



Digested Sludge Dewatering Facility Project Award of Design-Build Contract

City Council Meeting, Item No. 7.1

September 17, 2019

Presented by: Mariana Chavez-Vazquez
ESD Deputy Director



San José-
Santa Clara
Regional
Wastewater
Facility

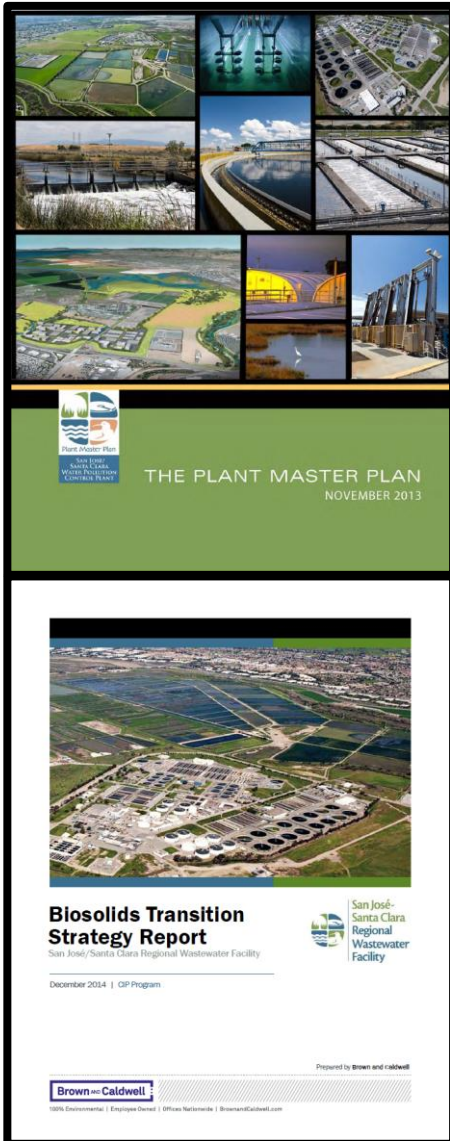
Previous Biosolids Management Decisions

2013 Plant Master Plan

- Incorporated 2010 Milpitas Guiding Principles
- Biosolids management goals:
 - Reduce odors
 - Multiple and diversified disposition options
 - Reduce footprint of processing area
 - Flexibility to respond to regulatory and market changes

2015 Biosolids Transition Strategy

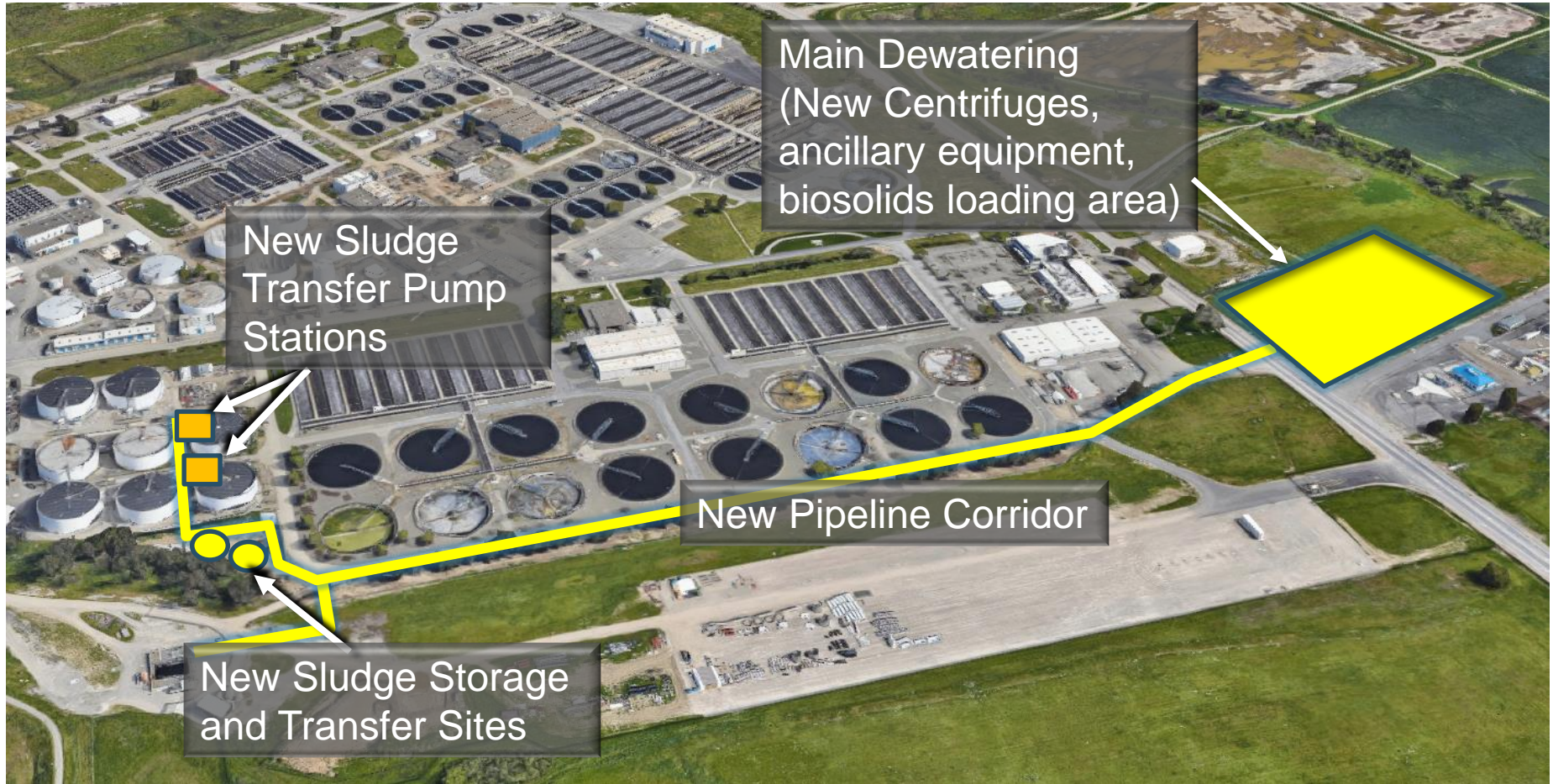
- Proceed with new dewatering facility and retire lagoons and drying beds
- Enter into various off-site disposition service contracts
- Postpone on-site thermal and greenhouse drying facilities



Current Biosolids Management Practices



RWF Proposed Dewatering Facilities



Project and Procurement Timeline

2016

- TPAC/Council approved project delivery strategy – Progressive Design Build (PDB)
- Owner's Advisor appointed

2018

- Dewatering Project Definition Report completed
- Design-Build contract agreement developed
- Two-step Design-Builder procurement initiated (4 DB Entities)

2019

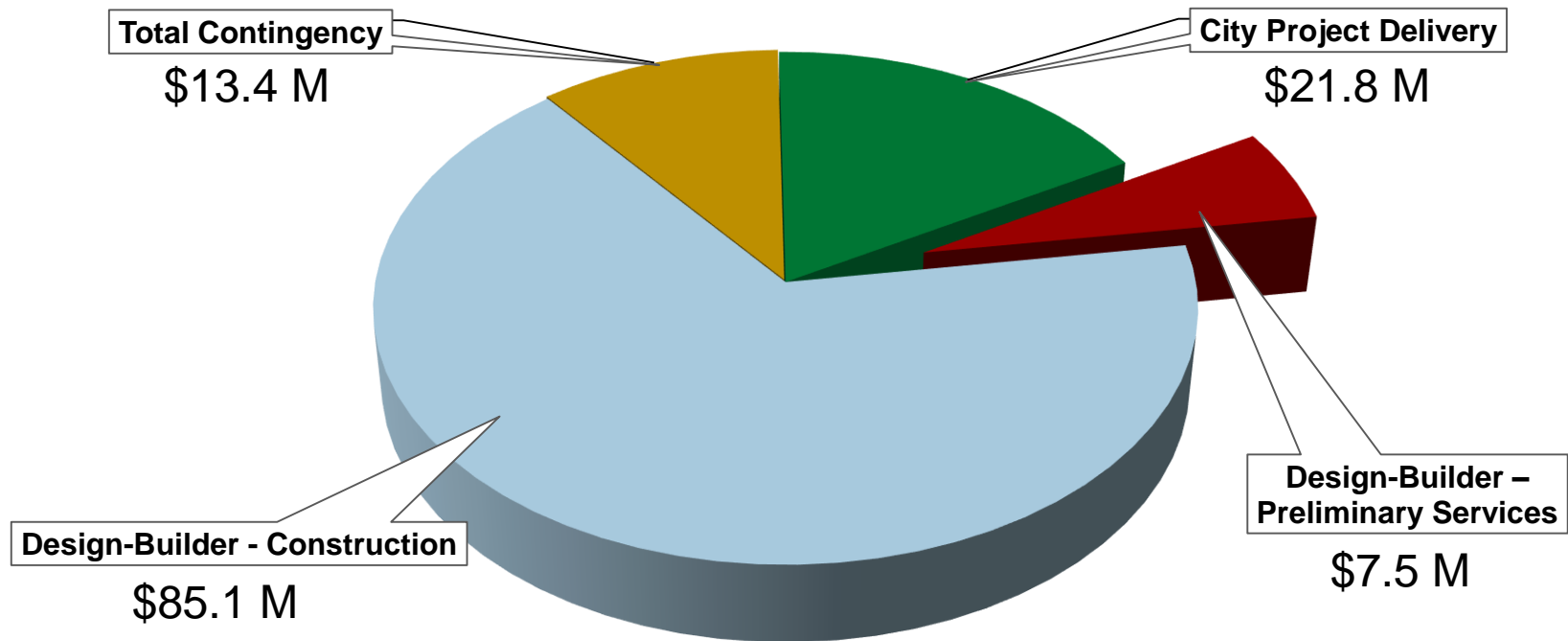
- Walsh ranked as top Design-Build proposer (February)
- Design-Build contract negotiations: February – August
- CEQA addendum to EIR completed August 2019

Key Contract Elements – Preliminary Services

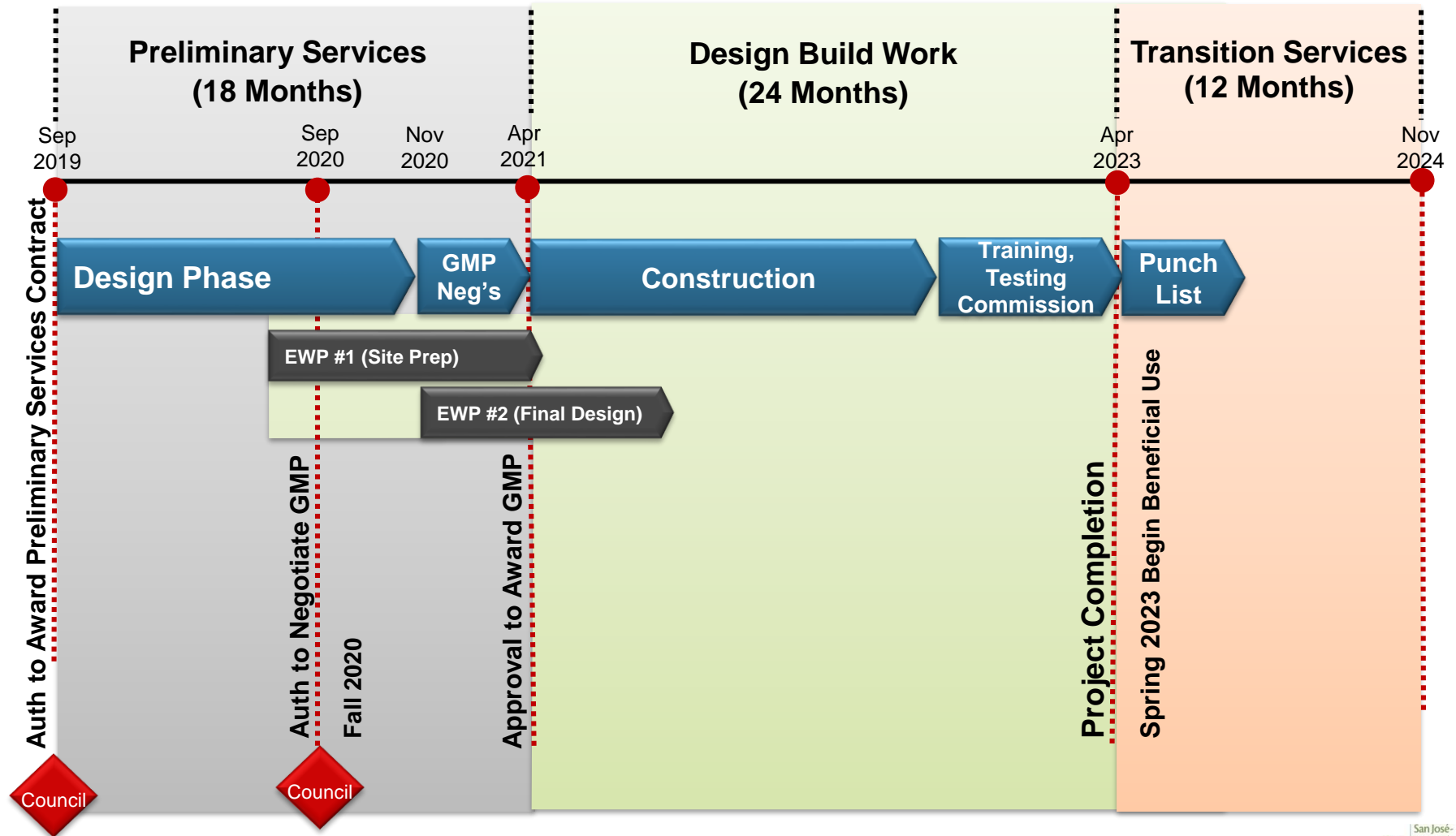
- Preliminary Services (\$7.5 M, 18 months)
 - » *Completion of preliminary investigations*
 - » *Equipment Testing*
 - » *Development of design to 60%*
 - » *Development of Guaranteed Maximum Price (GMP)*
 - » *Development of Definitive Contract Amendment (DCA) including performance guarantees, start up and transitional services*
- City Owned Contingency (\$750 K Design, \$500 K Construction)
- Two Early Work Packages (EWP) to shorten the overall project schedule and reduce risk (up to \$10.7M to be part of the final GMP)
- Staff will return to Council Fall 2020 to recommend GMP

Current Project Budget (FY 19/20)

Project Total: \$127.8 M



Project Schedule



Recommendations

- Adopt a resolution adopting the Addendum to the Environmental Impact Report for the RWF in accordance with the CEQA, as amended, and adopting a related MMRP.
- Approve the Design-Build Contract with Walsh Construction. for the Digested Sludge Dewatering Project at the RWF in an amount not to exceed \$7,492,564 for the performance of preliminary services under the contract
- Approve a design contingency in the amount of \$749,256 for City-approved changes to the scope of preliminary services.
- Adopt a resolution authorizing the City Manager, or his designee, to:
 - Negotiate and execute separate amendments to the contract to direct Walsh Construction to repair critically deteriorated infrastructure which may be discovered during subsurface investigations, in an amount not to exceed \$500,000.
 - Negotiate and execute separate amendments to the contract to allow Walsh Construction to proceed with discrete portions of the Design-Build Work (Early Work Packages) prior to the City's execution of the Definitive Contract Amendment in an amount not to exceed \$10,800,000, which amounts will be subject to the base Guaranteed Maximum Price;
 - Negotiate and execute change orders in excess of \$100,000 up to the amount of the approved contingency for changes to the scope of the Preliminary Services and/or Early Work Packages.