



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** David Sykes

**SUBJECT:** SEE BELOW

**DATE:** April 16, 2012

Approved

Date

4/20/12

**SUBJECT: CONSULTANT MASTER AGREEMENT WITH CDM SMITH, INC. FOR  
ENGINEERING CONSULTANT SERVICES FOR VARIOUS SANITARY  
AND/OR STORM SEWER PROJECTS**

## RECOMMENDATION

Approve a master agreement with CDM Smith, Inc. for engineering consultant services for various sanitary and/or storm sewer projects from the date of execution to June 30, 2015, 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 Department of Public Works 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 Program for these two utility systems includes a number of new initiatives and projects that will require the services of professional engineering consultant firms:

- The Sanitary Sewer Program has a number of large scale projects identified in the five-year CIP to enhance sewer capacity and rehabilitate existing sewer interceptors, structures and sanitary sewer pump stations. Also underway is a Sewer Condition Assessment study to evaluate the City's sewer system with a specific focus on pump stations, force mains, siphons and pipelines identified as high-risk based on age,

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maintenance frequency, lack of redundancy, etc. The results of the Sewer Condition Assessment are anticipated to yield a new list of capacity improvement and high priority sewer rehabilitation projects.

- 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 Storm Sewer System studies, pump station rehabilitation projects, and outfall rehabilitation work.

## **ANALYSIS**

### **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 DPW and a panel 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 CDM Smith, 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, four others have been successfully negotiated: AECOM, Schaaf & Wheeler, West Yost & Associates, and Brown & Caldwell.

The selected firms were brought under contract in a phased approach to align with program schedules and goals and to add efficiency to the procurement process.

### **Scope of Services**

The master agreement with CDM Smith, Inc. will be utilized to address critical projects identified by Storm and Sanitary Sewer System Capital Improvement Programs. The scope of work under the master agreement includes various technical services, including but are not limited to the following:

- Engineering analysis, design, third party review, and construction support services.
- Grease, grit, and odor control analysis.
- Development of bridging contract documents for potential alternative delivery method projects.

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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**

Service Orders under this master agreement will be coordinated with the City Attorney's Office and 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 May 8, 2012 Council Agenda.

### **COORDINATION**

The master agreement and memorandum were coordinated with the Departments of Planning, Building and Code Enforcement, 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.

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**COST SUMMARY/IMPLICATIONS**

1. AMOUNT OF RECOMMENDATION: \$500,000

Master Agreement	\$500,000
Management	<u>\$50,000</u>
TOTAL	\$550,000

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 as service orders are developed for various sanitary and/or storm projects, but in no case will total more than the \$500,000 recommended for approval. Funding for these projects will likely come from the Storm Sewer Capital Fund, the Sanitary Sewer Connection Fee Fund, and/or the Sewer Service and Charge Capital Improvement Fund. Any encumbrances will be subject to appropriation of funds.

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

**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, Deputy Director, at 408-975-7333.