Purpose

• Replenish the local groundwater basin to prevent further seawater intrusion and develop a sustainable water supply in a timely manner that meets the District’s supply objectives and the State’s mandate under the Sustainable Groundwater Management Act (SGMA)

• Based on our community’s values, the District strives to develop an affordable, reliable, and drought-resistant supplemental water source, which contributes to the diversification of the District water supply portfolio and enhances water supply resiliency

• Continue to provide District customers with a high-quality and safe water supply
Pure Water Soquel Program

Three Primary Components:

- Treatment Project
- Conveyance Project
- Seawater Intrusion Prevention Wells Project

Project included in the Groundwater Sustainability Plan

Working with Regional Partners:

- [Logo]
- [Logo]
- [Logo]
Treatment Project

PROJECT LOCATIONS

- Pure Water Soquel Water Purification Facility at Chanticleer/Soquel Ave.
- Monterey Ave. Seawater Intrusion Prevention Well
- Willowbrook Ave. Seawater Intrusion Prevention Well
- Twin Lakes Church Seawater Intrusion Prevention Well

- Pure Water Soquel Tertiary Treatment Water Facility located at the Santa Cruz Wastewater Treatment Facility

Legend:
- Purified Water Pipeline
- Tertiary Treated Water (Recycled Water) Pipeline
Procurement and Selection Process

Open Process
• Conducted Early Engagement/Awareness
• Held a Disadvantage Business Enterprise (DBE)/Minority Business Enterprise (MBE)/Small Business Enterprise (SBE) Open House
• Posted Request for Qualifications (RFQ) onto the District’s Website

Review and Selection
• District Board appointed a committee to review and select a DB Team on July 16, 2019

Response
• RFQ Accessed: 81 times
• Statements of Qualifications Received: 4
• Proposals Received: 2
Progressive Design-Build Team Selected
# Phase 1: Design and Field Investigations

**Scope of Work – Primary Tasks**

<table>
<thead>
<tr>
<th>Project Management</th>
<th>Meetings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Background document review and validation</td>
<td>Geotech and hydrogeological investigations</td>
</tr>
<tr>
<td>Surveying, mapping and utility locating</td>
<td>Cost estimating, scheduling and constructability reviews</td>
</tr>
<tr>
<td>Permitting and approvals</td>
<td>Stakeholder and public outreach planning and support</td>
</tr>
<tr>
<td>Engineering Design Report and 30% design</td>
<td>Design and construction phasing plan</td>
</tr>
<tr>
<td>60% Design</td>
<td>Phase 2 GP submittal and Phase 2 amendment</td>
</tr>
<tr>
<td>100% Design</td>
<td>Hydraulic modeling and surge analysis</td>
</tr>
<tr>
<td>Additional Engineering (Treatment Process)</td>
<td></td>
</tr>
</tbody>
</table>
Phase 1: Design, Field Investigations, Schedule, and Open Book Estimating

• Level of effort is best estimate to carry out each task (estimated hours) and will be billed as Not to Exceed

• Work in Phase 1 and Phase 2 will be conducted with “open book” accounting:
  • 30% Design: May 2020
  • First Guaranteed Price (GP) submittal: June 2020
  • Second GP submittal: July 2020
  • 60% Design August 2020
  • GMP Submittal: October 2020

• Completion of Phase I through 100% Design estimated by November 2020

• if Guaranteed Maximum Price (GMP) cannot be reached, the District could take an ‘Off-Ramp’ option and bid the project
Next Steps: Phase 2-Construction

• Phase II Amendment to Progressive Design Build Agreement will be presented to Board of Directors for authorization. Anticipate in the fall
• Construction anticipated to begin end of 2020/early 2021
• Milestone dates for substantial completion is September 15, 2022
• 4% Overhead and 4% Profit (8% total)
• If District accepts Lump Sum Option for Phase II, Design-Build provides 1% discount, resulting in 7% overall mark-up for profit and overhead
Fiscal Impacts and Funding

- The Phase 1 Fee for the Treatment Project is $6,281,839 and included in the Fiscal Year 2019/2020 Budget which was approved by the District Board on June 4, 2019

- The District has received preliminary award for a $50M grant through the State’s Prop 1 Groundwater Program and state and federal low interest loans which will provide funding assistance
# Black and Veatch Construction Inc., Phase 1 Fee Table

<table>
<thead>
<tr>
<th>Task Item</th>
<th>Description</th>
<th>Quantity</th>
<th>Unit</th>
<th>Value</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Project Management</td>
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<td>Time and Materials</td>
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<td>Meetings</td>
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<td>6</td>
<td>Cost Estimating, Scheduling, and Constructability Reviews</td>
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<td>10</td>
<td>Design and Construction Phasing Plan</td>
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</table>

**Phase 1 Total based on Time and Materials Not to Exceed** $5,529,572.00

### Optional Tasks

<table>
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<tr>
<th>Task Item</th>
<th>Description</th>
<th>Quantity</th>
<th>Unit</th>
<th>Value</th>
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<tbody>
<tr>
<td>A</td>
<td>Modify Engineering for Selected Treatment Process Alternative</td>
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<td>T&amp;M</td>
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</table>

**Total Optional Tasks based on Time and Materials Not to Exceed** $752,267.00

**Total** $6,281,839.00
Possible Board Action(s)

1. By MOTION, and roll call vote, adopt Resolution 20-09 authorizing the award of the Design-Build Agreement to Black & Veatch Construction, Inc. for design and construction services for the Treatment Facilities Project of the Pure Water Soquel Program; and authorize execution of the agreement by the Board President or the General Manager, and authorize the General Manager to sign a purchase order in the amount not to exceed $6,281,839 for Phase 1 services, and

2. By MOTION, and roll call vote, adopt Resolution 20-10 to approve the finding that the Treatment Facilities Project of the Pure Water Soquel Program is “substantially complex,” and authorize a retention amount for progress payments during Phase 2 of ten (10%); or

3. Take no action.