

Special Meeting Pinole / Hercules Wastewater Subcommittee AGENDA 8:30 a.m. May 27, 2014 Pinole City Hall 2131 Pear Street Pinole, CA 94564



1	CALL TO ORDER
2	FLAG SALUTE
3	INTRODUCTION OF PARTICIPANTS
4	PUBLIC COMMENTS
5	APPROVAL OF THE APRIL 17, 2014 AGENDA
6	CONSTRUCTION MANAGEMENT SERVICES Recommendation: Recommend that the City Council for the City of Pinole award and execute a Construction Management Services Contract for an amount not to exceed \$2,154,548, with Carollo Engineers for services related to the Wastewater Treatment Plant Upgrades
7	COMMENTS FROM BOARD MEMBERS AND STAFF
8	ADJOURNMENT Adjourn to the next meeting regular meeting on July 17, 2014 in the City of Hercules

POSTED: Thursday May 22, 2014 @ 4:00 p.m.

Ana Morales, Administrative Secretary

PINOLE / HERCULES Wastewater Subcommittee

Draft Minutes prepared by: Anita Tucci-Smith April 17, 2014 8:30 A.M.

The meeting was hosted by the City of Pinole in the City Council Chambers of City Hall.

Tim Banuelos, Mayor of Pinole, called the meeting to order at 8:34 A.M.

1. CALL TO ORDER

Subcommittee Members Present:

Tim Banuelos, Mayor, City of Pinole Debbie Long, Councilmember, City of Pinole Sherry McCoy, Vice Mayor, City of Hercules Dan Romero, Councilmember, City of Hercules

Subcommittee Members Absent:

None

Staff Present:

Belinda Espinosa, City Manager, Pinole Dean Allison, Public Works Director/City Engineer, Pinole Ron Tobey, Plant Manager, Pinole Phil Batchelor, Interim City Manager, Hercules Jeff Brown, Public Works Manager, Hercules

Member(s) of the Public:

Chris Davenport, The Covello Group Mallika Ramanathan, HDR Engineering, Inc. Brian Danley, Harris & Associates Anthony Guiterrez, Pinole Resident James Tillman, Pinole Resident

2. FLAG SALUTE

Pinole Mayor Banuelos led the Pledge of Allegiance.

3. INTRODUCTION OF PARTICIPANTS

4. PUBLIC COMMENTS

Jim Tillman, Pinole, expressed concern with the history of the agreement between the cities of Pinole and Hercules; the author of the most recent agreement between the two cities; the West County flow; and the bonds.

Mr. Tillman stated he had checked on the agreement, had found some inconsistency in how the agreement had been reached and approved, had concern with the legality of the agreement, and had concerns that Pinole residents were paying a disproportionate share of the costs for plant upgrades.

Belinda Espinosa, Pinole City Manager, explained that the City of Pinole would not be issuing bonds jointly; the City would stand alone on all financial matters, and would invoice Hercules to pay its portion. There were independent applications before the State Revolving Loan Fund and each or both could or could not be funded. She emphasized that there would be no commingling of funds. She also clarified again that the JPA was a Joint Project Agreement and not a Joint Powers Authority.

5. APPROVAL OF THE FEBRUARY 27, 2014 MINUTES

Hercules Councilmember McCoy requested a correction to the minutes to show that Debbie Long had incorrectly been shown as Mayor of Pinole.

Action: Motion by Hercules Councilmember McCoy, seconded by Pinole Councilmember Long to approve the minutes of the February 27, 2014 meeting, as amended to show that Debbie Long was a Councilmember and not Mayor, carried by the following vote:

Ayes:

Long, McCoy, Romero, Banuelos

Noes:

None

Abstain:

None

Absent:

None

6. PEER REVIEW AND VALUE ENGINEERING REVIEW OF PLANT UPDATES

Chris Davenport, The Covello Group, provided a PowerPoint presentation on the Peer Review and Value Engineering Report, and The Covello Group's recommendations after the review of the preliminary engineering study to improve the design of the plant upgrades or to reduce costs.

Mallika Ramanathan, HDR Engineering, Inc., spoke to the recommendations offered by the Peer Review and stated that of the 75 recommendations the majority were being incorporated into the design. Of those 75 recommendations, only 19 would not be incorporated into the design of the plant upgrades.

Dean Allison, Public Works Director/City Engineer, Pinole, clarified when asked, that the Peer Review recommendation for redundant pumps related to the deep outfall line had been declined after a thorough evaluation, and the report that documented that evaluation could be shared with the Wastewater Subcommittee. As to schedule, he reported that the 65 percent plans were expected to be submitted in early May.

The Wastewater Subcommittee received the PowerPoint report on the Peer Review and Value Engineering Report.

7. PROCUREMENT OF CONSTRUCTION MANAGEMENT SERVICES

Mr. Allison highlighted a recent meeting with the Regional Water Quality Control Board (RWQCB) and emphasized that the schedule was critical in that any delay in the process here on out would delay the completion of the project. He explained that the procurement of Construction Management services was critical now given the anticipated 65 percent plans from HDR Engineering in May and because the Construction Manager would perform a constructability review of the plans before completion. The City had issued a Request for Proposal (RFP), four firms had responded, proposals were now under review, and interviews had been scheduled for April 21, 2014. The Construction Manager was expected to be selected soon thereafter with final terms to be negotiated. He requested a special meeting on May 8, 2014 at 8:30 A.M., in lieu of the originally scheduled meeting on May 15, for the sole purpose of selecting the Construction Manager, to then award a contract on May 20, 2014 to be able to move the project forward on schedule.

On the discussion, the Wastewater Subcommittee requested in the interview process that staff ask the candidates their ideas on staging.

Anthony Guiterrez, Pinole, expressed concern that there could be a design change between now and the 65 percent plans, and he requested that Construction Managers to be interviewed be asked about their on-time delivery.

The Wastewater Subcommittee received the report on the status of the procurement process for a Project Manager for the plant upgrades.

8. FISCAL YEAR 2014-2015 BUDGET

Mr. Allison highlighted the Draft Fiscal Year 2014-2015 budget, reported that it was 1.2 percent greater than the FY 2013-14 budget, and that the FY 2014-15 capital budget totaled \$22 million and included the construction of plant upgrades.

On the discussion, members of the Wastewater Subcommittee recommended an identification of the year-to-date budget in the future and a statement of whether or not it was on track, with that information to be emailed to Subcommittee members.

Anthony Guiterrez, Pinole, verified that the numbers were part of the City of Pinole budget, which **Ms. Espinosa** affirmed and added that the City of Hercules would be invoiced for 50 percent of the cost.

Jim Tillman, Pinole, requested a breakout of what was charged to the City of Hercules to find out how much was being offset by that City. When **Ms. Espinosa** stated that Hercules was not paying for any of her time, **Mr. Tillman**, as a ratepayer, expressed concern paying for things that benefitted other cities. He requested that the issue be evaluated further, that the contract be analyzed, and that Ms. Espinosa's time be estimated prior to the distribution of the budget.

9. STANDING ITEM – PROJECT STATUS

This item was previously discussed with the schedule.

10. STANDING ITEM - STATUS OF STATE REVOLVING LOAN FUND APPLICATION

Mr. Allison reported that staff had met with the loan panel, the State was looking at environmental issues, was refreshing reports, and appeared to be pleased that the two cities were working together on the project. The environmental process was expected to be completed in 45 to 60 days,

Jeff Brown, Public Works Manager, Hercules, concurred that the State was pleased to see the cities working together and was content that the cities could meet all the construction timelines.

Jim Tillman, Pinole, asked if the Revolving Loan Fund would be impacted by the City of Pinole's issue with respect to Pinole Valley Park.

Hector de la Rosa, Assistant City Manager, Pinole, reported that the grant situation with respect to the purchase of Pinole Valley Park related to a federal grant being administrated by the state, and at this point the City had been told that the federal government had no problem with the process and there would be no halt to any type of grant now or in the future.

11. FOLLOW-UP ITEMS

Mr. Allison highlighted the follow-up items and emphasized the focus on the Construction Manager process at this time.

12. COMMENTS FROM BOARDMEMBERS AND STAFF

There were no comments.

13. ADJOURNMENT

The meeting was adjourned at 10:35 A.M. to a special meeting on May 8, 2014 at 8:30 A.M. in the City of Pinole.





AGENDA ITEM 6

TO: WASTEWATER SUBCOMMITTEE

FROM: DEAN ALLISON, DEVELOPMENT SERVICES

DIRECTOR CITY OF PINOLE

MEETING DATE: MAY 27, 2014

SUBJECT: CONSTRUCTION MANAGEMENT SERVICES

CONTRACT FOR THE PINOLE-HERCULES

WASTEWATER TREATMENT PLANT UPGRADE

PROJECT

RECOMMENDATION

It is recommended that the City Council for the City of Pinole proceed to award and execute a Construction Management Services Contract for an amount not to exceed \$2,154,548 with Carollo Engineers for services related to the Wastewater Treatment Plant Upgrade Project.

REVIEW AND ANALYSIS

As the Subcommittee is aware, we are now in the final engineering stage of the Wastewater Treatment Plant Upgrade Project. The final engineering is anticipated to be complete in November 2014 and the construction will take place over the next two fiscal years including FY 2014-15 and FY2015-16.

The next critical step in the project is the procurement of construction management services. Once hired, the Construction Manager will assume a key role in the project including:

- Integration into the project team;
- Performing a constructability review of the project;
- Providing input on project specifications, sequencing, staging and other construction related issues; and
- Assuring that the project remains within budget and on schedule

In March 2014, a Request for Proposals (RFP) was circulated to four qualified firms. On April 10, 2014, proposals were received from four firms including:

- Carollo Engineering
- Harris and Associates
- The Covello Group
- West Yost and Associates.

The RFP requested proposals to be submitted in the two-envelope format, the first envelope contained the firm's qualifications, work plan, staffing plan, and resumes for key individuals. The second envelope contained the fees, and hourly rates. The RFP did not specify how construction management services should be provided, but rather firms were asked to specify a work plan and staffing level.

INTERVIEW PROCESS

Interviews were conducted with all four firms, by the Director of Public Works for the City of Hercules, the Wastewater Plant Manager and the Development Services Director for the City of Pinole. Prior to the interviews, the panel reviewed the qualifications portion of the proposal only and did not open or review the envelopes containing costs.

The interview process consisted of two parts. For Part One, only the two key persons that would be fully committed to our project were allowed in the room to be interviewed by the panel. This was to assess the communication skills, technical abilities, relevant experience and other characteristics of two persons who be managing our project on a day to day basis. All too often, interviews with prospective firms are dominated by principals of the firm, who will have little to no role in delivering services once the contract in awarded.

Part Two of the interview process included everyone from the firm to allow them to make a presentation of the firms approach and capabilities. This was followed by a Question and Answer period. A few days after the final interview, the interview panel met to compare notes and rankings.

PANEL ASSESSMENT

Based on the individual rankings and notes, all three members of the interview panel selected Carollo Engineers as the most qualified firm. Some of the reasons discussed included:

- The two key persons assigned to the project have significant experience:
 - with a project of equal size and complexity;
 - a full understanding of the operation of a treatment plant. (One of two key members of the Carollo Engineers team is a certified plant operator);

- possess superior communication skills, and their personalities were a good fit with plant staff; and
- have reviewed our project, understand its complexities and have suggestions for possible improvement
- The firm Carollo Engineers has significant experience in the design and construction of waste water treatment plants.
- The firm Carollo Engineers is a design firm, and therefore can review the design prepared by HDR from a design as well as construction management perspective.
- The Construction Manager is a dynamic and confident manager, with significant experience on similar projects. He has experience as a contractor, and is the sort of person who will be a strong representative of the cities when issues arise in the field.
- The firm Carollo Engineers has a track record averaging about 3% in change orders on a project of this magnitude and complexity

Once the interview panel selected Carollo Engineers as the most qualified, the second envelopes from all the firms who had submitted a proposal were opened in order to review the proposed costs. Carollo Engineering offered the lowest price proposal.

With this assessment, all four firms were contacted, and informed of the panel's decision. The panel then began discussions with Carollo Engineers regarding their proposal, including price.

REVIEW AND DISCUSSION ON PROPOSED COSTS

Staff from both cities met with Carollo Engineers on three occasions and spoke multiple times over the telephone regarding labor rates, hours in the contact, and overhead charges. Staff determined that the original cost proposal from Carollo Engineers included overhead costs that were not offering value to the cities. In addition, the hourly rate proposed by the Construction Manager was significantly greater than the other firms.

After several rounds of negotiations, the proposal from Carollo Engineers was adjusted downward by approximately \$110,000. The savings were programmed into additional hours that Staff believes will be required to deliver this project in the most efficient, productive and cost effective manner possible and including a second review process at the 90% phase of the project.

At the end of negotiations, the proposal from Carollo Engineers has the lower overall costs, and thus best value for the cities. For all these reasons stated above, Staff is confident in its recommendation that a contract be awarded to Carollo Engineers.

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FISCAL IMPACT

The recommended action is to expend \$2,154,548 for construction management services as follows:

Tasks	Amount
65% Review	\$ 31,992
90% Review	\$ 60,226
Services During Advertising	\$ 6,968
Services During Construction	\$1,955,362
Allowance for Material Testing	\$ 100,000
Total	\$ 2,154,548
	65% Review 90% Review Services During Advertising Services During Construction Allowance for Material Testing

Outlined in Attachment A is the detail information on the summary costs for Tasks One through Four. During construction, it will be necessary to contract with a material testing laboratory regarding concrete strength and percentage compaction of soil conditions. Staff estimates that an allowance of \$100,000 will be adequate.

This amount is consistent with the estimates originally proposed by Staff. Costs of Construction Management Services are considered a capital expense and will be split 50% / 50% between the two cities.

Initial funding for the construction management services will be provided from current unallocated fund balances and is eligible for reimbursement once the State revolving Loan Fund application is approved and initiated.

ATTACHMENTS

Attachment A Summary of Costs

Attachment B Proposal by Carollo Engineers

ATTACHMENT A - Summary of Costs

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Name	Title	Hours	Hourly Rate		Extension
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Andre Gharagozian	Civil and Process	80		↔	19,520
Structural		80	\$ 244	ક્ક	1,952
Electrical and Instrumentation		80	\$ 244	↔	1,952
Mark Wing	Resident Project Representative	40	\$ 168	↔	6,720
Reproduction, equipment, and communication costs	inication costs			↔	096
Mileage				↔	888
			Subtotal	မှာ	31,992
Task Two: 90% Review	100	:			
Name	l rtle	Hours	Hourly Rate		Extension
Andre Gharagozian	Civil and Process	65	\$ 244	↔	15,860
Structural		77	\$ 244	↔	18,788
Electrical and Instrumentation		85	\$ 244	↔	20,740
Mark Wing	Resident Project Representative	10		↔	1,680
Reproduction, equipment, and communication costs	inication costs			↔	2,270
Mileage				ઝ	888
			Subtotal	↔	60,226
Task Three: Services During Advertising					
Name	Title	Hours	Hourly Rate		Extension
Mike Warriner	Construction Management	24	\$ 205	ઝ	4,920
To be named	Clerical	10	\$ 102	↔	1,020
Reproduction, equipment, and communication costs	nication costs			↔	340
Mileage				↔	688
			Subtotal	မှာ	6,968
Task Four: Services During Construction					
Name	Title	Hours	Hourly Rate	_	Extension
Mike Warriner	Construction Management	1332	\$ 205	↔	273,060
Mark Wing	Resident Project Representative	3953		↔	664,104
Bob Carlon	Inspector	3868		↔	537,652
Mike Deluna	Electrical Inspector	1360	\$ 154	↔	209,440
To be named	Field Represntative (as needed)	1000	\$ 139	↔	139,000
To be named	Field Clerk	398	\$ 112	↔	44,576
Labor Escalation During Construction				↔	56,030
EADOC web-based documentation				↔	31,500
			Subtotal	₩	1,955,362
Grand Total				49	2.054.548
				•	



April 10, 2014

Mr. Dean Allison
Director of Development Services/City Engineer
City of Pinole
2131 Pear Street
Pinole, CA 94564

Subject:

Proposal to Provide Construction Management Services - Pinole/Hercules Water Pollution

Control Plant

Dear Mr. Allison:

This project is very important for Cities of Pinole and Hercules. Carollo understands your need for a quality construction project that mitigates your risk while providing continuous service to your customers. We are the right CM team for your project because we offer:

An understanding of your organizations and the importance of good communication. Due to both Cities' organizational structures, it is especially important to establish a communication plan that will keep everyone informed of progress and facilitate timely decision-making. Decision-making delays can cost you time and money. Frequent interaction, coupled with one representative for both Cities will be critical.

A skilled and experienced CM team. Our CM team has worked together for years and has completed several projects like yours. All of our CM team members have more than 20 years of experience—we know how to manage construction risk while maintaining progress. We also have the experience to solve problems as they arise and make sound recommendations to keep your project moving forward.

Familiarity with project participants and your facilities. Carollo has worked with the Cities and your plant staff during several projects in the last eight years. We have also successfully collaborated with HDR in a design-CM relationship on several recent projects. This knowledge will facilitate efficient communication and problem solving as the project progresses.

Skill in navigating the SRF process. Our team has provided CM for numerous SRF projects and can support the Cities in making sure the contractor meets Davis-Bacon and other federal requirements. We are also working with the state to secure SRF assistance for many of our clients and can support the Cities in that capacity, if needed.

We have reviewed and accepted your consulting services agreement. We appreciate your consideration of Carollo for this important project and look forward to continuing our record of service to the Cities.

CAROLLO ENGINEERS, INC.

Michael R. Warriner, P.E.

Construction Manager

Steven G. Swanback, P.E.

Principal-in-Charge

Project Approach

The Pinole/Hercules Wastewater Pollution Control Plant Upgrade project is the largest construction project the Cities of Pinole and Hercules have undertaken at the plant. It is important that the work be managed by a professional team that will work cooperatively with all parties involved to ensure a high-quality project completed on time and under budget.



What sets the Carollo team apart is our past experience and successful management of similar sized projects with similar elements and issues. Our team includes career CM professionals from Carollo's Construction Management Services Group. These are dedicated professional construction managers, resident engineers, inspectors, and specialty inspectors with practical field experience. They understand how agencies work and what support is needed, and bring a construction project approach that helps make sure there will be no surprises.

What we deliver is a higher quality construction project than small engineering firms that use design staff to fulfill field assignments, or large third-party CM firms that provide services for all types of public and private facilities. Carollo specializes in water and wastewater. It's all we do. We understand the intent, function, and intricacies of complex treatment plant projects from conception to startup.

What We Know from Working in Treatment Plants: "Close enough"... is not enough

Too often with low-bid public works projects, there is a push to get it done as cheap and as fast as possible. The feeling of some contractors is that if the construction does not exactly meet the specifications, it was "close enough for government work." The Carollo team does not share that viewpoint. The difference between "close enough" and getting it right is working collaboratively—proactively engaging the contractor, plant personnel, the Cities' project manager, and the design engineer to resolve technical issues and coordinate construction activities.

Construction is all about production, and lack of production will tempt the contractor to cut corners to deliver on schedule. During construction, each member of the CM support team must be familiar with the plans and specifications, and understand how to carry them out in the field in order to stay on

top of the contractor. This requires more than writing memos and notices to the contractor. Your team needs to keep one eye on the construction work to make sure it meets the designer's intent and the other eye on the contractor's look-ahead schedule. The Cities benefit from our focus on the work being performed with an understanding of how each task fits into the total project. The goal is to get it right the first time.

Upon completion, the new facilities must be accepted by and turned over to your O&M personnel. Our proactive approach, which fully accounts for the Cities' organizational framework, will translate to acceptance by plant staff at project closeout because they were engaged from day one.

PROJECT APPROACH

Our overall approach is to manage the various construction risks associated with this construction project. Risk management on behalf of the Cities is the central theme of our construction management services. The areas of potential risk to be managed, our objectives and our approach to addressing these issues are presented in the table on the following page.

Carollo's CM philosophy is to:

- See that the Cities gets what they paid for.
- Provide clear communication to all parties.
- Deliver a smooth transition from design to construction to startup.
- Protect the Cities from costly change orders during construction.
- Prevent claims after construction is completed.

We strive to provide the highest quality service regardless of whether we are performing CM services for our own designs or for designs by other firms. When Carollo serves as the third-party CM, we share the risk as well as the reward for your project. For example, we will take a proactive role in either mitigating the generation of RFIs or, as necessary, in responding to RFIs that do not require the design engineer's interpretation of design intent. We will forward only relevant RFIs to the design engineer for response. This approach will save the Cities money by reducing unnecessary paperwork and resolving simple issues without delays.

Construction Phases

Most third-party construction managers will take the role of "interested bystander" in managing the project. The schedule belongs to the contractor and their means and methods are their own. Eventually they will finish the project in their own time while the CM stands by to "observe and report." The Carollo team approach is hands-on from day one.

Each party brings a different skill set to a construction project. The contractor brings skilled labor, raw materials, and equipment to construct the project. The designer brings a vision of combining individual constructed elements into a complete design to treat wastewater. In the real word, the interpretation of the plans and specifications by one is not always the vision held by the other. The construction manager is the blend between these parties and negotiates those differences to find a common solution. Carollo plays this role successfully by being part designer and part contractor—using our vast plant construction experience and knowledge of treatment practices to get the project built efficiently and bridge any differences that occur. The Cities benefit from a construction manager that can relate to both sides of the argument and resolve issues to keep the project moving ahead.

Our Role as Owner's Construction Manager

We never forget what our role is as the owner's representative. Phasing of construction projects is done for one reason and one reason only—because it benefits the customer. Working in an operating plant requires finesse and knowledge of the potential impacts. Shut the wrong piece of equipment down and wastewater is not properly treated. We understand that better than most because of our water and wastewater focus. We see our job as not to monitor the work and penalize the guilty party if the process goes wrong, but to use our knowledge of construction and treatment practices to prevent process upsets from occurring. Every plant site and treatment process is different. We work with your plant staff to understand what measures are critical to keep your plant functioning and tailor our approach to best safeguard your treatment

plant and guide the contractor through the different phases of construction.

Sometimes construction phases need to be altered to meet the owner's need. The Carollo team is right there to sit with the contractor and modify the workflow to best serve the client in a safe and cost-efficient manner.

OBJECTIVES

As your construction manager, Carollo has a significant professional investment and interest in working with you this project. As such, our approach to construction management is constantly being updated and improved upon. The adage, "What have you done for me recently?" applies to our work every day. It is not enough to say we have done a great job managing similar projects for other cities and agencies. Our recent and relevant experience with the same project elements such as the headworks, aeration basins, secondary clarifiers, and solids handling facilities, goes a long way in addressing the similar challenges inherent in this project. The question to be asked is, "What benefits and innovations will we bring to address your challenges and achieve success?"

As good as the current project may be, the next one must be better. As a result, our approach combines our lessons learned with recent innovations to try to continuously exceed the Cities' expectations. For example:

- 4-D Schedule Modeling. We use 4-D schedule modeling techniques to provide a visual representation of the project progress. This allows us to work with the contractor to identify potential conflicts between work crews or project elements. It also allows us to show the Cities how the cash flow will proceed and provide visual representations of the progress at any chosen milestone.
- Interim Project Milestones. We will proactively prevent delays by establishing milestones at key points in the project, particularly where it involves complicated electrical components. Electrical equipment today is a lot more sophisticated than it used to be. Most projects (including this one) now require large, expensive and unique switchgear and motor control centers. During the past five years, the length of time required for electrical coordination studies has increased from an average of four to six months to a year or sometimes longer. To prevent this from impacting the schedule, we will work with the design firm to establish interim milestones for submittal and approval of critical electrical panels and gear. Doing so will reduce stress and prevent delays and claims, creating a better project environment for all parties.

An aggressive Anti-counterfeiting Program. Our team will provide on-site testing of materials to fight counterfeit construction materials. As reported by AWWA last year, the construction industry has become a target for \$1 trillion of substandard counterfeit materials imported from oversees. Without the knowledge of the contractor, materials may be purchased that come complete with falsified mill certificates. These materials can present a safety hazard or result in additional costs to the owner through early equipment failures or contract re-work. Carollo has initiated an industry-leading, on-site testing program to identify and prevent these materials from being incorporated into projects. We will work with the contractor to verify the materials source and validity of equipment shipped onto the site. While the probability of encountering these materials may be low, we believe that prevention of the first occurrence is in the project's best interest.

Mitigation of Construction Issues

On a project of this size, there could be many issues that crop up each day. Your CM team must be able to quickly address and resolve these issues in order to keep the project on schedule. Our role is to proactively look ahead and provide work-around solutions to any potential problem that may arise. We will inspect the work performed to make sure that the contract specifications are met, and document and track the status of submittals, RFIs, and design clarifications to make sure these do not impede construction progress. We will inform the Cities' project manager of key project issues, regularly communicate the status of the project, and address issues that the project manager may believe need a higher level of attention.

When issues require the Cities' attention and approval, we will provide background and explanation of the problem, along with the possible courses of action, associated risks, and recommendations. We have been

Innovative and Cost-Saving Measures

Items	Results	Benefit
Seamless teamwork from a proven team. "Firm but fair" relationship with your contractor	Partnering that works. Trust relationship between the contractor and CM that fair consideration will be given and contract requirements will not be waived.	The Cities gets a good quality product at a fair price, not one where the contractor "nickel and dimes" the owner for every potential change because they are nervous about hidden agendas.
EADOC web based document management system	More efficient information sharing and exchange. Faster turnarounds on documents with fewer revisions.	No delays to work on-site or requests for standby costs. Using this system on our projects in Stockton and Merced, our average response to RFIs was five days with many RFIs being answered in a day or less.
Rigorous inspection and documentation	Cleaner hand-off to the Cities. Operational reliability and fewer disruptions.	A better trained plant staff and fewer bugs in the system. Our start-up process for the City of Merced WWTP began eight months prior to completion. We will be just as proactive for the Cities.
Pre-emptive problem solving	Regular look-aheads to predict and solve potential glitches.	Prevention/mitigation of potential problems associated with shutdowns and tie-ins on other projects.
Working with the designer to get the best design possible	Carollo takes the lead to investigate and offer cost-saving options to the designer to meet the specifications.	Potential cost savings from this collaborative approach. Using our ideas, the City of Merced saved enough to add a new small electrical building rather than retrofitting the existing building as originally designed.
Training the Cities' staff to perform inspection duties	A successful model to empower City personnel to perform this function.	San Jose, Merced, and Washoe County all reaped savings from this approach.
Applying our counterfeit material watchdog program	Actively working with contractors to test for/reduce counterfeit goods in the construction market.	Acquisition of the quality parts as specified at no extra cost, and prevention of accidents and downtime due to inferior look-a-likes.

trusted in this role many times by other owners. We are partners with the Cities in this project and our analysis and recommendations are a result of our involvement and our personal commitment to the project. The table below presents examples of potential issues that may be encountered during the construction project and how we would work to mitigate these before they become problems.

MEETINGS

Some project teams will sit at a weekly progress meeting, pass around the weekly status report, talk about where things are and who has the document, note changes, mark it in the system and repeat the process week after week. Our CM team goes beyond that—not just documenting the work but also actively managing it. Documentation of submittal status is important, but actively sitting with the contractor in an informal setting and discussing the status of construction is more important. This informal one-on-one setting is where the contractor and CM develop that rapport that is so essential to project success. Together they can address many of the small issues so that the project keeps moving. If a decision or contract change is made, it will be formally documented, but a informal, personal exchange can avoid much of the posturing and formal positions that take place in a regular project meeting.

For example, on San Jose's WPCP Reliability Improvements project, the contractor was allowed 14 days for shutdown of the headworks to make structural modifications. Our CM met informally with the contractor, agreed on the specific goals to be achieved during the shutdown, and helped to interpret the shutdown intent. Because of these informal meetings and discussions, the shutdown activities were reorganized and completed in just 10 days, sparing San Jose the cost of four days of standby pumping.

Timely response to all RFIs and design clarifications is critical to maintaining the construction schedule. Again, our CM team will dramatically improve the handling of RFIs and design clarifications for the Cities in this area to ensure timely completion of the project.

The meeting process is not just a weekly get together to check off action list items, but an opportunity to discuss the work in upcoming weeks, review performance on past work, and make adjustments for the remaining tasks. Our meetings are held as an open forum for all parties to actively participate and speak freely about their concerns, as well as congratulate noteworthy accomplishments. For example, as the third-party construction manager Merced's wastewater treatment plant, we were recently told by the design engineer,

Construction Issue Mitigation Measures

Issue	Resolution
Working in an existing plant with underground utilities	 The key is keeping the plant online and maintaining operations, through: Review the as-builts. Perform early potholing. Pothole all of the known utilities in the entire line to be installed prior to pipe fabrication so that changes can be made to the pipe and not delay the contractor. Make plant staff aware of where the contractor is working and which lines may be affected.
Working with multiple contractors on site	The general and subs will be working simultaneously in multiple areas. Some contractors can coordinate this work, but most have problems. Carollo is currently on a site with three different general contractors working on three different projects throughout the site. Carollo set up a plan to have each contractor designate on an area map where they would be working for the month, including road closures and tie-ins. Each month, all of the contractors and related CM leaders meet to see if the contractors would be occupying the same areas. If they are, it is agreed upon by all (depending on schedule, crews, etc.) who will work in each area first. The projects are about two years into construction with zero conflicts among the contractors.
Written and approved shutdown plans for live equipment	These are very critical to keep the plant in operation. Shutdown plans will be reviewed and approved by the contractor, CM, plant operations and sometimes the engineer. This lets plant staff know what provisions they need to make for the shutdown/tie-in. This also verifies that the contractor has the necessary equipment and materials on-site to perform the shutdown/tie-in prior to start of the work. In all cases, there will also be a contingency plan included with the plan if the time to complete the work exceeds the allotted time frame.

"Your progress meetings are by far the most friendly and open discussion I have ever witnessed. All parties openly and calmly discuss issues and there is obvious mutual respect for each stakeholder."

The Carollo team recognizes that each party has their own objectives, but we all share a common goal- a successful project for the Cities of Pinole and Hercules.

DOCUMENT MANAGEMENT

Our plan is to ensure that material test records and documents are properly prepared and archived, redline drawings are prepared and submitted to the engineer, and punchlist items are completed. We propose to use EADOC as the electronic document management system—a system with which we are intimately familiar, having used it on nearly all of our recent work. We will provide training to the Cities, HDR, and the contractor in order to make sure the system is accessible to all team members. All project documents will be contained in this system. Our document management procedures will include:

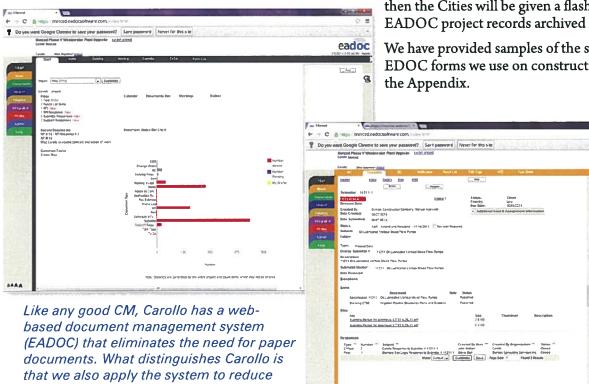
- Sending our inspection reports, with associated progress photos, to the Cities through EADOC on a daily basis.
- Submitting material testing records through EADOC on a daily basis.

- Reviewing document lists with the contractor to make sure all redlined documents are up-to-date as part of the monthly payment process. Each document in EADOC that requires a redline markup is organized so that each affected drawing sheet can be updated in real time.
- Generating punchlist items for the contractor throughout the project in EADOC. Providing punchlist items in EADOC allows the contractor to address items as resources are available instead of merely tackling everything prior to substantial completion. On the Stockton Levee and Pump Station Project, this resulted in a two-page punchlist instead of the dozens of pages typical of large construction projects.
- Entering all other project documents in EADOC. These include the documents described, as well a submittals, RFIs, change orders, memos, drawings, specifications, design clarifications, and field directives.

We find that the tools provided by EADOC are well received by owners, design engineers, and contractors. EADOC increases transparency and efficiency by identifying issues to team members that require resolution and by reducing the costs associated with paper handling. At the completion of the project, the website will be kept active through the warranty period and

then the Cities will be given a flash drive with all EADOC project records archived in pdf format.

We have provided samples of the standard EDOC forms we use on construction projects in



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eadoc

schedule and budget overrun.

PROJECT SCHEDULE

While the contractor is responsible for developing and maintaining a master project schedule, we will develop our own schedule to make sure that the contractor has adequately identified all the project elements and the sequencing required by the specifications.

The Carollo team has in-house project schedulers. We have expertise in Primavera® Project Planner (P3), and Contract Manager (P6). We have provided schedule analysis services for projects that we manage, as well as third-party review of other projects and claim defense for owners.

COMMUNICATION

Based on our experience working for the Cities, we understand the importance of having clear lines of communication between Carollo and your management team. This will be especially vital to the success of this project since both Cities share fiscal responsibility and are expected to have input in the decision making process. While input from the Cities will not be needed on a daily basis, it will be needed for processing monthly payment requests, when change orders or claims arise, or when changed conditions warrant technical direction or input. Some of this input can be provided by the Cities' designated project manager, although some may require approval through the Wastewater Subcommittee and City Councils. When approval is needed through the Wastewater Subcommittee and City Councils, efforts should be made to get it on the agenda as soon as possible to prevent unnecessary delays. Delays in decision-making can be costly, especially if they lead to delay claims or delays in processing payment requests.

It is anticipated that the Cities will each designate a project representative; however, it will be necessary to have one project manager that is ultimately responsible for directing the project team. Without a project manager for the Cities, it will be difficult to make decisions, stay on schedule, and control costs. At the outset of the project, we will work with management from both Cities and develop a communication plan that is acceptable to all. In addition, we can provide quarterly progress updates to the Wastewater Subcommittee to ensure key management stays informed.

CHANGE ORDER AND COST MANAGEMENT

As your construction manager, one of our primary functions is to track project costs and potential changes. Change order proposals are generated from a number of sources and for an assortment of reasons, including changes directed by the designer or the owner and field-originated changes arising from unforeseen site conditions. For every change order request received, we will prepare our own estimate to use as a negotiation starting point with the contractor. We will review necessary and desirable changes to the project, advise the Cities' project staff of change impacts, and, if required, make recommendations regarding the resulting change.



Change Orders

The Cities' role in the change order process will vary according to the complexity of the change order. Changes that affect ongoing construction will be resolved at the field level where possible. Changes that result in significant cost changes will require the Cities' involvement. Our proven procedures for resolving potential change orders and claims are as follows:

- Carollo will identify each issue that may result in a potential change order and claim.
- Carollo will develop a risk item in the EADOC system to track the potential change order or claim.

- If the contractor chooses to submit an official change order request or notice of potential claim, Carollo will provide a review of the previously mentioned risk items to the Cities and provide a recommendation for resolving the issue.
- If the Cities agrees that a change order request or notice of potential claim is justified, Carollo will negotiate with the contractor and package a draft contract change order with justification documentation for the Cities' review.
- If a potential claim cannot be resolved in this manner, Carollo will use our established dispute resolution process to resolve the issue.

Our team will negotiate all changes with the contractor to make sure that the terms of the change order comply with the contract documents and the cost to the owner is minimized to fair market value.

On projects we have managed over the last 10 years, change orders, exclusive of owner-initiated scope additions, have averaged two percent of construction cost. Claims have been approximately one hundredth of one percent, and more than 98 percent of these projects are claim-free. Carollo's performance far exceeds the California state average for change orders for public infrastructure projects, which is 7 to 9 percent.

Monthly Cost Analysis and Forecasting

We will also perform "look-ahead's" for potential cost overruns. Our team will review the contractor's schedule of values, progress payment requests, change order cost proposals, and claim requests. On a monthly basis, we will prepare and submit a monthly progress report to apprise the Cities of the project cost to date. The monthly report will present the originally anticipated "S" curve of project cost compared to actual contractor's progress payments, including all approved change orders.

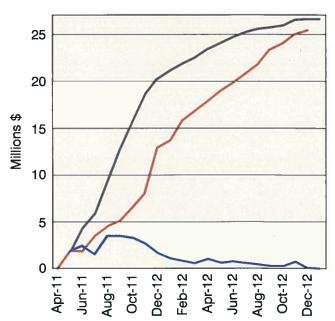
State Revolving Fund

The Cities of Pinole and Hercules are concerned about covering cash flow on this construction project. Through providing SRF funding support to our clients on hundreds of SRF-funded projects, Carollo is intimately familiar with the SRF funding agreement and its requirements for construction projects. Carollo is currently assisting two of the Cities' neighbors (the West County Wastewater District and the Rodeo Sanitary District) with the SRF application process.

Carollo's CM team is experienced with the new application submission format and is ready to support the Cities' SRF funding effort by providing:

- Up-to-date cash flow projections of the construction contractor planned billings on a monthly basis.
- Custom-tailored monthly reports for the Cities to provide all construction information required by the SRF funding agreement.
- Information to make sure the contractor stays up-todate on labor compliance submittals as part of the monthly progress payment review process.

Phase V Progress Payment Status



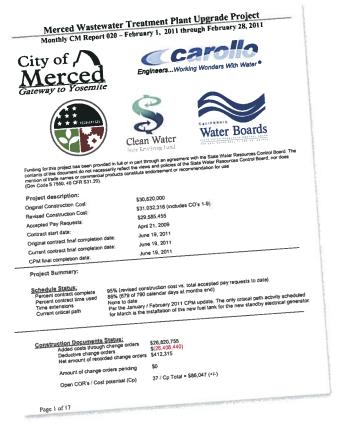
Our use of a construction "S curve, as illustrated here for the Merced Phase V project, is a proven way to monitor and control project cost.

The project costs will be shared between the Cities, and each City has submitted their own SRF loan application for a portion of the total project cost. Since this is not common practice, we have reached out to SRF staff to review the approach. Our discussions were encouraging, as SRF staff felt the proposed approach would work and expressed no reservations. A potential challenge, however, lies in processing payment requests from the contractor and the overall cash flow.

A typical cash flow may be as follows:

- 1. Contractor submits monthly payment request.
- Construction manager generates individual payment requests for Pinole and Hercules using agreedupon cost split.

- Payment requests are sent to Wastewater Subcommittee for approval.
- Requests are sent to respective City Councils for approval and payment.
- 5. After payment is made, reimbursement packages is prepared for the Cities to submit to SRF.
- SRF sends reimbursement check individually to each City.



Carollo worked closely with SRF and ARRA on the Merced's Wastewater Treatment Plant Upgrade Project to make sure Carollo's monthly progress reports covered all SRF construction reporting requirements. Carollo's timely reporting enabled Merced to maintain a healthy cash flow.

Although there may be ways to reduce the duration between steps—or possibly eliminate some steps—it could take two to three months to pay the contractor after their payment request is made. In addition, it may take up to two months to receive a reimbursement check from the state after it has been submitted. To minimize concerns raised by the contractor, we recommend that the Contract documents accurately reflect the anticipated payment schedule.

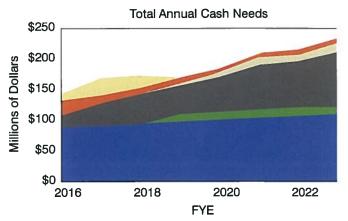
In addition, the Cities should plan to have sufficient cash to support two to three months of construction

invoicing prior to reimbursement. During the high activity periods, this could reach \$3 million to \$4 million for each City.

FINANCIAL PLANNING

Carollo is available to assist the cities secure project financing through a SRF loan or a traditional bond. As part of this process, Carollo will perform an independent review of the project funding needs based on the capital construction schedule and timing of capital expenditures. This process will also evaluate the financing capacity and cost sharing requirements of each agency. Carollo will help the Cities analyze alternate financing structures to optimize securing funding, such as allowing one City to serve as the lead financing agency in order to strengthen the overall credit rating.

Following the bond issue, Carollo could continue to assist the cities with ongoing project accounting and bond compliance requirements. If the agencies are successful in securing a SRF loan, Carollo will project upfront capital contributions and submit reimbursement requests to the state. If the Cities utilize traditional bond financing, Carollo will perform the independent project accounting and submit draws on bond proceeds. This process will be closely coordinated with the construction management group, accounting for monthly cash flow expenditures and projections.



Using our financial tools Carollo will assist the Cities by analyzing cash flow requirements over the course of construction.

PUBLIC OUTREACH

The work will focus public relations onto the site personnel. Serving as CM on several similar projects, we have successfully met that challenge with positive results. The best way to prevent quality-of-life complaints is to provide the residents with a multitude of information. With the Cities' approval, our team can provide:

Project Website Updates

Due to the site being at the far end of the City of Pinole, interest in what cannot be seen by passersby can be addressed by providing a project website. Carollo can provide a website with pictures of the work, a schedule of upcoming milestones, a live construction webcam, and the schematic drawings of the finished project. By letting people understand the project and see the source of activity, we can eliminate curiosity and possible misunderstandings about the project, and help create goodwill and public acceptance. This technique has provided a lot of positive feedback on other community projects such as buildings, sports facilities, and public structures. If desired, e-mails can also be sent out to individuals who are interested in receiving regular updates.

Around-the-Clock Contact Information

Providing refrigerator magnets embossed with contact information and the project's website address allows people to know that they can send an email, a text, or even talk to a live person about their concerns. Surprisingly, very few calls come in this way, and it creates goodwill with the public. The positive feedback we have received from individuals is that having the ability to contact an individual and not an answering machine is very important.

Door Hangers and Other Notification Methods

As the activities increase and decrease around the site, it is important to periodically remind the residents in the surrounding neighborhoods of changes in the construction pace. We plan to use door hangers to let people know of activities that may affect their day. For example, during the fill activities, we would place door hangers notifying residents that truck traffic will significantly increase during the days shown on the

hanger. In addition, we would provide similar notifications for other events, which include concrete pours or equipment deliveries. Providing these simple reminders prior to the start of project activity changes allows the residents to adjust their routines and prevents misunderstandings.



By providing simple reminders of project activities, residents can adjust their daily routines.

Detailed Work Plan

Carollo has developed a detailed work plan to complete construction management services for the Pinole/Hercules Water Pollution Control Plant Upgrade. Our work plan and approach demonstrates our knowledge of construction management and treatment plant operations and will help deliver a project that minimizes risk and maximizes value to the cities.



PART ONE: CONSTRUCTABILITY REVIEW

Task 1 - 65 Percent Design Constructability Review

We have assembled an independent team to provide an objective review of the project. Upon receipt of the 65 percent design submittal, the team will review each of the major design elements and suggest changes to improve construction and minimize the potential for delays and/or disputes. Since Carollo performed the peer review of the preliminary design, there will be no wasted time familiarizing ourselves with any process issues or sequencing constraints.

More specifically, we will evaluate the 65 percent plans and specifications with regard to feasibility of construction, considering such factors as project schedule/milestones, coordination of work between subcontractors and trades, site constraints, conflicts with existing facilities, and the ability to keep existing facilities in operation during construction. The review will also include checks of the following:

- Consistent definitions of the cities, construction manager, design engineer, and contractor responsibilities.
- Bid instructions and bid form clarity for complete and proper presentation to the bidders.
- General conditions for completeness and conformance to SRF loan funding.
- Drawing and specification clarity, adequacy, and cross-referencing.
- Design discipline (general, civil, geotechnical, structural, mechanical, electrical, and instrumentation) coordination, as reflected in different sections of the contract documents.

- Coordination of potential construction interface and any other plant activities.
- Identification of omissions and ambiguities.
- Provisions for contractor's access, storage, and laydown areas.
- Compatibility of pre-selected equipment (if any) assignments to the contractor with terms and conditions of the contract documents.
- Comprehensive testing, start-up, commissioning, and performance validation procedures.
- Reasonableness of project duration and estimated probable construction cost.
- Clear definition of milestones, shutdown and schedule constraints, and work sequence.
- Potential construction risk areas, or hot spots specific to the project.

Once the constructability review team completes the review, we will prepare a draft report summarizing the findings for the Cities and designer to review. The constructability review team will finalize the report after conducting a meeting with the Cities and designer to discuss, review, and agree upon final comments and suggestions to be incorporated in the bid documents.

The constructability review team will also attend two design meetings to present the constructability review findings and present the report to the Pinole/Hercules Wastewater Subcommittee. The subcommittee presentation is estimated to take three meetings.

In addition, we will participate in six additional design meetings during the final stages of development.

PART TWO: ASSISTANCE DURING ADVERTISING AND AWARD PROCESS

Task 2 - Bid-Period Services

Task 2.1 - Bidding Phase Services

Our team will maintain a list of bidders and perform outreach services to let the contractor community know about the project. We will prepare a pre-bid agenda and conduct the pre-bid meeting. During the bid period, we will assist the design engineer to track bid questions and prepare responses and addenda as needed.

Task 2.2 - Award Phase Services

We will review and analyze the received bids for irregularities, completeness, and responsiveness. We will review bids for complete with local hiring policies and help prepare City Council reports to award the contract.

Task 2.2 - Bid Escrow Document Review

We will perform an escrow review of bid documents to determine completeness and conformance of the received bid package. We will secure the bid package for the duration of construction contract to assist in negotiation and resolution of change orders and potential claims.

Task 2.3 - Construction Contract Compliance

We will review the contractor's contract execution for compliance with contract document requirements and SRF loan requirements (including prevailing wage and apprenticeship program requirements), as well as compliance with all environmental documents.

Task 2.4 - Pre-Construction Conference

We will schedule, coordinate, and conduct one preconstruction conference. We will prepare an agenda in advance to notify attendees of key items for discussion. We will prepare and distribute meeting notes to attendees within 10 days of the conference.

PART THREE: ASSISTANCE DURING CONSTRUCTION

Task 3 - Project Management

Task 3.1 - Documentation System Set-up

We will initiate a documentation system using EADOC for this project and hold a training session for the cities', designer's, and contractor's personnel. We will tailor the system to meet the needs of each party and maintain it for the duration of the project. After the project is completed, the documentation system will be maintained for the warranty period then delivered to each party on indexed, searchable CD-ROM disks.

Task 3.2 - Communication and Construction Management Plan

We will create a project-specific Construction Management Plan for the project to establish project protocols, communications, and procedures.

Task 3.3 - Wastewater Subcommittee Meetings

We will prepare for, attend, and support the Cities' management in providing quarterly updates to the Pinole-Hercules Wastewater Subcommittee.

Task 4 - Construction Management

Task 4.0 - Progress Meetings

Prepare agenda, handout, minutes, and lead bi-monthly progress meetings to review construction progress, schedule and any outstanding issues that require resolution. Meeting attendees are anticipated to be the Contractor, designer, and Cities' staff.

Task 4.1 - Manage Field Inspection Personnel

We will provide full-time resident inspection and our CM and/or resident engineer will manage the activities of the field inspection personnel, including the materials testing subcontractor. Our inspectors will prepare daily inspection reports, and summary weekly and monthly inspection reports to the City.

Task 4.2 - Track Submittals

We will coordinate and manage the shop drawing and submittal review process between the design engineer and the contractor. All submittals will be handled using the EADOC documentation system. We will screen all submittals and determine their completeness before reviewing them or forwarding them to the design engineer for review.

Task 4.3 - Prepare Field Memos and Clarifications

We will coordinate and manage preparation of field memos and clarifications of drawings and specifications between the design engineer and the contractor. Memos will be created and handled in EADOC to allow easy tracking of their status and outcome.

Task 4.4 - Track Requests for Information

We will coordinate and manage the RFI process between the design engineer and the contractor. All RFIs will be handled using the EADOC documentation system. We will screen all RFIs and determine their validity before responding to them or forwarding them to the design engineer for response.

Task 4.5 - Review Monthly Progress Payment Requests

We will evaluate the contractor's monthly progress payment requests from the contractor and recommend payment by the cities if requirements are met. We will compare requested quantities to the actual quantities completed and negotiate the appropriate progress payment request with the contractor.

Task 4.6 - Review Construction Schedule

We will review and approve the contractor's construction schedule, including updates and revisions, in accordance with the contract documents. Our review will focus on key elements such as logic, duration of activities, duration of startup and testing, and construction sequencing constraints and milestones.

Task 4.7 - Review Change Order Requests

We will review change order requests in conjunction with the design engineer to determine changes in scope and conditions. We will prepare independent cost estimates and negotiate with the contractor. We will prepare and process approved change orders and incorporate them into the contract. We will prepare a log for tracking all potential change orders and agreed-upon change orders.

Task 4.8 - Resolve Conflicts

We will work with all parties involved to resolve potential conflicts before they become an issue.

Task 4.9 - Review Labor and Davis-Bacon Compliance

We will monitor project records and review labor and Davis-Bacon-related compliance of the contractor. We will work with the contractor to correct any deficiencies found and report the status to the Cities of Pinole and Hercules.

Task 4.10 - Review Installation and Maintenance of BMPs and Implementation of the SWPPP.

Our staff is educated in California's evolving storm water policies. We will monitor the storm water protection installed by the contractor and work with the contractor to maintain it and report its effectiveness in accordance with current state regulations.

Task 4.11 - Conduct Final Inspection and Issue Punchlists

We will schedule and conduct a final inspection of the completed facilities and issue punch lists of uncompleted items where necessary. We will also assist the cities in negotiation of unsettled changes or disputes associated with these inspections. When the final punch list items have been completed or resolved, we will recommend acceptance by the Cities.

4.12 - Prepare SRF Payment Reimbursement Request

We will prepare monthly payment reimbursement requests for each City to submit to the state. These payment requests will be prepared after the Cities have each paid their share of the contractor's monthly invoice.

Task 5 - Construction Inspection

Task 5.1 - Documentation of Existing Site Conditions

We will prepare video and photographic records of initial site conditions before the contractor begins construction. Video documentation will be accompanied by a verbal description of existing conditions. We will provide a copy of the video and photographic documentation to the Cities.

Task 5.2 - Construction Inspection

We will provide a qualified inspector to monitor the contractor's compliance with the specification requirements in placing the ductbanks and conduit runs. We will inspect and ensure conformance with the specifications on the placement and installation of electrical equipment. We will inspect wiring for proper terminations and labeling. Installations will be monitored for compliance with NEC and other applicable codes.

Task 5.3 - Electrical Testing

We will work with the designer, contractor, and vendors to determine all the required testing, then witness and document all site acceptance tests on electrical equipment. This includes witnessing all point-to-point checks and run tests for electrical equipment. We will confirm that circuit breaker settings conform to the values shown in the short circuit study and that all harmonic filters are correct and in place. All electrical testing results will be documented and included in the project records.

Task 5.4 - Monitor Contractor's Compliance with Contract Documents

We will review and monitor the contractor's work against the contract documents to ensure compliance. We will report any non-conformances and deficiencies to the Cities and contractor and will work with the contractor to correct these deficiencies in a timely manner to the satisfaction of the Cities.

Task 5.5 - Review Certified Payroll

We will review the contractor and subcontractor certified payroll for compliance with prevailing wage requirements. Any discrepancies will be identified and returned to the contractor for immediate correction. Violations will be addressed in accordance with the State Labor Code. We will also conduct interviews with select contractor field personnel to confirm payroll conditions. Our certified payroll findings will be included in the monthly project progress report. Efforts from this task will ensure the contractor is meeting the SRF Davis-Bacon requirements.

Task 5.6 - Monitor Contractor's Compliance with Mitigation Monitoring Plan Requirements

We will maintain a copy of the Mitigation Monitoring Plan requirements and monitor the contractor's compliance against these requirements. We will periodically inform the Cities and contractor of compliance status and recommend a course of action to the Cities and contractor if these requirements are not being met.

Task 5.7 - Monitor and Review Record Drawings

We will monitor and coordinate the contractor's recording and maintenance of field changes to plans and specifications during construction on a monthly basis, or more frequently as required. At the 50, 75, and 90 percent project completion levels, we will perform a review of the contractor's working record drawings for general completeness and advise the contractor of status. We will approve progress payments beyond 90 percent completion contingent upon the acceptability of the working record drawings.

Task 6 - Material Testing

Task 6.1 - Provide Material Testing

We will coordinate with the Cities' material testing subconsultant to perform the necessary testing in the field.

Task 7 - Startup Testing

Task 7.1 - Oversee Startup and Testing

We will oversee facilities acceptance testing and startup in cooperation with the contractor, design engineer, and Cities and plant staff. Startup and testing services will include assistance with comprehensive testing of functional equipment, sub-systems, and entire treatment processes.

Task 7.2 - Field Testing Reports and O&M Manuals

We will witness all field tests of equipment as described in the specifications and the vendor documentation. We will use test report forms as supplied by the vendors and the designer. Where no report forms are available, we will use our own in-house test forms with input from the designer and vendors. All test reports will be filed with the equipment O&M manuals. All vendor O&M manuals will be reviewed for completeness, including all recommended maintenance procedures, calibration requirements, and spare parts lists.

Project Team

Nothing is more important to the success of your project than the qualifications and experience of your project team. Simple, one-size-fits all solutions will not meet your expectations for quality construction that mitigates your risk and maintains service to your customers. You need and deserve a team of specialists.



WHY THE CAROLLO TEAM IS RIGHT FOR THE PINOLE-HERCULES WPCP

We have provided you with an expert inter-disciplinary team that includes a construction manager, a resident project representative, inspectors, and support personnel that will be at your disposal to keep construction progressing as planned.

We offer the following reasons why the Carollo CM team is right for the Pinole/Hercules Water Pollution Control Plant.

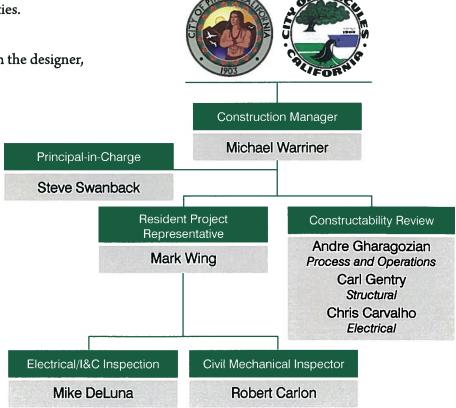
- Deep bench of talent/expertise in the issues impacting your construction project.
- Knowledge of your staff and facilities.
- **©** Expertise in SRF projects.
- Oemonstrated ability to work with the designer, HDR.

Deep Bench of Talent

Technically sound, responsive service is the basis of effective construction management. It begins with your construction manager. Mike Warriner is experienced, committed, and ready to begin work. He will be responsible for Carollo's field services, contract management, and quality management. He will support our field team with project coordination, review of significant technical issues, and claims support. He will also work closely with our resident project representative and inspectors to address scheduling and staffing issues critical to managing the work.

Mike has more than 24 years of CM experience on more than \$600 million in water and wastewater construction. He has a track record of on-time, on-budget performance and claims mitigation on SRF-funded projects.

We understand the importance you place on having highly-qualified, certified inspectors on site to address construction challenges in the field. Our resident project representative, **Mark Wing**, will lead the field team of inspectors and administrative staff, and be the day-to-day point of coordination with plant personnel.



Mark has experience leading field teams and helping contractors meet equipment and process performance standards on more than 10 construction contracts. He has a proven ability to coordinate different construction trades on sites with multiple subcontractors and competing milestones.

Our team also includes highly-qualified electrical, I&C, civil, and mechanical inspectors, as well as experienced process, structural, and electrical experts to trouble-shoot constructability issues and facilitate smooth, cost-effective construction of your facility.

Knowledge of Your Staff and Facilities

Andre Gharagozian and Steve Swanback have served the cities of Pinole and Hercules on numerous projects over the last eight years. In addition to projects we have completed, we have spent a significant amount of effort learning about the WPCP during our pursuit and proposal preparation for the design of this project. We know your staff and organizational structure, and understand your objectives, constraints, and operational challenges. We will work with your staff and apply lessons learned from previous efforts to manage critical path and construction sequencing, mitigate claims and change orders, and facilitate seamless start-up and commissioning of a facility that meets your goals and expectations. As the principalin-charge and a part owner of the company, Steve will work with Mike to make sure Carollo has committed the necessary resources to make this project a success.

SRF Expertise

Our team has provided CM for numerous SRF projects, including facilities designed by Carollo and those designed by others. Recent examples include plant expansions for Reedley, Merced, Roseville, and Tracy. We understand how to establish a framework for processing progress payments shared between both Cities that will optimize cash flow projections and help make funds available when and where you need them. Further, our excellent working relationships with state officials will allow us to communicate effectively and resolve any potential issues quickly and efficiently.

Demonstrated Ability to Work with HDR

Carollo has had a long and productive working history with your WPCP design engineer. We have teamed with HDR on planning and design projects for Sunnyvale, Seattle, Honolulu, South Orange County Wastewater Authority, and Victor Valley Wastewater Reclamation Authority. Our CM team has also successfully collaborated with HDR in a design engineer-CM relationship on several recent projects, including:

- Stockton's Delta Water Supply and Intake and Pump Station
- Contra Costa Water District's Middle River Intake and Pump Station.
- Las Vegas' Wastewater Treatment Facility Reverse Loading and Operations Optimization Project.

An experience summary for our individual team members is presented below and in the resumes included at the end of this section.

Team Member Experience Summary

Name/Role/Education/ Years of Experience	Experience/Qualifications	Licenses/ Certifications
Mike Warriner, P.E. Construction Manager BS Agricultural Engineering 24 Years of Experience	 Construction manager for the City of Merced Gove Road WWTP Phase IV and V Upgrades. Construction manager for the \$24 million SRF-funded expansion to the City of Reedley's WWTP. Construction manager for the \$26 million California Department of Corrections and Rehabilitation Deuel Vocational Institution WWTP. Construction manager for upgrades to the Pleasant Grove and Dry Creek WWTPs for the City of Roseville. Construction manager for the \$19 million City of Stockton Delta Water Supply Intake and PS designed by HDR. 	Civil Engineer, California

Team Member Experience Summary			
Name/Role/Education/ Years of Experience	Experience/Qualifications	Licenses/ Certifications	
Mark Wing Resident Project Representative 30 Years of Experience	 Resident project representative for the City of Henderson, NV, \$109 million Phase 1 Southwest WRF construction. Resident project representative for the City of Las Vegas, NV, sludge blending and feed station project third-party CM Resident project representative for the \$15 million Las Vegas WWTF reduced loading and operations optimization project designed by HDR. Construction manager for the \$320 million Pinellas County, FL, South Cross Bayou WRF Phase IIB Improvements. Construction inspector for the City of Henderson, NV, \$8.5 million West Henderson utilities infrastructure improvements. 	 Wastewater Treatment Plant Operator, Grade C, Florida Certified Construction Manager, US Army Corp. of Engineers Journeyman Electrician 	
Steve Swanback, P.E. Project Director MS Civil and Environmental Engineering, BS Civil Engineering 32 Years of Experience	 Principal-in-charge for a feasibility study to provide wastewater collection and treatment services to Pinole, Hercules, and West County Wastewater District. Principal-in-charge for the City of Hercules and West County Wastewater District Regionalization Project. Project manager for the Pinole Wastewater Transfer Study. Project manager/project engineer for design of 15 construction projects for the Fresno RWRF totaling approximately \$300 million. Project manager for the design and construction of the \$100 million City of Roseville Pleasant Grove WWTP. 	 Civil Engineer, California Mechanical Engineer, California Professional Engineer, New Mexico 	
Andre Gharagozian, P.E. Constructability Review, Process and Operations MS Civil and Environmental Engineering, BS Physics 16 Years of Experience	 Project manager and process engineer for a feasibility study to provide wastewater collection and treatment services to Pinole, Hercules, and West County Wastewater District. Project manager for the City of Hercules and West County Wastewater District Regionalization Project. Process constructability review for Carollo's third-party CM for City of Galt wastewater treatment plant upgrade. Performed peer review of the Effluent Pumping TM for the Pinole/Hercules WPCP. Process engineer for wastewater treatment plant upgrade/rehabilitation projects for San Leandro, Turlock, CCCSD, and EBMUD. 	Civil Engineer, California, Washington	
Carl Gentry, S.E. Constructability Review, Structural MS Structural Engineering BS Civil Engineering 41 Years of Experience	 Chief structural engineer in Carollo's Walnut Creek office. Structural design for more than \$500 million in water, wastewater, and civil engineering projects. Structural constructability review for Carollo's third-party CM for City of Galt wastewater treatment plant upgrade. Chief structural engineer for design of the City of Chico's 9-mgd Wastewater Treatment Plant Expansion. Structural engineer for the design for the two-phase expansion of the Fresno-Clovis Regional Wastewater Reclamation Facility. 	 Structural Engineer, California Civil Engineer, California, Utah Civil/Structural Engineer, Nevada, Oregon, Washington 	

Team Member Experience Summary

Team Member Experience Summary			
Name/Role/Education/ Years of Experience	Experience/Qualifications	Licenses/ Certifications	
Chris Carvalho, P.E. Constructability Review, Electrical MS Electrical Engineering, BS Electrical Engineering 22 Years of Experience	 Lead electrical engineer for the Metro Wastewater Reclamation District, Denver, CO, \$45 million North Secondary and \$17 million South Secondary Improvements. Lead electrical engineer for the South Valley Water Reclamation Facility Phase 4D Project, UT. Electrical and instrumentation engineer for the King County, WA, Carnation Treatment Plant. Lead electrical engineer for the Upper Blue Sanitation District North Plant Project, Breckenridge, CO. Lead electrical engineer for the Colorado Springs Utilities Southern Delivery System water treatment plant and finished water pump station. 	 Electrical Engineer, Idaho Professional Engineer, Colorado, Utah 	
Mike DeLuna Electrical/I&C Inspection 33 Years of Experience	 Electrical/instrumentation inspector for the City of Merced Wastewater Treatment Plant Upgrade and Expansion. Electrical inspector for the \$39 million City of Chico Water Pollution Control Plant 12-mgd Expansion. Electrical/instrumentation/construction inspector for the \$50 million City of Turlock wastewater treatment facility improvements. Electrical inspector for the \$46 million City of Roseville Dry Creek WWTP conversion to UV disinfection. 	 10-Hour OSHA Construction Training Cal-OSHA Excavation Safety Cal-OSHA Electrical Safety Awareness Cal-OSHA Electrical Hazard Recognition Cal-OSHA Ground Fault Protection OSHA Confined Space Entry 	
Bob Carlon Civil/Mechanical Inspection 33 Years of Experience	 Resident inspector for Reedley's \$24 million WWTP Expansion Project. Resident inspector for the City of Henderson, NV, Southwest Water Reclamation Facility, Phase 1 third-party CM. Resident inspector for Roseville's \$46 million Dry Creek WWTP UV Replacement Project. Resident inspector for the City of Tulare WWTP Phase II, III, IV, V, and VI expansions. Inspector for Chico's \$39 million WPCP's 12-mgd Expansion. 	 C2 Confined Spaces, C2 Fall Protection C2 Excavation Safety R2 Pipefitter and Plumbing Apprenticeship International Conference of Building Officials, American Concrete Institute 	

Staffing Levels

Carollo's staffing plan in based on our perception of how to deliver the best service to Pinole and Hercules, and includes providing:

 Important expertise during the constructability review so that the bid documents can be as complete and clear as possible.

- Bidding support to reach out the contracting community and secure competent contractors and competitive bids
- Necessary levels of construction management and inspection with "just-in-time" inspection so that the Cities get the best value for services.
- Constant communication with both cities during all phases of the work.