ARLINGTON COUNTY, VIRGINIA

County Board Agenda Item
Meeting of July 11, 2009

DATE: June 30, 2009

SUBJECT: Approve the Award of Contract for the construction of the Standby Generator Facility (SGF) building and related improvements at the Water Pollution Control Plant (WPCP), Invitation for Bid Number 51-09, and approve an Amendment to the current contract with the contractor for engineering services related to the SGF Project.

C. M. RECOMMENDATIONS:

1. Approve the award of Contract No. 51-09 to Specialty Construction Management, Inc. in the amount of $ 5,921,350.

2. Authorize an amendment to engineering contract #96-03 held by Malcolm Pirnie, Inc. in an amount not to exceed $ 798,043. The amendment brings the Board approved total for Agreement No. 96-03 to $ 14,781,098.

3. Authorize the Purchasing Agent to execute the Contract Documents and the Amendment subject to legal review by the County Attorney.

ISSUE: Approval of the award of a construction contract and authorization of an amendment to an existing engineering construction services contract, both related to the SGF project at the WPCP.

SUMMARY: The SGF project was included in the $568 million overall WPCP Master Plan 2001 (MP01) budget and the proposed SGF will provide reliable backup electrical power for all WPCP process systems.

BACKGROUND: In January 2003, the County Board endorsed the concept for the WPCP MP01 to enable the County to meet current and future capacity demands in the most environmentally appropriate manner. The capital improvements MP01 provide for redundancy; increased capacity sufficient for existing and future flows estimated to meet the needs out to the year 2015-2020+; a positive environmental impact for Four Mile Run, the Potomac River, and the Chesapeake Bay; as well as address external wet-weather bypasses, aging infrastructure, reliability, odor control , and security matters. This SGF is necessary because the power supply grid in Northern Virginia has experienced numerous low voltage events and outages during storms, inclement weather, and peak demand periods in the last several years. Dominion

County Manager: RC MAA

County Attorney: SAM

Staff: Lawrence Slattery, Bureau Chief, WPCB

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Virginia Power ("DVP") does not have the ability to rectify these challenges in a timely manner. This SGF will enable the WPCP to reliably meet the Total Nitrogen 3 mg/l (TN3) required by the Water Quality Improvement Fund (WQIF) grant ($96 million) requirements, participate in Dominion Virginia Power's Demand Side Management Program, better achieve Fresh AIRE goals, address fuel availability challenges with the flexibility of the generators to operate on a dual fuel natural gas-diesel blend, and ensure that emissions generated will be within applicable County, State and Federal Regulations.

DISCUSSION: On June 18, 2009, four firms submitted their bids under the Invitation to Bid No. 51-09:

Specialty Construction Management Inc.	$ 5,149,000
Alpha Construction Inc.	$ 5,677,000
Norair Engineering Corp.	$ 5,697,520
G-W Management Services LLC	$ 6,596,000

The low bidder, Specialty Construction Management Inc. (SCM) was found to be responsible and the bid submitted was responsive It is recommended that a construction contract be awarded to SCM. A contingency fund of $ 772,350 is recommended for change orders. Therefore, the total construction contract authorization is $ 5,921,350. The engineer's construction estimate is approximately $ 7,000,000.

Malcolm Pirnie, Inc. (MP), Design Engineer, was selected to perform specific Engineering and Construction Services related to the WPCP and the SGF under RFP No. 428-02. The increased scope of the services requested herein under this Amendment, includes but is not limited to:

1. MP will perform Civil, Structural, Architectural, Mechanical, and Electrical Submittal Reviews, respond to Request(s) For Information (RFI), provide CCR (design changes) development, and Non-Compliance Report Review(s).

2. MP will perform on-site and off-site Project Administration, attend Progress Meetings, and perform Instrumentation & Control Start-up Testing, Inspection for Substantial Completion, and Inspection for Final Completion.

The total authorization for the engineering construction services under the Amendment is $798,043.

FISCAL IMPACT: The SGF project is included in the $568 million overall budget for the Master Plan 2001 (MP01) upgrade and expansion project at the DES Water Pollution Control Plant. The SGF project will be funded by the Virginia Department of Environmental Quality Water Quality Improvement Fund Enhanced Nutrient Removal Grant, Inter-Jurisdictional partners who are responsible for their proportionate share of the costs, General Obligation (GO) bonds, and possibly the Virginia Department of Environmental Quality Revolving Loan Fund. The debt service costs are included in the annual projections for the Water Sewer Rate, which ultimately funds the repayment of the debt service associated with MP01. Rate increases are

projected to approximately range from 5%-10% per year for several years for funding of all Utilities Fund projects and operating expenses. The following accounts should be used for the SGF project:

SGF Construction Agreement

- 530.43541.WSGC.PJF.0000 (GO Bonds)
- 519.43541.WSGC.0000.0000 (all other funding sources)

SGF Engineering Amendment

- 530.43541.WSGS.PJF.0000 (GO Bonds)
- 519.43541.WSGS.0000.0000 (all other funding sources)