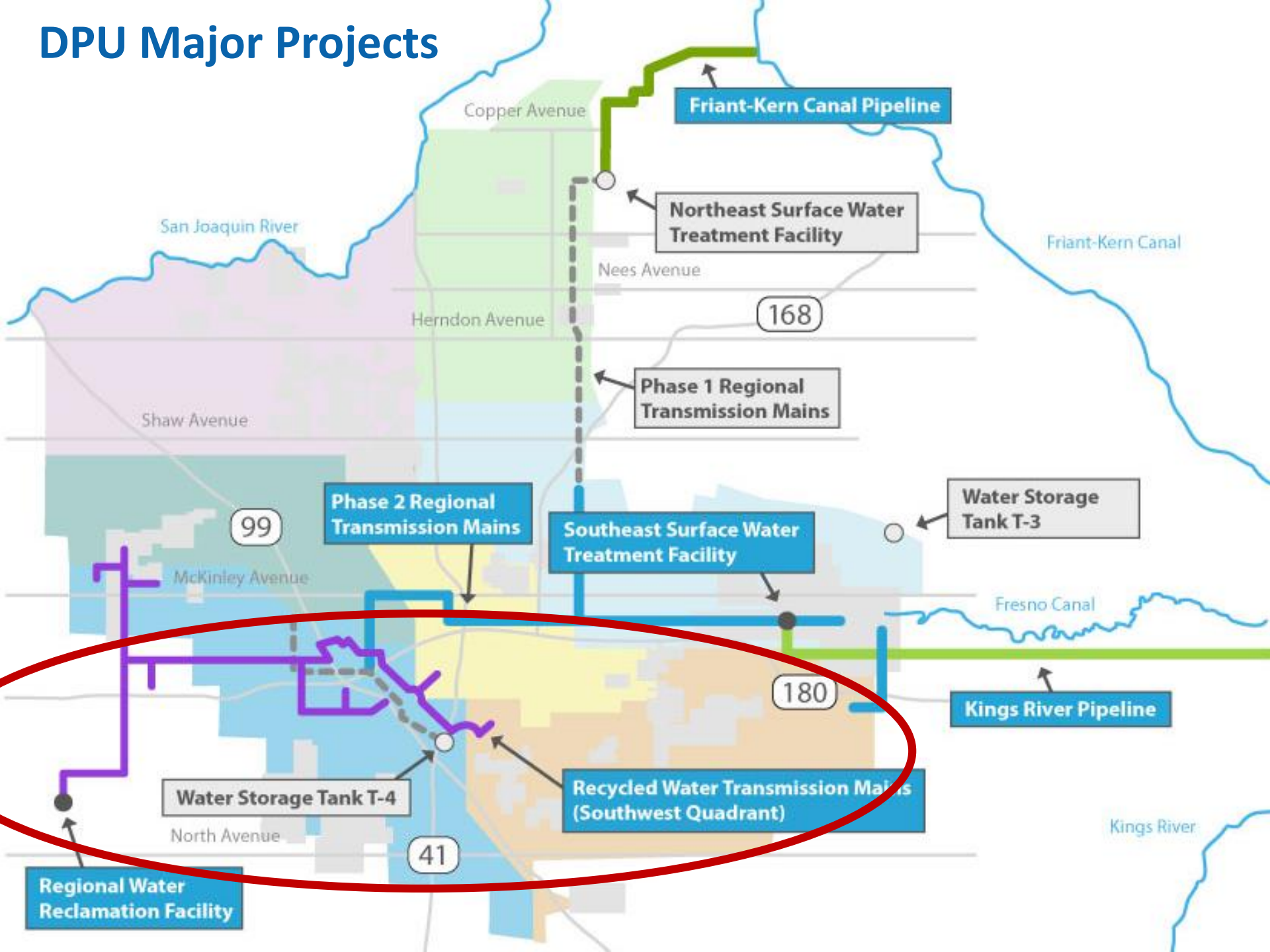




***Recycled Water Transmission Mains SW1B and SW1C
Pending Construction Claim - Garney Construction Co.
Department of Public Utilities***

DPU Major Projects



Background - How did we get here?

- January 6, 2009 – State Water Resources Control Board (SWRCB) adopts a recycled water policy establishing a mandate to increase the use of recycled water in California by 200,000 acre-feet per year by 2020 and by an additional 300,000 acre-feet per year by 2030.
- May 7, 2009 – City Council approves consultant services agreement with Carollo Engineers to prepare a Recycled Water Master Plan for the City of Fresno.
- August 26, 2010 – City Council approves a consultant services agreement with Parson Water and Infrastructure, Inc. to design a 5 mgd Tertiary Treatment and Disinfection Facility (TTDF).
 - April 19, 2012 – City Council approves Amendment No. 1 to Parson's 2010 Agreement to design membrane treatment system for TTDF.
 - August 29, 2013 – City Council approves Amendment No. 2 to Parson's 2010 Agreement to design 2 MW solar energy facility to offset power demands of TTDF.
 - October 8, 2016 – City Council approves Amendment No. 3 to Parson's 2010 Agreement to design the Recycled Water Pump Station.

Background - How did we get here?

- November 29, 2012 – Council adopts the 2010 Urban Water Management Plan Update, which forecasts an urban (landscape irrigation) recycled water demand of 25,000 acre-feet per year by 2025.
- April 11, 2013 – City Council certifies the Environmental Impact Report, approves the Mitigation Monitoring Program, and the Recycled Water Master Plan. The Master Plan forecasts an urban (landscape irrigation) recycled water demand of 25,000 acre-feet per year by 2025.
- June 27, 2013 – City Council approves consultant services agreement with Blair Church & Flynn Consulting Engineers, to design the Southwest Quadrant of Recycled Water Distribution System: SW1A, SW1B, SW1C and SW1D.
- June 5, 2014 – City Council adopts the Metropolitan Water Resources Management Plan Update, which forecasts an urban (landscape irrigation) recycled water demand of 25,000 acre-feet per year by 2025.

Southwest Quadrant Bidding History

SW1A	Floyd Johnston
Bid Date	8/7/2015
No. of Bids	11
Average Bid Price	\$ 9,082,053
Low-Bid Price	\$ 7,877,153
Engineer's Estimate	\$10,239,000

SW1C	Garney
Bid Date	3/1/2016
No. of Bids	4
Average Bid Price	\$ 4,792,829
Low-Bid Price	\$ 4,198,175
Engineer's Estimate	\$ 4,690,000

SW1B	Garney
Bid Date	10/6/2015
No. of Bids	5
Average Bid Price	\$11,216,523
Low-Bid Price	\$9,341,491
Engineer's Estimate	\$12,418,335

SW1D	
Bid Date	6/20/2017
No. of Bids	6
Average Bid Price	\$ 9,425,261
Low-Bid Price	\$ 7,682,290
Engineer's Estimate	\$ 8,000,000

SW1B

- Fiber Optic Crossing at Marks Avenue
- Unmarked Chevron Pipeline Located with Potholing
- Unmarked and Mismarked PG&E Utilities
- Traffic Control Coordination with Fresno County
- Conflicts with Boring and Jack Pits
- Owner Requested Changes (Betterments)
 - Installation of 8-inch Water Service
 - Additional Steel Pipe and Water Services
- Fiber Option Alignment Change at UPRR Crossing

SW1B (cont)

- Installation of Recycled Water Fill Stations in-lieu of Fire Hydrants
- Revised Trench Credit
- Potential Telephone Conduit Conflict

SW1C

- Owner Requested Betterments
 - 4-inch waterline
- Petromat Mitigation
 - Pavement restoration
- Pavement Replacement Delays

- Schedule 1st meeting with Garney Construction as soon as practicable to review and discuss documentation Garney provided July 7, 2017
- Focus Issues:
 - Delays related to traffic control coordination with Fresno County
 - Delays related to UPRR permits
 - Additional pavement costs related to perceived differing soil conditions
- Upon conclusion of meeting, City will prepare response to Garney Construction's claim request, and transmit response to Garney Construction

- Schedule 2nd meeting with Garney to review and discuss City's response to Garney's claim request
- Objective of 2nd meeting is to reach mutually-agreeable resolution to claims
 - If parties can reach a mutually-agreeable resolution, City will prepare necessary documentation to close out projects and bring resolution to Capital Oversight Board for review and consideration.
 - If parties cannot reach mutually-agreeable resolution, mediation is next step in process

Questions

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