

TODAY'S BOD ACTION

Consider approving and recommending that the Monterey County Water Resources Agency Board of Supervisors approve the Professional Services Agreement with McMillen Jacobs Associates in the amount not to exceed \$4,600,789, for a term of two years with the option to extend the Agreement for three (3) additional one (1) year periods for a maximum agreement of five (5) years, for the design of the Interlake Tunnel and Spillway Modification Project subject to (i) execution of the Grant Agreement with California Department of Water Resources and (ii) the required Water Resources Agency Board of Supervisors budget action; authorizing the General Manager to execute the Agreement; and, authorizing the General Manager to amend the Agreement up to three (3) times, provided the amendments do not increase the contract amount or significantly change the scope of the Project.



Special Joint Meeting of the
MCWRA BOD and MCWRA BOS

Prior BOD/BOS Action

- On December 9, 2014, the Monterey County Water Resources Agency Board of Supervisors:
 - a) Authorized the Monterey County Water Resources Agency to proceed with the Interlake Tunnel Project, including spillway modifications as a key component of the Interlake Tunnel Project;
 - b) Authorized the General Manager of the Agency to prepare and issue Requests for Proposal for geotechnical and final design engineering; permitting and environmental approval; and, financing plan preparation and implementation;
 - c) Authorized proceeding with negotiation of a funding agreement between Monterey County and the Monterey County Water Resources Agency for an amount not to exceed \$2.5 million to perform geotechnical and final design engineering, permitting and environmental approval, financing plan preparation and implementation, and, program management services for the Interlake Tunnel Project; and,
 - d) Authorized Agency management and the County Counsel to negotiate a Project Labor Agreement.

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Financial Impact

- \$4,600,789 (Over Multiple Fiscal Years)
 - This engineering design contract is reimbursable to the Agency. The Interlake Tunnel and Spillway Modification Project Finance Plan will be completed once the DWR Grant Funding Cashflow is determined.



Discussion

- The Request for Proposal (RFP) for design services (based on a qualification based selection process) for the Interlake Tunnel Project and the San Antonio Dam Spillway Modification Project, was issued by Contracts/Purchasing on March 30, 2015. Responses to the RFP were due on June 5, 2015.
- The RFP Review Committee evaluated and ranked the five submittals. The top three proposals were selected for interview. Interviews were held for these three firms on August 10, 2015. The top rated design team was identified and contract negotiations with that firm began. That firm was non-responsive to requests for information during contract negotiations and so negotiations were terminated.



Discussion (cont.)

- Therefore, the Agency began negotiations with the next qualified team, McMillen Jacobs Associates (MJA). MJA has been very responsive during negotiations. MJA has also provided innovative alternatives to move the Interlake Tunnel and Spillway Modification Project forward.
- Negotiations with MJA have concluded. The Agreement for professional services is now ready for review by the Board of Directors for recommendation to the Board of Supervisors



Discussion

- MJA's Original Proposal Total was:
 - \$1,699,387 for the Interlake Tunnel
 - \$1,613,148 for the Spillway Modification
 - \$3,312,535 Total
- MJA's Negotiated Contract Total is:
 - \$2,572,097 for the Interlake Tunnel
 - \$1,766,692 for the Spillway Modification
 - \$ 262,000 for Project Support Activities
 - \$4,600,789 Total



Discussion (cont.)

- New Costs as of November 2016
- Interlake Tunnel Increase is \$872,710
 - Approx. \$450k due to time needed to address new design elements including fish screens
 - Approx. \$120k to incorporate full budget for financial support
 - Approx. \$200k for EIS Support and General Engineering Support that was not part of the Original Cost Proposal
 - Approx. \$50k for Conceptual Design Review
 - Approx. \$70k math error for Geotechnical Exploration Work

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Discussion (cont.)

- Spillway Modification Increase is \$153,544
 - For 30% Electrical and Final Electrical Design that was not part of the Original Cost Proposal
- Project Support Activities of \$262,000
 - Detailed Right of Way Work, Physical Model of Energy Dissipation Structure, and Reservoir Modeling

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Summary

- Professional Services Agreement with McMillen Jacobs Associates in the amount of \$4,600,789 for the design of the Interlake Tunnel and Spillway Modification Project
- Authorizes GM to execute the Agreement
- Authorizes GM to amend the Agreement up to three (3) times, provided no increase or significant change to the scope of the Project.
- Total Cost Increase of \$1,288,254 due to timing delays and further refinement of the project

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