

**Nampa WWTP Phase II/III Upgrades
Design Review Committee
Thursday, April 29, 2021
Nampa Development Services Center
7:00 AM – 8:30 AM
MEETING SUMMARY**



Meeting Overview

On Thursday, April 29, 2021, the Nampa Wastewater Treatment Plant Design Review Committee (DRC) convened its sixteenth meeting. The objectives of this meeting were to provide updates on the Wastewater Program, review Project Group F Contracting and Delivery approaches, and discuss the appropriate use of contingency funds. Please see associated PowerPoint and DRC Briefing #44 for more information.

Meeting Summary

Wastewater Program & Recycled Water Permit Update

Nate Runyan, City of Nampa, shared the following Wastewater Program Updates:

- The WaterSmart grant application was submitted to the Bureau of Reclamation on April 23, 2021. Previous grants were reviewed and awarded within an 18-month timeframe. Nampa will likely receive an update on the progress of the review in the fall.
- Project Group E is nearly complete, with all staff moved into the new building. This project was completed on schedule and under budget.
- Responding to a question regarding Cat Creek Reservoir, Nate explained that the anticipated private reservoir will be located near Anderson Dam and will store 100,000 acre feet of water. Only 20% of this will be used for power generation, while the remaining 80% will be used for water storage. The City of Nampa has entered into an agreement with the developer expressing interest in utilizing water from the reservoir in the future.
- May 17th will kick off Public Works Week. There will be a number of in-person events at the Public Works Department for members of the public and youth to attend.

Questions included:

- When do we anticipate finding out if Nampa was awarded the funding? What is the likelihood of success?
- What is the benefit to Nampa of Cat Creek Reservoir?
- Is the City of Nampa considering using surface water for municipal uses in the future?

Project Group F Contracting and Delivery Approaches

Matt Gregg, Brown and Caldwell, reviewed the process that was followed to determine the Progressive Design-Build approach to develop Project Group F in order to maximize value and provide opportunities for cost savings. As the Design-Build team has identified that Project Group F is currently over budget due to steep increases in cost of materials and labor, Matt reviewed the proposed approaches for addressing inflation costs and establishing a guaranteed price for the project. Please see DRC Briefing #44 for a description of these two approaches.

Matt reviewed the pros and cons of each approach and explained that the project team considers the comprehensive Guaranteed Maximum Price approach the best way to move forward in order to establish price certainty by fall. This approach will likely delay construction by approximately two months. DRC members discussed this recommendation and determined that they agree that the project team should propose the comprehensive GMP approach to City Council in June.

Questions included:

- If the City moves forward with the comprehensive GMP approach, are there fewer opportunities to seek out increased value during project design?
- Will there be additional opportunities over the summer to review costs?
- What drives the escalation in cost of materials? Is there a chance that the cost of materials will eventually go down?

Program Budget Updates

Matt Gregg and Nate Runyan reviewed the Program Budget prior to leading a discussion regarding the use of program contingency funds. Knowing that there are a number of inherent risks throughout project development, the Program reserved \$19.3 million in contingency funds to cover these risks. While there are still several outstanding risks that will not be fully known until the project is closer to completion, including site conditions and escalation costs, several of the potential risks identified earlier in the process have been resolved. The project team reviewed updated risk costs incorporating these changes and presented the findings that outstanding risks can comfortably be covered with the contingency funds. Nate and Matt requested feedback from DRC members on how and when remaining contingency funds should be allocated. Because Project Group F will likely exceed its initial estimated budget, it was important to understand if DRC members would approve using contingency funds to cover the difference in cost if it becomes necessary.

Through discussion it was determined that the DRC does believe that it is appropriate to use contingency funds to pay for reasonable increases in cost of the project up to \$10M, if it is so necessary. However, this allocation is not needed until after project costs are more fully defined through the comprehensive GMP process. This recommendation will be taken to the City Council in June.

Questions included:

- What is the benefit of making the decision to release contingency funds now versus later in the process?
- When will we know if the 2021 risks can be resolved?

Next Steps

- The next DRC meeting is scheduled for Thursday, May 27, 2021 at the Nampa Development Services Center. Agenda topics will include:
 - Recycled Water Permit Update
 - Program Financial Updates
 - Project Group F Bidding Approach.