



## **SOUTH FEATHER WATER & POWER AGENCY**

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**TO: Board of Directors**

**FROM: Michael Glaze, General Manager  
Matt Colwell, Water Division Manager**

**DATE: March 19, 2008**

**RE: Pre-Engineering and Feasibility Study, MRTP Expansion Project  
Agenda Item for 3/25/08 Board of Directors Meeting**

At your meeting last November, the Board authorized publication of a Request for Proposals from consulting engineering firms for a Pre-Engineering and Feasibility Study to initiate the Miners Ranch Treatment Plant Expansion Project. Subsequently, the following four firms responded with proposals (copies enclosed):

Black & Veatch Corporation (\$184,716);  
CDM (\$100,313);  
HydroScience Engineers (\$58,275); and,  
RBF Consulting (\$145,000).

To facilitate an objective evaluation of the proposals, a methodology was developed that assigned points to various technical criteria, comprising 75% of the total score possible. The proposed cost for each firm was scored in comparison to the lowest proposed cost, with the resulting score comprising 25% of the total evaluation score possible. A copy of the evaluation methodology is attached.

General Manager Mike Glaze and Water Division Manager Matt Colwell, in consultation with MRTP staff, independently evaluated each proposal. Ultimately, both assigned their highest score to CDM, agreeing that CDM's proposal was the most responsive, reasonably priced, and provided the best approach to evaluating alternatives and proposing pragmatic solutions.

In its 55-year history, CDM has designed more than 1,500 water-treatment plants around the world, ranging in capacity from a few MGD to over 1,200 MGD (by comparison, the MRTP expansion will result in approximately 24 MGD of treatment capacity). Of the four firms, CDM has the most experience in Northern California (36 projects in the past 20 years), has the most experience with projects similar to Miners Ranch Treatment Plant, and has the most experience working with public agencies like SFWPA. CDM's project team is comprised of engineers and technical professionals from its Sacramento and Walnut Creek offices, representing a vast amount of project-specific experience. CDM demonstrated a realistic and comprehensive understanding of the project, proposed realistic time estimates for each of the major segments of the work plan as well as a realistic projection of staffing needs, and proposed a significant amount of supervision by the firm's project manager. Although CDM's cost proposal was not the lowest, its

projection of staffing needs was more realistic, suggesting that the lowest-cost proposer was underestimating the scope of work and would not have been able to dedicate adequate resources to ensure a comprehensive report.

It is our recommendation that CDM's proposal be accepted and that an agreement for consulting services (copy attached) be approved, as follows:

**"I move acceptance of CDM's proposal for preparing a Pre-Engineering and Feasibility Study for the Miners Ranch Treatment Plant Expansion Project, and that the General Manager be authorized to execute an agreement for consulting services with CDM for said proposed study."**

## M RTP EXPANSION PROJECT PRE-ENGINEERING AND FEASIBILITY STUDY PROPOSALS EVALUATION METHODOLOGY

South Feather Water and Power Agency (SFWPA) has received proposals from four qualified consulting engineering firms for the preparation of a Pre-engineering and Feasibility Study (Phase 1) for the expansion of the Miners Ranch Water Treatment Plant. The evaluation methodology used to compare and evaluate the proposals is described below.

Total evaluation scores will be determined by adding the points awarded for technical qualifications (maximum of 75 points) to the points awarded for the cost of the report (maximum of 25 points). The total score will be determined by the following formulae:

$$\frac{\text{Technical Score for this Firm}}{\text{Highest Technical Score Received}} \times 75 = \text{Technical Score}$$

$$\frac{\text{Lowest Cost of All Bids}}{\text{Cost of Bid for this Firm}} \times 25 = \text{Cost Score}$$

The evaluation of technical qualifications will be based on the following criteria:

- I. **Mandatory Criteria** (Proposers will not be considered unless they meet each of the criteria in this section.)
  - A. Must not have a record of substandard work. This will be determined by communicating with the State licensing authority and previously public-agency clients.
- II. **Technical Criteria** (Proposers who have met each of the criteria in section "I", above, will be evaluated on the following criteria:

	<u>Point Range</u>
A. Project understanding and approach.	
1. Realistic and comprehensive description of study coverage.	0 - 10
2. Realistic time estimates of each major segment of the work plan.	0 - 5
3. Realistic projection of staffing needs.	0 - 5

- B. Technical experience of firm.
  - 1. Experience assessing similar existing water treatment facilities. 0 - 10
  - 2. Experience developing treatment plant alternatives involving the RFP-identified issues . 0 - 15
  - 3. Experience providing similar consulting services to public water agencies. 0 - 5
- C. Qualifications of project team, including specialists, to be assigned to the project. Education, position in the firm, and years and types of experience will be considered.
  - 1. Qualifications of the project team. 0 - 15
  - 2. Qualifications of and amount of supervision of project team by firm's Project Manager. 0 - 5
- D. Size and Structure of firm. 0 - 5
- E. Cost Criteria (cost of the proposal). 0 - 25

Maximum Points: 100

**CONSULTING SERVICES AGREEMENT  
PRE-ENGINEERING AND FEASIBILITY STUDY  
MINERS RANCH TREATMENT PLANT EXPANSION PROJECT**

THIS AGREEMENT is entered into effective as of March 25, 2008 by Camp Dresser & McKee Inc. ("CDM") and South Feather Water and Power Agency ("SFWPA").

ARTICLE 1      SCOPE

CDM shall perform the services (the "Services") described generally in CDM's February 15, 2008 Proposal, attached hereto as Appendix A. This Agreement shall become effective as of the date shown above and shall remain in effect unless amended in writing or terminated pursuant to Article 8 herein. SFWPA and CDM will develop specific tasks, including budgets, for work to be completed under this Agreement in the upcoming six-month period. Upon SFWPA's authorization to CDM to perform these tasks, such authorizations will be considered addendums to this Agreement. Notwithstanding the foregoing, SFWPA's authorization shall be issued by SFWPA in its sole and unlimited discretion. SFWPA may engage other consultants as SFWPA deems necessary to timely and efficiently carry out tasks required for the treatment plant expansion project, and this Agreement shall not be considered an exclusive engagement by SFWPA of CDM for SFWPA's requirements.

ARTICLE 2      COMPENSATION

For performance of the Services, SFWPA shall pay CDM in accordance with the compensation rates specified in Appendix B of said CDM's February 15, 2008 Proposal, up to a maximum of \$100,313. This compensation shall be billed to SFWPA at monthly intervals and shall be due and payable upon receipt of the bill.

All reimbursable expenses shall be reasonable and shall be billed at cost. All reimbursable expenses are subject to the restrictions noted below:

- Miscellaneous costs, such as routine telephone communications, routine copying, e-mail, facsimile, non-specialized computer time and use of non-specialized technical software are considered to be part of CDM's overhead and will not be reimbursed. Examples of specialized computer applications would include, but not be limited to, GIS, CADD, HEC, and 2-D or 3-D models.
- All air travel costs shall be reimbursed only on a coach fare basis.
- CDM's use of personal vehicle shall be billed at the IRS approved reimbursement rate and shall not include commutation between CDM's home and office.
- CDM shall retain detailed expense reports for the term of the audit period.
- Standard labor rates are provided in Appendix B.

CDM's accounts shall be kept in accordance with generally accepted accounting principles in the industry and shall be kept in such a manner and in sufficient detail to clearly disclose the nature and amounts of the different items of service and cost pertaining to this Agreement and the basis of charges or allocations to it.

### ARTICLE 3 REPRESENTATIVES

CDM will function in cooperation with and subject always to the direction and control of SFWPA's authorized officers or designated representatives. CDM shall also designate a representative for the execution of the Services. CDM's and SFWPA's representatives are:

CDM: Ben Swann, Officer in Charge  
Michael Zafer, Project Manager  
100 Pringle Avenue, Suite 300  
Walnut Creek, California 94596  
Telephone: 925-933-2900  
Fax: 925-933-4174

SFWPA: Michael Glaze, General Manager  
Matt Colwell, Water Division Manager  
2310 Oro-Quincy Highway  
Oroville, California 95966  
Telephone: 530 533-4578  
Fax: 530 533-3968

### ARTICLE 4 PERSONNEL

All CDM's staff, and its subcontractors' staff, assigned to this Project shall be approved by SFWPA prior to their assignment to task activities. CDM shall confirm that the technical qualifications of all personnel assigned to these tasks meet the applicable industry standards. In the event that the individuals who are initially assigned by CDM to perform Services under this Agreement are removed, replaced, or reassigned by CDM, such removal, replacement, or reassignment may result in harm and costs to SFWPA. CDM agrees not to remove, replace, or reassign any such individuals without the approval of SFWPA. Such approval shall not be unreasonably withheld or delayed. CDM shall make reasonable efforts to maintain continuity in its staffing and will provide SFWPA ample notifications if any such changes are made. Notwithstanding the foregoing, it is agreed by CDM that SFWPA is relying on the expertise and experience of CDM as well as CDM's subcontractors, and therefore CDM shall not terminate the services of a subcontractor employed for the benefit of SFWPA without the prior approval of SFWPA, which approval shall not be unreasonably withheld. SFWPA may, in its discretion, direct CDM to replace subcontractors that SFWPA reasonably believes are not performing in a satisfactory manner. CDM shall ensure that subcontracts contain express acknowledgement by subcontractors of SFWPA's right to replace them and shall require the subcontractors to waive any claims or damages in connection therewith, save and except for costs and fees incurred to the date of said termination, plus reasonable costs incurred as a result of said termination.

### ARTICLE 5 RECORDS

To the extent SFWPA does not otherwise specifically request delivery of records or results, CDM agrees to retain all records and results of Services performed under this Agreement for a period of not less than two years after completion of the Services. At SFWPA's request, CDM will deliver a copy of any or all original field notes, investigative notes, tests, photographs, records, calculations, summaries, and reports produced and collected in the course of Services performed under this Agreement.

### ARTICLE 6 OWNERSHIP OF DOCUMENTS

SFWPA shall own all data, reports, information, manuals, drawings, or other written, recorded, photographic, or visual materials, or other deliverables produced in the performance of this Agreement for use by SFWPA. CDM shall retain no ownership interest in any of the foregoing described

deliverables except as may be described herein, and such deliverables, including those retained by CDM in the normal course of CDM's business, may not be reused, sold, transferred, or conveyed without SFWPA's permission. Any reuse of CDM-prepared documents, except for the specific purpose intended hereunder, will be at SFWPA's sole risk and without liability or legal exposure to CDM or its subcontractors.

#### ARTICLE 7 CONFLICT OF INTEREST/BUSINESS ETHICS

CDM shall exercise reasonable care and diligence to prevent any actions or conditions that would result in a conflict with SFWPA's interests. During the term of this Agreement, neither CDM nor its subcontractors shall accept employment or engage in any work that creates a conflict of interest between CDM and SFWPA, or in any way compromises the interest of SFWPA for which CDM's services are being retained. CDM shall immediately notify SFWPA of any and all such violations of this clause by CDM, its agents, or subcontractors, immediately upon becoming aware of such violations. Failure of such notification or lack of knowledge of a violation by CDM or its subcontractors shall not excuse the performance hereunder.

#### ARTICLE 8 TERMINATION

SFWPA may suspend or terminate this Agreement by giving 30 days prior written notice to CDM, but such termination shall not relieve SFWPA of its obligation to pay CDM for expenses incurred and Services performed up to the date of termination and all reasonable expenses that CDM incurs by reason of such termination. Any reports, drawings or other documents prepared for SFWPA prior to the effective date of such termination shall be delivered to SFWPA by CDM prior to SFWPA's release of its final payment to CDM.

#### ARTICLE 9 REPRESENTATIONS

CDM represents that its Services are performed with the degree of skill and care that is required by current, good, and sound professional procedures and practices, and in conformance with generally accepted professional standards prevailing at the time the Services are performed so as to ensure that the Services performed are correct and appropriate for the purposes contemplated in this Agreement.

#### ARTICLE 10 LIMITATION OF LIABILITY

CDM's total cumulative liability for any claims of any kind, whether based on contract, tort (including negligence and strict liability), under any warranty, or otherwise, for any loss or damage relating to this Agreement or the performance of the Services, shall not exceed the insurance coverage specified in this Agreement, and SFWPA hereby releases CDM from any liability in excess of such amount. This monetary limitation shall survive the failure of any exclusive remedy.

Neither SFWPA nor CDM shall be liable, whether based on contract, tort (including negligence and strict liability), under any warranty, or otherwise, relating to the Services or this Agreement, for any consequential, indirect, special, punitive, or incidental loss or damage, any damage or loss of any property or equipment, or any loss of use of property or equipment, and SFWPA and CDM mutually release the other from any liability for all such losses and damages.



commercial arbitration rules of the American Arbitration Association in Sacramento, California. The Arbitrator shall give full effect to Articles 10 and 11 and shall not deviate therefrom.

ARTICLE 15 NOTICES

Any notice related to this Agreement shall be in writing and shall be considered duly made if delivered to the other party at the following addresses:

CDM: Ben Swann, Officer in Charge  
Michael Zafer, Project Manager  
100 Pringle Avenue, Suite 300  
Walnut Creek, California 94596  
Telephone: 925-933-2900  
Fax: 925-933-4174

SFWPA: Michael Glaze, General Manager  
Matt Colwell, Water Division Manager  
2310 Oro-Quincy Highway  
Oroville, California 95966  
Telephone: 530 533-4578  
Fax: 530 533-3968

Either party may change its address or numbers for receiving notices by giving written notice of such change to the other party.

ARTICLE 16 SURVIVAL

The provisions of this Agreement which by their nature should survive expiration, cancellation, or termination of this Agreement, including but not limited to provisions regarding warranty and liability, shall survive such expiration, cancellation, or other termination.

ARTICLE 17 LAW

This Agreement shall be governed by and interpreted in accordance with the laws of the State of California, excluding its conflicts of law principles.

ARTICLE 18 INTEGRATION

These terms and conditions are intended by CDM and SFWPA to constitute the final and complete statement of their agreement, and all prior proposals, communications and understandings related to the subject matter of this Agreement are hereby superseded. No modification or amendment of this Agreement shall be effective unless the same is in writing and signed by both parties.

CAMP DRESSER MCKEE INC.

SOUTH FEATHER WATER AND POWER AGENCY

By: \_\_\_\_\_

By: \_\_\_\_\_

(Typed) \_\_\_\_\_

Michael C. Glaze, General Manager

Title: \_\_\_\_\_

March 25, 2008

Date: \_\_\_\_\_