



# City of Santa Clara

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## Agenda Report

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21-1183

Agenda Date: 2/9/2021

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### REPORT TO COUNCIL

#### SUBJECT

Action on an Agreement with Lee + Ro, Inc. for Design Professional Services for the Citywide Emergency Generator Replacement - Phase 2 Project (CE 20-21-10) and Related Budget Amendment

#### COUNCIL PILLAR

Deliver and Enhance High Quality Efficient Services and Infrastructure

#### BACKGROUND

The City requires emergency stand-by generators at critical buildings and equipment sites throughout the city to provide backup power in the event of a power outage. The City is also required to maintain Hazardous Materials Business Plans (HMBPs) and Spill Prevention, Control & Countermeasure (SPCC) plans for all generator locations, which requires sufficient secondary containment be provided for tanks of petroleum products. All generators and fuel tank configurations must meet the secondary containment and storage requirements of the SPCC and the Certified Unified Program Agency (CUPA) for oil-filled operational equipment and fuel holding tanks. In addition, the City maintains Permits to Operate (PTOs) from the Bay Area Air Quality Management District (BAAQMD) for all non-exempt portable and stationary generators currently in use.

The Department of Public Works (DPW) staff (Fleet Management and Facility Services Divisions) manages and maintains 35 generators at various facilities city-wide. The Water and Sewer Utility Department also manages and maintains 19 generators at water wells, storage tank sites, and sanitary sewer pump stations. The average age of the emergency generators is increasing, resulting in higher maintenance costs and decreased reliability. Staff performed an initial evaluation of the generators based on maintenance and repair costs, current locations, service logs, and service vendor's input. Since City facilities are considered critical operations, the generators were prioritized into a multi-phase detailed evaluation and replacement process in compliance with the regulatory agency requirements of SPCC, CUPA, and BAAQMD. Phase 1 of the project is currently in construction and includes DPW managed sites (Attachment 1) and is anticipated to be completed by Fall 2022. The next phase (Phase 2) of the project includes sites managed by DPW and Water and Sewer Utilities Department.

Based on the current budget, the Citywide Emergency Generator Replacement - Phase 2 Project (Project) includes four sites: Fairway Glenn and Freedom Circle Storm Drain pump stations and Water Well 15 and 28. The Project scope of work includes review of operational and regulatory performance of the existing generators at the four sites; recommendations for replacement/upgrade of generators and associated equipment such as fuel tanks and automatic transfer switches (ATS); design of security enclosure and monitoring systems; develop Plans, Specifications, and Engineer's Estimate (PS&E) for bidding and construction; coordinate and assist in permitting process; and

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provide Bid, Award, Construction, and Post-Construction support services.

## **DISCUSSION**

A formal selection process was utilized to solicit proposals from consultants to provide the required design professional services. On August 31, 2020, a Request for Proposals (RFP) was issued to solicit proposals from qualified consultants for the Citywide Emergency Generator Replacement - Phase 2 Project. Staff also conducted Pre-Proposal site visits for the four sites.

Staff received proposals from five firms: Kitchell, Lee + Ro, P2S, Inc., Salas O'Brien, and YEI Engineers, Inc. The proposals were evaluated based on the firm's responsiveness to requirements set forth in the RFP; qualifications and relevant experience; qualification of key staff and their availability; understanding of the Project, work approach, and quality assurance; and ability to complete the project within the proposed schedule. The proposals were reviewed by a panel consisting of staff from the Engineering and Fleet Management Divisions of the DPW and Water & Sewer Utilities Department. Based on the panel's evaluation, Lee + Ro, Inc.'s (Lee + Ro) proposal was unanimously ranked the highest based on several factors. Lee + Ro demonstrated significant experience in successfully performing similar services, and committed experienced, highly qualified, key staff to this Project. Lee + Ro also proposed a project approach and scope of services that committed to completing the Project in a timely and efficient manner.

Staff recommends entering into the Agreement with Lee + Ro, Inc. for Design Professional Services for the Citywide Emergency Generator Replacement - Phase 2 Project (Attachment 2). Approval of this agreement will provide the design professional services necessary to complete the design of the Project and proceed to construction in a timely manner. It is anticipated that the design of the Project will be completed by end of 2021. This timeframe is subject to change based on the current issues related to the COVID-19 pandemic. The Agreement includes a section covering prevailing wage requirements.

## **ENVIRONMENTAL REVIEW**

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

## **FISCAL IMPACT**

The proposed Agreement is for a total not-to-exceed amount of \$294,000. This amount includes \$266,266 for Basic Services, plus a not-to-exceed amount of \$26,734 for Additional Services and \$1,000 Reimbursable Expenses. Funds for the Storm Drain Pump Station are available in the Stationary Standby Generators Capital Improvement Project, while funding for the Water Well sites will be covered by the fund balance available in the Water Utility Capital Fund. Staff recommends a transfer of \$231,050 from the fund balance in the Water Utility Capital Fund to the Standby Stationary Generators project, as detailed below. This will fund the share of the design consultant and other project costs including staff time, permit fees, and other related project expenses.

<b>Budget Amendment FY 2020/21</b>			
	<b>Current</b>	<b>Increase/ (Decrease)</b>	<b>Revised</b>
<b>Water Utility Capital Fund</b>			
<u>Fund Balance</u>			
Unrestricted Fund Balance	\$11,957,768	(\$231,050)	\$11,726,718
<u>Transfers To</u> Public Buildings Capital Fund - Standby Stationary Generators	\$0	\$231,050	\$231,050
<b>Public Buildings Capital Fund</b>			
<u>Transfers From</u>			
Water Utility Capital Fund	\$0	\$231,050	\$231,050
<u>Expenditures</u>			
Standby Stationary Generators	\$4,600,000	\$231,050	\$4,831,050

## **COORDINATION**

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

## **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 and email [clerk@santaclaraca.gov](mailto:clerk@santaclaraca.gov) <<mailto:clerk@santaclaraca.gov>>.

## **RECOMMENDATION**

1. Approve and authorize the City Manager to execute an Agreement with Lee + Ro, Inc. for the Citywide Emergency Generator Replacement - Phase 2 Project (CE 20-21-10) in the amount not-to-exceed \$294,000;
2. Authorize the City Manager make minor, non-substantive modifications, including time extensions, to the Agreement, if needed; and
3. Approve the related FY 2020/21 Budget Amendment in the Water Utility Capital Fund to reduce the Unrestricted Ending Fund Balance and establish a Transfer to the Public Buildings Capital Fund in the amount of \$231,050; in the Public Buildings Capital Fund, establish a Transfer from the Water Utility Capital Fund and increase the Standby Stationary Generators project in the amount of \$231,050.

Reviewed by: Craig Mobeck, Director of Public Works

Approved by: Deanna J. Santana, City Manager

## **ATTACHMENTS**

1. Citywide Emergency Generator Replacement - Phase 1 Site List
2. Lee + Ro Agreement