



## Legislation Text

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Engineering Proposal Development, Design, Procurement and Construction Services in Support of Proposed Shands Central Utility Plant (B)

Staff recommends approval of the final ranking of the engineering firms and authorization to negotiate a contract in accordance with the Consultants' Competitive Negotiations Act (CCNA) for Engineer, Procure, and Construct (EPC) services for the proposed Shands Central Utility Plant for Phase 1 Services.

Shands is developing a new hospital complex south of the existing facility on Archer Road. Staff has responded to a Request for Qualifications (RFQ) from Shands to enter into a long-term agreement for a utility provider to design, finance, construct, own and operate a central utility plant on a portion of the new Shands campus. The proposed energy plant would provide emergency/stand-by power, chilled water and steam to support Shands' currently proposed and anticipated future expansions on the new campus. We were notified on July 21, 2006 that GRU has been short-listed, which places the Utility on the list of firms to receive the Request for Proposal (RFP).

Staff recommends entering into a contract with an EPC firm for Phase 1 services, which would include preliminary design sufficient to develop cost estimates for several alternatives, and assist in the development of pricing strategies to support our proposal. If GRU is awarded the Shands project, GRU would seek commission approval to execute a contract with the same EPC firm for work for additional phases including but not limited to detailed design, construction, and operation and maintenance support. The project budget is projected to be less than \$30 million which would be recovered through charges for services provided to Shands. Staff would not proceed unless the rate of return meets GRU's minimum rate of return criteria, and the project had positive benefits for the utility.

Utilities Purchasing issued a Request for Qualifications (RFQ) for Engineering Design and EPC Services for Proposed Shands Central Utility Plant to known EPC firms and posted the solicitation on Purchasing's website which is monitored by several bid reporting services. Five firms submitted Statements of Qualifications (SOQ), which were ranked after evaluation of the submittals and shortlisted to three firms. Discussions with the three shortlisted firms were held in accordance with the criteria established in the RFQ and the Competitive Consultants Negotiations Act (CCNA).

The three firms are listed below in the order of ranking and a tabulation of the evaluation is attached for your reference: 1) Burns & McDonnell; 2) Stanley Consultants, Inc.; and 3) Black & Veatch.

In accordance with the CCNA, staff is recommending initiating contract negotiations with the top ranked firm. Burns and McDonnell demonstrated superior experience in the engineering, procurement and construction of hospital and university based central utility plants. Burns and McDonnell also displayed the broadest experience in the design and construction of creative and highly energy efficient facilities with the smallest environmental footprint. One such facility was recently put in service at the Dell Children's Hospital in Austin, TX, and is owned by Austin Energy. The facility will allow the Dell Children's Hospital to qualify for LEEDS Platinum, which is the highest level of achievement in environmentally sensitive design and construction. This facility incorporates demand side management (DSM) as an integral part of its design. GRU's ownership of the Shands Central Utility Plant could have a positive impact on the adoption of DSM at one of our largest customers.

If staff is unable to negotiate an acceptable contract with the top ranked firm, it may initiate negotiations with the

other firms in sequential order.

The City Commission: 1) approve the final ranking of the EPC firms; 2) authorize the Interim General Manager for Utilities, or her designee, to negotiate contracts in accordance with the Consultants' Competitive Negotiations Act (CCNA) for EPC Services for the proposed Shands Central Utility Plant; and 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 \$250,000 for Phase 1 Services.

The project budget is projected to be in the range of \$15-30 million, depending on the final system configuration selected by Shands, which would be recovered through charges for services provided to Shands. Staff would not recommend proceeding unless the rate of return meets GRU's minimum rate of return criteria, and the project had positive benefits for the utility. The anticipated cost of engineering services for project development is expected to be less than \$250,000.

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