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### **REPORT TO COUNCIL**

#### **SUBJECT**

Amend an Existing Contract with MWA Architects of San Francisco for Professional Design Services of the Administration and Laboratory Building at the Water Pollution Control Plant (F20-064)

#### **REPORT IN BRIEF**

Approval is requested to amend an existing contract with MWA Architects of San Francisco for Project 8.3 - Administration/Laboratory Maintenance Building and increase the contract valued from \$2,551,954 to \$4,779,640. Approval is also requested for increasing the design contingency from \$239,096 to \$477,964.

#### **EXISTING POLICY**

Pursuant to Section 2.08.040 of the Sunnyvale Municipal Code, City Council approval is required for the procurement of goods and/or services greater than \$100,000 in any one transaction.

#### **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.

#### **BACKGROUND AND DISCUSSION**

The Sunnyvale Water Pollution Control Plant (WPCP) Master Plan identified the Admin/Lab Building to be located on the Household Hazardous Waste Collection Site (HHW), which is underlain by residual municipal waste. To the west, south, and east of this site is an above-grade closed landfill (Sunnyvale Landfill). To the north is Carl Road, which is the primary vehicular access to the WPCP. This location was selected as a way of minimizing interference with ongoing WPCP operations and taking advantage of an underutilized boneyard storage area.

During conceptual development and validation of the Master Plan, it was determined that the HHW was an unclosed landfill that presented regulatory risks and cost uncertainties of constructing a facility underlain by municipal waste were greater than initially anticipated in the master planning documents. Additionally, the HHW was located outside of the planned perimeter flood wall surrounding the rest of the WPCP, necessitating further efforts to protect the Admin/Lab Building from flood waters. Ultimately, geotechnical, environmental, cost, and risk considerations deemed the site infeasible and did not validate the Master Plan of building on the HHW.

City staff elected to identify an alternative location from the Master Plan by implementing a multi-step process in evaluating alternative locations for the Admin/Lab Building. Alternative locations had been previously considered, but due to the quantity and cost of having to relocate existing utilities the

alternatives were deemed infeasible during the Master Plan. However, because of the risks and challenges of the HHW, these alternative locations were re-visited with initial efforts to identify and assess the feasibility of relocating existing utilities. This was followed by initiating a process for screening nine initial building layout concepts into four alternatives. These alternatives were refined into more complete buildings and site layouts which were further assessed for feasibility and functionality. This detailed screening analysis utilized a comprehensive set of evaluation criteria that City staff and MWA Architects of San Francisco (MWA) developed, ultimately resulting in selection of a preferred alternative.

The alternative site is north of Carl Road where the existing Administration Building and parking lot is located. Originally identified in the master planning as the location for the new Maintenance Building, the site will now serve as the location of a combined Admin/Lab/Maintenance Building. The combined building will be brought within the proposed perimeter wall, eliminating the need for an elevated structure and more complex flood protection.

MWA was tasked with performing the building relocation evaluations described above culminating in the selection of a preferred alternative for the combined Admin/Lab/Maintenance Building. MWA completed a Draft Concept Design Report (CDR) for the new combined facility. The Final CDR was completed at the end of September 2019 and was included as an element of the WIFIA application package (Water Infrastructure Finance and Innovation Act - EPA loan program). After the CDR was completed, it was identified that additional funding in the amount of \$2,227,686 was needed to complete the design and engineering services during construction (ESDC) for the Admin/Lab/Maintenance Building. To keep the project timeline on schedule, City staff authorized and released \$166,162 of the projects original \$239,096 contingency for MWA to perform these additional tasks of building relocation evaluation. With the finalization of an alternative location and integration of the Maintenance Building, City staff recommends restoring the contingency to 10% of the new total contract value.

MWA's original scope and budget were based on a simpler Admin/Lab Building, estimated construction cost of \$18,300,000. Their new scope and budget are based on a more complex Admin/Lab/Maintenance Building, which has a construction cost estimate of \$33,800,000. The Cleanwater Program assumes 10% of construction cost for design services, and MWA's budget to complete their new scope constitutes 7.7% of the new Admin/Lab/Maintenance Building construction cost. This is 2.3% less than is typically assumed in the Cleanwater Program, and accounts for the design development completed to date for the separate Admin/Lab and Maintenance buildings.

**FISCAL IMPACT**

Project costs are follows:

Original Project Design, Contingency and Optional Services	\$2,630,052
Additional Recommended Contract Amendment	\$2,227,686
<b>Total Contract Amended</b>	<b>\$4,857,738</b>
Additional Contingency (10%)	\$477,964
<b>New Contract Amount and Contingency</b>	<b>\$5,335,702</b>

Capital Project 833240 (SCWP Administration and Laboratory Building) has budgeted funds from the Wastewater Management Fund in the amount of approximately \$36.2 million through FY 2021/22. With design, the total cost of the project is estimated to be approximately \$39.1 million. The balance will come from Project 833240 - SCWP Split Flow Conventional Activated Sludge System, which currently has the planned budget for the maintenance building portion of this project.

### **PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

### **RECOMMENDATION**

Take the following actions:

- Authorize the City Manager to execute an amendment to an existing contract with MWA Architects, Inc. of San Francisco, in substantially the same format as Attachment 1 to the report, increasing the not-to-exceed contract amount by \$2,227,686 for a new not-to-exceed contract amount of \$4,779,640; and
- Approve an additional contract contingency in the amount of \$477,964.

Prepared by: Gregory S. Card, Purchasing Officer

Reviewed by: Timothy J. Kirby, Director of Finance

Reviewed by: Ramana Chinnakotla, Director of Environmental Services

Reviewed by: Chip Taylor, Director of Public Works

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager

### **ATTACHMENTS**

1. Draft Amendment to Consultant Services Agreement