

Staff Report

for the Board of Directors Meeting of June 27, 2018

TO: Members of the Board of Directors

FROM: Greg Jones, Assistant General Manager

DATE: June 20, 2018

SUBJECT: **Combie Sediment and Mercury Removal Project (FATR #2135):
H&K/NV5 Contract Authorization**

ADMINISTRATION

RECOMMENDED ACTION:

Award an Agreement for Consulting Services to Holdredge & Kull / NV-5 Corporation (HK/NV5) in the amount of \$519,774, for project management and regulatory compliance activities of the Combie Sediment and Mercury Removal Project, and authorize the General Manager to execute the necessary documents.

BACKGROUND:

On April 25, 2018, the NID Board of Directors approved Resolution #2018-08 authorizing the General Manager to execute the Funding Agreement and any Amendments thereto, in the amount of \$5,500,000 with the Department of Water Resources for the Combie Sediment and Mercury Removal Project. This Agreement (#4600012439) has been executed by all parties. This funding has been specifically targeted towards the sediment removal and treatment processes of the Combie Project.

On November 1, 2017, NID sent a Request for Proposal (RFP) for Project Management to four companies, including: H&K/NV5, Cavello, Stillwater Sciences and the Sierrans. NID received two proposals in response, one from H&K/NV5 for \$542,580 and the other from the Sierrans for \$1,335,401. Due to their past experience, expertise, capabilities, knowledge of the project, and cost we chose to work with H&K/NV5 as the contract project manager. In January 2018, NID engaged in a preliminary services contract with H&K/NV5 to begin this work.

Since January 2018, H&K/NV5 has been active in assisting NID and other project partners with permitting, CEQA update, process flow assessments, project planning and design review. Further, they have re-evaluated their initial proposal and reduced the overall cost proposal by 4%. This contract will be executed through a time and materials (T&M) budget thru the end of 2020.

The contract amount for \$519,774 is inclusive of project planning and design review, creation and monitoring of an implementation work plan, quality assurance plan, and

health & safety plan, regulatory compliance, laboratory testing, effectiveness monitoring, and process review and documentation.

This contract is one of a number of contracts necessary to complete the project as outlined in the projected budget table below.

| Task | Description | DWR (10115-52915) | NID Funds (10115-52915) | Totals | Contractor | FY Period |
|------|--|----------------------|----------------------------|--------------------|-------------|-------------|
| 1 | Project Management / Compliance Activities | \$ - | \$ 519,774 | \$ 519,774 | H&K/NV5 | 2018 - 2020 |
| 2 | Concentrator Alteration & Mercury Consultation | \$ 100,000 | \$ - | \$ 100,000 | T. Reimchen | 2018 - 2019 |
| 3 | Knelson Concentrator | \$ 209,143 | \$ - | \$ 209,143 | FLSmith | 2017 - 2018 |
| 4 | Sed Removal & Mercury Recovery Operations | \$ 4,576,000 | \$ 42,723 | \$4,618,723 | GLEI | 2018 - 2020 |
| 5 | Sediment Disposal | \$ - | \$ 600,000 | \$ 600,000 | Teichert | 2018 - 2020 |
| 6 | Biological Research Activities & Reporting | \$ 400,000 | \$ 701,477 | \$1,101,477 | USGS | 2017 - 2022 |
| 7 | Community Engagement & Outreach | \$ - | \$ 100,000 | \$ 100,000 | TSF | 2017 - 2020 |
| N/A | Budget Unallocated | \$ 214,857 | | \$ 214,857 | Unallocated | |
| | Project Total | \$ 5,500,000 | \$ 1,963,974 | \$7,463,974 | | 2017 - 2022 |

Staff recommends awarding Agreement for Consulting Services to H&K/NV5 in the amount of \$519,774 for project management and regulatory compliance activities of the Combie Sediment and Mercury Removal Project, and authorize the General Manager to execute the necessary documents.

BUDGETARY IMPACT:

The Combie Reservoir Sediment and Mercury Removal Project (FATR 2135) will cost \$7.5M, the District's executed grant award Agreement #4600012439 with the State of California Department of Water Resources is \$5.5M and \$2.0M is being funded from Capital Reserves.