



Legislation Text

File #: 19-0820R, **Version:** 1

RESOLUTION AUTHORIZING AN AGREEMENT WITH HGA, INC., FOR PROFESSIONAL ENGINEERING SERVICES TO CONVERT THE DULUTH ENERGY SYSTEMS BALANCE OF PLANT FROM A STEAM TO HOT WATER DISTRICT ENERGY SYSTEM FOR AN AMOUNT NOT TO EXCEED \$97,500.

CITY PROPOSAL:

RESOLVED, that the proper city officials are authorized to enter into an agreement, substantially in the form attached as Exhibit A, with HGA, Inc. for professional engineering services related to the steam to hot water conversion of the Duluth Energy Systems (DES) balance of plant for a total amount not to exceed \$97,500, payable from fund 540-920-1499-5530 (Steam; Steam Department; Steam Non-Operating; Improvements Other than Buildings).

STATEMENT OF PURPOSE: This resolution authorizes an agreement with HGA, Inc. for engineering and design services for a total amount not to exceed \$97,500. HGA will provide an engineered Balance of Plant package which, when connected to the Steam Converter System (SCS), results in the completed component of the Hot Water Distribution System local to the Plant. With the exception of the SCS, the design scope will cover the entirety of the Hot Water Distribution System that occurs within the DES property line; mechanical, structural, electrical and limited controls.

This is one of the final components of the steam to hot water conversion project; which will result in a more efficient and functionally sustainable district energy system.

Purchasing issued a Request for Proposals on October 28, 2019 and received five responses. The proposals were evaluated and ranked based on three criteria: estimated project fees (55%), the proposer's understanding of the project requirements (40%), and the clarity, conciseness and organization of the proposal (5%).

<u>Company</u>	<u>Ranking</u>	<u>Cost</u>
HGA, Inc.	1	\$97,500
TKDA	2	\$133,400
Gausman & Moore	3	\$265,000
LHB	4	\$186,650
Barr Engineering	5	\$292,300