



Agenda Report

22-96

Agenda Date: 3/22/2022

REPORT TO COUNCIL

SUBJECT

Action on Agreements with C2R Engineering, Inc. and West Valley Construction Company, Inc. for On Call Emergency Water & Sewer Utility Repairs

COUNCIL PILLAR

Deliver and Enhance High Quality Efficient Services and Infrastructure

BACKGROUND

The Water & Sewer Utilities Department (Department) is responsible for ensuring continuous operation of the water and recycled water distribution and sewer collection systems. The City's capital improvement program includes projects to maintain the integrity of the systems including replacement and repair of aging water and sewer mains. In the event of emergencies, such as water main, service line, hydrant and sanitary sewer leaks, staff is seeking to enter into on-call agreements with contractors to maintain levels of services, avoid service disruptions and damage to City properties and assets.

DISCUSSION

Pursuant to City Code Section 2.105.330, a formal request for Statement of Qualifications (SOQ) was conducted with the award recommendation based on "best value." The factors considered in the award were qualifications and technical capability. Cost is considered in the final step as discussed in this report.

In September 2021, the City released a SOQ for On Call Emergency Water & Sewer Utility Repairs using the City's bid notification system and two proposals were received. one from C2R Engineering, Inc. and another from West Valley Construction Company, Inc.

The proposals were evaluated independently by Utility Operations staff and the Principal Engineer in the Department. Factors in the evaluation included safety records, licensing, prevailing wage violations, previous performance, litigation history, experience, key personnel, and availability of resources to perform the work. The evaluation team determined both companies were qualified to provide on call water and sewer utility repair services. Therefore, staff recommends award of contract to C2R Engineering, Inc. and West Valley Construction Company, Inc. The evaluation process also included reference checks for both companies that confirmed their capabilities to perform the work.

If Council approves, the City will enter into a master agreement with each company. Both companies will exclusively compete for projects via a mini bid process, unless the nature of the emergency prevents competitive bidding, in which case, the award will be made on a rotational basis. A work order pursuant to the terms of the master agreement will be issued to the lowest bid for each project. Availability of internal staff and equipment will be determined before assigning any emergency work

to the contractors.

Under the proposed agreements, the contractors will provide repair services for all water, recycled water and sewer assets including, but not limited to, main lines, service connections, valves, fittings, hydrants, instrumentation, backflow assemblies, sanitary sewer overflows, manholes, collection laterals and other system appurtenances that are essential to operating the utilities. The contractors will be responsible for all necessary permits, traffic controls, and inspections to complete the work.

The term of the proposed master agreements is five years.

ENVIRONMENTAL REVIEW

The action being considered is exempt from formal environmental review under the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15301(b) (Class 1 - "Existing Facilities") as the activity consists of the operation, repair, and maintenance of existing public structures, facilities, and mechanical equipment, including publicly-owned utilities, involving negligible or no expansion of the existing use.

FISCAL IMPACT

The cost of the proposed work shall not exceed \$5,000,000 during the five-year term. There is sufficient funding in the Water & Sewer Utilities Department's adopted operating budget to cover this agreement. No budget amendment is required at this time. Funds will be expended depending on the nature of the emergency. There is adequate funding available in the Water, Sewer, and Recycled Water Utilities operating funds to cover necessary expenditures. Should an emergency arise that exceeds the available funds, staff will bring forward a budget amendment for Council action.

COORDINATION

This report has been coordinated with the 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 or via email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>>.

RECOMMENDATION

Authorize the City Manager's Office to execute Master Agreements with C2R Engineering, Inc. and West Valley Construction Company for On Call Emergency Water & Sewer Utility Repairs, for a five-year term starting on or about April 1, 2022, and ending on or about March 31, 2027, with a maximum aggregate compensation not-to-exceed \$5,000,000 for the two Master Agreements.

Reviewed by: Gary Welling, Director, Water & Sewer Utilities

Approved by: Office of The City Manager

ATTACHMENTS

1. Master Agreement with C2R Engineering, Inc.
2. Master Agreement with West Valley Construction Company, Inc.