



CASH CALL No. 10 - Design-Build BOP/GMP Phased Funding

City of Houston
 Houston Public Works
 Combined Utility System
 611 Walker
 Houston, Texas 77002

DATE: 12/28/20

TO:
 Mark Evans
North Harris County Regional Water Authority
 3648 Cypress Creek Parkway, Suite 110
 Houston, Texas 77068
 281-440-3924
 Customer ID 7099-3025-9011

PAYMENT BY CASH OR CASH EQUIVALENT SHOULD BE REMITTED TO ESCROW AGENT FOR ESCROW ACCOUNT		PAYMENT TERMS AND DUE DATE: 2/26/21	
Description	Dollar Amount	Cost Share Percentage	Line Total
Multi-Phase Project Cost (including contingency)	\$ 201,439,365.00	35.313%	\$ 71,134,282.96
Multi-Phase HPW Cost Recovery	\$ -	35.313%	\$ -
Phase 1 Project Cost (including contingency)	\$ -	63.813%	\$ -
Phase 1 HPW Cost Recovery	\$ -	63.813%	\$ -
Phase 2 Project Cost (including contingency)	\$ 145,869,886.00	25.813%	\$ 37,653,393.67
Phase 2 HPW Cost Recovery	\$ -	25.813%	\$ -
Over-sized Project Cost (including contingency)	\$ 15,000,000.00	0.000%	\$ -
Over-sized HPW Cost Recovery	\$ -	0.000%	\$ -
Full Cost Obligation		100%	\$ -
Total	\$ 362,309,251.00		\$ 108,787,676.64

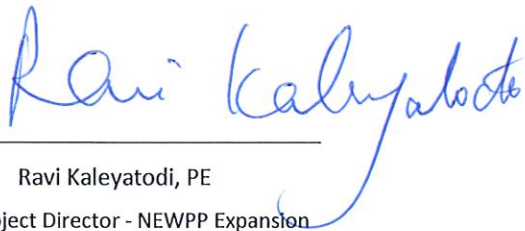
Total Cash Call Due: \$ 108,787,676.64

Attachments:
 CERTIFICATION PER § 3.7.5
 CALCULATION OF AMOUNT DUE

CASH CALL CERTIFICATION PER § 3.7.5
CASH CALL DUE NO. 10



1. The dollar amount due from each Project Party pursuant to this Cash Call does not exceed the estimated dollar amount provided in the Notice of Upcoming Cash Call related to this Cash Call and is only for costs that have been approved pursuant to Article 6.
2. The calculation of the amount due shown on page 1 of this Cash Call is included on the next page of this document.
3. The Cash Call Due Date is 2/26/21.
4. The costs and work items to be paid with the proceeds of this Cash Call are based on the estimated cost for the Design-Build BOP/GMP Phased Funding.
5. The City of Houston reasonably expects to spend all of the proceeds of the Cash Call within three (3) years of the Cash Call due date.



Ravi Kaleyatodi, PE
Project Director - NEWPP Expansion



NE Plant Expansion Project Tracking for Cash Call No. 10

ESTIMATED COSTS FOR DESIGN-BUILD BOP/GMP PHASED FUNDING				
DESCRIPTION	DATE	PROJECT COST ESTIMATION	COST RECOVERY ESTIMATION	TOTAL
Design-Build BOP/GMP Phased Funding (Multi-Phase)	CY 2021	\$ 187,640,565.00		\$ 187,640,565.00
Design-Build BOP/GMP Phased Funding (Phase 1)	CY 2021	\$ -		\$ -
Design-Build BOP/GMP Phased Funding (Phase 2)	CY 2021	\$ 145,869,886.00		\$ 145,869,886.00
Design-Build BOP/GMP Phased Funding (Oversized)	CY 2021	\$ 15,000,000.00		\$ 15,000,000.00
Management Reserve BOP/GMP Phased Funding (Multi-Phase)	CY 2021	\$ 13,798,800.00		\$ 13,798,800.00
Total		\$ 362,309,251.00	\$ -	\$ 362,309,251.00

COST ALLOCATION TO ALL PARTICIPANTS (Multi-Phase)				
PARTICIPANTS	COST SHARE PERCENTAGE	PROJECT COST ALLOCATION	COST RECOVERY ALLOCATION	TOTAL
Total		\$ 201,439,365.00	\$ -	\$ 201,439,365.00
NHCRWA	35.313%	\$ 71,134,282.96	\$ -	\$ 71,134,282.96
CHCRWA	1.525%	\$ 3,071,950.32	\$ -	\$ 3,071,950.32
NFBWA	21.406%	\$ 43,120,110.47	\$ -	\$ 43,120,110.47
WHCRWA	25.756%	\$ 51,882,722.85	\$ -	\$ 51,882,722.85
COH	16.000%	\$ 32,230,298.40	\$ -	\$ 32,230,298.40
Total	100.000%	\$ 201,439,365.00	\$ -	\$ 201,439,365.00

COST ALLOCATION TO ALL PARTICIPANTS (Phase 1)				
PARTICIPANTS	COST SHARE PERCENTAGE	PROJECT COST ALLOCATION	COST RECOVERY ALLOCATION	TOTAL
Total		\$ -	\$ -	\$ -
NHCRWA	63.813%	\$ -	\$ -	\$ -
CHCRWA	0.575%	\$ -	\$ -	\$ -
NFBWA	14.325%	\$ -	\$ -	\$ -
WHCRWA	21.288%	\$ -	\$ -	\$ -
COH	0.000%	\$ -	\$ -	\$ -
Total	100.001%	\$ -	\$ -	\$ -

COST ALLOCATION TO ALL PARTICIPANTS (Phase 2)				
PARTICIPANTS	COST SHARE PERCENTAGE	PROJECT COST ALLOCATION	COST RECOVERY ALLOCATION	TOTAL
Total		\$ 145,869,886.00	\$ -	\$ 145,869,886.00
NHCRWA	25.813%	\$ 37,653,393.67	\$ -	\$ 37,653,393.67
CHCRWA	1.842%	\$ 2,686,923.30	\$ -	\$ 2,686,923.30
NFBWA	23.767%	\$ 34,668,895.81	\$ -	\$ 34,668,895.81
WHCRWA	27.246%	\$ 39,743,709.14	\$ -	\$ 39,743,709.14
COH	21.333%	\$ 31,118,422.78	\$ -	\$ 31,118,422.78
Total	100.001%	\$ 145,871,344.70	\$ -	\$ 145,871,344.70

COST ALLOCATION TO ALL PARTICIPANTS (Oversized)				
PARTICIPANTS	COST SHARE PERCENTAGE	PROJECT COST ALLOCATION	COST RECOVERY ALLOCATION	TOTAL
Total		\$ 15,000,000.00	\$ -	\$ 15,000,000.00
NHCRWA	0.000%	\$ -	\$ -	\$ -
CHCRWA	0.000%	\$ -	\$ -	\$ -
NFBWA	0.000%	\$ -	\$ -	\$ -
WHCRWA	0.000%	\$ -	\$ -	\$ -
COH	100.000%	\$ 15,000,000.00	\$ -	\$ 15,000,000.00
Total	100.000%	\$ 15,000,000.00	\$ -	\$ 15,000,000.00

Total Cost estimated for Cash Call 10:

\$ 362,310,709.70

Note: The different amount between the Total Estimate Cost and the Total Share Cost is due to the Total Cost Share Percentage of 100.001% in both Phase 1 & Phase 2.

HOUSTON PULBIC WORKS

NEWPP Expansion
Cash Call 10

DESCRIPTION	ESTIMATED COST
a). Design-Build BOP/GMP Phased Funding (Multi-Phase)	\$ 187,640,565.00
b). Design-Build BOP/GMP Phased Funding (Phase 1)	\$ -
c). Design-Build BOP/GMP Phased Funding (Phase 2)	\$ 145,869,886.00
d). Design-Build BOP/GMP Phased Funding (Oversized)	\$ 15,000,000.00
e). Management Reserve BOP/GMP Phased Funding (Multi-Phase)	\$ 13,798,800.00
TOTAL	\$ 362,309,251.00
City of Houston's share	\$ 78,348,721.18
Water Authorities' share	\$ 283,961,988.52
	<u>\$ 362,310,709.70</u>

Note: The different amount between the Total Estimate Cost and the Total Share Cost is due to the Total Cost Share Percentage of 100.001% in both Phase 1 & Phase 2.

Consensus Item #19 – Approval for the Construction of the Balance of Plant (BOP) Amendment and Project Cost plus Associated Cost Items

Presented for consideration on June 26, 2019

Discussion:

Consensus Item #19 is being issued to seek approval for the construction of the Northeast Water Purification Plant (NEWPP) Expansion Project. This Item would approve the total contract value for the Houston Waterworks Team (HWT) consisting of the Base Guaranteed Maximum Price (GMP) plus Preliminary Services plus Transition Services. Additionally, this item is seeking approval for associated Management Reserve funds that serve as City contingency plus City administrative costs. Specifically, the current Consensus Item #19 is requesting the following:

- Approval of the Amended and Restated Design-Build Agreement (Agreement) between the City and HWT. This is the eighth and final amendment to the Agreement.
- Approval of the total contract value for HWT consisting of:

Project Cost Element	Amount
Base GMP*	\$1,665,601,334.00
Preliminary Services	\$96,134,000.00
Transition Services	\$3,797,500.00
Total Contract Amount	\$1,765,532,834.00
Previously Approved	\$449,726,330.00
Remaining Contract Value to Approve	\$1,315,806,504.00
*See attached Based Guaranteed Maximum Price Summary	

- Approval of the final Oversized cost of \$75,565,000, of which \$37,045,546.50 has been approved in previous consensus items leaving a balance of \$38,519,453.50 for the BOP.
- Approval of City costs (CIP Recovery) to pay for City personnel working on the Project totaling up to \$7,624,340, which are projected to cover costs through Final Completion of the Project.
- Approval of Management Reserve costs of up to \$86,111,930.50, of which \$6,736,270.50 has been previously approved through the original Agreement and Amendments 1 through 7 and which \$79,375,660 remains to be approved by this action.

The above will be funded in accordance with the phased funding approach summarized in the letter from the City to the Authorities dated May 17, 2019

Oversize Pricing:

In accordance with Sections 3.14 and 6 of the Second Supplements, the following Oversized Price and Non-Oversized Price are presented for consideration as part of this Consensus Item #19. For the purposes of Section 3.14 of the Second Supplement Agreements between the City and Water Authorities: (i) the Estimated Non-Oversized Price and Contract Non-Oversized Price are deemed to be the same as the Non-Oversized Price below, (ii) the Estimated Oversized Price and Contract Oversized Price are deemed to be the same as the Oversized Price below.

- Total Project Non-Oversized Price: One billion eight hundred ninety seven million one hundred twenty five thousand one hundred seventy nine dollars and no cents (\$1,897,125,179)
- Total Project Oversized Price: One billion nine hundred seventy two million six hundred ninety thousand one hundred seventy nine dollars and zero cents (\$1,972,690,179)

Purpose:

The purpose of this request is to obtain a Consensus Vote in order to request approval for the construction of the BOP, which is the fifth and final construction package for the NEWPP Expansion and generally consists of the following work elements:

- Administration and Maintenance Building
- Central Plant (filters and chemical feed facilities)
- Dewatering Building
- Liquid Residual Equalization Basins
- Ground Storage Tanks
- High Service Pump Stations
- Instrumentation and Controls (I&C)/SCADA System Integration
- North Plant (pretreatment facilities, chemical feed facilities, and clarified recycle return facilities)
- Site Electrical
- Electrical Substation
- Yard Piping
- Intake Pump Station finish-out
- Indirect costs including general conditions, engineering services during construction, permitting, quality assurance and materials testing, virtual design & construction, bonds, and insurance
- Commissioning, Start-up, and Acceptance Testing services that include operations and maintenance until City staff assume those responsibilities

Action Required

Consensus Item 19 is requesting each Representative's vote in favor of the following:

- i. A total contract amount of \$1,765,532,834.00, of which \$1,315,806,504.00 has not been previously approved.
- ii. A final Oversized Price of \$75,565,000, of which \$38,519,453.50 has not been previously approved.
- iii. A City cost of \$7,624,340.
- iv. Management Reserve cost of \$79,375,660.
- v. The Amended and Restated Design-Build Agreement (Agreement) between the City and the Houston Waterworks Team (HWT). This is the eighth amendment to the Agreement.

In accordance with Section 6.3.2, of the Second Supplements, each Representative shall have (7) seven business days from the date of this posting to submit your vote in writing to the Project Director, which equates to a response no later than the close of business, July 5, 2019. If you have any questions or concerns, please feel free to contact me directly.

Sincerely,



Ravi Kaleyatodi, P.E.

Project Director, NEWPP Expansion

ATTACHMENT F-9

BASE GUARANTEED MAXIMUM PRICE SUMMARY

Cost Element	Amount
<u>Direct Costs</u>	
Direct Construction Costs	\$876,940,751
<i>Subtotal Direct Costs (A)</i>	\$876,940,751
<u>Allowances</u>	
Allowances	\$40,700,000
<i>Subtotal Allowances (B)</i>	\$40,700,000
<u>Professional Services – Design & Construction</u>	
Engineering Services During Construction	\$49,700,000
QC / Material Testing During Construction	\$46,326,303
Other Professional Services / Virtual Design & Construction	\$3,000,000
<i>Subtotal Professional Services (C)</i>	\$99,026,303
<u>Other Indirect Costs</u>	
General Conditions Costs	\$92,000,000
Start-up, Commissioning & Acceptance Testing	\$18,100,000
Insurance Costs	\$3,250,000
<i>Subtotal Other Indirect Costs (D)</i>	\$113,350,000
<i>Final Design & Construction Fee – Excluding EWPs (E)</i>	\$92,591,950
<i>Bond Costs (F)</i>	\$29,400,000
<u>Design-Builder Contingency</u>	
Design-Builder Risk	\$60,000,000
<i>Subtotal Design-Builder Contingency Costs (G)</i>	\$60,000,000
<u>Early Work Packages</u>	
EWP 1 – Site Development	\$37,339,594
EWP 2 – Filter & TPS Concrete	\$43,808,897
EWP 4 – Raw Water Pipeline	\$57,478,460
EWP 6 – Rapid Mix, Flocc.-Sed., Import Soils, etc.	\$214,965,379
<i>Subtotal EWP Costs (H)</i>	\$353,592,330
TOTAL BASE GUARANTEED MAXIMUM PRICE (A+B+C+D+E+F+G+H)	\$1,665,601,334

TABLE 2
CASH CALL #10 COST ALLOCATIONS

July 7, 2020



Cost Category/Participant	Total Cost ⁽¹⁾ & Participants' Cost Share	Oversize (OS) Cost Allocations ⁽²⁾		Phase 1 Cost Allocations ⁽³⁾		Phase 2 Cost Allocations		Multi-Phase Cost Allocations	
		Percentage	Cost (\$)	Percentage	Cost (\$)	Percentage	Cost (\$)	Percentage	Cost (\$)
BALANCE OF PLANT COST BREAKOUT									
DESIGN-BUILD COSTS	\$348,510,451.00		\$15,000,000.00		\$0.00		\$145,869,886.00		\$187,640,565.00
City Recovery Costs	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%	\$0.00	100.0%	\$0.00
Management Reserve	\$13,798,800.00		\$0.00		\$0.00		\$0.00		\$13,798,800.00
TOTAL ESTIMATED BOP COSTS	\$362,309,251.00		\$15,000,000.00		\$0.00		\$145,869,886.00		\$201,439,365.00
PARTICIPANT COST SHARE CALCULATIONS									
NHCRWA	\$108,787,676.64	0.000%	\$0.00	63.813%	\$0.00	25.813%	\$37,653,393.67	35.313%	\$71,134,282.96
CHCRWA	\$5,758,873.62	0.000%	\$0.00	0.575%	\$0.00	1.842%	\$2,686,923.30	1.525%	\$3,071,950.32
NFBWA	\$77,787,547.58	0.000%	\$0.00	14.325%	\$0.00	23.766%	\$34,667,437.11	21.406%	\$43,120,110.47
WHCRWA	\$91,626,431.99	0.000%	\$0.00	21.287%	\$0.00	27.246%	\$39,743,709.14	25.756%	\$51,882,722.85
COH	\$78,348,721.18	100.000%	\$15,000,000.00	0.000%	\$0.00	21.333%	\$31,118,422.78	16.000%	\$32,230,298.40
TOTAL ESTIMATED CC #10 OVERSIZED PRICE	\$362,309,251.00		\$15,000,000.00		\$0.00		\$145,869,886.00		\$201,439,365.00
OVERSIZED MINUS NON-OVERSIZED COST	\$15,000,000.00								
TOTAL ESTIMATED NON-OVERSIZED PRICE	\$347,309,251.00								

NOTES:

(1) Cash Call #10 provides phased funding to cover projected HWT costs through Q1 of 2022.

(2) Total Oversized cost based on ratio of non-oversized to oversized cost in Final BODR Addendum (June 2017). Projected portion for CC #10 based on anticipated upcoming OS work.

(3) Phase 1 costs were fully funded through previous cash calls.