

TO: James L. App, City Manager
FROM: Doug Monn, Public Works Director
SUBJECT: Sodium Hypochlorite Facility
DATE: June 17, 2008

NEEDS: For the City Council to consider awarding a construction management services contract for construction of a Sodium Hypochlorite Facility at the Wastewater Treatment Plant (WWTP).

- FACTS:**
1. On May 20, 2008 the City Council awarded a construction contract to Ahrens Corporation in the amount of \$1,149,000 to replace the gas chlorine system at the WWTP with a sodium hypochlorite system.
 2. On April 18, 2008 the city issued a Request for Proposal to ten (10) firms to provide construction management oversight to install the new Sodium Hypochlorite Facility.
 3. Staff reviewed the qualifications and experience of the four firms that responded and found all four to be qualified and capable of performing the work.

**ANALYSIS &
CONCLUSION:**

Construction management oversight differs from design services in that the time it takes to perform the tasks cannot be pinned down exactly. All four firms who responded to the City's RFP anticipated different lengths of time for their services.

Staff has determined that the City would require a total of 860 hours for construction management services. In order to evaluate how the fees of the consultants compare, staff used this time frame and applied the average billing rates that each consultant submitted. The results are tabulated below.

ATS	860 hours @ \$113.69/hr =	\$97,775
Wallace Group	860 hours @ \$121.40/hr =	\$104,404
Carollo	860 hours @ \$139.25/hr =	\$119,755
Penfield & Smith	860 hours @ \$155.00/hr =	\$133,300

Based on the above, staff recommends that the City engage the services of ATS, Inc. to perform construction management services to install a new Sodium Hypochlorite Facility at the WWTP.

POLICY

REFERENCE: Adopted Capital Improvement Plan
Sewer Operations Manual

FISCAL

IMPACT: On May 20, 2008, City Council awarded the construction contract for this project under Budget No. 221..910.5452.573. The below chart was also presented to the City Council.

Cash balance available for projects from the Sewer Funds is as follows:

Operations	\$8,700,000
Connection Fees	<u>4,000,000</u>
Total	\$12,700,000

Projects that are being considered for award are as follows:

	Total	% Operations	% Connection Fees
River Road Sewer (with road closure)	\$5,277,000	50% or \$2,638,500	50% or \$2,638,500
Sodium Hypochlorite	\$1,500,000	70% or \$1,050,000	30% or \$450,000
Palm Court Sewer	\$375,000	30% or \$112,500	70% or \$262,500
WWTP Upgrade Design & Oversight	\$1,270,000	100% or \$1,270,000	
	<u>\$8,422,000</u>	<u>\$5,071,000</u>	<u>\$3,351,000</u>

As noted, a budget of \$1,500,000 was planned for the Sodium Hypochlorite Facility as follows:

Contract	\$1,149,000
Construction oversight	\$97,775
Contingency	<u>253,225</u>
Total	\$1,500,000

- OPTIONS:**
- a. Award the construction oversight contract to install a new Sodium Hypochlorite Facility at the WWTP to ATS, Inc. for a not-to-exceed amount of \$97,775.
 - b. Amend, modify, or reject the above option.

Prepared by: Ditas Esperanza, P.E., Capital Projects Engineer

Attachments (none)