

## **Email Correspondence: File #32077**

*Amendment #2 to the Professional Services Agreement with Strand Associates  
for the Well 7 iron and manganese filtration project*

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**From:** Larson, Alan  
**Sent:** Friday, November 01, 2013 4:54 PM  
**To:** Weier, Anita; Cnare, Lauren  
**Cc:** Robb, Amy; Heikkinen, Tom  
**Subject:** Amendment #2 to Well 7 contract

Alders Weier and Cnare,

We have been delayed on Well 7 for more than 6 months due to complications from the purchase of the two houses around the well. This delay has resulted in additional costs for our consultant Strand Associates. I am submitting a resolution to raise their compensation \$12,800 for a total of \$469,800. This is an increase of 2.8% and is well within the anticipated costs for this type of project.

I am asking that you provide sponsorship for this Common Council Resolution.

Thank you in advance for you help and consideration in this matter.

Al Larson

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**From:** Weier, Anita  
**Sent:** Saturday, November 02, 2013 11:13 AM  
**To:** Larson, Alan; Cnare, Lauren  
**Cc:** Robb, Amy; Heikkinen, Tom; Nelson, Larry  
**Subject:** RE: Amendment #2 to Well 7 contract

I am somewhat uneasy about the cost increases that occur in projects. For instance, a professional services agreement with Strand Associates for Booster Station 106 was increased by \$44,500 in September for additional construction administration services.

I also am concerned about the bid process in general, in which staff appears to decide and the Water Board gets little information. For instance, when a professional services agreement with EnvisionCAD was discussed in Sept., that proposal was submitted to the board, but no other proposals were discussed in the memo from staff.

Perhaps I am missing something, so please let me know if I am.

In the meantime, I cannot sponsor this proposed increase at this time.

Alder Weier  


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## **Email Correspondence: File #32077**

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**From:** Larson, Alan  
**Sent:** Monday, November 04, 2013 4:20 PM  
**To:** Weier, Anita  
**Cc:** Robb, Amy; Heikkinen, Tom; Nelson, Larry; Cnare, Lauren  
**Subject:** RE: Amendment #2 to Well 7 contract

Alder Weier,

Thank you for your reply. We appreciate your concern and we work hard to control costs on all of our contracts. I hope I can provide more information and background and answer all your questions .

1. Well 7 design and construction administration: We hired Strand in early fall of 2012. They fully expected that the design would be finished in the spring of 2013 with construction starting in September 2013. They built their project budget and schedule based on that information. Once we went through the public participation process and the alternative analysis, we decided to purchase the two adjoining properties. This delayed the project 6 to 8 months. This delay was not under the control of Strand or the Water Utility for that matter. The delay was the result of the time required to obtain ownership of the two adjacent properties. This delay will impact Strand's project costs as a result of higher salary costs due to inflation and raises. We evaluate each amendment request based on its merit and since this was not due to any action or inaction on Strand's part and was beyond their control, it is an appropriate request.
2. Computer Aide Drafting (CAD) Services: We worked very closely with City purchasing on this proposal and procurement process. It was an extended process that went through several review steps. We contacted several companies, we even requested statements of interest and questions. In the end the only proposal we received was from EnvisionCAD. They have worked on several different projects over the years and recently assisted the City in the upgrade and training services for a major CAD upgrade. While we would have liked to have more proposals, we are comfortable with the one we received from EnvisionCAD and are confident that the procurement process was very thorough, transparent and comprehensive.
3. Booster Pump Station 106 (BPS 106): Strand was selected through a competitive Request for Proposal process and they negotiated a scope and budget based on our understanding of the project at the beginning of the project. We went through a comprehensive public participation process that clearly indicated that we needed to have a minimal impact on the park and the trees in the area. This resulted in a very small construction site and building footprint. The pump station is a two level facility that is tucked into a small space between the reservoir and the right of way. The complexity of the station and challenges of construction were confirmed when the project was bid with bids coming in almost \$500,000 over the engineers estimate. Strand will be providing additional field inspection services and structural engineering throughout construction. This has driven up the costs and we deemed that their request for additional compensation was warranted.

With regard to the overall process of selecting a consultant, we follow City guidelines and make the selections based on qualifications. APM 3-3, approved in 1996, is the current guideline. A new edition of APM 3-3, draft attached, is being considered for adoption due to the fact it more closely follows current practice.

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Please let me know if you have any questions about any of this or wish any additional information.

Al Larson

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**From:** Weier, Anita  
**Sent:** Tuesday, November 05, 2013 8:40 AM  
**To:** Larson, Alan  
**Cc:** Robb, Amy; Heikkinen, Tom; Nelson, Larry; Cnare, Lauren  
**Subject:** RE: Amendment #2 to Well 7 contract

Thank you.

Where is the Water Utility Board involvement?

Shouldn't the board receive the list of top consultants selected by staff and decide? As I recall, we get one recommendation.

Forgive me if I'm missing something.

Anita Weier

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