



OPERATIONS COMMITTEE

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Agenda Report

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Agenda Item No: 8.

FROM: Robert Thompson, General Manager
Originator: Mike Dorman, Director of Engineering

SUBJECT:

HEADWORKS ELECTRICAL DISTRIBUTION IMPROVEMENTS AT PLANT NO. 2, PROJECT NO. P2-141

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

- A. Approve a project budget increase of \$11,848,000 for Headworks Electrical Distribution Improvements at Plant No. 2, Project No. P2-141, for a total project budget of \$46,500,000;
- B. Approve a Progressive Design-Build Contract with Big Sky Electric, Inc./Filanc, a Joint Venture, to provide Phase 1 progressive design-build services for Headworks Electrical Distribution Improvements at Plant No. 2, Project No. P2-141, for an amount not to exceed \$3,902,200; and
- C. Approve an upper limit for this Contract of \$39,710,000, which includes contingency.

BACKGROUND

The headworks of a wastewater treatment plant is where incoming sewer flows converge through a series of pipes, meters, flow diversions, and gates as part of the preliminary treatment process. At Orange County Sanitation District's (OC San) Reclamation Plant No. 2, the headworks blends sewage from four trunk lines before it enters the treatment process.

Distribution Center H (DC-H) at Plant No. 2 houses the electrical distribution equipment that provides power and control to the headworks facilities through its switchgear and motor control centers. Power and control cables from DC-H are routed to the headworks process areas through an underground duct bank system that connects the various facilities.

RELEVANT STANDARDS

- 24/7/365 treatment plant reliability
- Ensure the public's money is wisely spent
- Maintain a culture of improving efficiency to reduce the cost to provide the current service level or standard

PROBLEM

Over the past five years, several critical pieces of equipment at the headworks facilities have experienced shutdowns due to a steadily increasing rate of low-voltage power and control cable failure. Initially, failed cables were replaced through the execution of numerous smaller cable replacement projects, and nearly all spare conductors and conduits have been utilized.

A condition assessment of the underground duct bank system identified several existing and spare conduits as blocked and unusable due to the failure of the fiberglass conduits. The ability to reuse existing underground conduits is significantly constrained.

Recently, temporary replacement cables have been routed above ground due to the lack of available buried duct bank conduits. These temporary installations create operational and safety concerns, including potential tripping hazards, roadway restrictions, and reduce the reliability of the headworks electrical distribution system.

In addition to the cable failure issues, variable frequency drives for the seven (7) main sewage pumps and sixteen (16) odor control fans are obsolete and have reached the end of their useful life. The main sewage pump vibration monitoring is also obsolete.

PROPOSED SOLUTION

Approve a Progressive Design-Build (PDB) contract to replace and reroute all low-voltage power and control cables serving the headworks. The project will also replace obsolete variable frequency drives and vibration monitoring equipment.

TIMING CONCERNS

Delaying approval of this contract will postpone the replacement of failed or failing cables, obsolete variable frequency drives, and obsolete vibration monitoring equipment, which could affect the operational reliability of the headworks facilities at Plant No. 2.

RAMIFICATIONS OF NOT TAKING ACTION

Based on experience, if no action is taken, it is anticipated that cable failures will continue to affect the reliability of the headworks facilities at Plant No. 2. The variable frequency drives could fail, resulting in an urgent project to replace them. The vibration monitoring equipment could also fail, resulting in lack of critical equipment protection. The above-ground cable installations will remain in place due to the lack of available conduits, creating ongoing safety concerns such as tripping hazards and limiting safe access for operations and maintenance staff.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATIONDesign Builder Selection:

On May 15, 2025, OC San hosted a Market Sounding event to assess the industry interest in the project and gather feedback from potential proposers before the Request for Proposal (RFP) was published. The event was advertised in OC San's Vendor Portal in PlanetBids. The event was well attended with over forty attendees from different design consultants, design-build firms, and contractors.

OC San held one-on-one meetings with seven interested firms from May 21, 2025, to May 29, 2025. The purpose of the meetings was to discuss information presented at the Market Sounding event, such as potential risks, project schedule, technical requirements, insurance requirements, commercial terms, and other factors that may have prevented firms from submitting a proposal for the project.

On September 16, 2025, OC San issued a Request for Proposals (RFP) to procure the work and services outlined in the project scope of work. The RFP was publicly advertised in the Orange County Register, and an electronic notification was sent to multiple firms through OC San's Vendor Portal in PlanetBids.

The RFP described the following evaluation criteria, which were used to determine the most qualified Design-Builder.

Description	Points
Technical Proposal Evaluation Criteria	
Proposer Profile and Minimum Requirements	Responsive or Non-Responsive
Project Understanding and Key Issues	20
Project Team and Key Personnel	25
Project Experience and References	20
Project Delivery and Management Approach	20
Cost Development and Procurement Approach	5
Technical Proposal Maximum Score	90
Price Proposal Evaluation Criteria	
Phase 2 Design-Builder's Fee Percentage	10
Price Proposal Maximum Score	10
TOTAL PROPOSAL MAXIMUM SCORE	100

This procurement and subsequent evaluation were conducted as a one-step, best-value solicitation in accordance with Section 22185 of the Public Contracting Code and under the guidance of OC San's Owner-Advisor.

OC San offered optional Proprietary Meetings to provide prospective proposers with an opportunity to ask questions regarding the project technical requirements, draft Contract Documents, and draft RFP. Prospective proposers also used the time to describe preliminary technical concepts, preliminary

project delivery approaches, and/or proposed changes in the Contract Documents. Five Proprietary Meetings were held on October 7, 8, and 9, 2025.

Four proposals were received on November 12, 2025, and evaluated in accordance with the evaluation process set forth in OC San’s Purchasing Ordinance (OC SAN-61) by a pre-selected Evaluation Team consisting of OC San staff, which included a Senior Engineer (Project Manager), a Senior Engineer (Project Engineer), an Engineering Manager, an Engineering Supervisor, and a Maintenance Superintendent.

The Evaluation Team also included four non-voting representatives: two from the Contracts Administration Division and two members from the Owner Advisor.

Below is the summary of Technical Proposal scores with a maximum of ninety (90) points.

Proposer	Big Sky Electric, Inc./Filanc, a Joint Venture	CDM Smith, Inc.	LEED Electric, Inc.	Shimmick Construction Company, Inc.
Project Understanding & Key Issues (Max. 20 Points)	17.20	16.00	14.00	12.00
Project Team & Key Personnel (Max. 25 Points)	20.50	17.50	18.00	17.50
Project Experience & References (Max. 20 Points)	16.40	14.40	12.80	12.00
Project Delivery & Management Approach (Max. 20 Points)	16.40	15.60	13.20	16.00
Cost Development & Procurement Approach (Max. 5 Points)	4.50	4.60	4.50	4.30
Total Score (Max. 90 Points)	75.00	68.10	62.50	61.80

On December 15, 2025, Contracts staff opened the Price Proposals of the two (2) highest-scoring firms and reviewed them for responsiveness. Both Price Proposals received were responsive.

Interviews were conducted on December 16, 2025, and December 17, 2025. After the interviews, the Evaluation Committee scored the two Proposers on both their written technical proposal and interview. On December 18, 2025, the Evaluation Committee provided their final scores, and all evaluators agreed regarding the scores and overall ranking of the Proposers. Below is the summary of the final Technical Proposal scores.

Proposer	Big Sky Electric, Inc./Filanc, a Joint Venture	CDM Smith, Inc.
Project Understanding & Key Issues (Max. 20 Points)	17.2	16.8
Project Team & Key Personnel (Max. 25 Points)	22.5	17.5
Project Experience & References (Max. 20 Points)	18	15.6
Project Delivery & Management Approach (Max. 20 Points)	17.6	16.4
Cost Development & Procurement Approach (Max. 5 Points)	4.6	4.3
Total Score (Max. 90 Points)	79.9	70.6

The Price Proposals were kept confidential and were not disclosed to the Evaluation Committee until after the Technical Proposal scores were finalized. On December 18, 2025, Contracts staff evaluated the Price Proposals using the cost scoring method established in the RFP. The table below summarizes the Price Proposal scores.

Proposer	Phase 2 Design-Builder's Fee Score (Max. 10 Points)
Big Sky Electric, Inc./ a Joint Venture	8.57
CDM Smith, Inc.	10.00

On December 18, 2025, the Evaluation Committee convened, and Contracts staff provided the Price Proposal score to the Evaluation Committee after receiving the final Technical Proposal scores. Contracts staff proceeded with adding the Price Proposal score to the final Technical Proposal score. The table below shows the summary of the final total Proposal scores.

Proposer	Big Sky Electric, Inc./Filanc, a Joint Venture	CDM Smith, Inc.
Project Understanding & Key Issues (Max. 20 Points)	17.2	16.8
Project Team & Key Personnel (Max. 25 Points)	22.5	17.5
Project Experience & References (Max. 20 Points)	18	15.6
Project Delivery & Management Approach (Max. 20 Points)	17.6	16.4
Cost Development & Procurement Approach (Max. 5 Points)	4.6	4.3
Phase 2 Design-Builder's Fee (Max. 10 Points)	8.57	10
Total Score (Max. 100 Points)	88.47	80.6

The Best-Value Proposer was selected based on a range of factors, including technical design, construction expertise, financial record, skilled labor force availability, safety record, and competitive fee.

In its technical proposal and oral interview, Big Sky Electric, Inc./Filanc, a Joint Venture, demonstrated a clear understanding of the scope of work, strong technical capabilities as well as a novel design alternative and procurement approach that can advance project completion. The team also demonstrated familiarity with Reclamation Plant No. 2 and experience coordinating with Operations and Maintenance staff, which will support a collaborative project environment, minimize risks, and expedite project delivery.

Therefore, the Evaluation Team determined that Big Sky Electric, Inc./Filanc, a Joint Venture, is the best-value and most qualified Design-Builder to successfully complete the scope of work.

Negotiations:

Based on the Evaluation Committee’s recommendation, the Director of Engineering authorized the start of negotiations on December 18, 2025, with the highest-ranking proposer, Big Sky Electric, Inc./Filanc, a Joint Venture.

Staff conducted negotiations with Big Sky Electric, Inc./Filanc, a Joint Venture, to clarify the scope of work, contractual requirements, key assumptions, and the proposed approach to meet the goals and objectives for the project.

Several meetings were held during negotiations. The scope was revised to include additional vibration monitoring design services for the existing Main Sewage Pumps (MSPs). Scope assumptions were better clarified, and the Phase 1 schedule was updated accordingly.

	Original Amount	Final Negotiated Amount
Phase 1 Services	\$3,988,000	\$3,902,200

The Design-Builder proposed several exceptions to the contract, including provisions related to limitation of liability and indemnification. These exceptions were reviewed, revised, and approved during negotiations by the Legal Counsel and Risk Management teams from both OC San and the Design-Builder.

Based on the results of these negotiations, staff determined that the final negotiated fee is fair and reasonable for this project and recommends awarding the PDB Contract to Big Sky Electric, Inc./Filanc, a Joint Venture.

The main sewage pump vibration monitoring equipment was added after the original construction budget was established. The variable frequency drive cost estimate had incorrect costs entered for material and labor. Together, these cost differences total approximately \$10M. Additionally, copper prices have increased approximately 25% in the past year. Finally, the Phase 1 cost was based on a lower construction cost, and did not include the detailed field investigation work recommended by the Design-Builder. A budget increase of \$11,848,000 is recommended to provide sufficient funds for the PDB contract upper limit.

CEQA

The project is exempt from CEQA under the Class 1 categorical exemptions set forth in California Code of Regulations sections 15301. A Notice of Exemption will be filed with the OC Clerk-Recorder and State Clearinghouse after the General Manager approval of the Guaranteed Maximum Price Amendment.

FINANCIAL CONSIDERATIONS

This request complies with the authority levels of OC San's Purchasing Ordinance. This item has been budgeted (Budget Update FY 2025-26, Page A-7, Headworks Electrical Distribution Improvements at Plant No. 2, Project No. P2-141). The project budget increase will be included in the budget approval process for the upcoming fiscal year.

ATTACHMENT

The following attachment(s) may be viewed on-line at the OC San website (www.ocsan.gov) with the complete agenda package:

- Professional Design-Build Contract
- Presentation

OP:lb