

HEBER PUBLIC UTILITY DISTRICT REPORT TO BOARD OF DIRECTORS

MEETING DATE: November 19, 2015

FROM: Laura Fischer, General Manager

SUBJECT: Adopt Resolution 2015-18 to Award the Construction Management Contract for the Water Treatment Plant Improvement Project to The Holt Group

ISSUE: Shall the Board Adopt Resolution 2014-18 to award the construction management contract for the Water Treatment Plant Improvement project to The Holt Group?

General Manager's Recommendation:

Adopt Resolution 2014-18 to award the construction management contract for the Water Treatment Plant Project to The Holt Group in the amount of \$704,050.

FISCAL IMPACT:

The Pacific Hydrotech Corporation bid was in the amount of \$8,099,000, but as some of the cost do not require construction management, the calculations for construction management cost are based on \$7,694,700.

The Construction Management Contract cost breakdown is as follows:

CONSTRUCTION MANAGEMENT COST BASED ON \$7,694,700 OF CONSTRUCTION COSTS	
Construction Management (7%)	538,629
Construction Staking	30,000
Geotechnical Testing & Observation (1/2%)	38,474
Electrical Inspection (1%)	76,947
Labor Compliance	20,000
TOTAL	704,050

As of the date this was posted, we have not received the modified Finance Agreement from the State Water Board. HPUD cannot adopt this Resolution to award the construction management contract unless the modified Finance Agreement has been received from the State and approved by staff and our legal counsel.

BACKGROUND:

The Holt Group completed the Preliminary Engineering Report for the HPUD Water Treatment Plant in 2006 and the Design of a 6 MGD Water Treatment Plant Design in 2008. After the 2008 recession, due to the anticipated decline in development, the HPUD Water Treatment Plant Design was downsized to a 4 MGD Expansion.

The Holt Group is aware of the Water Treatment Plant modifications which have occurred during the last nine years. The Holt Group has been in close contact with the State Water Resources Control Board - Division of Drinking Water throughout the project design. Meetings with the Division of Drinking Water occurred at the conclusion of the design phase to review the overall design requirements including TTHM removal requirements. The Holt Group Engineering Staff responsible for the design will be completing the Construction Management to insure the intent of the design is implemented during the project construction.

The Holt Group has submitted a letter requesting the Construction Management Contract along with an acceptable consulting agreement, scope of work and compensation schedule for consideration by the Board. These documents are attached to this report.

DISCUSSION:

The Holt Group Engineering Staff which completed the Construction Management for the HPUD Wastewater Treatment Plant Expansion in 2011-2013 would be assigned to complete the Construction Management for the Water Plant Improvement Project. Sameer Patel, PE will act as the on-site Resident Engineer, Juny Marmolejo, P.E. will act as the on-site Project Engineer and James G. "Jack" Holt, P.E. will act as the Project Manager. During the construction of the wastewater treatment plant, which The Holt Group was the construction management team, the total percentage increase in the wastewater treatment plant project was 2.3%.

CONCLUSION:

It is recommended that the Heber Public Utility District Board of Directors adopt Resolution 2015-18 awarding the construction management contract for the water treatment plant improvement project to The Holt Group, Inc. in the amount of \$704,500.

ALTERNATIVES:

- 1) Do not adopt Resolution Number 2015-18 and do not award the contract to The Holt Group. This action may cause delay in the project completion date.
- 2) Direct staff to submit a bid for these services, which will cause a delay in the project and as the construction management company will not be familiar with the project, will certainly cause project cost overruns and delays.
- 3) Provide alternative direction to staff.

Respectfully Submitted,

Laura Fischer, General Manager

Attachments: Resolution 2015-18
 Letter from The Holt Group
 Construction Management Service Agreement with THG
 Hourly Rate Schedule
 The Holt Group Resumes
 Scope of Work

RESOLUTION NUMBER 2015-18

**A RESOLUTION OF THE HEBER PUBLIC UTILITY DISTRICT
TO AWARD THE CONSTRUCTION MANAGEMENT
SERVICES CONTRACT FOR THE WATER TREATMENT
PLANT IMPROVEMENT PROJECT**

WHEREAS, the Heber Public Utility District's has a Financing Agreement through the State Water Resources Control Board Clean Water State Revolving Fund (CWSRF) for the Project in the amount of \$9,500,000, of which \$5,000,000 is a forgivable loan, and \$4,500,000 30 year loan with zero percent interest; and

WHEREAS, the Heber Public Utility District requires Construction Management Services for the Heber Water Treatment Plant Improvement Project; and

WHEREAS, the Heber Public Utility District desires to retain a qualified Consultant to provide Construction Management Services for the Project; and

WHEREAS, the Heber Public Utility District Contract Engineering firm, The Holt Group Inc., has completed the Design Improvement Plans and Specifications of the Project, and as the District engineers have been in a position to work closely with the State Water Resources Control Board Division of Drinking Water Engineers throughout the project design; and

WHEREAS, the Heber Public Utility District wishes to award the construction management services contract to The Holt Group, Inc, in the amount of \$704,050; and

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors for the Heber Public Utility District does, certify that the above statements are true and correct, and hereby approves award of the Water Treatment Plant Improvement Project contract for construction management services to The Holt Group, Inc. in the amount of \$704,050.

PASSED, APPROVED, AND ADOPTED at a regular meeting of the Heber Public Utility District Board of Directors held on the 19th of November 2015 by a roll call vote:

Eduardo Valdez-Belmonte, President
Heber Public Utility District

ATTEST:

I, Raquel Carrillo, Secretary of the Board of the Heber Public Utility District, DO HEREBY CERTIFY that the foregoing resolution was duly passed, approved, and adopted by the Heber Public Utility District Board of Directors at a regular meeting held on the 19th day of November 2015, and that the same was adopted by the following roll call vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Raquel Carrillo, Secretary of the Board
Heber Public Utility District