



Santa Clara Valley Water District

File No.: 22-1338

Agenda Date: 1/18/2023

Item No.: 2.2.

BOARD AGENDA MEMORANDUM

Government Code § 84308 Applies: Yes No
(If "YES" Complete Attachment A - Gov. Code § 84308)

SUBJECT:

Approve Agreement with Parsons Transportation Group Inc. for Construction Management Services for the Rinconada Water Treatment Plant Reliability Improvement Project Phases 3-6, Project No. 93294057, for a Not-to-Exceed Fee of \$30,106,678 (Los Gatos, District 7).

RECOMMENDATION:

Approve Agreement with Parsons Transportation Group Inc., for Construction Management Services for the Rinconada Water Treatment Plant Reliability Improvement Project Phases 3-6 for a not-to-exceed fee of \$30,106,678.

SUMMARY:

Santa Clara Valley Water District (Valley Water) is undertaking the Rinconada Water Treatment Plant Reliability Improvement Project Phases 3-6 (Project) to increase plant reliability to meet peak summer demands, update technology and infrastructure, and implement process improvements.

The Project will construct the ozone generation building, liquid oxygen facility, fluoride facility, new filters, demolition of the existing clarifiers and filters, upgrades to the plant water system, construction of bioretention basins, modifications to existing chemical systems, and other miscellaneous site improvements.

Staff recommends the Board approve the recommended Agreement for Construction Management Services for the Project.

Consultant Scope of Services

The Agreement with Consultant Parsons Transportation Group, Inc. includes the necessary services for the firm to manage Project construction. A summary of the tasks and budget is presented in Table 1. The basic scope of services includes Project Management, Preconstruction Services, Construction Management, Quality Assurance and Quality Control (QA/QC), Safety Management, Training, Testing, Start-Up and Commissioning, Construction Inspections, Partnering, Claims and Disputes Management, Acceptance and Closeout of the Project.

The Supplemental Services task includes additional services, if necessary, to accommodate additional field office support, hazardous and regulated materials coordination and compliance, noise ordinance compliance, public outreach efforts, optimization, materials testing, aerial photography, and other unforeseen issues. Prior to performing any Supplemental Services, the Consultant will be required to obtain written authorization from Valley Water’s Deputy Operating Officer pursuant to an approved Task Order.

Table 1 - Summary of Tasks and Budget for Proposed Consultant Agreement with Parsons

Task	Description	Budget
1	Project Management	\$5,966,368
2	Preconstruction Services	\$336,000
3	Construction Management	\$10,611,486
4	Quality Assurance and Quality Control (QA/QC) Program	\$1,787,513
5	Safety Management	\$293,380
6	Training, Testing, Start-Up, and Commissioning	\$3,040,736
7	Construction Inspections	\$4,522,456
8	Partnering, Claims, and Disputes Management	\$81,481
9	Environmental Compliance Services [NOT USED]	-
10	Acceptance and Closeout	\$730,287
11	Supplemental Services	\$2,736,971
Proposed Not-to-Exceed Amount (Tasks 1 through 11)		\$30,106,678

Consultant Selection Process

On April 18, 2022, a Request for Proposal (RFP) for Construction Management Services for the Project was published on Valley Water’s Procurement Portal, Planet Bids. The RFP was sent to firms that are registered in Planet Bids under category code 95826 - Construction Management Services. A mandatory pre-proposal meeting was held via Zoom on April 28, 2022, and a mandatory site visit on May 12, 2022.

Valley Water received proposals from four (4) consultant firms on June 8, 2022; Arcadis U.S., Inc. (Arcadis), Cordoba Corporation (Cordoba), MWH Constructors, Inc. (MWH), and Parsons Transportation Group Inc. (Parsons). An Evaluation Committee (EC), consisting of subject matter experts (three internal and one external), ranked the written proposals and invited the four (4) firms to participate in virtual interviews. Based on the combined (proposal and interview) rating scores, the

EC recommended that staff undertake contract negotiations with Parsons, the highest ranked firm.

Negotiations with Parsons Transportation Group Inc. have now been successfully completed. Staff recommends Board approval of the Agreement with Parsons Transportation Group Inc., for Construction Management Services for the RWTP Reliability Improvement Project Phases 3-6, for a not-to-exceed fee of \$30,106,678.

ENVIRONMENTAL JUSTICE IMPACT:

There are no Environmental Justice impacts associated with this item. However, environmental justice impacts will be assessed and reported as part of Project implementation action items brought to the Board. As part of executed Project components, community input was solicited for consideration through public meetings, which helped inform Project design.

FINANCIAL IMPACT:

The Rinconada Water Treatment Plant Reliability Improvement Project, Project No. 93294057, is included in the Capital Improvement Program (CIP) Fiscal Year (FY) 2023-27 Five-Year Plan and in the FY 2022-23 Adopted Budget. The NTE fee for the Consultant's Agreement is \$30,106,678. There are adequate funds in the Project's FY 2022-23 Adopted Budget to encumber the initial expenditures for the Consultant's Agreement for FY 2022-23. Funds to cover Consultant project management services in subsequent fiscal years will be recommended by staff during the biennial budget process or through budget adjustment(s).

Approval of this Agreement will increase the total Project cost reflected in the CIP's Adopted FY 2023-27 Five-Year Plan. The increase in the total Project cost will be incorporated into the CIP's Draft FY 2024-28 Five-Year Plan. The Project is funded by the Water Utility Enterprise Fund (Fund 61) with 100% of the costs allocated to Zone W-2 (North County).

CEQA:

On January 27, 2015, the Board approved the Rinconada Water Treatment Plant Reliability Project after making CEQA findings and certifying an Environmental Impact Report (EIR) for the project. Approval of the recommended action will allow the Consultant to provide construction management for the project activities which were evaluated in the EIR. No further CEQA review is required to support approval of the recommended action.

ATTACHMENTS:

Attachment A: Gov. Code § 84308, Parsons
Attachment 1: Agreement

UNCLASSIFIED MANAGER:

Emmanuel Aryee, (408) 630-3074