



McCarrons Treatment Plant Project

*Board of Water Commissioners Meeting
January 12, 2021*

Selection of a Design-Builder

Qualifications

4 submitted; 3 invited to submit proposals

Proposals

3 received & evaluated by SPRWS

Selection

Best value firm chosen

Contract

We Are Here!

July 2020 Board Update

Dec. 2020 Board Update



Phase 1 Costs

Phase 1 Contract w/ Design-Builder	
Item	Cost
Preconstruction Services	\$ 1,512,164.00
Design Services	\$ 8,855,923.00
Piloting Work	\$ 1,839,881.00
Contingencies/Optional Items	\$ 1,458,459.00
Total Cost of Contract	\$ 13,666,427.00

Additional Project-Related Expenses: Piloting for UofM (\$710k), Owner's Rep. (\$675k), Historical Review, Financing Costs

June 2020 Estimates vs. Contract Costs			
Item	Cost	Cost Savings	Pct. Difference
Design and Preconstruction	\$ 16,900,000.00	\$ 5,322,954.00	31%
Piloting Work	\$ 2,000,000.00	\$ (798,468.00)	-40%
Note: Piloting Number Above Includes UofM Costs			
Total	\$ 18,900,000.00	\$ 4,524,486.00	24%



Phase 1 Financing

- Project is on the Public Facilities Authority's Project Priority List
- PFA financing to close in Q1 or Q2 (2021)
- SPRWS reserves will cover expenses until closing. Reimbursement will follow.

Contract Development

- Starting Point: DBIA templates (industry standard)
- Internal Discussion of Docs. (Fall 2019 to present)
 - SPRWS Management, Two City Attorneys, Project Staff, Owner's Representative
 - Reviewed contracts from other utilities as guidelines
 - Hundreds of staff hours involved in contract development
- Negotiations with Design-Builder – Approx. 1 month, very smooth



Important Contract Provisions

Parent Guaranty

Limit of Liability

Phase 1 “Off-Ramp”

Phase 2 Markups

Guaranteed Maximum Price vs. Lump Sum Delivery

Performance Criteria

Next Steps



Contract Approval and Notice to Proceed



Design and Piloting



Close PFA funding



Historical Documentation of Facility



Meetings with City Council and Suburban Customers