

ST. PETERSBURG CITY COUNCIL
Consent Agenda
Meeting of November 24, 2014

To: The Honorable William H. Dudley, Chair, and Members of City Council

Subject: Approving a Construction Manager at Risk (CMAR) Agreement between the City of St. Petersburg, Florida, and The Haskell Company ("Haskell") for preconstruction and utility location services for the new Biosolids and Waste to Energy Project; authorizing the City Attorney to make non-substantive changes to the CMAR Agreement; authorizing the Mayor or his designee to execute the CMAR Agreement; authorizing payment to Haskell in an amount not to exceed \$227,438 for the Preconstruction Phase and Utility Location Services; approving a supplemental appropriation in the amount of \$256,000 from the unappropriated balance of the Water Resources Capital Projects Fund (4003) to the WRF SW Biosolids CMAR FY15 Project (14855); and providing an effective date.

Explanation: February 27, 2009, the City submitted an appropriation request for Federal funding for the St. Petersburg Sustainable Biosolids/Renewable Energy Project. The project is to investigate available technologies and processes to dispose of biosolids and yard wastes and produce renewable thermal, electrical, or combustible gas energy to be utilized to offset energy requirements used in the water reclamation operations, and significantly reduce biomass trucking and disposal costs. Additional objectives are to reduce the City's carbon footprint, develop renewable energy credits, and greenhouse gas emission reduction credits.

On May 10, 2010, the City received a letter from the Department of Energy (DOE) stating that Phase 1 Project Research and Development (R&D) tasks are eligible for an 80% cost grant, with a 20% minimum local cost share, and subsequent Phase 2 design and Phase 3 construction are eligible for a 50% grant with a 50% local cost share. Congressionally directed DOE funding for the project is \$2,500,000. The DOE approved the grant on August 11, 2011.

The City is working with the DOE's Office of Commercialization and Project Management Biomass Branch to evaluate various biomass, biogas, and waste-to-energy systems that might be applicable to produce useful energy from the City's biosolids and yard wastes. The City produces three waste streams of material which must be trucked to either a landfill or to a land application site for disposal. The City's four Water Reclamation Facilities (WRF's) produce approximately 36,000 tons per year of biosolids and 1,800 cubic yards of screenings material (which are mostly comprised of organic material). The City's Sanitation Department collects and disposes of approximately 35,000 tons per year of yard wastes. The disposal of these biomass materials is both very expensive and very energy intensive, primarily due to fuel used in trucking this material up to 80 miles. In addition, new State of Florida Department of Environmental Protection (FDEP) regulations will significantly increase the cost and the energy needed to process and dispose of biosolids in the future.

On May 13, 2010, pursuant to their relative experience, the consulting and engineering firm of Brown and Caldwell was utilized from the Potable Water, Wastewater and Reclaimed Water continuing engineering services contract to complete a Phase I Feasibility Study for the project. This study, as part of the DOE grant process, was to evaluate different

technologies such as thermal based processes, chemical processes, and mechanical/physical based processes for energy recovery, potential facility locations, with consideration to FDEP sludge disposal regulations, FDEP and United States Environmental Protection Agency (USEPA) air quality regulations, impact of capital and operating costs, and impact on energy consumption.

On July 22, 2010, City Council approved Task Order No. 08-2-BC/W, in the amount of \$258,217, to the firm of Brown and Caldwell for professional engineering services for the Phase 1 Feasibility Study.

The Phase 1 Feasibility Study recommends consolidation of wastewater solids handling and construction of energy production facilities at the Southwest Water Reclamation Facility. Work proposed includes expansion of biosolids dewatering, enhanced anaerobic digestion to provide renewable natural gas (methane) and Class A biosolids, and odor control for biosolids processing. Recommendations are to continue processing yard waste separately using current mulching technologies and re-evaluate thermal processing of yard waste in three to five years.

On December 14, 2012, in accordance with the Consultant Competitive Negotiation Act, the City's Consultant Selection Committee selected the firm of Brown and Caldwell to perform professional architectural/engineering services pertaining to design phase services for the City's proposed Biosolids and Waste to Energy Project (the "Project"). The selection took place in accordance with the Request for Proposal process. Seven consultants responded with proposals. The committee shortlisted three consultants for presentations and selected Brown & Caldwell based on the published criteria of experience, capability and project approach.

On April 18, 2013 City Council approved an architect/engineering agreement ("A/E Agreement") between the City of St. Petersburg and Brown and Caldwell for design and bidding services related to the new Biosolids and Waste to Energy Project. Brown and Caldwell has indicated that the new Biosolids and Waste to Energy Project will be best served with the use of a Construction Manager at Risk who will provide pre-construction cost estimating and constructability review services, construction manager services to construct the Biosolids and Waste to Energy Project within a guaranteed maximum price (GMP), and also provide meaningful value engineering recommendations to reduce the Project cost.

On June 11, 2014, the Procurement and Supply Management Department, in collaboration with the Water Resources Department and the Engineering and Capital Improvements Department, issued a Request for Proposals No. 7662 entitled "958-26 Construction Manager at Risk Biosolids Waste to Energy Project". The City received eight proposals from qualified construction managers. After review of proposals and qualifications by the evaluation committee, four firms were shortlisted for presentations as follows:

The Haskell Company	Tampa, Florida
Garney Companies	Winter Haven, Florida
MWH Constructors, Inc.	Tampa, Florida
PCL Construction, Inc.	Tampa, Florida

On September 23, 2014 the evaluation committee ranked The Haskell Company (Haskell) as the highest ranked firm.

The CMAR Agreement is a modified version of AIA document A133-2009, Standard Form of Agreement between Owner (City) and the Construction Manager (Haskell) where Haskell provides Preconstruction Services and Utility Location Services during final design work by Brown and Caldwell. Preconstruction services begin with Haskell working closely with Brown and Caldwell and City staff to complete value engineering and design constructability reviews to develop a Guaranteed Maximum Price (GMP). The utility location services will be performed to determine the precise location of subsurface utilities to provide complete and appropriate information to develop the final design and costs. At the conclusion of the Preconstruction Phase, Haskell shall provide a GMP proposal to the City. The Preconstruction Phase fees are as follows:

Preconstruction Services	\$ 219,438
Locate Utilities in Advance of Construction	<u>8,000</u>
Total Preconstruction Phase	\$ 227,438

The Construction Phase shall commence upon City Council's approval of a Guaranteed Maximum Price Amendment ("GMP Amendment") and the issuance of a Notice to Proceed. The GMP Amendment will include the cost of the work plus the construction manager's fee. During the Construction Phase, the Construction Manager will assume the responsibility as the Contractor and will proceed to construct the new Biosolids and Waste to Energy Project. All construction work will be competitively bid by Haskell in accordance with the terms and conditions set forth in the CMAR Agreement.

The appropriation of \$256,000 to this project funds Haskell's fees for the Preconstruction Phase as well as Engineering and Capital Improvement Department project management costs.

Haskell is a Florida based company that has more than 50 years of experience in constructing projects using the GMP project delivery method. Haskell has completed over 1,500 projects totaling \$13 billion dollars, and over \$3 billion dollars worth of wastewater utility projects.

Haskell's headquarters are located in Jacksonville, Florida, with local offices in Tampa. Haskell has demonstrated a thorough understanding of the local construction conditions, the subcontractors, suppliers and the "marketplace", which are all valuable in getting the best pricing and delivery conditions.

Recommendation: Administration recommends that City Council approve the attached resolution approving a Construction Manager at Risk Agreement between the City of St. Petersburg, Florida, and The Haskell Company ("Haskell") for preconstruction and utility location services for the new Biosolids and Waste to Energy Project ("CMAR Agreement"); authorizing the City Attorney to make non-substantive changes to the CMAR Agreement; authorizing the Mayor or his designee to execute the CMAR Agreement; authorizing payment to Haskell in an amount not to exceed \$227,438 for the Preconstruction Phase and Utility Location Services; approving a supplemental appropriation in the amount of \$256,000 from the unappropriated balance of the Water Resources Capital Projects Fund (4003) to the WRF SW Biosolids CMAR FY15 Project (14855); and providing an effective date.

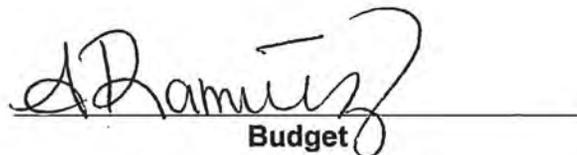
Cost/Funding/Assessment Information:

Funds will be available following a supplemental appropriation in the amount of \$256,000 from the unappropriated balance of the Water Resources Capital Project Fund (4003) to the WRF SW Biosolids CMAR FY15 Project (14855).

Attachments: Resolution

Approvals:


Administrative


Budget

A RESOLUTION ACCEPTING A PROPOSAL AND APPROVING THE AWARD OF AN AGREEMENT FOR A CONSTRUCTION MANAGER AT RISK ("CMAR") TO THE HASKELL COMPANY FOR PRECONSTRUCTION AND UTILITY LOCATION SERVICES FOR THE NEW BIOSOLIDS AND WASTE TO ENERGY PROJECT (14855) IN AN AMOUNT NOT TO EXCEED \$227,438 FOR THE PRECONSTRUCTION PHASE AND UTILITY LOCATION SERVICES; AUTHORIZING THE CITY ATTORNEY TO MAKE NON-SUBSTANTIVE CHANGES TO THE CMAR AGREEMENT; AUTHORIZING THE MAYOR OR HIS DESIGNEE TO EXECUTE THE CMAR AGREEMENT; APPROVING A SUPPLEMENTAL APPROPRIATION IN THE AMOUNT OF \$256,000 FROM THE UNAPPROPRIATED BALANCE OF THE WATER RESOURCES CAPITAL PROJECTS FUND (4003) TO THE WRF SW BIOSOLIDS CMAR FY15 PROJECT (14855); AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Procurement & Supply Management Department received eight proposals in response to Request for Proposal No. 7662 dated June 11, 2014 entitled "958-26 Construction Manager at Risk Biosolids Waste to Energy Project"; and

WHEREAS, on September 23, 2014 an evaluation committee ranked The Haskell Company as the highest ranked firm responding to Request for Proposal No. 7662; and

WHEREAS, the Administration recommends approval of the award of an agreement to The Haskell Company.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of St. Petersburg, Florida that the proposal and award of an agreement for a Construction Manager At Risk ("CMAR") to The Haskell Company for preconstruction and utility location services for the new Biosolids and Waste to Energy Project in an amount not to exceed \$227,438 for the preconstruction phase and utility location services is hereby approved and the Mayor or his designee is authorized to execute the CMAR agreement; and

BE IT FURTHER RESOLVED that the City Attorney is hereby authorized to make non-substantive changes to the CMAR agreement; and

BE IT FURTHER RESOLVED that the following supplemental appropriation for FY2014 from the unappropriated balance of the Water Resources Capital Projects Fund (4003) is hereby approved:

Water Resources Capital Projects Fund (4003)

WRF SW Biosolids CMAR FY15 Project (14855)

\$256,000

This Resolution shall become effective immediately upon its adoption.

Approved as to Form and Substance:



City Attorney (Designee)



Budget