



**PINE-STRAWBERRY WATER IMPROVEMENT DISTRICT
REQUEST FOR STATEMENTS OF INTEREST
DESIGN-BUILD ONE-STEP SERVICES POTABLE WATER TANK
REPLACEMENT AND REHABILITATION SERVICES
JUNE 2018**

The Pine-Strawberry Water Improvement District (PSWID) located in Pine and Strawberry, Arizona is seeking Statements of Interest (SOI) from qualified Design-Build (DB) Teams to provide design-build services for the Planning, Assessment, Design, Permitting, Site Preparation, Fabrication and Erection, Servicing and Rehabilitation, Disinfection, Start Up, and Warranty of various potable water storage tanks that range from 10,000 to 300,000-gallon capacity.

The District is seeking firms that specialize in all phases of potable water tank work. PSWID has recently received a Water Infrastructure Finance Authority (WIFA) loan that will be used to make significant improvements to the overall water infrastructure. This work includes but is not limited to Planning, Tank and Site Assessment, Design, Permitting, Site Preparation, Fabrication and Erection, Servicing and Rehabilitation, Disinfection, Start Up, and Warranty of various potable water storage tanks. The selected entity shall be required to supply electronic plans and documents; Record Drawings in hard copy and electronic format; complete an Engineer's Certificate of Completion and submit to ADEQ for approval; and, provide legal descriptions as well as Record of Survey of the tank project site.

In 2016 the District received vendor inspection reports on 4 of the existing water storage tanks. This information is available upon request.

It is the intent of the District to seek a SOI from qualified firms and then proceed with a formal procurement to select a firm or firms to provide DB services that will comply with WIFA funding requirements and provide the highest value to the District.

Please provide a response to this request if your firm is interested in this opportunity.

SECTION I - PROJECT CRITERIA

Water Infrastructure Finance Authority (WIFA) Funding will be used for this project, in compliance with WIFA Regulations and Requirements and American Iron and Steel (AIS) Requirements, DOL Wage Requirements, and the WIFA Contract Package.

The company selected for this work will review existing data and propose the most cost effective approach to complete the work.

The specific design and implementation of the rehabilitation and/or replacement of Potable Water Tanks and Associated Water System Improvements will be the responsibility of the entity selected for this work.

Following a qualification based selection from the firms responding to the SOI, the DB entity or entities and the District will meet and confer to better understand the water system and opportunities for improvements in the system before making a decision on the best procurement method with which to proceed.

II – SCOPE OF WORK

The DB Team will be responsible for work that includes but is not limited to Planning, Tank and Site Assessment, Design, Permitting, Site Preparation, Fabrication and Erection, Servicing and Rehabilitation, Disinfection, Start Up, and Warranty of various potable water storage tanks. The selected entity shall be required to supply electronic plans and documents; Record Drawings in hard copy and electronic format; complete an Engineer's Certificate of Completion and submit to ADEQ for approval; and, provide legal descriptions as well as Record of Survey of the tank project site. The DB Team is expected to provide Planning, Assessment, Design, Permitting, Site Preparation, Fabrication and Erection, Servicing and Rehabilitation, Disinfection, Start Up, and Warranty design build and construction work for the Potable Water Tanks and Associated Water System Improvements and is expected to stay within the District's budget. The project schedule from the Notice to Proceed date shall be for a period defined by the DB entity and approved by the District, and will be inclusive of all phases, but in no case longer than final project completion before December 15, 2020

The project will include the supply of all materials, equipment, and labor for installation, acceptance testing, commissioning, and warranty with record documents. The DB Team will control the costs and will be responsible for the project schedule and may compete to self-perform certain work that is in the best interest of the project and the District.

The Design-Builder shall also compete to self-perform work. For this project the Design-Builder is responsible for self-performing a minimum of 40% of the construction work as measured by total contract price for construction.

The selected DB Team or Teams will begin by confirming project scope requirements and preparing a conceptual design adequate to provide Guaranteed Maximum Price (GMP) pricing. Following this phase, the DB Team shall provide final design documents sealed by a professional registered in the State of Arizona. At some point prior to construction, the DB Team will assume the risk of delivering the project through a fixed lump sum or GMP contract.

The preferred DB Team should have the following capabilities:

- Experience in performance of Design-Build contracts;
- Demonstrated experience in design and construction of similar projects;
- Demonstrated experience in Project Management, Schedule, and Budgeting;

- Expertise in managing projects within a fixed, guaranteed maximum price, with either no change orders or only client requested changes;
- Experience with WIFA funded projects and the associated requirements;
- Understanding of the dynamics of Design-Build for construction and continued operations that include coordination with other agencies, utility companies, etc.;
- Participate with the District in a process to set goals for local and SBE subcontracting participation prior to the construction phase of this project. Final goals will be set during the design phase of this project and will be based on SBE subcontractor availability.
- Knowledge of the local subcontracting community;
- Fiscal capacity to obtain the necessary bid and performance bonds, insurance, and licenses;
- Planning, scheduling, and permitting; and
- Demonstrated knowledge and enforcement of strict on-site safety standards.

SECTION III – SMALL BUSINESS ENTERPRISE (SBE) REQUIREMENTS

By submitting its Statement of Interest, the Submitter, acknowledges that an SBE goal will be established for this contract at a later date, and hereby certifies that it will exercise good-faith efforts to meet or exceed the District-SBE goal.

In consultation with the successful Submitter, an SBE goal will be established during the design phase of this project and will be based on the availability of SBE subcontractors, subconsultants, and suppliers.

SECTION IV – MANDATORY PRE-SUBMITTAL CONFERENCE

A pre-submittal conference will be held to discuss the scope of work, general contract issues and respond to questions from the attendees.

SECTION V - STATEMENT OF INTEREST EVALUATION

Team/s will be selected through a qualifications-based selection process based on the following criteria:

A. General Information (15 points)

1. Provide a general description of the team that is proposing to provide construction management services and general construction services. Explain the legal organization of the proposed firm or team. Provide an organization chart showing key personnel
2. Provide the following information:
 - a. List the Arizona contractor licenses held by the team and the key personnel who will be assigned to this project. Provide the contractor license number. Reference the appropriate licenses held, if needed. In order to be considered for this project, the Design-Builder must hold the correct license as deemed appropriate by the Arizona Registrar of Contractors prior

to submitting a Statement of Interest (SOI) for this project in accordance with Arizona Revised Statute §32-1151.

- b. Identify the location of the firm's principal office and the home office location of key staff on this project.
- c. Identify any contract or subcontract held by the firm or officers of the firm, which has been terminated within the last five years. Identify any claims arising from a contract which resulted in litigation or arbitration within the last three years. Briefly describe the circumstances and the outcomes.
- d. If selected as a finalist for this project, you will be required to provide a statement from an A- or better surety company describing the Company's bonding capacity, and insurances.

B. Experience and qualifications of the team (20 points)

1. Identify at least three comparable projects in which the team served as either designer of record, general contractor, or member of a DB team. Special consideration will be given to teams that have led Design-Build teams on similar successful projects. For each project identified, provide the following:
 - a. Description of the project
 - b. Role of the firm (specify whether Design-Builder, Construction Manager or General Contractor. If Design-Builder, or General Contractor, identify the percent of work self-performed. Also specify services provided during design phase, i.e. cost estimating, scheduling, value engineering, etc.)
 - c. Project's original contracted construction cost and final construction cost.
 - d. Construction dates
 - e. Project owner
 - f. Reference information (two current names with telephone numbers per project)
2. List of all projects where the team provided DB services, Construction Manager at Risk, agency construction management, or general construction services in the last five years, either completed or ongoing.

C. Experience of key personnel to be assigned to this project (25 points)

1. For each key person identified, list their length of time with the firm and at least two comparable projects in which they have played a primary role. If a project selected for a key person is the same as one selected for the firm, provide just the project name and the role of the key person. For other projects provide the following:
 - a. Description of project
 - b. Role of the person
 - c. Project's original construction cost and final construction cost
 - d. Construction dates
 - e. Project owner

- f. Reference information (two current names with telephone numbers per project)
2. List any proposed consultants, including key staff names and the experience and qualifications of these individuals.
 - a. Description of project
 - b. Role of the person
 - c. Project's original construction cost and final construction cost
 - d. Construction dates
 - e. Project owner
 - f. Reference information (two current names with telephone numbers per project)

D. Understanding of the project and approach to performing the required services (30 points)

1. Discuss the major issues your team has identified on this project and how you intend to address those issues.
2. Attached to this Request for Interest is a general subcontractor selection plan (see Exhibit "A"). Describe how you intend to implement this subcontractor selection plan including your recommendations for subcontractor trades to be selected by qualifications only vs. qualifications and bids; and discuss the benefit that your subcontractor selection plan provides to the project.
3. Describe your team's project management approach and team organization during design and construction phase services. Describe systems used for planning, scheduling, estimating, and managing construction. Briefly describe the firm's experience on quality control, dispute resolution, and safety management.

E. Overall evaluation of the team and its perceived ability to provide the required services (10 points)

Overall evaluation of the team's capability to provide the required services as determined by the selection panel members. No additional submittal response is required.

SECTION VI - SUBMITTAL REQUIREMENTS

Teams interested in this project should submit a Statement of Interest (SOI). Submittal requirements are as follows:

Cover Letter: Provide a cover letter which includes full firm company name, address, phone number and the email address of your contact person for the project.

Evaluation Criteria: Address all SOI evaluation criteria and include a project organizational chart.

Additional Content: Resumes (*resumes do not count in the maximum page limit*). Other information may be included (*content shall be included within the permitted maximum page limit*).

Submittals:

- Clearly display the firm name and project title on the cover of the SOI and submittal package.
- Submittals must be submitted at District by the submittal due date/time.
- All submittals must be addressed to:

Cato Esquivel, District Manager
Mailing: P.O. Box 134
6306 W. Hardscrabble Mesa Road
Pine, AZ 85544
Phone: 928-476-4222
Email: catoe@pswid.org

- Provide 1 original and 4 copies of the Statement of Interest.
- A maximum of 15 pages is permitted to address all content in the SOI submittal (***maximum page limit includes cover letter, evaluation criteria and additional content, except resumes***).
- Submit the Statement of Interest by 2:00 PM, local time July 17, 2018
- Font size may not be less than 10 points
- Paper Size shall be 8 1/2 "x11"
- Each side of a page containing cover letter, evaluation criteria and additional content will be counted toward the maximum page limit noted above
- Pages that have project photos, charts and/or graphs will be counted towards the maximum page limit noted above
- Front and back covers, Table of Contents pages, and divider (tab) pages will NOT be counted toward the maximum page limit noted above, unless they include cover letter, evaluation criteria and additional content that could be considered by the selection panel

Note: All pages exceeding the specified maximum page limit will be removed from the submittal and not considered in evaluating a submitted SOI.

GROUND FOR DISQUALIFICATION:

Please be advised that the following will be grounds for disqualification, and will be strictly enforced:

- Receipt of submittal after the specified cut-off date and time.
- Too few copies of the submittal.
- SOI is mailed to the wrong location or returned to sender.

- Violating the “Contact with District Employees” policy contained in this SOI (see page 8).

SECTION VII - SELECTION PROCESS AND SCHEDULE

The successful team/s will be selected through a qualifications based selection process. Interested teams will submit a Statement of Interest (SOI). A Selection Panel will evaluate each SOI according to the criteria set forth in Section V above. The District will select a team based on the SOI’s received; formal interviews may be conducted. The District may conduct a due diligence review on the team(s) receiving the highest evaluation. Finalists from the SOI evaluation will be invited to participate in detailed interviews. An invitation letter to each finalist will provide the evaluation criteria to be used during the interview presentation. Interview evaluations to select the highest qualified team are final and do not include scores from the SOI evaluation process.

The District expects to create a final list of at least three, but not more than five teams for this project. The District will enter into negotiations with the selected team and execute a contract upon completion of negotiation of fees and contract terms for District approval.

The following tentative schedule has been prepared for this project.

| | |
|----------------------|---------------|
| SOI’s due | July 17, 2018 |
| Tentative Interviews | July 31, 2018 |

If the District is unsuccessful in negotiating a contract with the best-qualified respondent, the District may then negotiate with the next most qualified team until a contract is executed, or the District may decide to terminate the selection process. Once a contract is executed with the successful firm, the procurement is complete.

Team/s selected for this project will be notified directly by the District. Notification to all other teams on the status of a selection on this project will be posted on the District website.

SECTION VIII – GENERAL INFORMATION

The District has received loan funds for this project from the Water Infrastructure Finance Authority, (WIFA). The Design Build entity will be required to comply with all WIFA requirements.

Plan holder list is available upon request from the District. Changes to the Request for SOI will be posted on the District Website. The District shall not be held responsible for any oral instructions.

It shall be the responsibility of the respondent to the Request for SOI, prior to the submittal of the Statement of Interest, if there have been changes in the Request for SOI for this project.

Release of Project Information. The District shall provide the release of all public information concerning the project, including selection announcements and contract awards. Those desiring to release information to the public must receive prior written approval from the District.

District Rights. The District reserves the right to reject any or all Statements of Interest, to waive any informality or irregularity in any Statement of Interest received, and to be the sole judge of the merits of the respective Statements of Interest received.

Contact with District Employees. Beginning on the date the Request for SOI is issued and until the date the contract is awarded or the Request for SOI withdrawn, all persons or entities that respond to the SOI, including their authorized employees, agents, representatives, proposed partner(s), subcontractor(s), joint venture(s), member(s), or any of their lobbyists or attorneys (collectively the Proposer), will refrain from any direct or indirect contact with any person who may play a part in the selection process, including members of the evaluation panel, the District Manager, the District Board Chairman and other members of the District. As long as the Request for SOI solicitation is not discussed, Proposers may continue to conduct business with the District and discuss business that is unrelated to this Request for SOI solicitation with District staff.

Conflict of Interest. The District reserves the right to disqualify any Proposer on the basis of any real or apparent conflict of interest that is disclosed by the proposal submitted or any other data available to the District. This disqualification is at the sole discretion of the District.

Waiver of Protest/Objection. Any Proposer submitting a proposal herein waves any right to object now or at any future time, before any agency or body, including but not limited to, the District or any court.

Data Confidentiality. Except as specifically provided in the Contract, the Design-Builder or its subconsultants/subcontractors shall not divulge data to any third party without prior written consent of the District.

Legal Worker Requirements. The District is prohibited by A.R.S. § 41-4401 from awarding a contract to any Design-Builder who fails, or whose subconsultants /subcontractors fail, to comply with A.R.S. § 23-214(A). The Design-Builder and each subconsultant/subcontractor shall comply with all federal immigration laws and regulations related to their employees and compliance with the stated law. The District retains the legal right to inspect the papers of any Design-Builder or subconsultants/subcontractors employee who is awarded a contract to ensure that the Design-Builder or subconsultant/subcontractor is complying with the law.

Lawful Presence Requirement. Pursuant to A.R.S. §§ 1-501 and 1-502, the District is prohibited from awarding a contract to any natural person who cannot establish that such person is lawfully present in the United States. To establish lawful presence, a person must produce qualifying identification and sign a District-provided affidavit affirming that

the identification provided is genuine. This requirement will be imposed at the time of contract award. This requirement does not apply to business organizations such as corporations, partnerships or limited liability companies.

Worker Background Screening. Design-Builder and its subconsultants/subcontractors awarded a contract for this project shall perform Background Screening for all employees providing services for the project. The District has established three levels of risk and associated Background Screening. Minimum Risk which requires the Design-Builder and its subconsultants/subcontractors to perform employee screening required by A.R.S. § 41-4401, Standard Risk which requires the Design-Builder and its subconsultants/subcontractors to perform employee screening required by A.R.S. § 41-4401 and felony and misdemeanor records screening, Maximum Risk which requires the Design-Builder and its subconsultants/subcontractors to perform employee screening required by A.R.S. § 41-4401, felony and misdemeanor records screening, sexual offender search, a credit check and driving record search.

Questions. Questions pertaining to this selection process or contract issues should be directed to the PSWID District Manager, or EUSI, Program Manager, Paul Hendricks, 623-204-4901, phendricks@cox.net .

EXHIBIT A - SUBCONTRACTOR SELECTION PLAN

2.11 Major Subcontractor and Major Supplier Selections

- 2.11.1** The selection of major Subcontractors and major Suppliers may occur prior to submission of a GMP Proposal. Major Subcontractors may be selected based on qualifications or a combination of qualifications and price. Subcontractors shall not be selected based on price alone. Except as noted below, the selection of major Subcontractors/Suppliers is the responsibility of the Design-Builder. In any case, the Design-Builder is solely responsible for the performance of the selected Subcontractors/Suppliers.
- 2.11.1.1** The Design-Builder will prepare a Subcontractor/Supplier selection plan and submit the plan to the District for approval. This subcontractor selection plan shall identify those subcontractor trades anticipated to be selected by qualifications only per Section 2.11.2 and those subcontractor trades anticipated to be selected by qualifications and competitive bid in accordance with Section 2.11.3. This plan will also identify those subcontractors that will not be selected through a formalized qualifications-based selection process. The subcontractor selection plan must be consistent with the selection requirements included in this Contract.
- 2.11.2** Selection by qualifications only - The District may approve the selection of a Subcontractor(s) or Supplier(s) based only on their qualifications when the Design-Builder can demonstrate it is in the best interest of the District and the Project.
- 2.11.2.1** Qualification based selection of a Subcontractor(s)/Supplier(s) should only occur during the design phase to achieve maximum benefit of the subcontractors' involvement prior to the submittal of the GMP Proposal.
- 2.11.2.2** The Design-Builder shall apply the approved subcontractor selection plan in the evaluation of the qualifications of a Subcontractor(s) or Supplier(s) and provide the District with its review and recommendation.
- 2.11.2.3** The Design-Builder must receive District approval of the selected Subcontractor(s)/Supplier(s).
- 2.11.2.4** The Design-Builder will negotiate costs for services/supplies from each Subcontractor/Supplier selected under this method.
- 2.11.2.5** Selection by qualifications and competitive bid - The Design-Builder shall apply the subcontractor selection plan in the evaluation of the qualifications of a Subcontractor(s) or Supplier(s) and provide the District with its process to prequalify prospective subcontractors and suppliers. All Work for major

subconsultants and major suppliers shall then be competitively bid to the prequalified subcontractors unless a Subcontractor or Supplier was selected pursuant to paragraph 2.11.2 above. Competitive bids may occur prior to or after the GMP Proposal(s).

- 2.11.3.1** The Design-Builder will develop Subcontractor and Supplier interest, submit the names of a minimum of three qualified Subcontractors or Suppliers for each trade in the Project for approval by the District and solicit bids for the various Work categories. The Design-Builder will identify the SBE Subcontractors and Suppliers and during the bidding process keep the District informed on the progress of meeting the desired SBE goals. If there are not three qualified Subcontractors/Suppliers available for a specific trade or there are extenuating circumstances warranting such, the Design-Builder may request approval by the District to submit less than three names. Without prior written notice to the District, no change in the recommended Subcontractors/Suppliers will be allowed.
- 2.11.3.2** If the District objects to any nominated Subcontractor/Supplier or to any self-performed Work for good reason, the Design-Builder will nominate a substitute Subcontractor/Supplier that is acceptable to the District.
- 2.11.3.3** The Design-Builder will distribute Drawings and Specifications, and when appropriate, conduct a pre-bid conference with prospective Subcontractors and Suppliers.
- 2.11.3.4** If the Design-Builder desires to self-perform certain portions of the Work, it will request to be one of the approved Subcontractor bidders for those specific bid packages. The Design-Builder's bid will be evaluated in accordance with the process identified below. If events warrant and the District concurs that in order to insure compliance with the Project Schedule and/or cost, the Design-Builder may self-perform Work without bidding or re-bidding the Work.
- 2.11.3.5** The Design-Builder shall request the pre-qualified subcontractors to provide a detailed bid for the services requested. The subcontractor bid, provided on the subcontractors' letterhead, shall contain sufficient information (i.e. unit costs/amounts) to allow an evaluation of the reasonableness of bid costs. The Design-Builder shall receive, open, record and evaluate the bids. The apparent low bidders will be interviewed to determine the responsiveness of their proposals. In evaluating the responsiveness of bid proposals the Design-Builder, in addition to bid price, may consider the following factors: past performance on similar projects, qualifications and experience of personnel assigned, quality management plan, approach or understanding of the Work to be performed, and performance schedule to complete the Work. The final evaluation of Subcontractor/Supplier bids will be done with the District Representative in attendance to observe and witness the process. The Design-Builder will resolve any Subcontractor/Supplier bid withdrawal,

protest or disqualification in connection with the award at no increase in the Cost of the Work.

2.11.4 The Design-Builder will be required to prepare two different reports on the subcontracting process.

2.11.4.1 Within fifteen Days after each major Subcontractor/Supplier bid opening process, the Design-Builder will prepare a report for the District's review and approval identifying the recommended Subcontractors/Supplier for each category of Work. The report will provide (a) the name of the recommended Subcontractor/Supplier and the amount of the Subcontractor/Supplier bid for each sub-agreement, (b) the sum of all recommended Subcontractor/Supplier bids received, (c) a copy of the bids received from each subcontractor, and (d) trade work and its cost that the Design-Builder intends to self-perform, if any.

2.11.4.2 Upon completion of the Subcontractor/Supplier bidding process, the Design-Builder shall submit a summary report to the District of the entire Subcontractor/Supplier selection process. The report will indicate, by bid process, all Subcontractors/Suppliers contacted to determine interest, the Subcontractors/Suppliers solicited, the bids received and costs negotiated, and the recommended Subcontractors/Suppliers for each category of Work.

2.11.5 The approved Subcontractors/Suppliers will provide a Schedule of Values that reflects their final accepted bid proposal, which will be used to create the overall Project Schedule of Values.

2.11.6 If after receipt of sub-bids or after award of Subcontractors and Suppliers, the District objects to any nominated Subcontractor/Supplier or to any self-performed Work for good reason, the Design-Builder will nominate a substitute Subcontractor or Supplier, preferably if such option is still available, from those who submitted Subcontractor bids for the Work affected. Once such substitute Subcontractors and Suppliers are consented to by the District, the Design-Builder's proposed GMP for the Work or portion thereof will be correspondingly adjusted to reflect any higher or lower costs from any such substitution.

2.11.7 Promptly after receipt of the Notice of Intent to Award, the District will conduct a pre-award conference with the Design-Builder. At the pre-award conference, the Design-Builder will (a) review the nominated slate of Subcontractors and Suppliers and discuss any District concerns with or objections; (b) discuss District concerns relating to proposed self-performed Work; (c) review the Design-Builder's proposed Contract Price for the Work during the construction phase; (d) discuss the conditions, under which District will agree to leave any portion of the remaining Design-Builder Contingency within the Contract Price for the construction phase Work; (e) resolve possible time frames for the Date of Commencement of the Contract time for the construction phase Work; (f) schedule the pre-construction conference; and (g) discuss other matters of importance.