



Topic: **Phase 2 (2019) Reservoir Committee
Agenda Item 3-4**

2019 Apr 18

Subject: **Procurement for Service Area H: Engineering**

Requested Action:

For discussion and possible direction to staff regarding a recommendation for the procurement of engineering services.

Detailed Description/Background:

For Phase 1, the Sites Project Authority (Authority) awarded an engineering contract to AECOM, on a sole-source basis, and has extended the period of performance through July 2019.

To prepare for Phase 2, the Authority agreed with the Phase 1 Reservoir Committee's recommendation and issued Request for Qualifications, RFQ No. 18-04, on September 5, 2018 to acquire professional services in nine service areas¹. For Service Area H: Engineering, RFQ 18-04 allowed for the ability to award multiple engineering contracts and the ability to bundle engineering with other service areas (e.g. geotechnical). However, only one firm, AECOM, submitted a proposal for Service Area H.

During the early stages of the evaluation, the Reservoir Committee agreed to put any further evaluation of Service Area H on hold; primarily due to a combination of (a) the focus for 2019 would be on the operations, environmental, and permitting activities; (b) the lack of having multiple proposals. combined with both the breadth of engineering services needed (i.e. dams, pumping plants, pipelines, roads/bridges, and power) and plans to implement alternative delivery methods (e.g. progressive design-build) made it difficult to consider alternative approaches that might provide greater value; and (c) on-going engineering studies are primarily related to completing the federal feasibility report and this work is being managed through Reclamation.

Finalizing the joint Environmental Impact Report and Environmental Impact Statement (EIR/EIS) is planned for spring of 2020 and, concurrently, work will be progressing to prepare permit applications. Both will require additional engineering studies and/or analysis; some of which may be beyond the studies needed to complete the federal feasibility report. Further, advancing the engineering through the preliminary design stage is needed to complete Phase 2 by the end of year 2021 and to implement the

¹ Currently contracts have been executed for all but Engineering (Service Area H). The nine Service Areas include: A) Project Integration, B) Project Controls, C) Communications, D) Operations Simulation Modeling, E) Environmental Planning and Analysis, F) Permitting and Agreements, G) Real Estate, H) Engineering Services, and I) Geology and Geotechnical Engineering.

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Notes:	Subject to Change			Page:	1	of	2

use of alternative delivery methods, which was previously identified as the preferred method to, in part, obtain earlier cost certainty.

In addition, the use of a specific alternative delivery methods affects the engineer's role², which dramatically affects the expected scope of services and fees. For example, for the Construction Management at Risk (CM@Risk) delivery method, the Engineer of Record is under contract to the owner and is paid to provide final Plans, Specifications, and Cost Estimates (PS&Es); whereas for the Progressive Design-Build (PDB) delivery method, the Engineer of Record is typically a subcontractor to the constructor, who is the prime contractor to the owner³ and the owner's Engineering Manager is paid to develop the original performance requirements and to then monitor the work of the Engineer of Record.

Recommendation:

1. Issue a revised (or amended) RFQ, specifically for Service Area H: Engineering, that defines for each facility type (or for each expected contract package) the role of the Engineering Manager vs. Engineer of Record and the intent to award multiple contracts.
2. Target award of Service Area H contracts to occur before the end of the third quarter of 2019.

Prior Reservoir Committee Action:

At the February 21, 2019 meeting, the Reservoir Committee approved extending the AECOM contract to July 31, 2019.

At the October 18, 2018 meeting, the Reservoir Committee agreed to postpone or cancel the evaluation of submittals for Service Area H: Engineering.

Fiscal Impact/Funding Source:

None.

Staff Contact:

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Attachments:

None.

² All methods typically include an Engineering Manager, whose role is to represent the owner by ensuring the agreed-to performance requirements have been met and an Engineer of Record who prepares the final plans, construction specifications, and cost estimates (PS&Es).

³ Most contracts that integrate construction and engineering are referred to as constructor-led. In few cases, the prime contract with the owner has been an engineer (i.e. "engineer-led). Typically risk and bonding requirements dictate the firm that proposes to be the prime.