



# City of Pflugerville

## Legislation Text

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**File #:** 2019-7325, **Version:** 1

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Approving the selection of Ovivo USA, LLC as the best value offeror for the Biological Nutrient Removal Process Equipment necessary for the upcoming Central Wastewater Treatment Plant Expansion Phase 1 and Phase 2 Projects and authorizing the City Manager to enter into negotiations as needed to finalize purchase agreements.

On October 23, 2018, Council approved a resolution authorizing the use of the competitive sealed proposal procurement method for the Central Wastewater Treatment Plant Expansion project, including the preselection of vendors for major treatment process equipment. As explained during a presentation by City staff at the October 23<sup>rd</sup> meeting, preselecting equipment vendors prior to completing the design of the project will allow the City's engineering design consultant to finalize the design around a single process equipment supplier. This will avoid the need to issue a construction plan set with alternate designs for multiple vendors, which could cause confusion during the construction bidding process and potentially lead to higher bid prices, but will still allow the City to take advantage of the competitive bidding process for procurement of the equipment.

On November 28, 2018, City staff received competitive sealed proposals from two vendors interested in providing biological nutrient removal equipment for Phase I and Phase II of the WWTP expansion project. Although Phase II of the project isn't expected to start construction until 2021, the Phase II equipment was included with the Phase I procurement to allow the City to take advantage of the competitive bidding process for both project phases prior to standardizing on one equipment vendor. As explained during the staff presentation at the October 23<sup>rd</sup> Council meeting, the equipment procurement contract will include provisions for increasing or decreasing the Phase II equipment cost to account for any changes in materials cost between now and early 2021 when the purchase agreement for the Phase II equipment will be executed.

After a selection committee that included City staff from the Public Works and CIP Engineering departments reviewed and scored the proposals, the proposal provided by Ovivo USA LLC was selected as the best value for the City. The best value proposal included equipment for both Phase I and Phase II of the project at a total cost of \$9,848,800. Although equipment cost proposal provided by Ovivo was approximately \$1,008,000 higher than the other offeror, Ovivo's proposal scored slightly higher on operations and maintenance costs and significantly higher on adherence to technical criteria which resulted in a higher overall score and best value determination.

The final purchase agreement will be brought forward for City Council consideration once negotiations with the equipment vendor are complete. The equipment purchase agreement executed by the City will be reassigned to the general contractor for the construction of Phase I of the WWTP expansion project once selected this summer. Once the contract is reassigned, the contractor will assume all responsibility, including payment for the equipment, under the terms of the equipment purchase agreement.

### **Prior City Council Action**

On October 23, 2018, Council approved a resolution authorizing the use of the competitive sealed proposal procurement method for the Central Wastewater Treatment Plant Expansion project, including the preselection of vendors for major treatment process equipment.

**Deadline for City Council Action**

Action is requested on January 22, 2019 to maintain the project schedule for the Central Wastewater Treatment Plant Expansion Project.

**Supporting documents attached:**

Scoring Matrix

**Recommended Action**

Approve the selection of Ovivo USA LLC as the best value offeror for the Biological Nutrient Removal Process Equipment necessary for the upcoming Central Wastewater Treatment Plant Expansion Project and authorize the City Manager to enter into negotiations as needed to finalize a purchase agreement.