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Water Filter Plant Phase 2 Capital Upgrades Project

APPLICATION FOR APPROVAL TO UTILIZE PDB ALTERNATIVE CONTRACTING PROCEDURE

JULY 22,2021

One Everett – a connected and engaged community built on trust, inclusion and equity

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Introductions

The Project Team: Here Today

City of Everett

- Jeff Marrs, Operations Superintendent
- Zach Brown, P.E., Project Manager
- Bill Fisher, Construction Inspector

Parametrix

- Jim Dugan, APD Principal in Charge and PDB Advisor
- Dan Cody, PDB Procurement Manager and Advisory Consultant

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The Project Team: Not Here Today

City of Everett

- John Nottingham, P.E., Principal Engineer/Project Overseer
- Tim Benedict, Deputy City Attorney

District External Legal Counsel

- Zak Tomlinson, Pacifica Law Group

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City of Everett

- Owns and operates a water filter plant rated at 132 MGD and regional water distribution system that serves more than 615,000 customers daily.
- Water filter plant was originally constructed in 1983 and now has aging infrastructure elements in need of replacement and upgrade.
- 2020 Water Filter Plant Facilities Plan identified a series of critical, near-term capital improvement projects to be completed within the next five years.
- Critical projects include those that were ranked as having the highest priority for addressing critical condition, performance, reliability, or redundancy needs.

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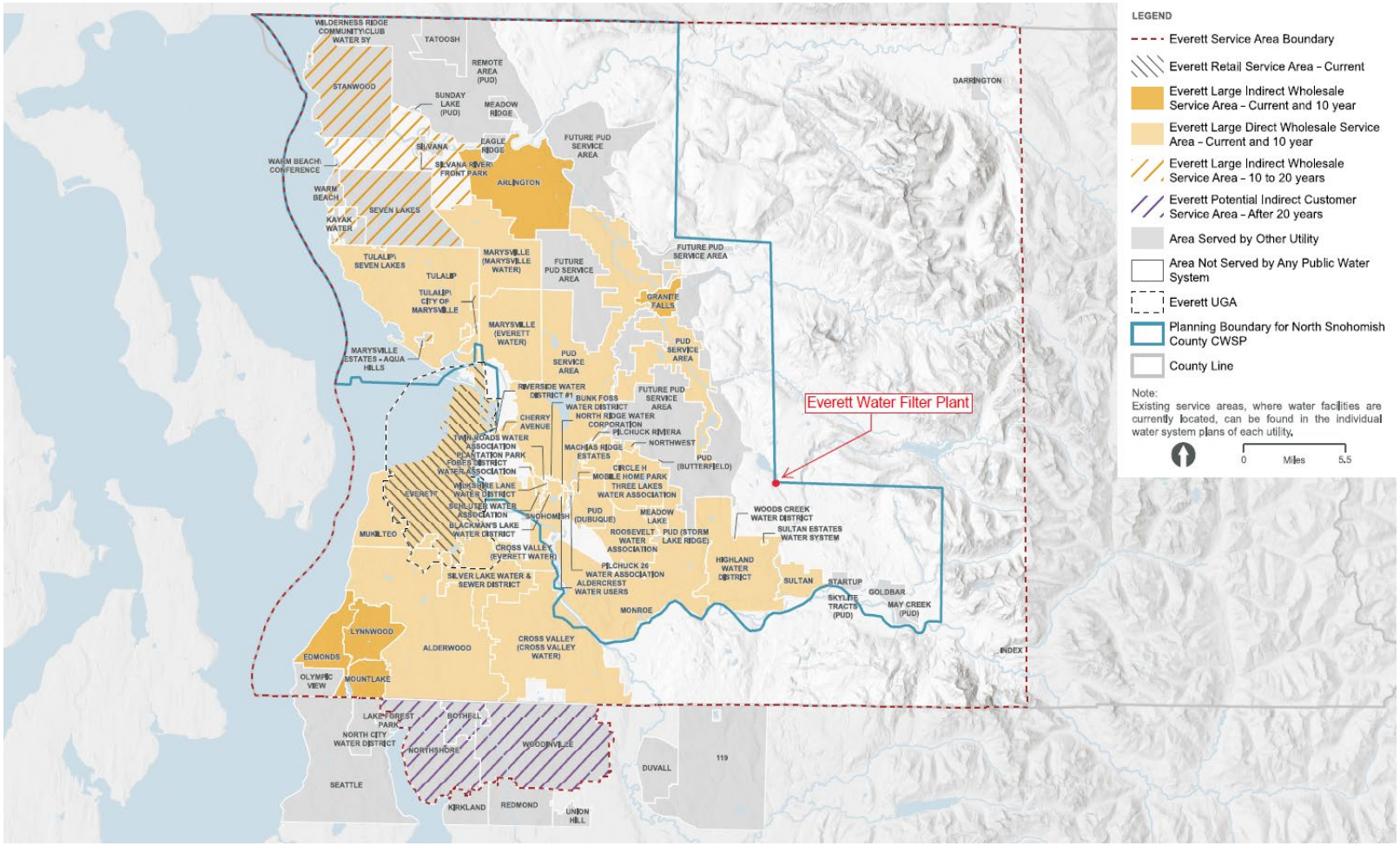
Water Filter Plant Phase 2 Capital Upgrades



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The Project

Water Filter Plant Phase 2 Capital Upgrades

Project Scope:

- Suite of concurrent capital improvement projects on critical WFP infrastructure
- 3 work areas
- 9 distinct capital improvement tasks
- All tasks must be completed without major disruptions to plant operations
- Progressive Design Build project delivery proposed

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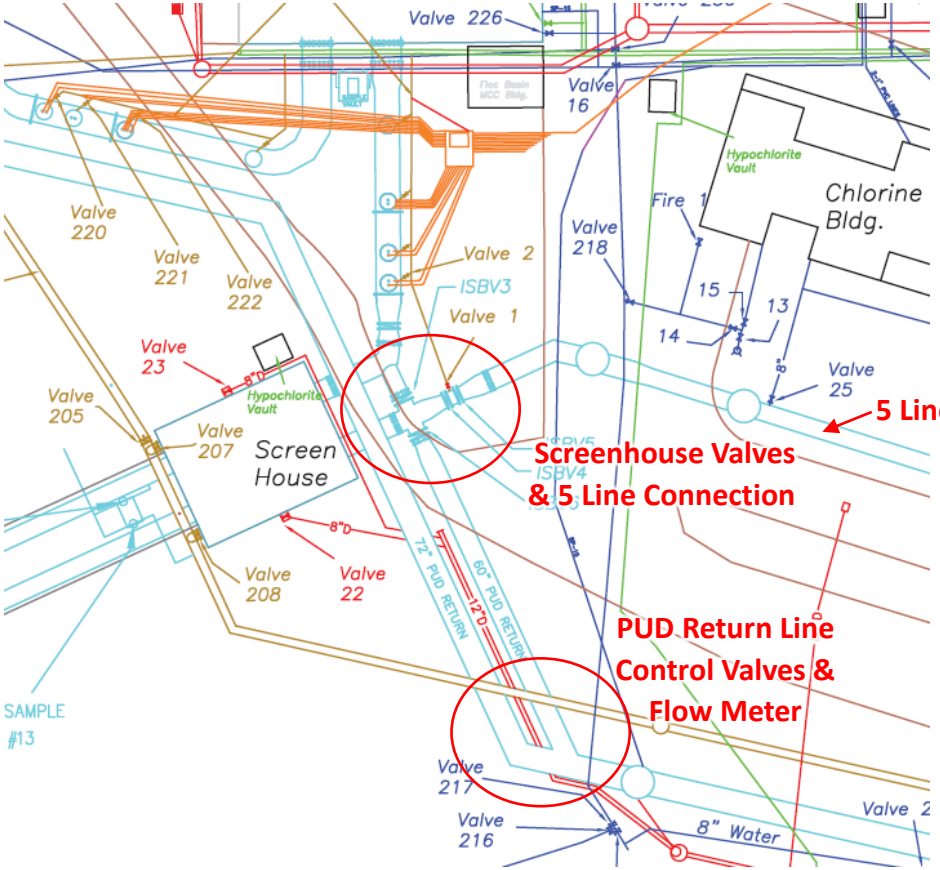
Water Filter Plant Phase 2 Capital Upgrades

Valve Area Tasks:

- Replace screenhouse valves
  - 2 – 52” diameter valves
  - 2 – 60” diameter valves
  - Install containment vaults to protect valves & improve access
- Install 3 large diameter control valves on PUD return line
- Install flow meter on PUD return line
- Improve isolation at standby 5 line connection

Extensive inter agency coordination with Snohomish PUD and multiple wholesale customers required



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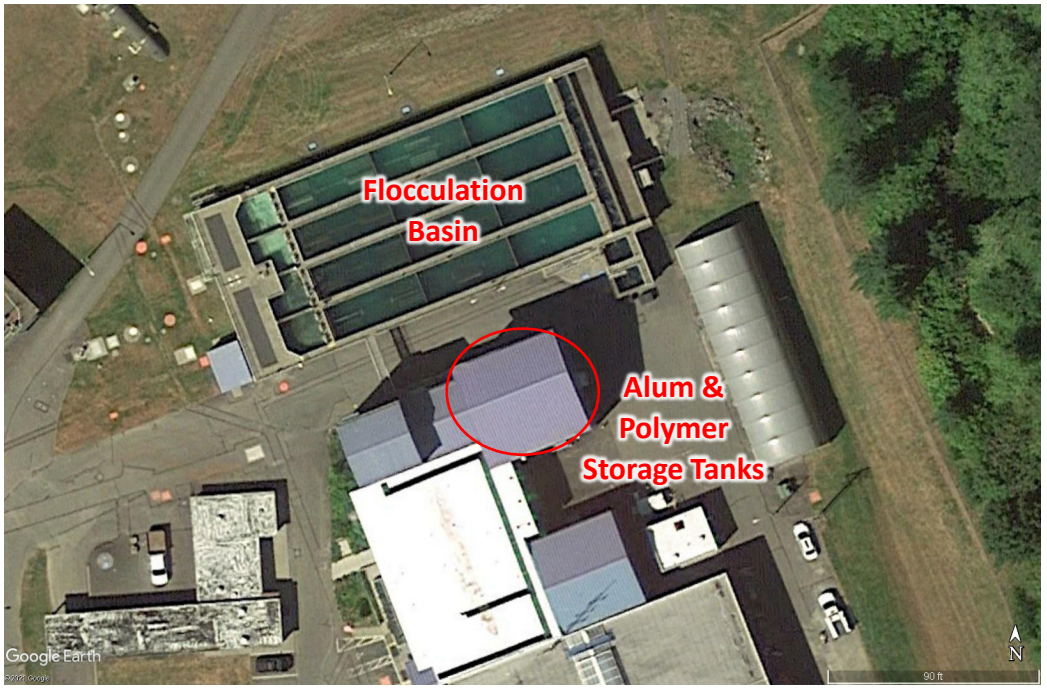
Flocculation/Chemical Tank Area Tasks:

- Flocculation basin improvements
  - Mixing system replacement
  - Structure coating & sealing
  - Basin wall top elevation increase (+1.5ft)
  - Davit crane installation
  - Maintain flow through basin during construction

- Alum & polymer storage tanks replacement
  - Replace storage tanks
  - Improve level sensors & chemical delivery system
  - Partial demolition & rebuild of containment building
  - Maintain chemical feed systems to the plant



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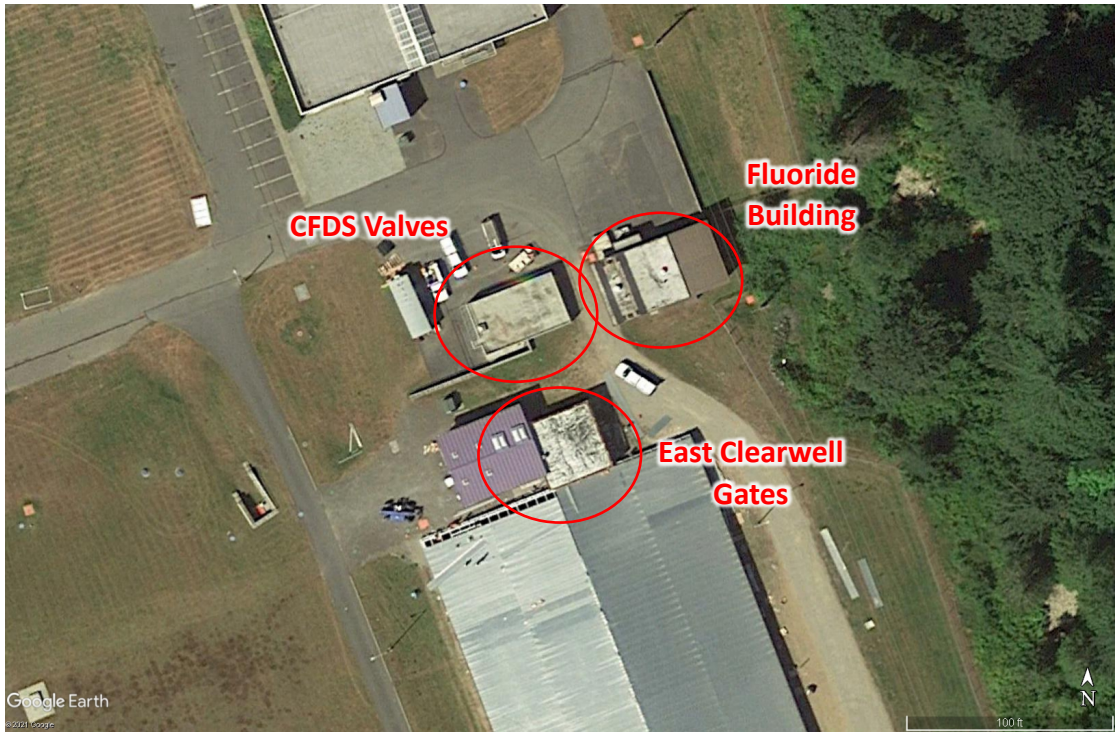
CFDS/East Clearwell Area Tasks:

- CFDS valve replacement
  - 1 – 72” diameter valve
  - 3 – 84” diameter valves
  - Install pile supports for all valves
  - Install containment vaults to protect valves & improve access
- East clearwell gate improvements
  - Replace gates, frames, & other hardware as needed
  - Replace/improve actuators
- Fluoride system improvements
  - Replace fluoride storage tanks
  - Replace day tank & upgrade chemical delivery system
  - Upgrade building HVAC



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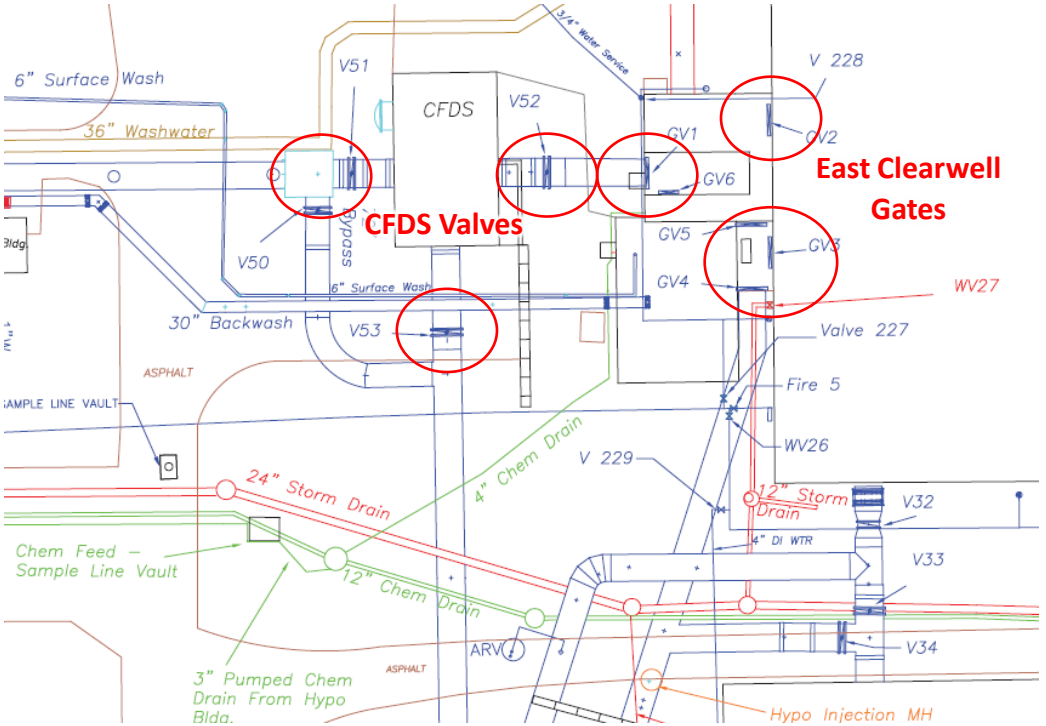
CFDS/East Clearwell Tasks:

- Construction challenges
  - Single pipe from filter building to CFDS structure
  - Direct buried 84” valves, non-pile supported
  - High flowing groundwater 10’ below the surface
  - Limited shut down period (6 hours max) allowed for supply from filter to clearwells
  - Clearwells and associated facilities must remain operational 24/7/365



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Water Filter Plant Phase 2 Capital Upgrades Project Budget and Funding

Category	Budget
Costs for Professional Services (A/E, Legal, etc.)	$2,000,000
Estimated project construction costs (including construction contingencies)	$14,000,000
Contract administration costs (Owner, CM, etc.)	$924,000
Contingencies (design & owner @ 5% of design & construction)	$800,000
Sales Tax (@8.4% of design & construction)	$1,411,200
Total	**$19,135,200**

The Phase 2 Capital Upgrades Project will be funded by the City's capital project reserves and has been included in the City's 10-year capital planning budget.

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Water Filter Plant Phase 2 Capital Upgrades Project Schedule

D/B Schedule	Start	Finish
PRC Presentation		July 22, 2021
First publication of RFQ for D/B Services		August 19, 2021*
Second publication of RFQ for D/B Services		August 26, 2021*
Project Information/Pre-submittal Meeting		TBD
D/B SOQs Due		September 23, 2021*
Review & Score SOQs Received	September 24, 2021*	October 8, 2021
Notify Proposers of Shortlist/Release RFP	October 11, 2021	
D/B Led Proprietary Meetings		TBD
Proposals Due		November 11, 2021
Review Proposals Received	November 12, 2021	November 26, 2021
D/B Interviews	November 29, 2021	December 3, 2021
Scoring of Interviews & Proposals	December 6, 2021	December 10, 2021

*Initial project timeline is subject to revision due to city review process

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Water Filter Plant Phase 2 Capital Upgrades Project Schedule

D/B Schedule	Start	Finish
Opening of D/B Pricing Factors (Fee)		December 10, 2021
Notify Proposers of Highest Ranked D/B		December 13, 2021
Negotiate D/B Contract & PreCon Fees	December 20, 2021	February 28, 2022
Execute Contract	March 1, 2022	March 31, 2022
Notice to Proceed		April 1, 2022
Design	April 1, 2022	January 31, 2023
Permitting – Early Work Package (DOH)	September 1, 2022	November 30, 2022
Permitting – Main Project (DOH)	February 1, 2023	April 30, 2023
Construction – Early Work Package	December 1, 2022	May 1, 2023
Construction – Main Project Package	May 1, 2023	December 31, 2024
Substantial Completion		January 14, 2025

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Agency Equity and Inclusion

- The City of Everett is committed to a community built on diversity, equity and inclusion.
- In September 2020 Everett's Mayor issued a directive specifically directed at equity and inclusion
- City solicitations have historically encouraged SBE and MWBE participation in all contracts.
- Our RFQ/RFP scoring/selection criteria will require Proposers to:
  - Provide information on past utilization performance
  - Provide a project specific inclusion and outreach plan
- Current PDB contract requires the Design Builder to:
  - Implement an Outreach Plan that is reviewed and approved by the City prior to execution of the contract.

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Lessons Learned From Our Reservoir 3 Structural Repairs PDB Project

- PDB RFQ/RFP/Selection process is robust and allows for selection based on PDB team qualifications and experience.
- PDB team selection process enables Owner to select PDB team they feel comfortable working with, and think will perform best rather than the team with the lowest price. City selected the most qualified/best fit team for the Reservoir 3 project not the team with the lowest estimated project cost.
- Selection process allows space for PDB teams to highlight possible beneficial project scope changes and/or opportunities for innovation that standard DBB delivery process does not. Contractors on PDB teams were able to highlight what has and hasn't worked for them on past similar projects and relate those lessons to the current project.
- PDB contracting process and contract language is different than other project delivery methods. It has been beneficial to augment City legal team with third party legal team with more PDB contracting experience. This collaboration worked well on the Reservoir 3 project and will be used again on the current project.

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Why D/B Delivery Method for the Water Filter Plant Phase 2 Capital Upgrades Project

RCW 39.10.300 D/B Statutory Compliance

We believe that this project complies with all three of the statutory criteria:

(1) The construction activities are highly specialized, and a design-build approach is critical in developing the construction methodology;

(2) The project provides opportunity for greater innovation or efficiencies between the designer and the builder;

(3) Significant savings in project delivery time would be realized.

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Advantages to D/B Delivery

- PDB delivery provides opportunity for the contractor, designer and owner to **collaborate and innovate** throughout the design process likely **resulting in process improvements and project cost savings.**
- Allows the City to work with the selected Design-Builder to **develop design and construction documents for an early work package** while completing design and construction documents for the main project package.
- The PDB approach will allow the City to **work with the Design-Builder to plan and implement temporary measures**, allowing the City to maintain uninterrupted plant operations during construction
- The Project Work will require **extensive soil excavation and construction activities below the groundwater table**. The City will work with the Design-Builder to plan and implement an efficient solution to maintain the safe and dry work conditions within the required deep excavations **while maintaining uninterrupted plant operations.**

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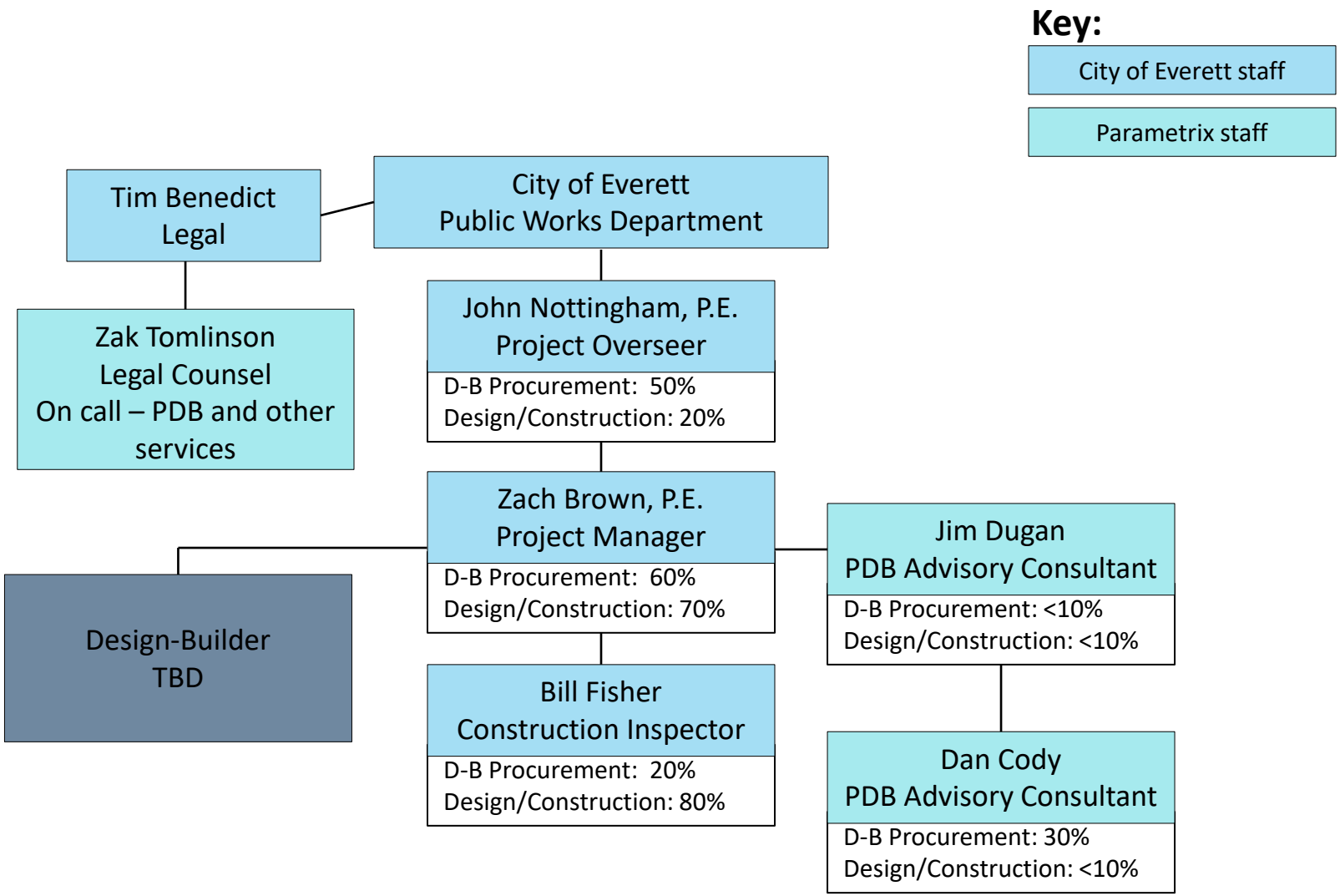
Public Body Qualifications

City of Everett

Leadership Team

- **The City of Everett Public Works Department has a track record of successful completion of projects using alternative delivery methods.** Everett Public Works employs approximately 20 licensed engineers who are responsible for managing and designing a wide variety of infrastructure improvement projects. We are well-networked with leading A/E firms that we call on to assist with larger projects, or those that require specialized experience or capabilities.
- **The City of Everett has contracted with Parametrix to provide PDB Advisory Services throughout the course of this project.** Parametrix has extensive APD experience and brings extensive knowledge of the statutory requirements, industry best practices and lessons learned related to PDB delivery.
- **The City of Everett has also engaged the services of an external legal counsel (Zak Tomlinson, Pacifica Law Group) to supplement their internal general counsel** and aid in contract development and negotiation. Pacifica Law Group has provided legal and contract related services to numerous public agencies utilizing the PDB delivery method.
- **The City of Everett's past success in managing capital improvement projects and current experience with PDB on the Reservoir 3 Structural Repairs project** combined with the D/B, PDB expertise of Parametrix and Pacifica Law Group creates **a strong team that is well-suited to successfully execute the PDB delivery process for this project.**

The City of Everett satisfies the public body qualifications by staff augmentation with consultants experienced in PDB delivery and RCW 39.10.



City of Everett

Water Filter Plant Phase 2 Capital Upgrades Project
Organization Chart

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Name	Experience
John Nottingham, P.E. Senior Project Manager City of Everett	10 Years as Principal Engineer with City of Everett 11 Years as Project Manager for government agencies 12 Years as a consulting engineer and Owner of an engineering consulting firm 2 D/B Projects: PDB - Reservoir 3 Structural Repairs, $3.4 Million; D/B – East Clearwell Roof Replacement, $3.1 Million. 1 GC/CM Project: WPCF Phase C Expansion, $24 Million
Zach Brown, P.E. Project Manager City of Everett	3 Years as a Senior Engineer and Project Manager for The City of Everett 4 Years as a River Engineer, PM, and Hydraulic Modeler for Snohomish County 10 Years as a Civil Designer, Hydrologic/Hydraulic Modeler and PM for a consulting firm
Bill Fisher Construction Inspector City of Everett	31 Years as Construction Inspector for the City of Everett 2 D/B Projects: PDB - Reservoir 3 Structural Repairs, $3.4 Million; D/B – East Clearwell Roof Replacement, $3.1 Million 1 GC/CM Project: WPCF Phase C Expansion, $24 Million
Tim Benedict Deputy City Attorney City of Everett **Tim to consult with Zak Tomlinson of Pacifica Law Group on an as needed basis.**	12 Years as Legal Advisor to City of Everett's Public Works Department Legal Counsel to four APD Projects for the City of Everett 3 D/B Projects: PDB - Reservoir 3 Structural Repairs, $3.4 Million, Reservoir 6 Roof Replacement, $5.1 Million ; Transmission Line 5 Replacement, $3.6 Million 1 GC/CM Project: WPCF Phase C Expansion, $24 Million

Name	Experience
Jim Dugan APD PIC, PDB Advisory Consultant Parametrix	**43 yrs. Program/Project Management** **7 PDB Projects:** TPS Boze ES Replacement, WVSD Willapa ES Gymnasium, Chelan County PUD, CCPUD Powerhouse #2 Turbine Replacement, TPS Downing ES Replacement, Chelan County PUD, CCPUD Powerhouse #2 Draft Tube Gates Update, Chelan County PUD, CCPUD Powerhouse #2 Generator Leads Replacement, TPS Fawcett ES Replacement
Dan Cody PDB Advisory Consultant and PM/CM Support Parametrix	**34 yrs. Design & PM/CM** **7 PDB Projects:** TPS Boze ES Replacement, WVSD Willapa ES Gymnasium, Chelan County PUD, CCPUD Powerhouse #2 Turbine Replacement, TPS Downing ES Replacement, Chelan County PUD, CCPUD Powerhouse #2 Draft Tube Gates Update, Chelan County PUD, CCPUD Powerhouse #2 Generator Leads Replacement, TPS Fawcett ES Replacement

Water Filter Plant Phase 2 Capital Upgrades Summary

- Requesting PRC approval to utilize the PDB project delivery
- PDB delivery would result in substantial fiscal benefit.
- With augmentation of D/B consultants, the City of Everett team has:
  - PDB delivery knowledge and experience
  - Adequate PM/CM personnel with construction experience
  - Project Management Plan is developed and has clear and logical lines of authority
  - Appropriate funding and time to execute the project
  - PM/CM team with experience in project type/scope
  - Necessary and appropriate construction budget
- The City of Everett has no unresolved audit findings.
- Project Team is prepared and ready to proceed

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- Water Filter Plant Phase 2 Capital Upgrades is ideal for delivering Progressive Design Build.
- The City has successfully implemented Traditional D/B and GC/CM and is currently working on PDB Reservoir 3 Cover Repair Project.

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- Highly qualified project team with significant Washington State alternative delivery experience and Progressive DB experience.
- As demonstrated on past City DB projects, key advisors and team committed to the project through completion.

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Thank you