. Kotke, P.E., Director of Public Works/City Engineer

Presenters: Dale A. Folen or Shahin Rezania

Permanent Review Committee (PRC) Approval _____ Not applicable X
Policy review Group (PRG) Approval _____ Not applicable X

Financial Impact (Check those that apply)

- X No financial impact - or - Action is within current department budget (If checked, go directly to Background/Supporting Information)
- ___ Action requires an appropriation increase to the Capital Budget
- ___ Action requires an appropriation increase to the Operating Budget
- ___ Action provides increased revenue for appropriation increase
- ___ Action requires use of contingency or reserves
- ___ Business Plan: X Action is within the plan. ___ Action requires a change to plan.
- ___ Other financial impact (Explain):

- ___ Request provided to department's Finance Dept. contact when provided to the Committee Coordinator

Community Impact

Neighborhood Notification: Not Applicable

City Goals: "A Safe Place To Call Home" the city's infrastructure will be well-maintained.

Comprehensive Plan: Not Applicable

Zoning Code: Not Applicable

Background/Supporting Information

The City of Minneapolis Capitol Improvement Plan includes building a new Ultrafiltration (UF) water treatment plant. The proposed plant, called the Fridley Membrane Filtration Plant (FMFP) will be connected to the existing Fridley Filtration Plant (FFP), which was constructed in 1925. The proposed plant will produce 95 million gallons per day (mgd) in the summer, and 70 mgd in the winter. The primary objective of the Ultrafiltration program is to provide physical removal of pathogenic microorganisms and improve the quality of water delivered to the citizens of Minneapolis.

Public Works, with the technical assistance of consultants, conducted a treatment feasibility study for the entire water supply and treatment system. The team recommended two new membrane filtration plants, one at the Columbia Heights Filtration Plant site, and the second near the existing FFP site.

The project is proceeding in phases. The Phase One was the procurement of Ultrafiltration equipment for the Membrane Filtration Plant at Columbia Heights (CHMFP). Phase Two was the design and construction of the CHMFP. These phases were completed in 2005. Testing and confirmation of that plant operation occurred through much of 2006.

Phase Three is the procurement of membrane filtration equipment for FMFP at Fridley. Phase Four (current request is part of this) is the design and construction of the FMFP building, piping, and ancillary systems to house and operate the UF equipment. Both of these phases are currently underway.

Current Request

The Department of Public Works requested proposals for Engineering Services for the Design and Construction of the Fridley Membrane Filtration Plant. Proposals from three firms were received on July 27, 2006. All three firms were interviewed on August 10, 2006. The selection committee considered the qualifications and experience of the proposed teams, understanding of the project scope, and participation by small and underutilized businesses, and the cost of services for each team. Based on these criteria, the committee unanimously selected CH2M Hill, Inc. for the project.

Each proposal offered Optional Tasks to be considered as potential enhancements to the project. For this reason, we recommend an initial contract amount not to exceed \$4,990,000 without further authorization. Further, it is recommended that Public Works staff be authorized to select the Optional Tasks that are deemed by them to be effective project enhancements, provided the fee remains within the not to exceed amount shown above.

As a comparison, the initial fee for Engineering Services for the CHMFP was \$4,500,000.

C: Shahin Rezania, P.E., Director of Water Treatment and Distribution Services
Pam Fernandez, Contract Management Director