



## AGENDA MEMORANDUM

Action Item for the City Council Meeting June 25, 2024

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**DATE:** June 25, 2024

**TO:** Peter Zanoni, City Manager

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**Resolution approving staff recommendation of the shortlisted firms for the Inner Harbor Seawater Desalination Treatment Plant Project.**

### **CAPTION:**

Resolution approving staff recommendation of the shortlisted firms (Acciona Agua/MasTec, CDM Smith/PLW Water, and Kiewit) for the Inner Harbor Seawater Desalination Treatment Plant Project in accordance with the Texas Government Code (TGC) 2269, a Request for Qualifications was issued on March 29, 2024 and closed on May 22, 2024.

### **SUMMARY:**

Resolution approving staff recommendation of the shortlisted firms (Acciona Agua/MasTec, CDM Smith/PLW Water, and Kiewit) for the Inner Harbor Seawater Desalination Treatment Plant Project.

### **BACKGROUND AND FINDINGS:**

Selecting a Design-Build contractor in Texas is a two-step process which entails issuing a Request for Qualifications (RFQ) which is then used to develop a shortlist of qualified candidates to partake in a Request for Proposals (RFP) for the Inner Harbor Seawater Desalination Treatment Plant Project (Project).

The progressive design build process, which is intended to increase collaboration and efficiency particularly during the planning and design periods of the Project, includes the following phases:

- Phase 1A & 1B: Planning, design and other preconstruction phase services necessary to finalize a guaranteed maximum price (GMP) proposal for Phase 2 services.
- Phase 2: Construction Phase Services necessary to achieve a final completion of the facility to transition into Phase 3 services.
- Phase 3: Interim Operations and Maintenance (O&M) and Handover Services necessary to operate the facility for approximately one year and transition the facility to City staff operations.

The RFQ's overall objective is to create a shortlist of Respondents that possess the desired skills and competencies as demonstrated by their relevant experience that are required to successfully deliver the Project. As such, the RFQ is structured to solicit specific information from Respondents, its Key Firms, and the Key Individuals. For each of these groups, the SOQ requires that the Respondent teams submit their respective skills and competencies in resumes and by virtue of associated reference projects.

In order to encourage maximum competition, the City performed several actions associated with the solicitation.

- Pre-Solicitation Notice – A month prior to the release of the solicitation
- Advertised in National and Global Industry Publications
- Contractor Engagement Day with networking opportunities for local contractors and one-on-one meetings with potential prime contractors. Over 150 attendees from over 100 registered organizations.
- Provided an additional 7 days for response at the request of potential respondents

### **PROCUREMENT DETAIL:**

On March 29, 2024, the Finance & Procurement Department issued a Request for Qualifications (RFQ) 5689 Inner Harbor Seawater Desalination Treatment Plant Project. The City received Statements of Qualifications (SOQ) from three respondents (Corpus Christi Desal Partners, Corpus Christi Desalination Team and Kiewit).

The SOQ evaluation committee and technical advisors consisted of representatives from Corpus Christi Water, Engineering Services, City Manager's Office, City Attorney's Office, Port of Corpus Christi, San Patricio Municipal Water District, Costal Bend Industry Association, and the City's Owner's Representative Freese and Nichols.

The evaluation committee reviewed more than 2,100 pages of SOQ material. Those documents included resumes of firms, key individuals, reference projects, financial information, and professional references. Consultants and the City reached out to over 180 references (approximately 60 each) regarding the respondent firms.

Firms were ranked based on five factors: 1) Team Experience, 2) Seawater RO Facility Design Experience, 3) Project Specific Design Services 4) Seawater RO & Water Treatment Construction Experience 5) Commissioning Services.

The final scores have all three firms within 1.1 points of each other, which demonstrates that each is highly qualified. A fourth firm submitted a proposal, but did not meet the minimum requirements. The firm acknowledged their submittal was not a statement of qualifications but rather a general overview of their services. A summary of the scores can be found below:

<b>Proposal Evaluation</b>	<b>Score</b>	<b>Acciona Agua + MasTec</b>	<b>CDM Smith + PLW WW</b>	<b>Kiewit</b>
<b>Financial Capacity</b>				
Financial Capacity	<b>Pass/Fail</b>	Pass	Pass	Pass
<b>Technical Proposal</b>				
Team Experience	<b>20</b>	16.1	16.5	17.3
Design Experience: Seawater RO Facilities	<b>25</b>	21.6	20.6	21.0
Design Experience: Project Specific Design Services	<b>10</b>	7.7	7.8	8.4
Construction Experience: Seawater RO & Water Treatment	<b>25</b>	21.6	20.9	22.2
Commissioning Services	<b>20</b>	16.8	18.0	16.0
<b>Final Scores</b>	<b>100</b>	<b>83.8</b>	<b>83.8</b>	<b>84.9</b>

Each of the three respondents have significant experience in the delivery of large capital projects, water treatment plants, and seawater desalination facilities. A highlight of their representative experience is below.

- Acciona Agua + MasTec Joint Venture has experience delivering desalination plants globally, and in the United States has operated the Tampa Bay Seawater Desalination Plant for 14 years.
- CDM Smith + PLW Waterworks Joint Venture has experience delivering desalination plants globally including the largest progressive design build water treatment project in the United States (\$1.7B Northeast Water Purification Plant in Houston).
- Kiewit has experience delivering multiple desalination plant projects in the United States including the 50 MGD Claude “Bud” Lewis Carlsbad Desalination Plant.

The evaluation committee determined all three respondent firms are qualified under the requirements for the procurement and should proceed to the Proposal stage as required by Chapter 2269 Subchapter H.

**ALTERNATIVES:**

The alternative is to reject all respondents and cancel the solicitation.

**FISCAL IMPACT:**

The fiscal impact for this item will be discussed separately as part of agenda item 24-0998.

**FUNDING DETAIL:**

Fund: N/A  
Organization/Activity: N/A  
Department: N/A  
Project # **(CIP Only)**:  
Account: N/A

**RECOMMENDATION:**

Staff recommends approval of the shortlisted firms (Acciona Agua/MasTec, CDM Smith/PLW Water, and Kiewit) for the Inner Harbor Seawater Desalination Treatment Plant Project in accordance with the Texas Government Code (TGC) 2269, a Request for Qualifications was issued on March 29, 2024 and closed on May 22, 2024.

**LIST OF SUPPORTING DOCUMENTS:**

Resolution  
SOQ Tabulation