



## Legislation Text

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**File #:** 23-4, **Version:** 1

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**STRATEGIC PRIORITY:** Transportation & Infrastructure

**AGENDA DATE:** January 11, 2023

**COUNCIL DISTRICT(S):** Outside City Limits

**DEPARTMENT:** Water Utilities Department

**EXECUTIVE:** Kimberly Bizer Tolbert

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### **SUBJECT**

Authorize Supplemental Agreement No. 5 to the professional services contract with Arcadis CE, Inc. f/k/a Malcolm Pirnie, Inc. to provide additional engineering services associated with water quality improvements at the Elm Fork Water Treatment Plant - Not to exceed \$5,784,047.00, from \$28,279,359.00 to \$34,063,406.00 - Financing: Water Capital Improvement F Fund

### **BACKGROUND**

In June 2006, Dallas Water Utilities (DWU) initiated a study to investigate the cause of water quality concerns in parts of the water distribution system. The study and requisite testing confirmed that the treated water chemically changes as it moves through the water system. Recommendations to stabilize the water included process changes and the implementation of improvements at all three water treatment plants. Three firms, one firm for each water treatment plant, were selected to perform engineering and design services. It was anticipated that each firm would be awarded planned supplemental agreements as work progresses to ensure a targeted approach to design.

One major recommendation from the 2006 study included the implementation of biologically active filtration at each plant. DWU has successfully implemented biologically active filtration at the East Side and Bachman Water Treatment Plants and is working to implement these improvements at the Elm Fork Water Treatment Plant. The next step includes the construction of a new Filter Complex to convert treatment operations, address hydraulic limitations, and upgrade existing infrastructure at the end of its useful life. The Elm Fork Water Treatment Plant located in Carrollton, Texas, is the second largest of the three water treatment plants serving DWU customers. It was constructed in the 1950s, underwent an expansion and renovation to its current capacity of 300 million gallons per day in the early 1990s, and is now in need of water quality improvements to continue providing reliable service and producing high-quality water to customers.

On July 9, 2021, two bids were received for the Elm Fork Filter Complex project. After reviewing bids, it was determined that they were significantly higher than the engineer's estimate and the available project budget. The high costs were found to be influenced by shortages in labor and materials, limited contractor competition in the North Texas market for the scope and scale of the project, and the risks associated with pricing volatility of raw materials given the multi-year project schedule. DWU rejected the bids and has been working with the engineer to repackage the project into phases to receive more bids and better prices. Supplemental Agreement No. 4 was approved on January 26, 2022 and authorized Arcadis CE, Inc. to provide engineering services for repackaging the Filter Complex and completing the design and bid phase services for Package #1. DWU received bids for the first phase of construction on June 24, 2022, and Dallas City Council authorized a construction contract for \$155,100,000.00 on September 14, 2022.

This Supplemental Agreement No. 5 continues to advance the goals of the Water Quality Improvements Program at the Elm Fork Water Treatment Plant by providing construction administration and start-up services for the first phase of the Filter Complex project, engineering design, bid and construction phase services for the next construction package associated with the Filter Complex project that includes Backwash Water Tanks, and engineering design and bid phase services for the second and final phase of the Filter Complex Project. A future supplemental agreement will be required for construction administration and start-up of the Filter Complex Phase 2 and potentially other improvements to complete the overall Water Quality Program at the Elm Fork Water Treatment Plant.

### **ESTIMATED SCHEDULE OF PROJECT**

Begin Services	January 2023
Complete Services	March 2027

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On June 23, 2010, City Council authorized a professional services contract with Malcolm Pirnie, Inc. to provide engineering services associated with water quality improvements at the Elm Fork Water Treatment Plant by Resolution No. 10-1641.

On September 14, 2011, City Council authorized Supplemental Agreement No. 1 to the professional services contract with Malcolm Pirnie, Inc. for additional engineering services associated with water quality improvements at the Elm Fork Water Treatment Plant by Resolution No. 11-2422.

On August 28, 2013, City Council authorized Supplemental Agreement No. 2 to the professional services contract with Malcolm Pirnie, Inc. for additional engineering services associated with water quality improvements at the Elm Fork Water Treatment Plant by Resolution No. 13-1469.

On January 10, 2018, City Council authorized Supplemental Agreement No. 3 to the professional services contract with Arcadis CE, Inc. f/k/a Malcolm Pirnie, Inc. for additional engineering services associated with water quality improvements at the Elm Fork Water Treatment Plant by Resolution No. 18-0102.

On January 26, 2022, City Council Supplemental Agreement No. 4 to the professional services contract with Arcadis CE, Inc. f/k/a Malcolm Pirnie, Inc. to provide additional engineering services associated with water quality improvements at the Elm Fork Water Treatment Plant by Resolution No. 22-0255.

**FISCAL INFORMATION**

Fund	FY 2023	FY 2024	Future Years
Water Capital Improvement F Fund	\$5,784,047.00	\$0.00	\$0.00

Original Contract	\$ 7,562,770.00
Supplemental Agreement No. 1	\$ 6,500,000.00
Supplemental Agreement No. 2	\$ 5,622,236.00
Supplemental Agreement No. 3	\$ 6,223,300.00
Supplemental Agreement No. 4	\$ 2,371,053.00
Supplemental Agreement No. 5 (this action)	<u>\$ 5,784,047.00</u>

Project Total \$34,063,406.00

**M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Policy adopted on September 23, 2020, by Resolution No. 20-1430, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Procurement Category	M/WBE Goal
\$5,784,047.00	Architecture & Engineering	<del>25.66%*</del> <u>24.39%</u>
M/WBE Subcontracting %	M/WBE Overall %	M/WBE Overall Participation \$
26.47%	26.47%	<del>\$1,531,012.00</del> <u>\$1,371,947.00</u>
• *This item reflects previous Business Inclusion and Development Policy M/WBE.		
• This contract exceeds the M/WBE goal.		
• Supplemental Agreement No. 5 - 23.25% Overall M/WBE Participation		
• Arcadis U.S. Inc - Local; Workforce - 1.06% Local		

**OWNER**

**Arcadis CE, Inc. f/k/a Malcolm Pirnie, Inc.**

Alex Rothchild, Global Commercial Excellence Officer

**MAP**

Attached