

# **Lompoc City Council Agenda Item**



**City Council Meeting Date:** 2 August 2005

**DATE:** July 20, 2005

**TO:** Gary Keefe, City Administrator

**FROM:** Susan Halpin, Wastewater Superintendent  
shalpin@ci.lompoc.ca.us

**SUBJECT:** Lompoc Regional Wastewater Reclamation Plant (LRWRP) Upgrade Project Value Engineering Study Contract Award

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## **RECOMMENDATION:**

Staff recommends the City Council:

1. Approve award of professional services agreement for LRWRP Upgrade Project Value Engineering Study to Lewis & Zimmerman Associates, Inc., for the amount of \$71,984.00 to be charged to account number 53100-79769.
2. Authorize the Mayor or his designee to sign the Agreement with Lewis & Zimmerman Associates, Inc.

## **BACKGROUND AND DISCUSSION:**

The Policy for Implementing the State Revolving Fund (SRF) for Construction of Wastewater Treatment Facilities document from the State Water Resources Control Board requires applicants with estimated total project costs greater than \$10 million to conduct a Value Engineering (VE) study. The VE study report shall be submitted to the SRF with the final plans and specifications and shall describe all the VE recommendations and discussion of why if any recommendations are rejected.

The City has submitted an application to the SRF for construction costs of the LRWRP Upgrade Project. The application was for the loan amount of \$46.81 million. The City is required to conduct a VE study.

The VE study will include, at a minimum:

- The VE team leader meeting with the City's Plant Upgrade Project manager to discuss the details of the VE study;
- A Meeting with the Project manager to review the project and the project issues, to reach an agreement regarding the date for the required, multi-day VE workshop, and to identify the team members required from the City, if any;

- Necessary actions prior to the VE workshop to:
  - Coordinate workshop logistics;
  - Review project design documents and other documents about the project;
  - Prepare a capital cost model using information provided by the City and by the project design team; and
  - Conduct a validation of the estimated project construction costs.
- A VE team leader who is a Certified Value Specialist;
- Necessary activities to conduct the required six phases of the VE workshop:
  - Information
  - Function analysis
  - Creativity
  - Evaluation
  - Development
  - Presentation
- Submission of a preliminary VE report and the final VE report.

**CONCLUSION:**

The Wastewater Division sent out four Request for Proposals (RFP) for the VE study. Three proposals were received: Lewis & Zimmerman Associates, Inc., Willdan, and Olympic Associates Company. City staff thoroughly reviewed the proposals for approach, qualifications of the VE team leader and team members, applicability of previous project experience, and previous performance, as well as proposed cost. Staff believes that Lewis & Zimmerman Associates, Inc., submitted the most responsive proposal, and it was rated the top firm to conduct the City's VE study. It is recommended Council approve awarding the VE study work to this firm.

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Susan Halpin, Wastewater Superintendent

Attachment: Professional Services Agreement

***APPROVED FOR SUBMITTAL TO THE CITY ADMINISTRATOR:***

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James W. Beck, Utility Director

***APPROVED FOR SUBMITTAL TO CITY COUNCIL:***

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Gary P. Keefe, City Administrator