



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: David Sykes

SUBJECT: SEE BELOW

DATE: September 12, 2011

Approved

Date

9/21/11

COUNCIL DISTRICT: Citywide

SUBJECT: CONSULTANT MASTER AGREEMENT WITH WEST YOST & ASSOCIATES, INC. FOR ENGINEERING CONSULTANT SERVICES FOR VARIOUS SANITARY AND/OR STORM SEWER PROJECTS

RECOMMENDATION

Approval of a master agreement with West Yost & Associates, Inc. for engineering consultant services for various sanitary and/or storm sewer projects from the date of execution to June 30, 2014, in an amount not to exceed \$500,000.

OUTCOME

Approval of the master agreement will enable the City to obtain consultant services for various capital improvement projects to rehabilitate and/or improve the City's sanitary and/or storm sewer system on an as-needed basis. The consultant services are needed to assist City staff in addressing and delivering highly technical and specialized underground utility projects.

BACKGROUND

The Public Works Department has identified the need to secure several new consultant master agreements with professional civil engineering firms to address the needs of the Storm and Sanitary Sewer System Capital Improvement Programs. The 2012-2016 Proposed Capital Improvement budget for these two programs includes \$163,000,000 for the construction of sanitary sewer facilities and \$20,800,000 for storm sewer construction. There are a number of new initiatives and projects that will require the services of professional engineering consultant services:

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- The Sanitary Sewer Program is nearing completion of a multi-year effort to update the City's Sewer System Master Plan. Sanitary Sewer Master Plan- Phase I for the southern, central, and northern areas of the City was completed in October 2004, and the Phase II Master Plan for the eastern and western areas of the City is to be completed in the next three months. Also underway is a Sewer Condition Assessment study to evaluate the City's sewer system with specific focus on pump stations, force mains, siphons and pipelines identified as high-risk based on age, maintenance frequency, lack of redundancy, etc. The results of the Phase II Sewer Master Plan Study and Condition Assessment Study are anticipated to yield a new list of capacity improvement and high priority sewer rehabilitation projects. This is in addition to a number of complex and large scale projects already identified in the five-year Capital Improvement Program (CIP).
- The Storm Sewer Program is beginning a three year effort to develop a citywide Storm Sewer System Master Plan in conjunction with the 2040 General Plan. The Storm five-year CIP also includes allocations for the Rincon Storm System study, pump station rehabilitation projects, and outfall rehabilitation work.

Traditionally the Department of Public Works utilizes consultant services for highly technical and specialized projects that staff does not have the expertise and/or equipment needed to perform. Typically these services have been obtained on a project by project basis, through a Request for Qualification (RFQ) specific to the individual project. The process for acquiring consultant services for specific projects can take anywhere from three to six months due to the lengthy process for advertising for the RFQ, evaluation of proposals, and award of agreement. To streamline this process and to timely address the critical infrastructure needs, it is essential and more feasible to establish multiple master consultant agreements under which consultant services can be provided through authorized service orders, thus reducing the timeframe needed to procure needed consultant services.

ANALYSIS

This \$500,000 Master Agreement will be utilized to: provide a comprehensive condition assessment of aging sanitary sewer pump stations and to provide design and construction support services.

The majority of storm sewer and sanitary sewer projects completed by the City are designed in-house by experienced City staff. The use of consultant services is intended to augment City staff in areas requiring specialized experience or licensing requirements. A total of nine Master Agreements with eight different consultant firms have been executed to date totaling \$2,900,000. These nine Master Agreements represent 1.5% of the combined five year capital construction allocation for the storm and sanitary sewer programs.

CONSULTANT SELECTION

A Request for Qualifications for consultant services to provide civil and environmental engineering for various storm and sanitary sewer system projects was advertised on June 30, 2010. The City received Statements of Qualifications from 23 firms by the July 21, 2010, deadline. Staff from Public Works and a non-City of San José member from the Santa Clara Valley Water District conducted a selection process for consultant services in accordance with the Council adopted Qualifications Based Consultant Selection Process and the Local Business and Small Business Preference Ordinance.

After evaluation of the Statements of Qualifications submitted, ten firms, including West Yost & Associates, Inc. were invited for interviews which were conducted in November 2010. These firms were evaluated, ranked, and are deemed qualified to assist the City to perform various types of services related to master planning, storm and sanitary sewers, and recycled water pipeline projects. The top five consulting firms were selected for various services related to Sanitary and Storm Capital Improvement Programs. To date, in addition to this master agreement, two others have been successfully negotiated: AECOM and Schaaf & Wheeler.

This master agreement will be administered through individual Service Orders. Each Service Order will specify the scope of services to be performed and the compensation due to the consultant upon satisfactory delivery of all specified services.

EVALUATION AND FOLLOW-UP

The master agreement is currently within budget and on schedule. Service Orders under the master agreement will be approved by the Director of Public Works. No additional follow-up action with the Council is expected at this time.

PUBLIC OUTREACH/INTEREST

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This action does not meet any of the criteria above. The RFQ was published on the *San José Post Record* and the City's BidLine website. In addition, this memorandum will be posted on the City's website for the October 4, 2011 Council Agenda.

COORDINATION

The Master Agreement and memorandum were coordinated with the Departments of Planning, Building and Code Enforcement, Transportation, Finance, the City Attorney's Office and the City Manager's Budget Office.

FISCAL/POLICY ALIGNMENT

The master agreement is consistent with the Council-approved Budget Strategy for Economic Recovery in that the consultant retained under this master agreement will assist in capital improvement projects which will spur construction spending in our local economy.

COST SUMMARY/IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$500,000

Master Agreement	\$500,000
Management	<u>\$100,000</u>
TOTAL	\$600,000

2. COST ELEMENTS OF MASTER AGREEMENT: The Master Agreement's consultant services are reimbursed based on an hourly rate schedule in the master agreement for the involved consultant personnel.

3. SOURCE OF FUNDING: No funding needs to be encumbered to enter into a Master Agreement. Funds will be encumbered as needed over the term of the agreement, but in no case will total more than the \$500,000 recommended for approval. Funding for these projects will come from the Storm Pump Station Rehab and Replacements project in the Storm Sewer Capital Fund and the Rehabilitation of Sanitary Sewer Pump Stations project in the Sewer Service and Use Charge Capital Improvement Fund. Any encumbrances beyond 2011-2012 are subject to appropriation of funds.

4. OPERATING COSTS: Approval of the recommendation will have no significant adverse impact on the General Fund operating budget.

BUDGET REFERENCE

Fund #	Appn. #	Appn. Name	Total Appn.	Amt. for Contract	2011-2012 Proposed Budget**	Last Budget Action (Date, Ord. No.)
469	5150	Storm Pump Station Rehab and Replacements	\$1,600,000	N/A*	Capital V-122	6/21/2011; Ord. No. 28928
545	6527	Rehabilitation of Sanitary Sewer Pump Stations	\$2,900,000	N/A*	Capital V-81	6/21/2011; Ord. No. 28928
Total Current Funding Available			\$4,500,000			

*Funds will be encumbered as service orders are developed/received for various sanitary and/or storm sewer projects. Any encumbrances beyond 2011-2012 will be subject to appropriation of funds.

** The 2011-2012 Proposed Operating Budget was Adopted by the City Council on June 21, 2011, and will be published in the fall.

CEQA

CEQA: Not a Project, Exempt, File No. PP10-066(d), Consultant services that will have no effect on the environment.

/s/

DAVID SYKES
Director of Public Works

For questions please contact MICHAEL O'CONNELL, ACTING DEPUTY DIRECTOR, at 408-975-7333.