Inner Harbor Seawater Desalination Treatment Plant Procurement Update

DRAFT

Drew Molly, P.E.
Chief Operating Officer

Josh Chronley, CTCD
Chief Procurement Officer

City of Corpus Christi

June 25, 2024

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Serving the Coastal Bend

Procurement Team

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Drew Molly, P.E.
Chief Operating Officer, Corpus Christi Water

Josh Chronley, CTCD
Chief Procurement Officer, City of Corpus Christi

Jason Cocklin, PE, BCEE
Project Manager, Freese and Nichols

Paul Walker, P.E.
Senior Vice President, Carollo Engineers

Neil Callahan
Vice President, Water Advisory Services, WSP

Charles M. Wolf, D.Eng, PE, BCEE
Principal/Vice President, Freese and Nichols

Project Council Action

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Approve Short-Listed Firms to move to Request for Proposals (RFP)

Contract with the top ranked Proposer and authorize future amendments and early work packages.

Amend Freese and Nichols Master Services Agreement

Approve AEP Federal Income Tax Pass-through Cost

Approve CCW Education and Communication Initiative

Project Council Actions

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Approve the short-listed firms for the Inner Harbor Seawater Desalination Treatment Plant Project.

Carlsbad Desalination Plant

Procurement Update

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- On March 29, 2024, the Request for Qualifications (RFQ) was issued.
- **The City received four (4) Statements of Qualifications (SOQ).**
  - One SOQ was incomplete.
- An independent financial review of the three (3) complete respondent firms was performed with no concerns found. Three (3) firms were deemed complete and responsive.

Tampa Bay Desalination Plant Discharge Location

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Procurement Process

- The three (3) qualified and responsive firms are the following:
  Ordered in alphabetical order using the Joint Venture names

Joint Venture

acciona + MasTec Industrial, casey INDUSTRIAL, PHOENIX INDUSTRIAL = **Corpus Christi Desal Partners**

Joint Venture

CDM Smith + plw waterworks = CORPUS CHRISTI DESALINATION TEAM
Texas Resources, Global Solutions.

Standalone Prime

Kiewit

Kiewit Infrastructure South Co.
Respondent & Design-Builder

RFQ Evaluation Results

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- Multi-disciplinary scoring Committee created
- Full day scoring session was performed
- Over 2,000 pages of proposals reviewed
- Over 180 references contacted
- Three (3) respondents were determined to be qualified and recommended to be short-listed.

Evaluation Committee Scoring Meeting

RFQ Evaluation

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Evaluation Committee Ranking Summary				
Proposal Evaluation	Max Score	Acciona + MasTec	CDM + PLW	Kiewit
Financial Capacity	Pass/Fail	Pass	Pass	Pass
Team Experience	20	16.1	16.5	17.3
Design Experience: Seawater RO Facilities	25	21.6	20.6	21.0
Design Experience: Project Specific Design Services	10	7.7	7.8	8.4
Construction Experience: Seawater RO & Water Treatment	25	21.6	20.9	22.2
Commissioning	20	16.8	18.0	16.0
Final Score	**100**	**83.8**	**83.8**	**84.9**

Procurement Next Steps

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- Procurement Schedule Next Steps
  - **July 8, 2024:** Release Request for Proposals (RFP)
  - **September 9, 2024:** RFP submissions due from short-listed firms
  - **October 3, 2024:** Evaluation Committee scores and selects most qualified proposer
  - **December 2024/January 2025:** Completion of contract negotiations with most qualified Proposer

Projected Rate Impact by Customer Class

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Customer Billing Type	Monthly Usage (TGAL)	Additional Monthly Cost Impact (FY29)
Wholesale Treated	449,772	$746,622
Large Volume	244,000	$405,040
Commercial	109	$181.00
Residential	6	$9.96

- Estimated rate impact due to the desalination project only.
- Estimated raw water rate impact based on the 2023 rate model.
- Increase of $1.66/1,000 gallons on raw water charge (FY29).
- 2029 is the year the full debt service and O&M costs will begin.

Staff Recommendation #1

Resolution approving staff recommendation of the short-listed firms, in accordance with Texas Government Code (TGC) 2269.

- Kiewit
- Acciona Agua and MasTec
- CDM Smith and PLW Water

Staff Recommendation #2

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Resolution authorizing a contract with the top ranked Proposer of the Request for Proposals (RFP) and authorizing amendments and early work packages up to $138,000,000.

- Negotiation, contract execution, and necessary contract amendments/ extensions for pre-construction phase design-build services with the top ranked Proposer in accordance with the TGC 2269 (Approx. $68M).
- Contract execution for equipment pre-purchase items to facilitate the Project design or construction schedule (Approx. $69M).
- Finalize property acquisition to support the project including acquiring pipeline easements to the point of connection (Approx. $0.75M).

Staff Recommendation #3

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Resolution authorizing the execution of amendment number four to the Master Professional Service Agreement with Freese and Nichols for pre-construction phase support services for up to $12,000,000.

- Environmental protection/enhancement and permitting
- Environmental assessments and reviews necessary to complete Project property and easement acquisitions and final approval of Project permits
- Project facilitation, management, oversight, and technical assistance
- Other support to City for general needs and Project communications

Staff Recommendation #4

Motion authorizing payment of the Income Tax Component of Contribution in the amount of $255,750.00 to American Electric Power, Texas (AEP) for the Direct Connect Agreement for the Inner Harbor Desalination Treatment Plant

- On January 23, 2024, Council approved the construction of the interconnection of the Project to the Electric Council of Texas electric transmission grid for an amount of $3,062,880

Staff Recommendation #5

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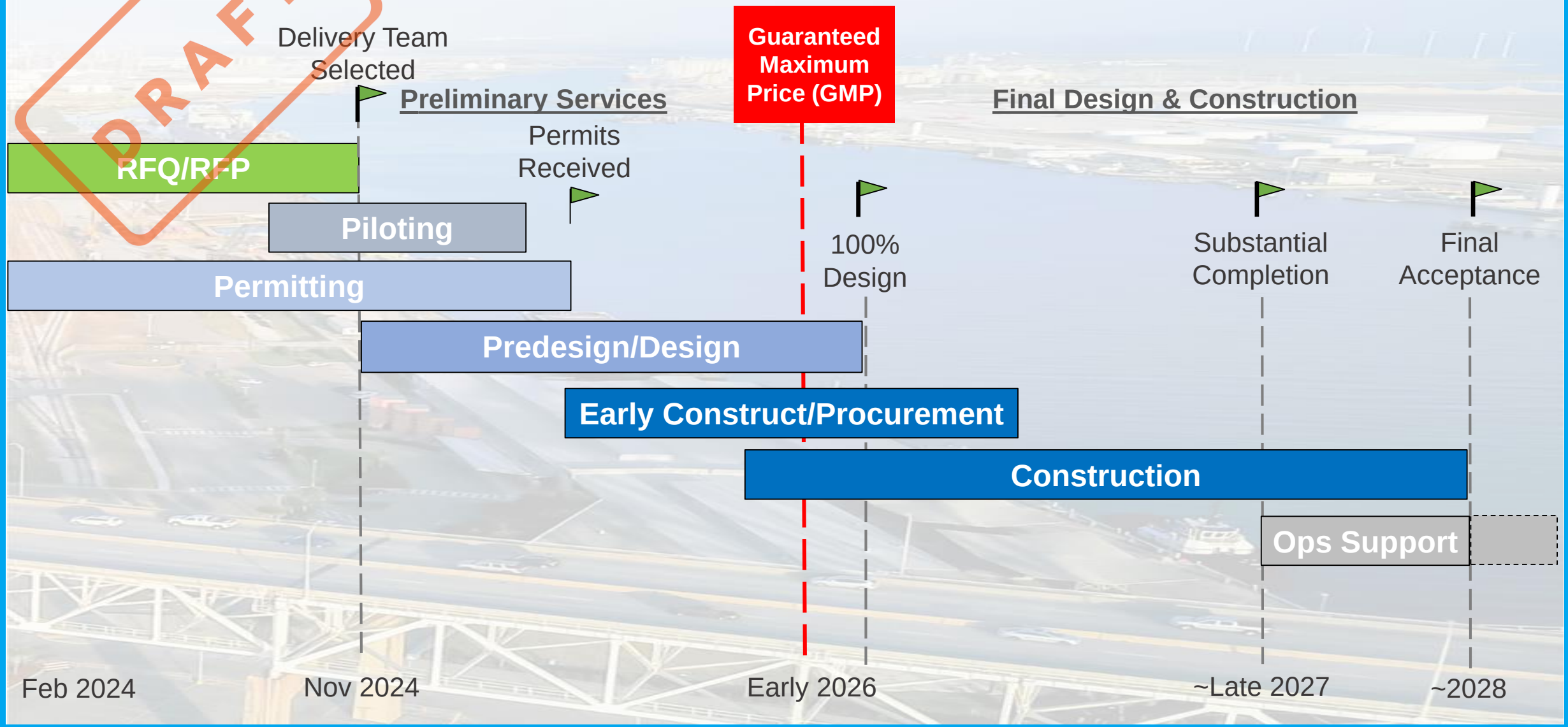
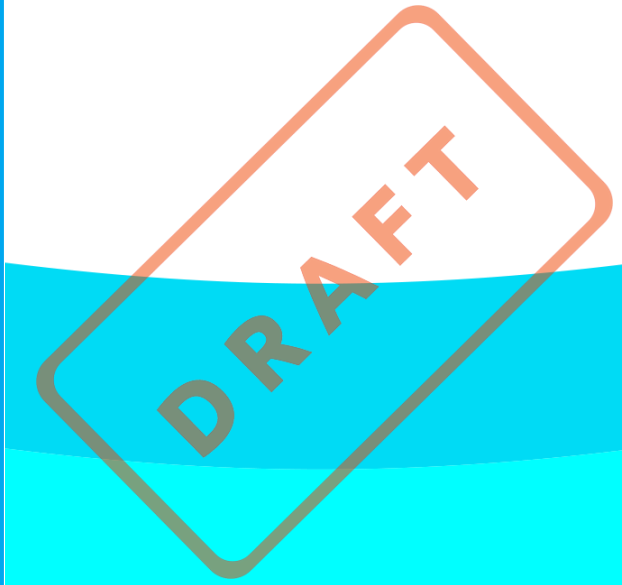
Resolution authorizing execution of a contract with MDR Advertising, of Corpus Christi, for education and communication services in the amount not to exceed $1,500,000.00.

- $240,000 services fee and up to $1,260,000 in media allowances
- Scope Includes
  - Water Supply Development
  - Emergency Communications
  - Utility Rate Information
  - Water Quality Reporting

Project Timeline Going Forward





Thank you!

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