

Resolution Approving the Use of Design-Build for the Tertiary Systems Upgrade Project

WHEREAS, Virginia Code Ann. § 2.2-4382 (2024) requires a local public body to adopt a resolution for the use of construction management or design-build on a per project basis in advance of issuing a Request for Qualifications; and

WHEREAS, AlexRenew operates a state-of-the-art wastewater treatment plant with strict permit limits for nitrogen, phosphorus, total suspended solids, and other pollutants to meet reductions set by the Chesapeake Bay Total Maximum Daily Load;

WHEREAS, AlexRenew leverages a third, highly-automated advanced treatment stage, consisting of a series of plate settlers, settling tanks, 22 mixed-media filters, valving, pumps, and complex control networks (the “Tertiary System”) to meet its strict permit limits;

WHEREAS, Tertiary System upgrades are required to ensure the reliability, functionality, and level of service of the wastewater plant;

WHEREAS, Tertiary System upgrades must be completed while the wastewater plant remains active and access to the system is constrained, requiring complex siting arrangements for cranes, construction equipment, and plant traffic;

WHEREAS, construction activities and shutdowns associated with Tertiary System upgrades present risk to plant operations, level of service, safety, and permit compliance;

WHEREAS, project delivery through the traditional design-bid-build method presents the following risks to the Tertiary System upgrades:

- The competitive sealed bidding process (low bid) results in the selection of a contractor lacking technical competence to complete the work; causing delays, increased cost, and permit violations;
- The lack of contractor engagement during the design process results in differing expectations in contract requirements leading to increased change orders and cost;
- The linear competitive sealed bidding process presents the longest project schedule, delaying the necessary upgrades and risk of permit compliance;
- Bidding separate design and construction contracts increases cost and burden associated with staff administration;

WHEREAS, design-build project delivery reduces risk to the Tertiary System upgrades by:

- Considering non-price factors in selection, allowing AlexRenew to evaluate the experience and approach of contractors, ensuring a highly qualified contractor performs the work;
- Supporting early contractor engagement during the design process to provide feedback on contract requirements, mitigating the potential for costly change orders;

- Developing a collaborative environment between the owner, designer, and contractor to ensure the work is constructable, safe, and maintains plant level of service and permit compliance;
- Promoting trust and transparency in pricing through open book cost estimating;
- Providing greater price certainty at an early design phase leading to more accurate cash flows and budgets, necessary for reliable and predictable funding;
- Accelerating project schedule through a single procurement process and advancing design and construction activities concurrently;

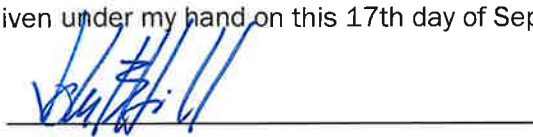
WHEREAS, for the reasons stated above design-build is more advantageous than design-bid-build for the Tertiary Systems upgrades;

WHEREAS, the Request for Qualifications for the Tertiary Systems Upgrade Project is planned to be issued in February 2025; and

WHEREAS, procurement for the Tertiary Systems upgrades will follow the requirements outlined in Virginia Code Ann. § 2.2-4382 and AlexRenew's 'Procedures for the Procurement of Construction Management At-Risk and Design-Build.'

NOW, THEREFORE, BE IT RESOLVED that the AlexRenew Board of Directors authorizes the use of design-build for the procurement and delivery of the Tertiary Systems upgrades.

Given under my hand on this 17th day of September 2024.



John B. Hill

Chair, AlexRenew Board of Directors