



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Details (With Text)

File #: 13-0612 **Version:** 1

Type: Agenda Item **Status:** Adopted

File created: 5/29/2013 **In control:** Procurement Committee

On agenda: 6/6/2013 **Final action:** 6/6/2013

Title: Issue a purchase order and enter into agreement with Black & Veatch Construction, Inc., for professional engineering services for Contract 11-195-3P Phosphorus Recovery System, Stickney Water Reclamation Plant, in an amount not to exceed \$1,361,300.00, Accounts 401-50000-601410 and 601420, Requisition 1360910

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
6/6/2013	1	Committee of the Whole	Recommended	Pass
6/6/2013	1	Board of Commissioners	Approved	Pass

TRANSMITTAL LETTER FOR BOARD MEETING OF JUNE 6, 2013

COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Issue a purchase order and enter into agreement with Black & Veatch Construction, Inc., for professional engineering services for Contract 11-195-3P Phosphorus Recovery System, Stickney Water Reclamation Plant, in an amount not to exceed \$1,361,300.00, Accounts 401-50000-601410 and 601420, Requisition 1360910 (*As Revised*)

Dear Sir:

Authorization is requested to issue a purchase order and enter into an agreement with Black & Veatch Construction, Inc. for professional engineering services associated with Contract 11-195-3P Phosphorus Recovery System, Stickney Water Reclamation Plant.

A Request for Proposals, 12-RFP-20, Phosphorus Recovery Plan at the Stickney Water Reclamation Plant (SWRP), solicited proposals for the Phosphorus Recovery System at SWRP and was advertised on June 27, 2012. This was an open RFP. The overall objective of the RFP was to obtain a phosphorus removal and recovery plan for SWRP which lowers the concentration of phosphorus in the recycle streams in the plant, recovers the phosphorus to allow for beneficial reuse and offers a plan for that reuse.

Three proposals were received from the following combination of firms:

1. Black & Veatch Construction, Inc.(Black & Veatch)/Ostara USA, LLC
2. IHC/MultiForm Harvest/Pharmer Engineering
3. Midwestern Electric

The first two teams were further solicited for the Best and Final Offers (BAFOs) on March 22, 2013. The BAFOs clarified and added District requirements that would need to be met in design, construction, operation, and maintenance. The responses to the BAFOs provided estimated costs for six components - process engineering, design engineering, construction, operation, maintenance, and beneficial reuse.

The Selection Advisory Committee panel's independent ratings, when compiled, show the Black & Veatch and Ostara USA, LLC, team to be the most capable of executing the design and construction contracts. This team's strengths include expertise in design/build projects, an excellent project manager and design team, reliable technology, experience with wastewater treatment plants and full-scale installations, and a robust marketing plan.

Upon further discussion, it was deemed appropriate to enter into multiple agreements to meet the final goal. The first agreement will be awarded to Black & Veatch. There are two objectives of this work:

- A. Process Engineering - Consultation services to advise the District on optimizing the enhanced biological phosphorus removal (EBPR) and phosphorus recovery at the SWRP, Calumet Water Reclamation Plant (CWRP), and Kirie Water Reclamation Plant (KWRP);
- B. Design Engineering - The development of construction contract documents and drawings detailing the design of a phosphorus removal and recovery facility for SWRP.

The level of expertise required consists of engineers and draftsmen experienced in process, structural, mechanical, electrical, and civil engineering design. Subsequent agreements will encompass the construction, operation, maintenance, and beneficial reuse portions.

The project will require modifications to existing facilities as well as construction of new infrastructure. The piping shall be reused and modified as necessary. New facilities will include a new building, reactors and chemical storage tanks near the existing centrifuge facilities.

Project deliverables include: recommendation reports for EBPR optimization, technical memoranda, workshops, construction contract documents (submitted at 60% and 98% completion), and a final set of construction contract documents. It also includes construction cost estimates for all stages of the project.

The total fee for the agreement is \$1,361,300.00, to be distributed over approximately one and one-half years. As the RFP provided a sample agreement, the next step will be to solidify the agreement. The approximate time allowed for services to be performed under this agreement is 550 days from the date the contract is awarded. Resumes were submitted for the key personnel involved in the process and design engineering, approximately five people. Process engineering support staff is available at Black & Veatch and will also be working on the project.

Upon completion of design, a second agreement will be entered into with Ostara USA, LLC for the construction of the designed facilities. Based on what is learned and decided during the Process Engineering step, the District will decide to pursue either Option 1 or Option 2. Option 2 will result in the largest facility, treating the centrate from both the pre- and post-centrifuges and will be in an amount not to exceed \$30,900,000.00. This agreement will require the contractor to market and beneficially reuse the recovered phosphorous product and make a payment to the District of \$400.00 per ton of product for the lifetime of the agreement.

The agreement with Black & Veatch will be in accordance with the District's Affirmative Action Policy. Affirmative Action participation goals for the Consulting (Design) services are 20% Minority-owned Business Enterprises (MBE), 10% Women-owned Business Enterprises (WBE), and 10% Small Business Enterprises (SBE). Black & Veatch is committed to compliance with the District's Affirmative Action policy and these goals. Discussions with PCE firms have been initiated and all MBE/SBE and WBE/SBE firms will actively participate

in providing services for the core elements required by the agreement.

In as much as the firm of Black & Veatch possess a high degree of professional skill, it is recommended that the Director of Procurement and Materials Management be authorized to issue a purchase order and enter into an agreement without advertising, per Section 11.4 of the Purchasing Act, in an amount not to exceed \$1,361,300.00.

Funds are available in Accounts 401-50000-601410 and 601420

Requested, Catherine A. O'Connor, Director of Engineering, MVL:GR

Recommended, Darlene A. LoCascio, Director of Procurement and Materials Management

Respectfully Submitted, Barbara J. McGowan, Chairman Committee on Procurement

Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for June 6, 2013