

AGENDA REPORT

TO: Honorable Mayor and Members of City Council
FROM: Daniel Gho, Public Works Superintendent
MEETING DATE: May 20, 2015
SUBJECT Design and Build Agreement for the Pacific Grove Local Water Project
CEQA: Council Certified the EIR for this project using the CEQA Plus process

RECOMMENDATION

Direct the City Manager to enter into negotiations with one or more of the firms that submitted proposals to design and build the Pacific Grove Local Water Project. The negotiated contract will be brought back to the Council for approval, with a budget amendment, upon availability of the state revolving fund loan and grant.

DISCUSSION

The City of Pacific Grove (City), through a request for proposals (RFP), has solicited proposals from Short Listed Entities (Proposers) to award a contract for the design and construction of all facilities and infrastructure associated with the Pacific Grove Local Water Project (Project). The solicitation of Proposals was the second step in a two-step procurement process; the City had issued a Request for Qualification (RFQ) for the Project on February 19, 2015.

The project consists of designing and building a satellite recycled water treatment plant able to produce 125 acre feet of irrigation water and a recycled water distribution system able to distribute that water to the Pacific Grove Golf Links, El Carmelo Cemetery, and surrounding areas. Components include: a new diversion pipeline that would be constructed from the diversion structure to the treatment facility, headworks facility (including flow metering, fine screens, and grit removal), combined biological filtration treatment using a Membrane Bioreactor process, disinfection, solids management, odor control, retrofit of the existing tanks to serve as recycled water storage reservoirs, and a pump station to pressurize the recycled water distribution system.

On May 8, 2015 the City received strong proposals for the design and construction of the project from these three engineering and construction teams:

- Overaa Construction/Stantec
- PercWater/PACE
- Auburn Constructors/HydroScience

Overaa Construction/Stantec has completed more than 85 design-build projects, many that are similar in size to the City's. They have worked together with other municipalities, such as the cities of Hollister, Healdsburg, and Lathrop, and a wide array of public utility districts to design and build treatment facilities.

PercWater/PACE has designed and built over 60 water infrastructure and reuse projects that are currently under operation in California, New Mexico, and Arizona for municipalities, service districts, and private industry.

The related experience of Auburn Constructors/HydroScience includes the design and construction of 21 projects similar to Pacific Grove's. They have worked with municipalities such as San Jose, Roseville, and Milpitas, to name a few, along with numerous sanitation districts, and also private industry.

The City established a review committee to review the proposals and interview the proposers. Evaluation criteria included:

- Quality
- Schedule
- Administrative suitability
- Technical approach
- Accuracy to the requirements of the RFP
- Completeness of the submittals
- Composition of the Design - Build team
- Understanding of regulatory requirements
- Projected costs and cost savings measures

It is imperative that the City enter into an agreement with the firm that the City believes will provide us with the most cost-effective final product, will be a good working partner to aid in the finalization of the project, and will complete the project on time.

By directing the City Manager to enter into negotiations with one or more of the short-listed firms, the City can work with the firms to develop the design, schedule, materials, and pricing to best meet our needs. Upon the conclusion of those negotiations, staff will return to Council with a final recommendation. In order to stick to the preferred schedule, this would occur at the Council's June 17, 2015 meeting.

FISCAL IMPACT

There is no commitment of funds solely from the direction to negotiate. However, the negotiations may assist the City in reducing projected costs, thereby reducing long-term financial impacts on the Golf Fund, the Cemetery Fund, and on surrounding areas.

ATTACHMENTS

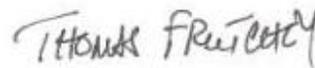
1. Proposal Comparison (as the interviews were conducted on May 13-14, the comparison information will be distributed to Council and the public as soon as it is ready)

RESPECTFULLY SUBMITTED,



Daniel Ghossein
PUBLIC WORKS SUPERINTENDENT

REVIEWED BY,



Thomas Frutchey
CITY MANAGER