

Northwest Wichita Water Facility (NWWF)

Oversight Steering Committee

Public Works & Utilities

November 19, 2019



GMP REVIEW

- WWP submitted \$494.2m Guaranteed Maximum Price (GMP) on October 28 for final design and construction
- City staff & Owner's Representative have since reviewed the submittal

Design

- Basis of Design Report
- 30% Engineering Drawings

Contract

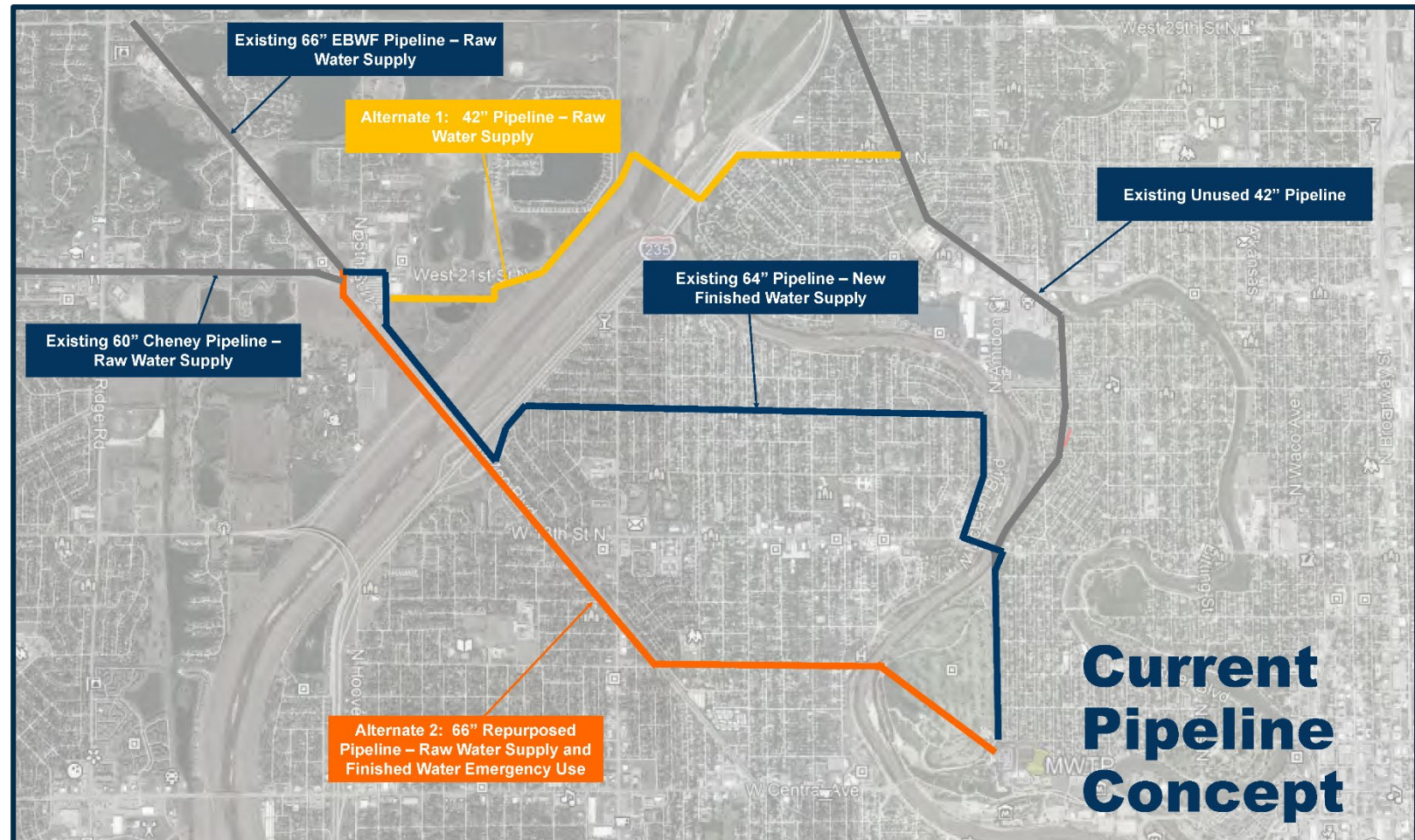
- GMP Scope
- Negotiated Risk Assignment

Unit Costs

- Pricing from Suppliers
- Pricing from Subcontractors

GMP REVIEW

- WWP value engineering proposal from 10/11 has been refined and accepted
- Dual-purpose functionality utilizing existing asset
- Delivers raw water from in-town wells to the NWF
- Acts as redundant drinking water pipeline in an emergency
- **Reduced cost by \$14 million**



PHASE 2

STAFF RECOMMENDATIONS

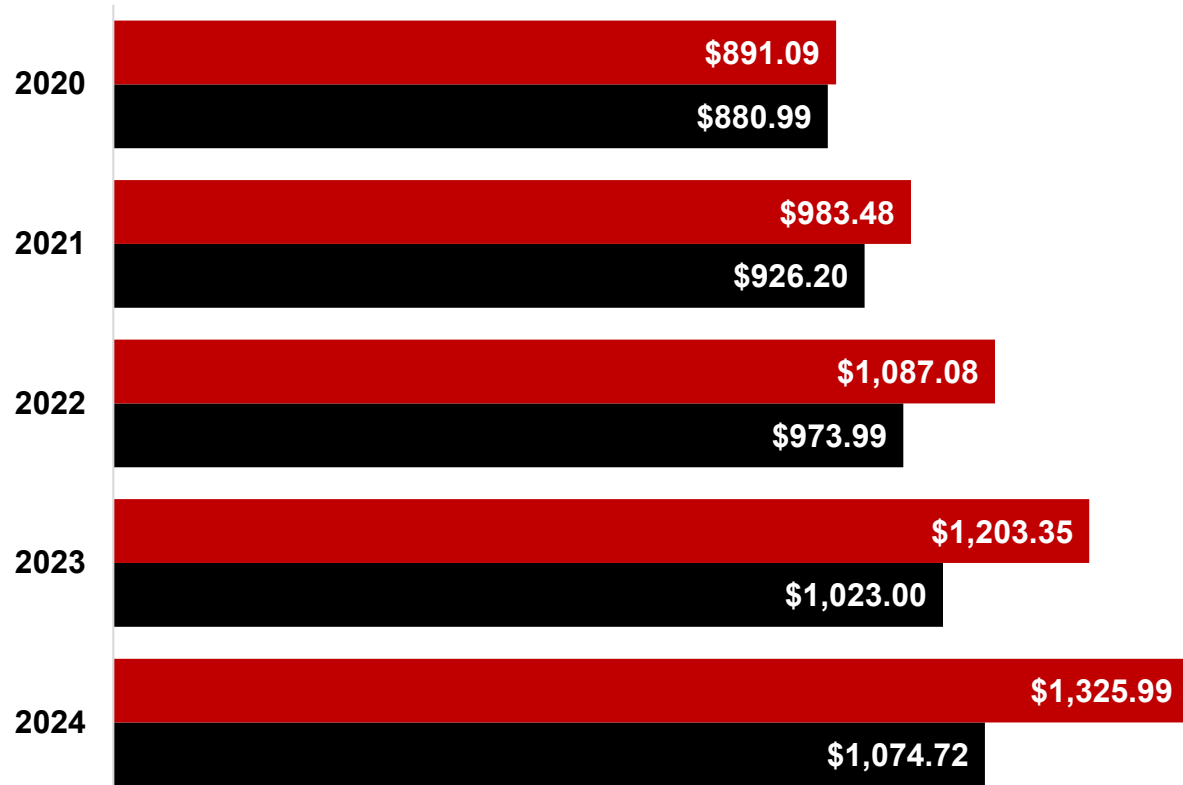
WICHITA WATER PARTNERS

- Competitive price that's under budget and meets all requirements
- Locks the City into a lower risk position and minimized contingency
- Protection against future cost escalation
- More certainty of WIFIA/SRF financing by proceeding with Phase 2 and Wichita Water Partners
- Highly qualified team with a contractual obligation to meet the City's needs for redundancy and water quality

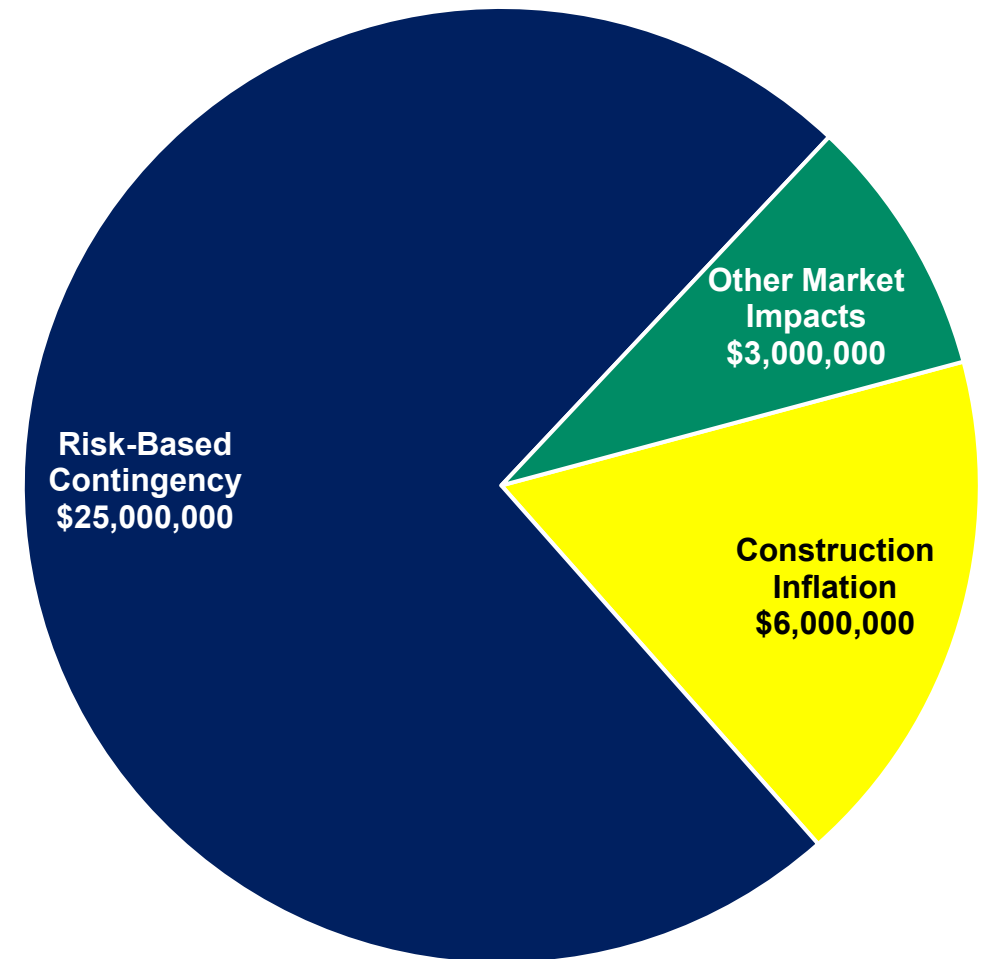
WICHITA WATER PARTNERS

AVERAGE ANNUAL RESIDENTIAL BILL

■ Without WIFIA/SRF ■ With WIFIA/SRF



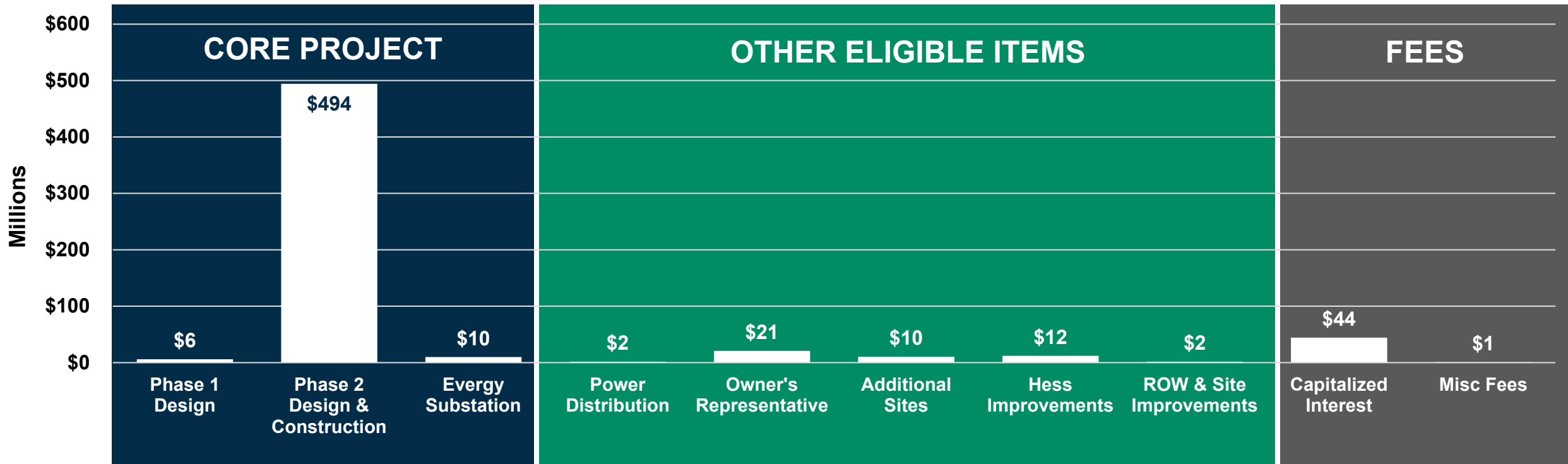
COST INCREASE POTENTIAL



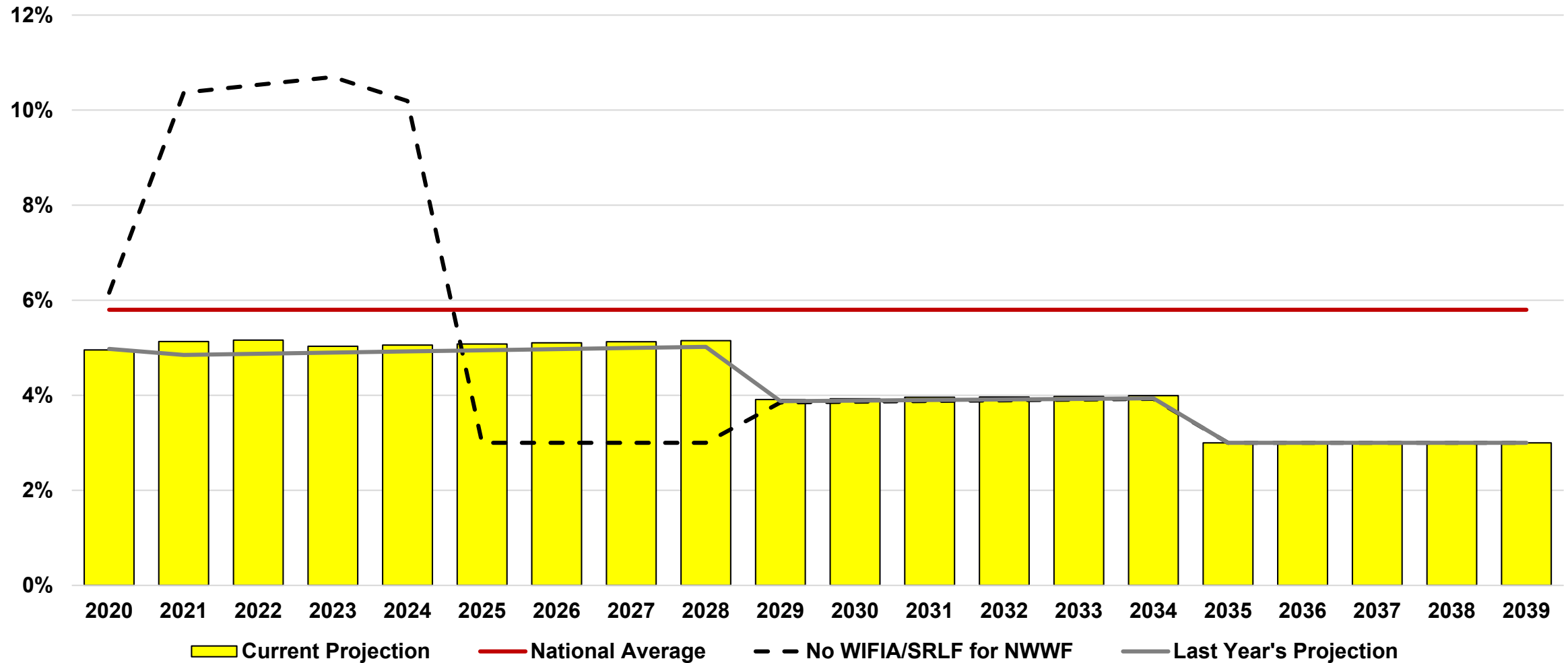
- Scope revised to match construction workloads
- 2020 responsibilities would primarily be focused on design reviews
- Future work would be centered on construction management and inspection
- Likely to need multiple personnel on site monitoring construction
- Would be supported by a diverse set of technical experts

WIFIA ELIGIBLE COSTS

- WIFIA application inclusive of all eligible expenses, not just core project costs to design and construct the plant, pipelines, and power
- Maximizes WIFIA benefits; all costs included in previous rate projections



COMBINED RATE INCREASES



OUTCOMES



UNDER BUDGET

- Final Phase 2 price is \$494.2 million
- Total cost for plant, power substation, and pipelines is \$14.1 million under the budget



ON SCOPE

- Fully redundant plant that can operate with any single asset out of service
- High water quality, water source flexibility, and 120 MGD capacity



ON TIME

- WIFIA application submitted on time
- Early works package to begin in January
- Startup and commissioning begins March 2024

Recommendations

- **City staff recommends approval of the following package:**
 - ✓ Phase 2 amendment for Wichita Water Partners to build the NWWF
 - ✓ Phase 2 contract with Garver for Owner's Representation
 - ✓ 2020 combined utility rate increase of 5.0%
 - ✓ SRF application submittal
- **Owner's Representative recommends Phase 2 amendment**
 - ✓ Garver Engineering
- **What path does the Steering Committee recommend to the City Council?**

Upcoming Actions

- **November 26th City Council Workshop**
- **December 3rd City Council Meeting**
 - *Phase 2 with WWP to construct the NWWF*
 - *Phase 2 with Garver*
 - *SRF application*
 - *2020 rates*
- **December 17th SRF Application**
 - *Submit to state following approval of Phase 2 amendment and public hearing on Dec. 3rd*
- **Jan – Oct 2020: Early Works Package**
 - *Design completion & site preparation*
- **Sept. 17, 2024: Substantial Completion**