



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Award a Multi-year Contract for National Pollutant Discharge Elimination System (NPDES) Permit Technical Support Services for the Water Pollution Control Plant (F17-074)

REPORT IN BRIEF

Approval is requested to award a five-year contract with Eisenberg, Olivieri and Associates Inc. (EOA) of Oakland in an amount not-to-exceed \$1,600,000 for NPDES regulatory and technical support services for the Water Pollution Control Plant.

EXISTING POLICY

Pursuant to Chapter 2.08 of the Sunnyvale Municipal Code, transactions exceeding \$100,000 require Council approval. Consistent with the provision of Municipal Code Section 2.08.070(b)(1), contracts for the procurement of professional or specialized services may be exempted from the competitive proposal process.

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 federal Clean Water Act requires that entities discharging to waters of the State be permitted under the National Pollutant Discharge Elimination System (NPDES). The purpose of the NPDES permit is to protect the beneficial uses of the receiving waters where the treated effluent is discharged. For discharge of its treated wastewater into South San Francisco Bay via the Moffett Channel and Guadalupe Slough, the City of Sunnyvale is issued an NPDES permit by Region 2 of the California Regional Water Quality Control Board. The NPDES permit contains waste discharge requirements for the WPCP's effluent and is issued for a five year period. The most recent permit was adopted by the Regional Board in September 2014 and became effective November 1, 2014.

Historically, Sunnyvale has contracted out for the specialized expertise necessary to address the varied requirements set forth in its NPDES permit. This allows the City to draw on the highly technical knowledge when needed, and in the specific discipline needed, rather than attempting to retain this expertise in-house with multiple city employees. The areas of specialized expertise necessary to successfully implement the permit and negotiate new permits includes in-depth knowledge of the federal Clean Water Act and the California Water Code, process engineering as it relates to our specific treatment plant processes, scientific knowledge of water chemistry and statistics, the capacity to design and complete technical studies related to the treatment plant, and the background,

knowledge and expertise to participate in stakeholder processes in which solutions for permit requirements and environmental compliance are developed and negotiated.

The current contract with EOA, Inc. was awarded by the City Council on November 24, 2009 (RTC No. 09-293), for a five-year term and total amount not to exceed \$2.37M. The selection of EOA at the time was the result of an RFP process that generated two proposals. EOA was selected, as their proposal offered a superior depth of experience in water quality regulations and wastewater treatment processes, which was deemed to be of great value given the critical and sensitive nature of the work needed. EOA has worked under contract to Sunnyvale for many years prior and also has rich knowledge of the facility and the treatment processes specific to this facility, most notably the oxidation ponds that distinguish the Sunnyvale Plant from most.

In 2012, as the Environmental Services Department matured, the department transitioned to bringing in-house some of the work formerly contracted out. The department secured the addition of two technical positions to provide greater capacity to the team to perform technical and analytical work that is done more frequently. The department has also placed greater emphasis on technical ability and inter-agency coordination when making hiring decisions. As a result, the rate of use of the EOA contract has been reduced by more than 45%. This reduction has been achieved amid a period of increased productivity, improved coverage of required activities, and intense involvement in pivotal projects such as the Plant Master Plan and negotiation and implementation of the Plant's new permit. Staff has taken greater responsibility for regulatory review, interaction with regulators and regional groups, data analysis, program tracking, and report development. The reduced rate of expenditure supported time-only amendments of the agreement in 2015 and 2017, extending the term to March 15, 2017.

Staff recommends the continued use of EOA, Inc. for specialized services. The addition of technical staff has provided important capacity to the department, but is not sufficient to address the volume of work, diversity of expertise, or full depth of experience offered by EOA. Examples of continued work include process engineering troubleshooting, development and implementation of special technical studies, and involvement in regional issues where their existing and past participation is of highest value to the City. EOA has performed well under the current agreement, demonstrating the needed expertise, familiarity with Sunnyvale's Plant, flexibility, and responsiveness.

The current purchase order is more than 90% expended and is set to expire March 15, 2017. The amendments provide that extensions of time may be granted by the City Manager; however, the balance of capacity available in the agreement is likely to be expended by June 30, 2017. Therefore, staff recommends that a new agreement be awarded for a term not less than five years with a capacity of \$320,000 per year. This amount is based on more recent expenditure needs and the anticipated spike in service needs associated with the development of an online O&M manual for the plant, which is expected to draw heavily on the expertise and historical familiarity of EOA with the Plant.

FISCAL IMPACT

Budget funding is available in operating programs 365 (Wastewater Management) and 366 (Regulatory Programs).

Funding Source

This contract is funded by Wastewater Management Funds and Water Supply and Distribution.

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

1) Award a five-year contract, in substantially the same form as Attachment 1 to the report and in an amount, not to exceed \$1,600,000 to EOA, Inc., and authorize the City Manager to execute the contract when all necessary conditions are met.

Prepared by: Pete Gonda, Purchasing Officer

Reviewed by: Timothy J. Kirby, Director of Finance

Reviewed by: John Stuffelbean, Director, Environmental Services

Reviewed by: Walter C. Rossmann, Assistant City Manager

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Draft Consultant Services Agreement