



CALIFORNIA
AMERICAN WATER

MPWSP Conveyance Facilities RFP Results

Presented to: MPWSP Governance Committee

Date: December 16, 2015

Conveyance Facilities RFP Overview

Seven Bid Packages (~22 miles of pipe):

1. Feedwater pipelines – 42”
2. Brine and Salinas Valley Return pipelines – 36”
3. Transfer pipeline (desal plant to terminal reservoir) – 36”
4. ASR pipelines for ASR wells 5 & 6 – 3x 16”
5. Monterey pipeline (terminal reservoir to Eardley) – 36”
6. Terminal Reservoir construction – 2x 3 MG reservoirs
7. Pump station – Monterey Transfer & Carmel Valley

Other Details:

- ◆ Seven contractors pre-qualified through RFQ process
- ◆ August 17 - RFP issued
- ◆ November 4 - proposals received from six contractors
- ◆ RFP required pricing & schedule for 15, 18 and 24 months of construction.
- ◆ Option to bid on all or individual packages
- ◆ Unit pricing

Proposal Prices

lowest price <<< indicates

Bids for 15 Month Construction Schedule

Bid Items	Garney	Granite/Rados Cost	Mountain Cascade	MPE	Ranger	Rasic
1 Feed Water Pipeline	\$ 13,478,181	16,150,446	13,668,160		14,788,380	13,504,030
2 SVR & Brine Return Pipeline	4,324,360	4,459,000	\$ 3,892,480	4,149,500	4,260,590	5,536,560
3 Transfer Pipeline	\$ 23,590,220	28,274,418	26,928,426		32,500,685	31,831,470
4 ASR Pipelines	5,345,836	5,141,003	5,154,427	\$ 4,011,780	6,224,740	7,130,700
5 Monterey Pipeline	\$ 32,864,370	43,626,143	35,458,001		33,356,405	45,928,610
*6 Terminal Reservoir excl. EI&C	12,994,201	14,027,612	15,267,513	\$ 11,555,250	12,185,200	17,366,510
*7 Booster Pump Stations excl. EI&C	5,873,161	3,769,862	5,256,807	\$ 2,770,425	5,021,100	7,424,735
Total 15 month	\$ 98,470,329	\$ 115,448,484	\$ 105,625,814	\$ 22,486,955	\$ 108,337,100	\$ 128,722,615

Total Cost: \$92,162,706 + \$2.5M for EI&C allowance = \$94,662,706

Note: For the 18 & 24 month schedule cost Garney, MPE, and Ranger submitted no cost change while Granite/Rados, Mountain Cascade and Rasic increased cost

* Excludes electrical, instrumentation and control (EI&C) costs because the EI&C design and specifications were not fully complete to provide firm detail pricing.

General Rankings by Bid Package

BID PACKAGE	CATEGORY	Garney	Granite & Rados	Mountain Cascade	MPE	Ranger	Rasic
#1 FEEDWATER PIPELINE	TECHNICAL CRITERIA (40 pts)	2	1	5	NO BID	4	3
	BUSINESS & FINANCIAL CRITERIA (60 pts)	1	5	4		3	2
	OVERALL RANKING	1	3	5		4	2
#2 SVR & BRINE PIPELINES	TECHNICAL CRITERIA (40 pts)	2	1	5*	5*	4	3
	BUSINESS & FINANCIAL CRITERIA (60 pts)	4	5	1	2	3	6
	OVERALL RANKING	2	3	1	5	4	6
#3 TRANSFER PIPELINES	TECHNICAL CRITERIA (40 pts)	2	1	5	NO BID	4	3
	BUSINESS & FINANCIAL CRITERIA (60 pts)	1	2	3		5	4
	OVERALL RANKING	1	2	3		5	4
#4 ASR PIPELINES	TECHNICAL CRITERIA (40 pts)	2	1	5*	5*	4	3
	BUSINESS & FINANCIAL CRITERIA (60 pts)	4	2	3	1	5	6
	OVERALL RANKING	3	2	4	1	5	6
#5 MONTEREY PIPELINES	TECHNICAL CRITERIA (40 pts)	2	1	5	NO BID	4	3
	BUSINESS & FINANCIAL CRITERIA (60 pts)	1	4	3		2	5
	OVERALL RANKING	1	3	4		2	5
#6 TERMINAL RESERVOIRS	TECHNICAL CRITERIA (40 pts)	2	1	5*	5*	4	3
	BUSINESS & FINANCIAL CRITERIA (60 pts)	3	4	5	1	2	6
	OVERALL RANKING	2	4	5	1	3	6
#7 PUMP STATIONS	TECHNICAL CRITERIA (40 pts)	2	1	5*	5*	4	3
	BUSINESS & FINANCIAL CRITERIA (60 pts)	5	2	4	1	3	6
	OVERALL RANKING	4	2	5	1	3	6

Conveyance Facilities

Estimate vs. Updated Estimate with Proposal Pricing

Item	Dec. 2015 Update (2015 Dollars) (Millions)	Nov. 2013 Update (2012 Dollars) (Millions)
	Same Cost for Both Plant Sizes	Same Cost for Both Plant Sizes
Base Construction Costs – CAW Only Fac.		
Transfer Pipeline (Seaside to Term. Res.)	\$ 9.7	\$ 7.1
So. Trans. Pipeline (1 st to Seaside Turnout)	incl. above & northern xfer	\$ 6.2
Monterey Pipeline	\$ 32.9	\$ 13.2
Monterey Transfer Pump Station	\$ 2.5	\$ 1.5
Valley Greens Pump Station	\$ 1.9	\$ 0.3
Terminal Reservoir	\$ 11.8	\$ 9.2
ASR Wells 5 & 6	\$ 8.0	\$ 6.6
ASR Pipeline	\$ 4.0	\$ 3.4
Base Construction Subtotal – CAW Only Fac.	\$ 70.8	\$ 53.4
Implementation Costs	\$ 16.8	\$ 16.7
ROW/Land	\$ 2.8	\$ 4.9
Escalation Allowance	\$ 2.5	NA
Contingency Allowance	\$ 9.7	\$ 16.4
Mitigation Cost Allowance	NA	\$ 1
Total CAW Only Facilities Cost	\$ 102.6	\$ 85.0
Electrical and I&C Allowance – PS & TR	\$2.5	incl. above
Northern Transfer Pipeline	\$25.2	\$18.5
Subtotal Conveyance Facilities	\$ 130.3	\$ 103.5
Inflation Adj. of 2012 est. to 2015 dollars (2.5%/yr)	--	\$ 8
TOTAL CONVEYANCE FACILITIES COST ESTIMATE	\$130.3	\$ 111.5

MPWSP Overall Budget Summary

Item	Dec. 2015 Update (2015 Dollars)		Nov. 2013 Update (2012 Dollars)	
	6.4 MGD	9.6 MGD	6.4 MGD	9.6 MGD
Base Construction Costs				
Intake Wells/Supply/Return Facilities	\$51 M	\$ 58 M	\$ 39 M	\$ 47 M
Desalination Plant	\$ 80 M	\$ 87 M	\$ 65 M	\$ 84 M
Northern Transfer Pipeline	\$14 M	\$ 14 M	\$ 11 M	\$ 11 M
CAW <u>Convey., Term. Reser., & ASR</u>	\$ 71 M	\$ 71 M	\$ 53 M	\$53 M
Base Construction Subtotal	\$ 216 M	\$ 229 M ¹	\$ 168 M	\$ 195 M
Implementation Costs	\$ 52 M	\$ 52 M	\$ 43 M	\$ 43 M
ROW/Land/Outfall	\$ 15 M	\$ 15 M	\$ 8 M	\$ 9 M
Escalation Allowance	\$ 13 M	\$ 15 M	NA	NA
Contingency Allowance	\$ 26 M	\$ 28 M	\$ 42 M	\$ 57 M
Mitigation Cost Allowance	NA	NA	\$ 3 M	\$ 3 M
Brine & <u>Potero Rd</u>	see Note ²	see Note ²	\$ 32 M	\$ 32 M
Total Capital Cost	\$ 322 M	\$ 338 M ¹	\$ 296 M	\$ 338 M ¹

1 - The total does not equal the sum of the above line items due to rounding.

2 - A brine outfall modification cost has been included in the Intake/discharge portion of the estimate. No further cost has been allocated for the Potrero Road pipeline due to the promising test well results, however, this budget amount is still needed to cover the increases in pipeline costs on the project.

Key Points

- **Experienced Water Infrastructure Contractors**

15 month construction schedule:

- Assumes reasonable permit conditions/restrictions.
- Any necessary advanced procurement cost and lead time will be estimated after detailed construction planning begins.

- **Limited cost exposure prior to Construction NTP (up to ~1% of total)**

At CAW's authorization:

- Up to \$500k pre-construction spend related for general administrative, overhead including bonding and insurance
- Up to \$555k for activities such as permitting, community outreach, value engineering and stakeholder and regulatory meetings. Most of this spend will occur between CPCN and CCC approvals.