



Agenda Report

20-355

Agenda Date: 6/23/2020

REPORT TO COUNCIL

SUBJECT

Action on an Agreement with Mott MacDonald Group, Inc. for Annual Sanitary Sewer Condition Assessment Repair Projects (2021, 2022, and 2023 Projects) [Council Pillar: Deliver and Enhance High Quality Efficient Services and Infrastructure]

BACKGROUND

The Water and Sewer Utilities Department manages the Sanitary Sewer Condition Assessment Program using the National Association of Sewer Service Companies (NASSCO) Pipeline Assessment Certification Program (PACP) guidelines. The PACP guidelines are used to inspect the sanitary sewer system, grade defects, and prioritize repairs for approximately 270 miles of pipeline in the City's sewer infrastructure. The defects are graded on a scale of 1 to 5 based on the significance of the defect, with 1 being minor and 5 being the most significant. The City's current concentration under the repair program is to fix defects that are rated 5.

The City utilizes in-house Sewer Utility crews to perform sewer line spot repairs at locations that require less complex repair work. The Department of Public Works procures outside construction contractors for repairs that are more complex due to factors such as traffic control, pipe size, pipe depth, flow, location, or an alternative type of repair method. Approximately 30 pipeline segments were repaired under Public Works construction contracts in FY 2019/20. Approximately 40 pipeline segments have currently been identified by the Water and Sewer Utilities Department for repair in 2021. In order to prepare the sewer repair construction contracts for public works bidding and due to the complexity of the repairs and resources, the City will need to hire a design consultant to provide engineering services for the 2021 and subsequent years' annual repair projects.

DISCUSSION

A formal Request for Proposal (RFP) selection process was utilized to solicit proposals from consultants to provide the required engineering services. Six consultants submitted proposals. Proposals were evaluated by a selection panel consisting of staff from the Public Works and Water and Sewer Utilities Departments, and interviews by the selection panel were held with the three top ranked proposers. The firms were evaluated based on a number of factors including qualifications, relevant experience of the firm and key staff, work plan, the quality of the proposal, and the responsiveness to the RFP. Following the evaluation and interview process, Mott MacDonald Group, Inc. (MMG) was the highest ranked proposer. There are several factors that contributed to MMG's emergence as the highest ranked proposer. MMG demonstrated vast experience successfully performing similar services for various nearby public agencies, and committed experienced, highly qualified, key staff to this project. MMG also proposed a project approach that would maximize cost-effectiveness of the sewer repair work to be completed under the projects.

The proposed agreement attached to this report includes a refined scope of services based upon

negotiations and the understanding of the work to be performed. The scope of services generally includes: review of the pipeline defects, recommendation and incorporation of the type of repair into multiple construction contracts, preparation of environmental review, preparation of construction documents (plans, specifications, and estimates) for public works construction bidding, and engineering support services during construction. It is possible that the repairs could trigger additional environmental clearance documentation which would only become known after the preliminary engineering work has been completed. For this reason, these services have been incorporated into the scope of services as optional tasks to be provided only if required. The scope also includes optional tasks to address any potholing that may be required for significant utility conflicts, and for field surveying and geotechnical investigations that may become necessary due to the repair approach identified during design.

The agreement includes an initial term to provide engineering design services in support of one or more annual sanitary sewer repair contracts to be constructed in 2021, with the City's right to exercise two additional extension options after the initial term to provide services for annual sanitary sewer repair contracts to be constructed in 2022 and 2023. Including the 2022 and 2023 annual repair projects as extension options after the 2021 initial term provides the City flexibility to either continue or decline to continue work under the agreement considering various factors such as consultant performance, changes to priorities in the sewer repair program, and changes to available funding.

Staff recommends entering into the Agreement for Design Professional Services with Mott MacDonald Group, Inc. for annual sanitary sewer condition assessment repair projects. Approval of this agreement will provide design professional services necessary to develop the construction documents for the work to maintain the reliability of the City's sanitary sewer infrastructure. The Agreement includes prevailing wage requirements.

ENVIRONMENTAL REVIEW

This action is for design professional services and the action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") Guidelines section 15378 as the action being considered does not commit the City to undertake the project and future discretionary approvals are required by the City to approve the project for construction. The agreement includes environmental review services for the sewer repairs being considered, and the consultant will evaluate the proposed work in accordance CEQA as part of the design and approval process.

FISCAL IMPACT

The initial term of the proposed agreement for 2021 projects is for a total not-to-exceed amount of \$878,163. This amount includes \$798,330 for basic services, and \$79,833 for additional services. Funds for the initial term of the agreement are available in the FY 2020/21 and FY 2021/22 Proposed Capital Improvement Program Budget in the Sanitary Sewer System Improvements project.

The first contract extension option (option 1) of the proposed agreement for 2022 projects is for a total not-to-exceed amount of \$560,000. This amount includes \$509,091 for basic services, and \$50,909 for additional services. The second contract extension option (option 2) of the proposed agreement for 2023 projects is for a total not-to-exceed amount of \$600,000. This amount includes \$545,455 for basic services, and \$54,545 for additional services. These amounts for the extension options are maximum compensation limits set by the City based upon and in proportion to the

budgets anticipated to be available for the 2022 and 2023 annual projects. The agreement includes provisions for the consultant to prepare detailed fee estimates based upon the specific repairs to be completed each year, once identified, for the City's consideration in authorizing the extension options. Funding for both contract options are subject to future budget appropriations and will be considered as part of the future year's budget development process.

COORDINATION

This report has been coordinated with the Water and Sewer Utilities Department, Finance Department and the City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>>.

RECOMMENDATION

1. Approve and authorize the City Manager to execute an agreement with Mott MacDonald Group, Inc. for Annual Sanitary Sewer Condition Assessment Repairs (2021, 2022, and 2023 Projects) for an initial term in the amount not-to-exceed \$878,163 for sanitary sewer repair contracts to be constructed in 2021;
2. Approve and authorize the City Manager to execute two contract extension options to extend the term of the agreement to provide services for future 2022 and 2023 sanitary sewer repair contracts in the maximum amounts of \$560,000 for the first extension option, and \$600,000 for the second extension option, subject to the annual appropriation of funds; and
3. Authorize the City Manager to make minor, non-substantive modifications, including time extensions, to the Agreement, if needed.

Reviewed by: Craig Mobeck, Director of Public Works

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Agreement