



Santa Clara Valley Water District

File No.: 21-1057

Agenda Date: 10/12/2021

Item No.: 5.1.

BOARD AGENDA MEMORANDUM

SUBJECT:

Receive the Capital Improvement Program Committee's September 20, 2021 Request for Staff to Present to the Board the Recommendation to Proceed to the Request For Proposal Stage With a Single Proposer for the Coyote Pumping Plant Adjustable Speed Drive Replacement Project, Project No. 91234002, (Morgan Hill), (District 1).

RECOMMENDATION:

- A. Receive an update on the Coyote Pumping Plant Adjustable Speed Drive Replacement Project Design-Build Request for Qualifications;
- B. Approve staff's recommendation to proceed with a single proposer, as supported by the Capital Improvement Program Committee during their September 20, 2021 meeting; and
- C. Provide direction to staff as necessary.

SUMMARY:

The objectives of the Coyote Pumping Plant Adjustable Speed Drives (ASD) Replacement Project (Project) are to plan, design, and construct improvements to replace six ASD and associated mechanical, electrical, and control equipment at the Coyote Pumping Plant.

The Board of Directors approved implementing the design-build project delivery method for the Project at the March 12, 2019 Board Meeting. The Board also approved a Consultant Agreement with Brown and Caldwell, Inc. for planning, preliminary design, and design-build procurement support services.

Staff completed the planning and preliminary design and posted a Request for Qualifications (RFQ) from design-build entities on June 2, 2021. Staff conducted a prequalification meeting on June 18, 2021, which was attended by twenty-three attendees from fourteen different contractors/designers/suppliers. Staff received one Statement of Qualifications (SOQ) by the due date of July 29, 2021.

At the August 16, 2021 Capital Improvement Program (CIP) Committee Meeting, the Committee requested that staff re-evaluate the project with regard to the design-build RFQ/RFP process and

return with a recommendation.

Subsequently, staff presented two options to move forward with the Project at the September 20, 2021 CIP Committee Meeting, which are further outlined in Attachment 1. Option A allows staff to proceed to the RFP stage with a single proposer and Option B requires that staff restart the process by reissuing the RFQ after completing targeted changes to encourage participation. Outreach to electrical and general contractors indicates limited potential for additional SOQs if the RFQ were re-issued. The primary feedback received was that electrical contractors capable of performing this type of work are so busy that they are having difficulty finding the resources necessary to staff projects.

Staff recommends proceeding with Option A and the CIP Committee members are supportive of this recommendation after thoroughly discussing the pros and cons of each option, but advised staff bring the item to the full Board for concurrence.

Project Background

Valley Water operates and maintains the Coyote Pumping Plant, which is owned by the United States Bureau of Reclamation (USBR) and is a part of the USBR's San Felipe Division of the Central Valley Project. The Coyote Pumping Plant is a pump station that increases the pressure in pipelines conveying raw water from San Luis Reservoir to Valley Water's raw water distribution system and to Anderson Reservoir; and from Anderson Reservoir to the raw water distribution system. The Project will replace the ASDs, instrumentation and control equipment, and electrical distribution system components. The Project will also improve plant operation and reliability while reducing operation and maintenance costs.

At the March 12, 2019 Board Meeting, staff recommended the Project be designed and constructed using the design-build project delivery method for the following reasons:

1. Time Savings: long lead items, such as the ASDs and switchgear, can be selected and ordered at the earlier stages of design, thereby shortening the overall Project schedule.
2. Improves Project Coordination: the Project includes the design and installation of complex electrical, mechanical, and control systems that require a system integrator. In the traditional design-bid-build delivery method, such systems are "designed" by the design engineer and then installed/integrated by the construction contractor. The installation/integration as performed by the contractor can result in strong differences of opinion between the designer and contractor, resulting in change orders for resolution and extended time for completion of work. In the design-build approach, the construction contractor's integrator would already be working on the Project during final design and would work with the designer to resolve issues before construction begins. This could result in both time and cost savings as well as a better quality system for long-term operations.
3. Optimizes Plant Shutdowns: plant shutdowns will be required to install the new ASDs and associated equipment and to perform system integration. With the design-build approach, Valley Water and the design-build entity would evaluate alternative ways to sequence and optimize the work to be completed during each shutdown. This would benefit day-to-day water supply operations and could potentially reduce the construction duration.

FINANCIAL IMPACT:

There is no financial impact associated with approving staff's recommendation.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have the potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

Attachment 1: PowerPoint

UNCLASSIFIED MANAGER:

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