

LAKEHAVEN WATER & SEWER DISTRICT

RWWTP ELECTRICAL & ODOR CONTROL UPGRADES GC/CM PROJECT

1. On page 4 in the second bullet regarding GC/CM involvement being critical, the last paragraph states you are requesting permission from the committee to utilize the alternative subcontractor selection process to select a mechanical subcontractor for the project. It seems this project is also heavy on the electrical, so why is only the mechanical being requested? The top of page 2 requests both, so please clarify your intended request.

The reviewer is correct. The information on pg. 4 is not complete. We will be asking the PRC for approval to pursue both EC/CM and MC/CM alternative subcontractor selection and delivery process. This will be reinforced in our PRC presentation.

2. In your schedule on page 3, under Design & Construction regarding City of Des Moines Review is this the December 2022 the correct start date? It appears backwards with the finish date.

Design & Construction Schedule	Start	Finish
30% Design	Aug 2021	Jan 2022
60% Design	Feb 2022	May 2022
90% Design	June 2022	Oct 2022
City of Des Moines Review & Permitting. SEEPA & PSCAA permits	Dec 2022	Mar 2022
MACC Negotiation (90% CD's)		Nov 2022
Board Approval of MACC and MACC Contract Amendment Executed		Dec 2022
100% Design	Nov 2022	Apr 2023
Subcontractor Bidding	Jan 2023	Feb 2023
Construction	Apr 2023	June 2024
Substantial Completion		Mar 2024
Final Completion/Closeout	March 2024	May 2024
Warranty Period	June 2024	May 2025

Thank you for the comment. We noticed this anomaly as we were assembling our PRC presentation. We will be including the revised schedule information below as part of presentation information. We also did some research on permitting and have increased our time for permitting from the original schedule. Please be aware that this schedule is intended to be preliminary in nature and will be reviewed with our selected GC/CM and subject to revision based on their input.

Design & Construction Schedule	Start	Finish
30% Design	August 2021	January 2022
60% Design	February 2022	May 2022
90% Design	June 2022	October 2022
City of Des Moines Review & Permitting. SEEPA & PSCAA Permits	October 2022	May 2023
MACC Negotiation (90% CDs)		November 2022
Board Approval of MACC and MACC Contract Amendment Executed		December 2022
100% Design	November 2022	June 2023
Subcontractor Bidding	May 2023	June 2023
Construction	June 2023	August 2024
Substantial Completion		June 2024
Final Completion/Closeout	July 2024	August 2024
Warranty Period	June 2024	May 2025

3. Is Parametrix the project designer as well as the GC/CM Advisor/Procurement Manager?

Yes. Parametrix is supporting the project with teams from two separate divisions within our company. Dave Roberts, Gary White and their team are based out of our Water Solutions Division and will be serving as the Engineers of Record. Jim Dugan and Dan Cody are based out of our Community Building Division and will be providing APD Procurement and Advisory Services.

Alternative Subcontractor Selection Process Questions:

1. Public Benefit –

- a. What does your organization see as the benefits to the public of using alternative subcontractor selection and why is it appropriate vs low bid selection?

Having an EC/CM contractor and MC/CM contractor aboard as a collaborative project partner during design will result in reduced risk, cost savings and shorter construction duration which will ultimately benefit the public rate payers who are funding the work. This project is very heavy on electrical and mechanical systems scope of work. Additionally, this is a critical facility that needs to remain occupied and operational, with no disruption of services 24/7/365. The existing electrical system is over 50 years old and is obsolete. Work will have to include complicated system redundancy that will allow the existing systems to remain operational/functional while the new systems are constructed and can then be “cut-over” with no disruption to plant operations. Having a knowledgeable and experienced subcontractor partner available during design to collaborate and provide direct input on cost, materials selection, constructability and construction sequencing/scheduling will be critical to achieving a successful and cost-effective project.

Utilizing alternative subcontractor selection for this project will allow us to select our subcontractors based primarily on qualifications and experience rather than the lowest price. This will allow us to tailor our RFQ/RFP criteria and scoring to suit the specifics of this type of work and this project. This type of assurance of subcontractor qualifications and experience is just not possible in a “low bid” selection scenario, where selection is based solely on price.

- b. Please explain the process your organization will use to determine if alternative subcontractor selection is in the best interest of the public.

Making the final decision on whether or not to pursue alternative subcontractor selection is very important and, in our opinion, should be a collaborative decision that is made with the selected GC/CM. Very soon after the GC/CM is under contract and prior to going into the public process required by statute, our plan is to convene an internal meeting between Lakehaven, the design team and the GC/CM, to discuss the suitability of alternative subcontractor selection/delivery for this project. As part of that meeting, the team will review the anticipated subcontract value of the electrical and mechanical Work to confirm that all agree that the value is anticipated to exceed the \$3M threshold identified within the criteria of RCW 39.10.385. Once it has been determined that one or both meet the cost threshold, we will discuss the pros/cons and potential for savings in cost/time and/or value added from EC/CM and/or MC/CM that could result in public benefit. Upon determining that the project meets qualifying criteria and could result in public benefit, we would move forward with the

public notification, hearing and determination process and the ensuing competitive solicitation/award process that is established by the RCWs.

2. Public Body Engagement/Knowledge

- a. What role will your organization play in the selection process and the oversight of the GC/CM in the selection process?

Lakehaven has a heavily vested interest in collaborating and working with the GC/CM to select highly qualified EC/CM and/or MC/CM project partners for this work. We will require that the GC/CM involve key Lakehaven, design team and our GC/CM advisory consultant staff members in active roles on all aspects of the notification/hearing, solicitation and selection processes. In addition to the minimum statutory requirements (See response to 2.b below.) we will expect that those key staff members will be involved in: review/input on notifications and documents prior to public release; attendance at public determination hearings; development of qualification criteria for RFQ/Ps; review/scoring of SOQs and proposals; and negotiation of subcontractor costs/fees.

- b. Discuss your organization's understanding of the Public Body responsibilities contained in RCW 39.10.385, including the audit requirements.

Lakehaven intends to take an engaged and active role in the alternative subcontractor selection process that will be led by our selected GC/CM. Although the RCWs outline a minimum level of involvement required by Lakehaven, we anticipate that our role and level of involvement will exceed the statutory requirements.

The Public Body is a partner to the GC/CM during alternative subcontractor selection, providing oversight, assistance and approvals along the way. There have been some recently adopted changes to RCW 39.10.385. In review of those revisions, we understand the specific responsibilities of the public body during the alternative subcontractor selection process to include, but not be limited to:

- Authorize GC/CM to proceed with alternative subcontractor selection.
- Working with the GC/CM, determine that the use of alternative subcontractor selection is in the best interest of the public.
 - Publish a notice of intent to utilize alternative subcontractor selection.
 - Conduct a public hearing.
 - Consider comments and determine whether alternative subcontractor selection is in the best interest of the public.
 - Issue a final determination to all interested parties.
 - Receive and respond to written protests related to the determination.
- Serve on the committee that reviews Qualifications received and selects the most qualified subcontractors.
- Receive and respond to written protests related to the selection of the most qualified subcontractors.
- Review cost proposals received from the most qualified subcontractors and score/determine the selected firm.
- Review Preconstruction service fees and contract terms received from the selected firm to determine that they are fair, reasonable and within the available funds.
- Approve the GC/CM to contract with the selected firm for Preconstruction Services.

CAPITAL PROJECTS ADVISORY REVIEW BOARD
PROJECT REVIEW COMMITTEE
QUESTIONS RE: GC/CM PROJECT APPLICATION
Meeting Date: June 24, 2021

- At the time of GMP negotiations, review proposed maximum allowable subcontract costs.
- Provide agreement/approval of the final maximum allowable subcontract costs.
- After completion of the subcontract work, pay for an independent 3rd party audit to determine the proper accrual of subcontract costs.