



Legislation Details (With Text)

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**Title:** Engineer, Procurement and Construction (EPC) Services for Deerhaven Unit 2 Retrofit Project (B)

Staff recommends approval of the final ranking of the EPC firms and requests authorization to negotiate a contract in accordance with the Consultants' Competitive Negotiations Act (CCNA) for EPC Services for the DH2 Retrofit.

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Date	Ver.	Action By	Action	Result
10/23/2006	0	City Commission	Approved as Modified	Pass

Engineer, Procurement and Construction (EPC) Services for Deerhaven Unit 2 Retrofit Project (B)

Staff recommends approval of the final ranking of the EPC firms and requests authorization to negotiate a contract in accordance with the Consultants' Competitive Negotiations Act (CCNA) for EPC Services for the DH2 Retrofit. On January 5, 2006 the City Commission approved staff's recommendation for an Air Quality Control System (AQCS) and directed staff to retrofit Deerhaven Unit 2 with an AQCS to comply with EPA regulations requiring emissions reductions by specified deadlines.

Utilities Purchasing issued a Request for Qualifications (RFQ) for EPC services for the proposed DH2 Retrofit project to known engineering firms, equipment suppliers, and construction firms and posted the solicitation on the GRU website which is monitored by several bid reporting services. Twenty firms submitted Statements of Qualifications (SOQ) which were evaluated based on the criteria established in the RFQ the CCNA. Thirteen of the firms were deemed qualified to perform EPC services for the project.

Utilities Purchasing issued a Request for Proposal (RFP) to the thirteen firms. The RFP allowed qualified firms to partner among themselves or to partner with other companies to form an EPC to perform the DH2 Retrofit. Two responses to the RFP were received and evaluated in accordance with criteria established in the RFP and the CCNA. The two firms are listed below in the order of ranking and a tabulation of the evaluation is attached for your reference. 1) Babcock Power Environmental (Turbosorp(r) Circulation Dry Scrubber, SCR Technology & Hamon Fabric Filter Technology) and CH2MHill in Consortium; and 2) Kiewit Southern Co. (EPC Management & Construction), Bibb & Associates (BOP Engineering), Wheelabrator Air Pollution control (FGD & PJFF) and Mitsubishi Power Systems (SCR)

In accordance with the CCNA, staff is recommending initiating contract negotiations with the top ranked firm. Babcock Power Environmental and CH2MHill in Consortium demonstrated superior experience in the engineering, procurement and construction of AQCS. If staff is unable to negotiate an acceptable contract with the top ranked firm, staff intends to initiate a competitive traditional A/E multi-

contract approach.

The City Commission: 1) approve the final ranking of the Engineer, Procurement, Construction (EPC) firms; 2) authorize the Interim General Manager for Utilities, or her designee, to initiate contract negotiations in accordance with the Consultants' Competitive Negotiations Act (CCNA) for EPC Services for the DH2 Retrofit; 3) authorize the Interim General Manager or her designee, upon successful negotiations, to execute a contract subject to approval of the City Attorney as to form and legality, in an amount not to exceed \$ 123,207,869 and 4) authorize staff to procure other services, equipment and materials, as required, to complete the project as budgeted.

The original capital budget estimates projected total installed cost to be \$101,362,200, however based on the current market the capital budget estimate for the DH2 Retrofit is \$141,000,000. The approved budget for FY 2007-2008 has adequate capital and operation & maintenance expense budgeted. The adjusted project costs will change forecasted expenditures from FY 2008 and forward. The increased cost results in an increase to the average residential customer of approximately \$1.70 for FY 2008 over the previously projected increase for that year.

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