

# Committee Report

Environment Committee



Committee Meeting Date: July 26, 2022

For the Metropolitan Council: August 10, 2022

## Business Item: 2022-212

2022-212: Full Service and Process Mechanical Plant Engineering Master Contracts

### Proposed Action

That the Metropolitan Council authorize the Regional Administrator to award and execute contracts 21P297A-F for full service and process mechanical plant engineering services with not-to-exceed amounts as follows:

<u>Organization</u>	<u>Contract Number</u>	<u>Contract Amount</u>
Brown and Caldwell	21P297A	\$18,000,000
HRGreen	21P297B	\$2,500,000
Jacobs Engineering Group Inc.	21P297C	\$9,000,000
MSA Professional Services, Inc.	21P297D	\$2,500,000
Short Elliot Hendrickson Inc.	21P297E	\$3,000,000
TKDA	21P297F	\$5,000,000

### Summary of Environment Committee Discussion/Questions

CM Zeran asked a question centered on Office of Equity and Equal Opportunity (OEEO) and our meeting or exceeding our Small Business Inclusion goals, noting that the Disadvantaged Business Enterprise (DBE) participation goal for these contracts is 12%. Staff from OEEO replied that all proposers met or exceeded the goal and incorporated Disadvantaged Business Enterprise (DBE) vendors for a variety of services within a 12-26% range for DBE participation. CM Zeran also asked if any prime contractors are DBE firms. Staff from OEEO replied that none are DBE firms. CM Zeran encouraged finding more prime contractors that are DBE firms.

Chair Wulff stated we had received an anonymous email claiming that the firms selected do not have sufficient staff within the area to fulfill the contract. Staff from Procurement replied that the proposals were evaluated based on the quality of the proposals, qualifications of the proposers, experience of the proposers and their service delivery plans. The Evaluation Panel made the determination of which proposals are the most advantageous to the Council. Staff provided further information regarding the firms which submitted proposals for Group A (more complex wastewater treatment processes), noting that they tended to be national firms which have a local presence. For specialized wastewater processes they may pull resources from their national pool of talent.

Procurement Staff agreed that the evaluation process is thorough and selects for qualified and competent proposers to carry out the work outlined in the scope of services.

Motion by CM Zeran, seconded by CM Fredson.

**Motion carried.**

# Business Item

Environment Committee



Committee Meeting Date: July 26, 2022

For the Metropolitan Council: August 10, 2022

## Business Item: 2022-212

Master Contracts for Full Service and Process Mechanical Plant Engineering Services

**District(s), Member(s):** All

**Policy/Legal Reference:** FM 14-2 - Expenditures for the Procurement of Goods, Services, and Real Estate Policy

**Staff Prepared/Presented:** Tim Amstutz, Assistant Manager, 651-602-1221

**Division/Department:** MCES c/o Leisa Thompson, 651-602-8101

### Proposed Action

That the Metropolitan Council authorize the Regional Administrator to award and execute contracts 21P297A-F for full service and process mechanical plant engineering services with not-to-exceed amounts as follows:

<u>Organization</u>	<u>Contract Number</u>	<u>Contract Amount</u>
Brown and Caldwell	21P297A	\$18,000,000
HRGreen	21P297B	\$2,500,000
Jacobs Engineering Group Inc.	21P297C	\$9,000,000
MSA Professional Services, Inc.	21P297D	\$2,500,000
Short Elliot Hendrickson Inc.	21P297E	\$3,000,000
TKDA	21P297F	\$5,000,000

### Background

The total value of these contracts is \$40,000,000. These master contracts are needed to support the 2022-2027 Authorized Capital Program.

The Request for Proposals was issued on January 6, 2022. A pre-proposal meeting was hosted by Council staff that outlined the solicitation requirements, discussed project specifications and responded to plan holder inquires. There were thirty-three registered plan holders, twenty-eight consultants, two subcontractors, three plan rooms, and seven plan holders identified as minority, woman, small, veteran, or disadvantaged business enterprises. The Council received fourteen proposals to be evaluated for the consideration of award.

In accordance with the Brooks Act, the evaluation of proposals followed a two-step process. An evaluation panel of Council staff and external stakeholders ranked and selected the most technically qualified proposers. Following approval of the evaluation panel findings, conclusions, and recommendations, the cost data of the highest ranked proposers was reviewed by a negotiation panel that negotiated pricing and agreed that the final prices have been determined to be fair and reasonable and recommend the Group A proposals submitted by Brown and Caldwell and Jacobs Engineering Group Inc.; and the Group B proposals submitted by HRGreen, MSA Professional Services, Inc., Short Elliot Hendrickson Inc., and TKDA as the most advantageous to the Council.

### **Rationale**

The execution of professional service contracts exceeding \$500,000 require Council approval.

### **Thrive Lens Analysis**

This action advances the Thrive Outcomes of Stewardship and Sustainability. Public financial resources will be responsibly invested to support orderly economic development while maintaining the regional wastewater system assets, which protect the region's natural resources.

### **Funding**

Funding is provided in the 2022 Authorized Capital Program.

### **Small Business Inclusion**

The Office of Equity and Equal Opportunity (OEEO) set a Disadvantaged Business Enterprise (DBE) goal of twelve percent (12%). OEEO determined that all firms being recommended for award have met the DBE requirements of this contract.



**From:** [Anonymous Anonymous](#)  
**To:** [Lindstrom, Peter](#); [Wulff, Wendy](#); [Fredson, Kris](#); [Sternner, Phillip](#); [Vento, Susan](#); [Zeran, Raymond](#); [Wegenke, Tessa](#)  
**Subject:** MCES Process Mechanical Group B Contracts  
**Date:** Tuesday, July 26, 2022 8:55:02 AM

---

Dear Members of the Environmental Committee –

I am writing you to address major concerns I have with the Process Mechanical Group A and Group B engineering consultant selection. Specifically, the total value of the Process Mechanical Group A contracts and the total number of contracts. During the last solicitation in 2016, the Council selected five firms with a total contract value near \$20 Million. The Process Mechanical Group A contracts were valued at \$5 million each with two contracts awarded (Black & Veatch and Brown & Caldwell). The Process Mechanical Group B contracts were awarded to three firms (HR Green, SEH, and TKDA).

The values of the new 2022 Process Mechanical Group A contracts are \$18 Million (Brown and Caldwell) and \$9 Million (Jacobs). Brown and Caldwell has served the Council well in the past. Jacobs is a large engineering firm and a relatively new selection for the Council with limited process mechanical staff within the Twin Cities. With that said, I have major concerns that the firms selected cannot support the respective \$18 Million and \$9 Million contract values without exporting a significant amount of the engineering labor or the majority of the engineering labor to engineering staff outside of Minnesota or the region. Further, the vast majority of the work highlighted within the Process Mechanical Group proposal solicitation can be performed by the talented engineers within the Twin Cities area. There is no reason to select firms at the values noted when the engineering (as well as the tax dollars to support the consulting fees) will be exported out of the region.

I do not believe that the proposal selection process resulted in a consulting pool that is in alignment with the Thrive 2040 plan. The very first bullet within the introduction of the plan highlights a “Resilient Economy”. To achieve a resilient economy, I urge the Environmental Committee to reject the proposed Process Mechanical Group A selection recommendations. Further, it should be acknowledged that the Council is an economic engine of our community for both professional and construction contracting services. It should be a focus of the Council to invest in companies that support local and regional professional engineers and craft labor to build a more resilient economy.

Instead of accepting the recommendation for the Process Mechanical Contracts, I kindly propose placing monetary caps on the Process Mechanical Group A contracts at \$7.5 Million. This increases the contracting capacity by 50% from the 2016 Process Mechanical solicitation. Similarly, I would recommend capping the Process Mechanical Group B contracts at \$5 Million. If the Met Council Water and Wastewater team believes they need the full \$40 Million in contracting capacity, I recommend that the selection committee add additional consultants to the contract with local and regional capabilities to support the types of projects that the Council wishes to complete in the next five to ten years.

Finally, I would like to acknowledge that this email is being sent in an anonymous format. I do not wish retribution or unconscious bias upon the firm for which I work or personally.

Respectfully,

Anonymous OneWater

**Caution! This email was sent from an external source. Do not click any links or open attachments unless you trust the sender and know the content is safe.**