

## MEMORANDUM

**TO:** Claire Powell, City Manager

**VIA:** Aaron Russell, P.E., Director of Public Services

**FROM:** Roshan Chaudhary, CIP Manager

**DATE:** August 4, 2025

**SUBJECT:** **Approval of Amendment No. 3 to the Professional Services Agreement with OCMI, Inc., Richardson, TX, Reducing the Agreement Amount by \$555,211 for the Prairie Creek Wastewater Treatment Plant II (PCWWTP) Aeration Basin Expansion Project, Removing Construction Phase Services but Increasing Pre-construction Support; and Authorization for the City Manager, or Her Designee, to Execute the Agreement.**

### **BACKGROUND**

The City of Lewisville's Prairie Creek Wastewater Treatment Plant, originally built in the 1950s, has undergone multiple expansions to meet state and federal regulations. By 2018, the plant's annual flow exceeded 75% of its permitted capacity, triggering Texas Commission on Environmental Quality (TCEQ) requirements to plan for expansion. Current flows are nearing 90% of capacity, necessitating construction to accommodate future population growth and meet stricter discharge limits. The project will expand treatment and nutrient removal capacity, decommission Plant III, and upgrade infrastructure. The engineering firm HDR completed the facility's master plan in 2020, and OCMI, Inc. has been engaged to provide project controls and cost management due to the project's scale and complexity.

### **ANALYSIS**

The Professional Services Agreement between OCMI, Inc. and the City of Lewisville, originally approved by City Council on April 1, 2024, in the amount of \$908,062, has since been amended.

Amendment No. 1 (administratively approved) reduced the agreement amount by \$105,874 due to a miscalculation in the original project fee schedule, with no changes to the project scope. The revised contract total became \$802,188.

Amendment No. 2 (administratively approved) reallocated \$20,253 from the IIIa. Part-Time Inspector fee to Ib. Pre-Construction Coordination fee. This adjustment addressed additional pre-construction services needed to restructure the project from Construction Manager at Risk (CMAR) to Competitive Sealed Proposal (CSP). This was a necessary change resulting from an unrealistic cost model proposed by the CMAR contractor based on construction cost evaluation performed by the project design consultant (HDR) and an objective 3<sup>rd</sup> party construction estimating firm (Construction Cost Management). The not-to-exceed total remained \$802,188,

with the scope modified to support the Prairie Creek Wastewater Treatment Plant II Aeration Basin Expansion Preconstruction and Construction Phase Services Project.

With the updated pre-construction timeline due to the procurement method change, Amendment No. 3 revises the scope of services to remove construction phase support, a reduction of \$681,338, and adds additional pre-construction services of \$126,127. As a result, the total contract amount has been reduced by \$555,211, bringing the new not-to-exceed amount to \$246,977.

Construction phase services will be provided via a separate agreement.

Funding is available in the capital project titled WWTP Capacity Improvements (U2100).

**CITY'S STAFF RECOMMENDATION**

That the City Council approve Amendment No. 3 and authorize the City Manager, or her designee, to execute the agreement as set forth in the caption above.