


**City of Oak Harbor  
City Council Agenda Bill**

Bill No. 9.a.  
Date: August 7, 2013  
Subject: Wastewater Treatment Plant  
Professional Services Agreement  
with RSRI

**FROM: Cathy Rosen, Public Works Director  
Joe Stowell, City Engineer**

**INITIALED AS APPROVED FOR SUBMITTAL TO THE COUNCIL BY:**

 Scott Dudley, Mayor  
\_\_\_\_ Larry Cort, City Administrator  
\_\_\_\_ Doug Merriman, Finance Director  
\_\_\_\_ Grant Weed, Interim City Attorney, as to form

**PURPOSE**

The purpose of this agenda bill is to seek City Council's approval of a Professional Services Agreement with Robinson, Stafford & Rude, Inc. (RSRI) for Value Engineering (VE) Services related to the new Wastewater Treatment Plant (WWTP).

**FISCAL IMPACT DESCRIPTION**

Funds Required: \$128,304.00  
Appropriation Source: Wastewater Fund 402

**SUMMARY STATEMENT**

**Background**

On August 4, 2010, City Council awarded a professional services contract to Carollo Engineers to prepare a Facilities Plan for the new wastewater treatment plant. A draft version of the

Facilities Plan was authorized by City Council for submittal to the Washington State Department of Ecology on March 19, 2013.

March 19, 2013 also signified the start of the preliminary design process when city council authorized an amendment to the professional services agreement with Carollo Engineers. One of the tasks in the scope of services with Carollo Engineers was to prepare 15% construction documents and support a value engineering analysis of the project.

Carollo Engineers has completed the 15% construction documents in anticipation of a value engineering review. The following agenda bill is intended to select the value engineering team that will evaluate the design provided by Carollo Engineers.

### Value Engineering Objectives

Value engineering is a specialized field of engineering that looks for potential improvements to the design of a project that would improve its function, operation and reduce cost without compromising the overall value of the project.

The value engineering team is typically lead by a Certified Value Specialist (CVS) and a team of technical specialists. The team will be provided with 15-20% drawings and design documents to review. A week long workshop will be held where the CVS and technical team review the project and produce a list of recommendations. Within a week of completion of the workshop, the CVS will provide the city with a list of recommendations and provide an opportunity to review their assessment. It is then up to the City to determine which of the recommendations provide additional value to the project. Quite often, the recommendations made by the value engineering team offset the cost of their contract. Performing a value engineering analysis also helps a project score better when attempting to gain financial assistance.

The objectives of the VE are to:

- identify potential changes to the treatment plant design that would satisfy essential functions of the project at a lower cost while maintaining effluent limitations and operational requirements;
- identify potential changes to the plant operation and maintenance scheme to reduce labor, chemicals and energy costs while ensuring proper plant maintenance and reliability;
- identify potential project construction risks and propose possible mitigation measures to help the City manage costs and construction schedule.

### Consultant Selection Process

As with other engineering and architectural services, once a value engineer is selected based on qualifications, a scope of services and associated costs are negotiated. If a fair and equitable fee cannot be agreed upon, the City may choose to negotiate with the second most qualified applicant.

In order to select a value engineering firm, a request for qualifications (RFQ) was posted in the Whidbey News Times (6/15 & 6/19) and the Daily Journal of Commerce (6/12 & 6/15). In addition to advertisements, individual RFQ's were e-mailed to relevant consultants (6/11) listed in the 2013 Consultant Directory from Save International. Save International is the professional association that certifies value engineers. The highest accreditation from Save International is Certified Value Specialist (CVS) which we have required in our RFQ. Since a CVS can evaluate everything from manufacturing to construction, we included a further condition that the CVS be a professional engineer with experience in wastewater treatment plants.

Four firms submitted statement of qualifications (SOQ) on June 28<sup>th</sup>, 2013. The firms were evaluated based on the following criterion which was provided to them in the RFQ.

Value Engineering RFQ Evaluation

Criterion	Potential	X	Y	Z	RSRI
Understanding and Approach	20%	18%	17%	10%	18%
VE Team Leadership Qualificaitons	25%	22%	20%	22%	23%
VE Team Member Qualifications	25%	22%	24%	20%	24%
WWTP VE Experience & Performance	20%	10%	17%	15%	17%
Availability and Ability to Meet Schedule	10%	10%	7%	10%	10%
	100%	82%	85%	77%	<b>92%</b>

The most qualified consultant, based on the review criteria, was Robinson, Stafford & Rude, Inc. Staff proceeded to negotiate the following scope of services.

Scope of Services

The attached scope of services (Exhibit A) represents the value engineering tasks necessary to assist the city in performing a value engineering analysis.

A summary of the scope of work is as follows:

- Pre-workshop
  - Review of design documents
  - Schedule team participants
  - Cost model
- Workshop
  - The CVS will facilitate a 40-hour workshop
  - Workshop will be held at Public Works
- Post Workshop
  - VE Consultant will conduct a 4 hour post-workshop implementation meeting
  - Provide a value engineering study report

Schedule

Applicants interested in performing the value engineering on our project were directed to follow the schedule below in preparing the SOQ.

Activity	Date
SOQs Due	June 28, 2013
Notify Highest Rated Firm	July 3, 2013
VE Consultant Notice To Proceed	August 9, 2013
Conduct VE Workshop	Aug 26 – 30, 2013
Final Report and Recommendations	Sept 30, 2013

Budget

The budget for value engineering was included in the overall estimate to construct a new wastewater treatment plant prepared by Carollo Engineers.

**CITY COUNCIL WORKSHOP**

This item was discussed at the July 24, 2013 City Council Workshop.

**CITY COUNCIL PREVIOUS ACTIONS**

*March 19, 2013* – Council motion authorizing the Mayor to sign Consultant Agreement Amendment Number 6 with Carollo Engineers for additional site investigation related to a new wastewater treatment plant.

**RECOMMENDED ACTION**

Authorize the Mayor to sign a Professional Services Agreement with Robinson, Stafford & Rude, Inc. for Value Engineering Services related to the new wastewater treatment plant in the amount of \$128,304.00.

**ATTACHMENTS**

- Consultant / Professional Services Agreement
  - Exhibit A – Scope of Services & VE Study Cost Summary
- Value Engineering Study Agenda

## CONSULTANT/PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT, is made and entered into in duplicate this 8/7/2013, and between the CITY OF OAK HARBOR, a Washington municipal corporation, hereinafter referred to as the "CITY" and ROBINSON, STAFFORD & RUDE, INC. hereinafter referred to as the "SERVICE PROVIDER".

WHEREAS, the CITY desires to have certain services and/or tasks performed as set forth below requiring specialized skills and other supportive capabilities; and

WHEREAS, sufficient CITY resources are not available to provide such services; and

WHEREAS, the SERVICE PROVIDER represents the SERVICE PROVIDER is qualified and possesses sufficient skills and the necessary capabilities, including technical and professional expertise, where required, to perform the services and/or tasks set forth in this Agreement.

NOW, THEREFORE, in consideration of the terms, conditions, covenants and performance contained herein, the parties hereto agree as follows:

1. Scope of Services.

The SERVICE PROVIDER shall perform such services and accomplish such tasks, including the furnishing of all materials and equipment necessary for full performance thereof, as are identified and designated as SERVICE PROVIDER responsibilities throughout this Agreement and as detailed in Exhibit "A" attached hereto and incorporated herein (the "Project").

2. Term.

The Project shall begin on August 9, 2013, and shall be completed no later than December 31, 2013 unless sooner terminated according to the provisions herein.

3. Compensation and Method of Payment.

3.1 Payment for services provided hereunder shall be made following the performance of such services, unless otherwise permitted by law and approved in writing by the CITY.

3.2 No payment shall be made for any service rendered by the SERVICE PROVIDER except for services identified and set forth in this Agreement.

3.3 The CITY shall pay the SERVICE PROVIDER for work performed under this Agreement as follows: \$128,304.00 Lump Sum.

4. Reports and Inspections.

4.1 The SERVICE PROVIDER at such times and in such forms as the CITY may require, shall furnish to the CITY such statements, records, reports, data, and information as the CITY may request pertaining to matters covered by this Agreement.

- 4.2 The SERVICE PROVIDER shall at any time during normal business hours and as often as the CITY or State Auditor may deem necessary, make available for examination all of its records and data with respect to all matters covered, directly or indirectly, by this Agreement and shall permit the CITY or its designated authorized representative to audit and inspect other data relating to all matters covered by this Agreement. The CITY shall receive a copy of all audit reports made by the agency or firm as to the SERVICE PROVIDER'S activities. The CITY may, at its discretion, conduct an audit at its expense, using its own or outside auditors, of the SERVICE PROVIDER'S activities that relate, directly or indirectly, to this Agreement. As required by CITY, SERVICE PROVIDER will cooperate to respond to public record requests under the laws of the State of Washington.
- 4.3 The SERVICE PROVIDER shall keep in strict confidence, and will not disclose, communicate or advertise to third parties, without the express written consent of CITY the confidences of CITY or any information regarding the CITY or services provided to the CITY under this Agreement.

5. Independent Contractor Relationship.

- 5.1 The parties intend that an independent SERVICE PROVIDER/CITY relationship will be created by this Agreement. The CITY is interested primarily in the results to be achieved; subject to paragraphs herein, the implementation of services will lie solely with the discretion of the SERVICE PROVIDER. No agent, employee, servant or representative of the SERVICE PROVIDER shall be deemed to be an employee, agent, servant or representative of the CITY for any purpose, and the employees of the SERVICE PROVIDER are not entitled to any of the benefits the CITY provides for its employees. The SERVICE PROVIDER will be solely and entirely responsible for its acts and for the acts of its agents, employees, servants, subcontractors or representatives during the performance of this Agreement.
- 5.2 In the performance of the services herein contemplated, the SERVICE PROVIDER is an independent contractor with the authority to control and direct the performance of the details of the work, however, the results of the work contemplated herein must meet the approval of the CITY and shall be subject to the CITY'S general rights of inspection and review to secure the satisfactory completion thereof.

6. Service Provider Employees/agents.

The CITY may at its sole discretion require the SERVICE PROVIDER to remove an employee(s), agent(s) or servant(s) from employment on this Project. The SERVICE PROVIDER may, however, employ that (those) individual(s) on other non-CITY related projects.

7. Hold Harmless/Indemnification.

- 7.1 SERVICE PROVIDER shall defend, indemnify and hold the CITY, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising of or resulting from the acts, errors or omissions of the Consultant in performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.
- 7.2 For purposes of this indemnification and hold harmless agreement, the Contractor waives any immunity that may be granted to it under the Washington State Industrial Insurance Act, Title 51 RCW. The parties expressly agree that this waiver of workers' compensation immunity has been negotiated.
- 7.3 No liability shall attach to the CITY by reason of entering into this Agreement except as expressly provided herein.

8. Insurance.

The SERVICE PROVIDER shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the SERVICE PROVIDER, its agents, representatives, or employees.

- 8.1 Minimum Scope of Insurance. SERVICE PROVIDER shall obtain insurance of the types described below:
  - a. Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage.
  - b. Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors and personal injury and advertising injury. The CITY shall be named as an insured under the SERVICE PROVIDER'S Commercial General Liability insurance policy with respect to the work performed for the CITY.
  - c. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
  - d. Professional Liability Insurance appropriate to the SERVICE PROVIDER'S profession.
- 8.2 Minimum Amounts of Insurance. SERVICE PROVIDER shall maintain the following insurance limits:

- a. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of One Million Dollars (\$1,000,000) per accident.
- b. Commercial General Liability insurance shall be written with limits no less than One Million Dollars (\$1,000,000) each occurrence, Two Million Dollars (\$2,000,000) general aggregate.
- c. Professional Liability insurance shall be written with limits no less than One Million Dollars (\$1,000,000) per claim and One Million Dollars (\$1,000,000) policy aggregate limit.

8.3 Other Insurance Provisions. The insurance policies are to contain, or be endorsed to contain, the following provisions for Automobile Liability, Professional Liability and Commercial General Liability insurance:

- a. The SERVICE PROVIDER'S insurance coverage shall be primary insurance with respect to the CITY. Any insurance, self-insurance, or insurance pool coverage maintained by the CITY shall be excess of the SERVICE PROVIDER'S insurance and shall not contribute with it.
- b. The SERVICE PROVIDER'S insurance shall be endorsed to state that coverage shall not be cancelled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the CITY.

8.4 Acceptability of Insurers and policies. Insurance is to be placed with insurers with a current A.M. Best rating of not less than A: VII. Unless otherwise agreed by CITY all insurance policies shall be written on an "occurrence" policy and not a "claims-made" policy.

8.5 Verification of Coverage. SERVICE PROVIDER shall furnish the City with original certificates and a copy of the amendatory endorsements including, but not necessarily limited to, the additional insured endorsement, evidencing the insurance requirements of the SERVICE PROVIDER before commencement of the work.

9. Treatment of Assets.

Title to all property furnished by the CITY shall remain in the name of the CITY and the CITY shall become the owner of the work product and other documents, if any, prepared by the SERVICE PROVIDER pursuant to this Agreement. The SERVICE PROVIDER may keep one copy of the work product and documents for its records.

10. Compliance with Laws.

10.1 The SERVICE PROVIDER, in the performance of this Agreement, shall comply with all applicable federal, state or local laws and ordinances, including regulations for licensing,



certification and operation of facilities, programs and accreditations, and licensing of individuals, and any other standards or criteria as described in this Agreement to assure quality of services.

10.2 The SERVICE PROVIDER specifically agrees to pay any applicable business and occupation (B&O) taxes that may be due on account of this Agreement.

11. Nondiscrimination.

11.1 The CITY is an equal opportunity employer.

11.2 Nondiscrimination in Employment. In the performance of this Agreement, the SERVICE PROVIDER will not discriminate against any employee or applicant for employment on the grounds of race, creed, color, national origin, sex, marital status, sexual orientation, age, honorably discharged veteran or military status, or the presence of any sensory, mental or physical disability, or the use of a trained dog guide or service animal by a person with a disability; provided that the prohibition against discrimination in employment because of disability, or the use of a trained dog guide or service animal by a person with a disability, shall not apply if the particular disability prevents the proper performance of the particular worker involved. The SERVICE PROVIDER shall ensure that applicants are employed, and that employees are treated during employment without discrimination because of their race, creed, color, national origin, sex, marital status, sexual orientation, age, honorably discharged veteran or military status, or the present of any sensory, mental or physical disability or the use of a trained guide dog or service animal by a person with a disability. Such action shall include, but not be limited to: employment, upgrading, demotion or transfers, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and programs for training including apprenticeships. The SERVICE PROVIDER shall take such action with respect to this Agreement as may be required to ensure full compliance with local, state and federal laws prohibiting discrimination in employment.

11.3 Nondiscrimination in Services. The SERVICE PROVIDER will not discriminate against any recipient of any services or benefits provided for in this Agreement on the grounds of race, creed, color, national origin, sex, marital status, sexual orientation, age, honorably discharged veteran or military status, or the presence of any sensory, mental or physical disability or the use of a trained guide dog or service animal by a person with a disability.

11.4 If any assignment and/or subcontracting has been authorized by the CITY, said assignment or subcontract shall include appropriate safeguards against discrimination. The SERVICE PROVIDER shall take such action as may be required to ensure full compliance with the provisions in the immediately preceding paragraphs herein.

12. Assignment/subcontracting.

- 12.1 The SERVICE PROVIDER shall not assign its performance under this Agreement or any portion of this Agreement without the written consent of the CITY, and it is further agreed that said consent must be sought in writing by the SERVICE PROVIDER not less than thirty (30) days prior to the date of any proposed assignment. The CITY reserves the right to reject without cause any such assignment.
- 12.2 Any work or services assigned hereunder shall be subject to each provision of this Agreement and proper bidding procedures where applicable as set forth in local, state and/or federal statutes, ordinances and guidelines.
- 12.3 Any technical/professional service subcontract not listed in this Agreement, must have express advance approval by the CITY.

13. Changes.

Either party may request changes to the scope of services and performance to be provided hereunder, however, no change or addition to this Agreement shall be valid or binding upon either party unless such change or addition be in writing and signed by both parties. Such amendments shall be attached to and made part of this Agreement.

14. Maintenance and Inspection of Records.

- 14.1 The SERVICE PROVIDER shall maintain books, records and documents, which sufficiently and properly reflect all direct and indirect costs related to the performance of this Agreement and shall maintain such accounting procedures and practices as may be necessary to assure proper accounting of all funds paid pursuant to this Agreement. These records shall be subject at all reasonable times to inspection, review, or audit, by the CITY, its authorized representative, the State Auditor, or other governmental officials authorized by law to monitor this Agreement.
- 14.2 The SERVICE PROVIDER shall retain all books, records, documents and other material relevant to this Agreement, for six (6) years after its expiration. The SERVICE PROVIDER agrees that the CITY or its designee shall have full access and right to examine any of said materials at all reasonable times during said period.

15. Other Provisions.

The following additional terms shall apply: It is agreed between the parties that pursuant to changes in state law necessitating that services hereunder be expanded, the parties shall negotiate an appropriate amendment. If after thirty (30) days of negotiation, agreement cannot be reached, the CITY may terminate this Agreement no sooner than sixty (60) days thereafter.

16. Termination.

- 16.1 Termination for Convenience. The CITY may terminate this Agreement, in whole or in part, at any time, by giving at least thirty (30) days' written notice to the SERVICE PROVIDER. Upon such termination for convenience, the CITY shall pay the SERVICE PROVIDER for all services provided under this Agreement through the date of termination.
- 16.2 Termination for Cause. If the SERVICE PROVIDER fails to perform in the manner called for in this Agreement, or if the SERVICE PROVIDER fails to comply with any other provisions of the Agreement and fails to correct such noncompliance within five (5) days' written notice thereof, the CITY may terminate this Agreement for cause. Termination shall be effected by serving a notice of termination on the SERVICE PROVIDER setting forth the manner in which the SERVICE PROVIDER is in default. The SERVICE PROVIDER will only be paid for services performed in accordance with the manner of performance set forth in this Agreement through the date of termination.
- 16.3 Work Product. In the event of any termination whether for convenience or cause, all work product of the SERVICE PROVIDER, along with a summary of the work to the date of termination shall become the property of CITY.

17. Notice.

Notice provided for in this Agreement shall be sent by certified mail to the addresses designated for the parties on the last page of this Agreement.

18. Attorneys Fees and Costs.

If any legal proceeding is brought for the enforcement of this Agreement, or because of a dispute, breach, default, or misrepresentation in connection with any of the provisions of this Agreement, the prevailing party shall be entitled to recover from the other party, in addition to any other relief to which such party may be entitled, reasonable attorney's fees and other costs incurred in that action or proceeding.

19. Jurisdiction and Venue.

- 19.1 This Agreement has been and shall be construed as having been made and delivered with the State of Washington and it is agreed by each party hereto that this Agreement shall be governed by laws of the State of Washington, both as to interpretation and performance.
- 19.2 Any action of law, suit in equity, or judicial proceeding for the enforcement of this Agreement or any provisions thereof shall be instituted and maintained only in any of the courts of competent jurisdiction in Island County, Washington.

20. Severability.

20.1 If, for any reason, any part, term or provision of this Agreement is held by a court of the United States to be illegal, void or unenforceable, the validity of the remaining provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular provision held to be invalid.

20.2 If it should appear that any provision hereof is in conflict with any statutory provision of the State of Washington, said provision that may conflict therewith shall be deemed inoperative and null and void insofar as it may be in conflict therewith, and shall be deemed modified to conform to such statutory provisions.

21. Addenda.

21.1 This Agreement is subject to additional terms as set out in Addenda as follows: N/A

22. Entire Agreement.

The parties agree that this Agreement is the complete expression of the terms hereto and any oral representations or understandings not incorporated herein are excluded. Further, any modification of this Agreement shall be in writing and signed by both parties. Failure to comply with any of the provisions stated herein shall constitute a material breach of contract and be cause for termination. Both parties recognize time is of the essence in the performance of the provisions of this Agreement. It is also agreed by the parties that the forgiveness of the nonperformance of any provision of this Agreement does not constitute a waiver of the provision of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first hereinabove written.

CITY:

CITY OF OAK HARBOR  
865 SE Barrington Drive  
Oak Harbor, WA 98277

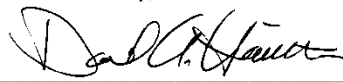
\_\_\_\_\_  
Scott Dudley, Mayor

Attest:

\_\_\_\_\_  
Valerie Loffler, City Clerk

SERVICE PROVIDER:

Robinson, Stafford & Rude, Inc.  
558 SW 333<sup>rd</sup> Court  
Federal Way, WA 98023

  
\_\_\_\_\_  
David A. Hamilton, Vice President

**EXHIBIT – A**

**SCOPE OF WORK  
CITY OF OAK HARBOR WASTEWATER TREATMENT PLANT  
40-HOUR VALUE ENGINEERING STUDY**

**WORK TO BE PERFORMED**

VE Consultant will provide the following services in accordance with this scope of services and the terms of the Agreement.

**VE STUDY TEAM**

The VE Study Team for this workshop will consist of the following:

Name/Discipline	Supplied by
David Hamilton, PE, CVS-Life, CCE, LEEDAP/VE Team Leader	Robinson, Stafford & Rude, Inc.
Kevin Alexander, PE/Membrane Specialist	Separation Processes, Inc.
David Kopchynski, PhD, PE/HVAC-Odor Control Specialist	Parametrix
Bryan Kawamura, PE/Electrical – I&C	Tetra Tech
Ron Bard, PE/Civil – Piping	Kennedy Jenks
Don Barraza, PE/Structural	Kennedy Jenks
Ralph Boirum, PE/Geotechnical	HWA
John Markus, PE, BCEE/Wastewater Process	Tetra Tech
Nina Stafford, AVS/VE Assistant	Robinson, Stafford & Rude, Inc.
Mike Morrison, CCC/Cost Estimator	VMC
TBD / Treatment Plant Operations Specialist	City of Oak Harbor

VE Consultant will provide the VE team members identified to be provided by VE Consultant in this scope of work. All other VE team members will be provided by the Client, at no cost to VE Consultant. VE Consultant will communicate directly with all team members relative to scheduling, pre-workshop, workshop and post workshop activities.

**PRE-WORKSHOP ACTIVITIES**

VE Consultant will perform pre-workshop activities to include those tasks which must be accomplished in order for the VE team to be able to efficiently and effectively perform in the workshop. These activities will consist of:

- Scheduling study tasks
- Scheduling and coordination with VE team members
- Assisting the Client with scheduling study participants
- Coordination of the necessary project documentation on the project for distribution by the Client to the VE team members
- Document review by VE Consultant-supplied team members
- Preparation of cost models, contingent on supply by client of the information needed for their preparation.

# SCOPE OF SERVICES

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The Client will distribute the project documents and materials to be studied to each VE team member at least five working days prior to the workshop start. The documents should be both hard copy and electronic (PDF). The project cost estimate should be in a user accessible Excel format. All team members except the cost estimator are to spend 4 hours reviewing the project documents and materials prior to the start of the workshop. The cost estimator will spend 12 hours reviewing the documents and validating the cost estimate provided by the client.

## **WORKSHOP**

VE Consultant will conduct a 40-hour value engineering workshop using a job plan that is consistent with the practices and procedures recognized by SAVE International. The workshop will include an Information Phase, a Function Analysis Phase, a Creative Phase, a Judgment Phase, a Development Phase, and a Presentation Phase. A site visit for the team members will be conducted on the first day of the VE workshop.

The workshop will be initiated by presentations from the Client who will describe the objectives of the project and any constraints that will be placed on the VE study. The project design team will explain specifically how the design accomplishes the Client's objectives and the details of that design. The workshop will include a complete function analysis of the major project elements. The team will generate a list of ideas for project improvement followed by an evaluation of those ideas. This evaluation will include input from key Client decision makers before proceeding with development of alternatives. On the last day of the workshop, a presentation of the VE alternatives will be provided to the Client decision makers.

The workshop will be held at the City's Public Works Office, in Oak Harbor, WA. The cost of providing the workshop refreshments and all other costs associated with the meeting facilities, including telephone, photocopying, and faxing will be borne by the Client.

To make sure the VE team has complete information about the project criteria, the Client will provide at a minimum, the Client Project Manager and appropriate key members of the design team for the first day and last day presentations as well as the mid-point review meeting.

## **POST WORKSHOP**

VE Consultant will conduct a four-hour post-workshop VE Implementation Meeting at a location in Oak Harbor, WA following receipt by the VE team leader of the written designer responses to the Preliminary VE Report. The purpose of this Implementation Meeting is to assist the Client in making decisions regarding acceptance or rejection of the individual VE alternatives. Attendees will consist of key Client staff, key designer staff and the VE team leader.

## **MUTUAL UNDERSTANDING OF SERVICES**

Client and VE Consultant agree that the purpose of value analysis and value engineering is the identification and presentation of VE alternatives for improvement of project or process value, for consideration by the Client and their other professional advisors. Both parties understand that as a part of these services, VE Consultant does no design work and makes no project decisions. Client and VE Consultant agree that Consultant will be liable to the Client only for damages arising from VE Consultant's negligence in the performance of the Value Analysis or Value Engineering work itself, and only to the extent that such negligence damages the Client.

## **SCHEDULE**

The work will be performed in accordance with the following schedule.

Pre-Study Activities	Upon receipt of the design documents
Workshop	August 26 – 30, 2013
Preliminary VE Study Report	Three working Days after completion of the Workshop
Implementation Meeting	September 30, 2013
Draft Final VE Study Report	Five (5) business days following the Implementation Meeting
Final VE Study Report	Five (5) business days following receipt of written comments from the City

## **DELIVERABLES**

This VE study effort will include the following deliverables, all of which are related to the results of the workshop. These deliverables are:

## SCOPE OF SERVICES

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VE team Presentation Handout  
Preliminary VE Study Report  
Draft of the Final VE Study Report  
Final VE Study Report

The Preliminary Report will be prepared in the VE Consultant report format, and will be a compilation of the handwritten products developed in the workshop.

The Draft Final VE Study Report will be prepared in the VE Consultant report format. The purpose of this Draft Report is to give the Client and other appropriate reviewers the opportunity to check the Final VE Study Report prior to its final issuance.

The Final VE Study Report is the final documentation of the VE study. The report is a finalized version of the Draft Report including the incorporation of the Client's comments. The submittal of the Final Report concludes the VE study effort.

VE Consultant will provide the Client with the following number of copies of each report:

Preliminary VE Study Report	10 hard copies + one electronic copy in PDF format
Draft of Final VE Study Report	2 hard copies + one electronic copy in PDF format
Final VE Study Report	10 hard copies + one electronic copy in PDF format

# VE Study Cost Summary

## Oak Harbor WWTP

<b>Robinson, Stafford &amp; Rude, Inc.</b>		<b>Total</b>
Labor		\$31,870
Expenses		\$6,411
Subconsultant Administration	10.0%	\$8,184
<b><i>Subtotal RSRI</i></b>		<u>\$46,465</u>

<b>Subconsultants</b>	<b>Total</b>	<b>% of Total</b>	<b>MBE/ WBE</b>
Parametrix	\$9,905	7.7%	
Separation Processes, Inc.	\$11,052	8.6%	
TetraTech	\$18,925	14.8%	
Kennedy Jenks	\$23,714	18.5%	
HWA	\$7,574	5.9%	
VMC	\$10,669	8.3%	

<b><i>Subtotal Subconsultants</i></b>	<u>\$81,839</u>	63.8%
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<b>TOTAL COST</b>	<u>\$128,304</u>
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<b>Total Percentage for MBEs</b>	\$0	0.0%
<b>Total Percentage for WBEs</b>	\$0	0.0%



## Robinson, Stafford & Rude, Inc.

### Budget Worksheet Oak Harbor WWTP

RSRI Project No.: 0  
 Workshop Location: Oak Harbor, WA  
 Workshop Date: 8/26/2013

Team Member	Discipline	Study Management	Pre-Workshop	Workshop	Post Workshop	Total	Rate	Total Cost
		Hours				Hours		
David Hamilton	Team Leader (CVS-Life)	4	16	44	40	104	\$ 220.00	\$ 22,880
	Team Leader (CVS)					0	\$ 190.00	\$ -
	Asst Team Leader (AVS)					0	\$ 150.00	\$ -
	QA				4	4	\$ 220.00	\$ 880
	Technical Writer					0	\$ 95.00	\$ -
	Graphics				2	2	\$ 95.00	\$ 190
Nina Stafford	VE Assistant (AVS)	2	4	46	4	56	\$ 95.00	\$ 5,320
	Clerical	2	6	0	32	40	\$ 65.00	\$ 2,600

**Total Labor** \$ 31,870

Expenses	Item	Quantity				Total	Rate	Total Cost
						Quantity		
	Airfare				0	0	\$ -	\$ -
	Airfare					0	\$ -	\$ -
	Airfare					0	\$ -	\$ -
	Airfare			1		1	\$ 650.00	\$ 650
	Rental Car					0	\$ 75.00	\$ -
	Airport Parking			6		6	\$ 20.00	\$ 120
	Personal Mileage			375	250	625	\$ 0.565	\$ 353
	Airport Transportation					0	\$ 50.00	\$ -
	Local Transportation					0	\$ 5.00	\$ -
	Local Parking					0	\$ 10.00	\$ -
	Lodging			11		11	\$ 140.00	\$ 1,540
	Meals			11		11	\$ 60.00	\$ 660
	Copying	100	100	0	500	700	\$ 0.10	\$ 70
	Copy Machine Rental					0	\$ 400.00	\$ -
	Conference Room			5		5	\$ -	\$ -
	Team Refreshments			5		5	\$ 144.00	\$ 720
	Postage & Shipping	\$ -	\$ -	\$ -	\$ 220			\$ 220
	Telephone (incl. on-site mobi	\$ -	\$ -	\$ -	\$ -			\$ -
	Supplies & Miscellaneous	\$ -	\$ -	\$ 100	\$ -			\$ 100

	Prelim			Draft			Final			Total	Rate	
	Quantity	Quantity	Quantity	Quantity	Quantity	Quantity	Quantity	Quantity	Quantity			
Reports (Printed)	10	2	10	22						\$ 60.00	\$ 1,320	
Reports (CDs)	1	1	1	3						\$ 25.00	\$ 75	
Subtotal Expenses											\$ 5,828	
Mark-up on Expenses											10%	\$ 583

**Total Expenses** \$ 6,411

**Total Cost** \$ 38,281



# VALUE ENGINEERING STUDY AGENDA

City of Oak Harbor, WA  
Wastewater Treatment Plant

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## 5-Day VE Study Agenda

### **Monday – Aug. 26, 2013**

8:00 – 8:30	Introduction	Dave Hamilton
	Participant Introduction	
	Review of Agenda	
	Workshop Guidelines	
	Project Performance Attributes	
8:30 – 9:00	Owner/Client Presentation	City of Oak Harbor
	Project Goals & Purpose	
	Key Project Issues for VE Team	
	Constraints on VE Team Recommendations	
9:00 – 11:30	Designer Presentation	Carollo Design Team
	Overview/Planning Issues	
	Basis of Design	
	Rationale for Design Choices	
	Description of Project Elements	
11:30 – 12:00	Benchmarking Current Design	Dave Hamilton
12:00 – 1:00	Lunch Break	
1:00 – 3:00	Site Visit	VE Team, City Staff, Carollo Design Team
3:00 – 5:00	Team Review of Documents	VE Team
5:00 – 6:00	Project Analysis/Function Analysis	

### **Tuesday – Aug. 27, 2013**

8:00 – 10:00	Cost Estimate/Schedule Review/Project Risk Discussion	VE Team
10:00 – 12:00	Creative Idea Generation	
12:00 – 1:00	Lunch Break	
1:00 – 4:00	Creative Idea Generation (Cont.)	
4:00 – 6:00	Evaluation of Ideas	

### **Wednesday – Aug. 28, 2013**

8:00 – 12:00	Begin VE Recommendation Development	VE Team
<b>9:00 – 10:00</b>	<b>City/Designer Review of Ideas Selected for Development w/Team Leader</b>	
12:00 – 1:00	Lunch Break	
1:00 – 6:00	VE Recommendation Development (Cont.)	

### **Thursday – Aug. 29, 2013**

8:00 – 12:00	VE Recommendation Development (Cont.)	
12:00 – 1:00	Lunch Break	
1:00 – 6:00	VE Recommendation Development (Cont.)	

### **Friday – Aug. 30, 2013**

8:00 – 9:00	Prepare for VE Team Presentation	
<b>9:00 – 12:00</b>	<b>VE Team Presentation of Alternatives</b>	VE Team, City Staff, Carollo Design Team