

Meeting Date: 7/21/2009

Agenda Item:

S. f. 11

## City Council Agenda Report

### City of Scandia

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- Action Requested:** Receive a report evaluating consultant proposals for the Zavoral Mining and Reclamation Project EIS (Environmental Impact Statement) and give staff direction to prepare a contract with the preferred consultant.
- Deadline/ Timeline:** A contract with the selected firm would be prepared for consideration at a future meeting; tentatively, August 18, 2009.
- Background:**
- On March 3, 2009 the City Council ordered preparation of an EIS for this project. Following completion of the EIS scoping process, the Council approved issuance of a request for proposals (RFP) for consulting services for preparation of the EIS at the May 19, 2009 meeting.
  - The attached report from City Planner Sherri Buss describes the process that followed issuance of the RFP and summarizes the four proposals received and the evaluation that took place. The evaluation included an interview of two of the consultant teams by staff and Mayor Seefeldt. The unanimous recommendation was that the City contract with AECOM to complete the EIS.
  - The next steps would be to negotiate a contract with AECOM, and prepare a cost agreement with Tiller Corp. (the project proposer.) The proposer must deposit half of the estimated cost with the city before work may begin.
  - As provided by Minn. Stat. Section 13.591, data submitted to a city in response to an RFP is private or non-public data until the city has completed its evaluation of the proposals and negotiated the contract with the selected vendor. Council members who may wish to review the proposals should contact staff.
- Recommendation:** I recommend that the Council direct staff to negotiate a contract with AECOM for preparation of the Zavoral Mining and Reclamation Project EIS.
- Attachments/ Materials provided:**
- Memo from Sherri Buss, TKDA, dated July 16, 2009.

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**Contact(s):** Sherri Buss, TKDA (651) 292-4582  
**Prepared by:** Anne Hurlburt, Administrator

(EIS proposals)

## MEMORANDUM

<b>To:</b>	Scandia City Council	<b>Reference:</b>	Zavoral Mine and Reclamation Project EIS
	<hr/> Anne Hurlburt, City Administrator		<hr/> Consultant Proposal Review Process and Recommendations
<b>Copies To:</b>	Tiller Corporation		
	<hr/> Kirsten Pauly, Sunde Engineering		
<b>From:</b>	Sherri Buss, R.L.A., City Planner	<b>Proj. No.:</b>	14059.001
<b>Date:</b>	July 16, 2009	<b>Routing:</b>	

## BACKGROUND

The City publicized a Request for Proposals (RFP) for the Zavoral Mine and Reclamation Project EIS on May 21, 2009. The City held a mandatory pre-proposal meeting on June 10 to describe the project and answer questions from interested consultants. Nine firms attended the pre-proposal meeting. The City also held a site visit for interested consultants at the Zavoral Mine Site. City and Tiller Corporation representatives answered specific questions about the site and proposed project activities at that site visit.

Four consultant teams submitted proposals to the City, led by the following firms:

- AECOM—Plymouth, MN
- Bonestroo—Roseville, MN
- Wenck—Maple Plain, MN
- WSB—Golden Valley, MN

The consultants estimated the cost of completing the EIS as follows:

- AECOM: \$264,693
- Bonestroo: \$262,340 (Bonestroo offered a “one-time project discount” of \$52,780 from this fee)
- Wenck: \$187,860
- WSB: \$298,894

This memo summarizes the proposal review process, and the review team’s recommendations regarding selection of a consultant for the project.

## PROPOSAL REVIEW

The proposals were reviewed by Anne Hurlburt, City Administrator, Sherri Buss, City Planner, and Mike Plante and David Hume of LBG, the City’s hydrogeology consultant. Anne has participated in many consultant review and selection processes, including those for environmental review projects. Sherri has been the project manager for over two dozen environmental review projects completed for public clients in

Minnesota since 1996, and has reviewed EIS's and other environmental reviews for municipal clients. LBG has frequently been a member of consultant teams on environmental review projects, and reviewed projects for other cities.

The proposals were reviewed and ranked based on the criteria identified in the City's RFP:

- Project understanding
- Qualifications/experience of personnel and the team working on the project—particularly, experience and qualifications demonstrated by successfully completing recent EIS projects for public clients that required expertise similar to the expertise that will be required to complete the Zavoral EIS
- Proposed work plan—particularly the consultants' demonstrated ability to address the key issues identified for the Zavoral EIS, including economic impacts, the reclamation plan, fish, wildlife and sensitive resources, surface waters, ground waters, noise, dust and air quality, traffic, and visual impacts. The proposal review team also compared the consultants' approaches to the public and agency involvement process and proposed city vs. consultant responsibilities for the EIS.
- Proposed schedule and cost

**The review team recommended that AECOM and Wenck be interviewed for the project.** An interview was recommended to obtain additional information and detail on the consultant's teams and approaches to some of the key analyses and elements of the EIS process that was important to compare the two teams and proposals. These two teams were recommended for interviews based on the following:

- The selected firms demonstrated significant experience in successfully completing EIS's for public clients that required similar expertise to the Zavoral Mine EIS. Bonestroo and WSB have not completed EIS's. The proposed Bonestroo and WSB project managers had not managed an EIS project, and key team members did not demonstrate expertise related to aggregate mining projects.
- While each of the proposals submitted showed some strengths related to the key analyses required for the project, the AECOM and Wenck proposals and teams included the strongest work plans and experience overall, and particularly related to key issues such as ground water and surface water analyses, analysis of economic impacts, and visual impacts analysis.
- All of the proposals demonstrated an adequate understanding of the project. The AECOM and Wenck proposals demonstrated a stronger understanding related to the public and agency process, and need for a collaborative and objective process.
- The four consultants proposed similar schedules. Cost estimates ranged between approximately \$188,000 and \$299,000. The lowest cost proposal (Wenck) did not include several elements related to public process and EIS document distribution and process that were included in the other proposals.

The review team identified several issues to be explored in greater detail in the interviews in order to evaluate the AECOM and Wenck proposals:

- Approach and work plan for public and involvement in the EIS
- Project Manager experience in managing EIS projects

- Key team member location (Minnesota vs. other firm offices) and availability for the project
- Approach to the groundwater analysis, and ability to integrate recommendations from LBG into the analysis
- Approach to the economic impact analysis, and ability to address the specific issues raised in the public comments on the Zavoral Mine EAW
- Approach to the visual impacts analysis
- Role of subconsultants included in the AECOM proposal
- Cost estimates and specific services included in the cost estimates in the Wenck proposal

**Conflicts of interest evaluation.** The City required that the proposers identify any potential conflicts of interest for this project, identify any current or past work for Tiller Corporation, or work on behalf of aggregate mining companies.

Each of the proposers addressed this issue. None of the proposers is currently working for Tiller Corporation, or has a current or recent contract for work with Tiller Corporation.

- AECOM noted that one subconsultant, J.D. Lehr, has previously worked for Tiller Corporation, and two team members previously worked on wetland permit issues for Tiller Corporation when employed by another consulting firm. In each case, this work occurred more than five years ago. The review team asked if J.D. Lehr's proposed services for the project could be provided by others at AECOM, and AECOM indicated that could be done. AECOM indicated that "the firm currently has no engagements or obligations that represent a conflict of interest in relation to the proposed project or with Tiller Corporation."
- Wenck noted that the firm worked for Tiller Corporation between 1993 and 2001 to develop storm water pollution prevention plans, conduct air assessments, conduct ground and service water sampling, and complete permit applications. It noted similar technical work for other aggregate mining companies. The firm noted that "We do not perceive a potential conflict of interest between our previous work and our ability to provide the City of Scandia with a thorough and unbiased EIS."
- Neither Bonestroo nor WSB indicated that they have worked for Tiller Corporation in the past.

Based on the information provided by the proposers, the review team found no current conflict of interest for any of the firms that submitted a proposal for the EIS project.

## INTERVIEWS

The City interviewed the two selected consultant teams on July 14, 2009. The interview team included Mayor Dennis Seefeldt, City Administrator Anne Hurlburt, and City Planner Sherri Buss. Mike Caron of Tiller Corporation and Kirsten Pauly of Sunde Engineering attended the interviews to address technical issues and coordination of data and analyses with Tiller Corporation's work related to the EAW.

Each interview lasted approximately one hour. The interview questions focused on the issues identified in the previous sections.

Evaluation of the interviews by the team included the following:

- *AECOM exhibited a clearer understanding of the City's needs for the public involvement process, and proposed a clearer process in its proposal and in the interview than the Wenck team. AECOM proposed a Project Advisory Committee to include representatives from the City, public agencies, interest groups and the public, and a work plan for the PAC as an optional service in its work plan. A subconsultant, Richardson, Richter and Associates, would manage the PAC and public involvement. The subconsultant and Project Manager, Leslie Knapp, demonstrated strong experience in managing public involvement processes on similar projects, and a strong understanding of the City's goals for the Zavoral process.*
- *AECOM's Project Manager, Leslie Knapp, has managed EIS projects successfully; Wenck's Project Manager, Peter Miller, has not managed an EIS. Wenck indicated that another staff member with EIS project management experience would "co-manage" the process with Peter Miller. The review team recommended that a single, experienced project manager would serve the City's needs better for this project.*
- *All of Wenck's team members are located in Minnesota; AECOM's team members for the Visual Impacts analysis and Air Quality analysis are located at other offices in the U.S. AECOM was able to demonstrate that has effectively coordinated the work of these team members on other EIS projects in Minnesota in the past. The review team concluded that the critical team members for both consultant teams would be available to meet the project needs.*
- *Both consultant teams demonstrated strong knowledge and experience to complete the ground and surface water analyses, and ability to integrate LBG's recommendations related to the analyses.*
- *AECOM demonstrated stronger experience related to the economic impacts analyses, and a stronger understanding of the local community and its concerns related to this analysis. AECOM recognized the unique elements of the project area, and proposed using an Appraiser to focus on the specific properties in the project area. Wenck's proposal and discussion relied on analysis using "comparable" sites. The review team believe that the more specific, local analysis and team experience identified by AECOM will have a higher level of credibility.*
- *Both consultants demonstrated the experience and skills needed to complete the visual analyses required for the EIS.*
- *The City and Tiller Corporation asked AECOM to determine whether J.D. Lehr's services could be provided by others, due to his strong and current ties to aggregate mining companies. AECOM indicated that other staff at AECOM could provide these services.*
- *Wenck indicated that the public process proposed at the interview was not included in their cost estimate. Their proposal also did not include costs for distribution of the EIS, management of public meetings, and other elements of the EIS process that were included in the other three proposals. The City Administrator indicated that the City will want the selected consultant to provide these services, and that these costs would need to be added to the cost estimate.*

## RECOMMENDATION

The interview team unanimously recommended that the City contract with AECOM to complete the Zavoral Mine and Reclamation Project EIS, based on their proposal and the results of the interview noted above. The team noted that in the proposal and in the interview AECOM demonstrated a greater understanding of

the project issues, the City's needs for an effective public involvement process, a more-experienced Project Manager, and a stronger work plan and experience in several critical areas for the EIS.

The team noted that the City would need to address several issues in contract negotiations with AECOM:

- Inclusion of Optional Services 14.1 and 14.3 identified in the work plan and cost estimate. These are the Public Involvement Tasks, including the Project Advisory Committee and Webpage Support.
- Revision of Task 7.0 (Environmental, Economic and Sociological Impacts) to include the recommendations of LBG related to the groundwater analysis, including a 72-hour pumping test
- Revision of the project team to use the services of AECOM staff rather than J.D. Lehr on several analysis items

#### **NEXT STEPS**

If the Council recommends awarding the contract for the Zavoral Mine and Reclamation EIS project at its meeting on July 21, staff will begin contract negotiations with the selected consultant. Staff estimate that a contract could be completed for review and approval at the August 18 Council meeting. The project could begin immediately after approval and execution of the contract.

#### **ACTION REQUESTED:**

Staff request that the Council review the analysis of the proposals, interview analysis and recommendation of the interview team, and make a recommendation regarding the preferred consultant for the Zavoral Mine and Reclamation Project EIS at its July 21 meeting.