



# City of Sunnyvale

## Agenda Item-No Attachments (PDF)

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### REPORT TO COUNCIL

#### **SUBJECT**

Amend an Existing Contract for Program Management and Related Services for the Sunnyvale Clean Water Program (F17-096)

#### **REPORT IN BRIEF**

Approval is requested to amend an existing contract with CDM Smith to provide Program Management services related to the Sunnyvale Clean Water Program reconstruction of the Water Pollution Control Plant (WPCP) for an additional three-year contract term as detailed below. Added contract costs will be \$9,809,232 for core program management services and up to \$2,000,000 for additional reconstruction program tasks increasing the total not-to-exceed contract value from \$8,646,807 to \$20,456,039 and extending the term of the agreement three years, through March 31, 2020. The original contract award included a 5% contract contingency on core services in the amount of \$308,340. Approval is also requested for a 5% contract contingency on the added core services in the amount of \$490,462. Total expenses for the contract term, including contingencies, will not exceed \$21,254,841, subject to annual appropriation of funds.

Overall services under this contract include quality assurance of design work products; coordination of new construction; records management; financial and schedule oversight; regulatory and environmental operational compliance; public outreach program implementation; coordination of simultaneous plant programs, new facilities commissioning; and automation and controls systems integration.

#### **EXISTING POLICY**

Pursuant to Chapter 2.08 of the Sunnyvale Municipal Code, contracts greater than \$100,000 require Council approval.

#### **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) in that it has no potential for resulting in either a direct physical change in the environment, or a reasonable foreseeable indirect physical change in the environment.

#### **BACKGROUND AND DISCUSSION**

The existing WPCP was initially built in 1956. With additions over the subsequent 15-20 years it has grown to a tertiary treatment facility with an average dry weather flow rate of 14 million gallons per day (MGD) and a permitted average dry weather flow rate of 29.5 MGD. An asset condition assessment conducted in 2006 identified several critical WPCP structures as at-risk and in need of immediate rehabilitation. Based on this assessment, the City began implementing several rehabilitation projects and also developed a long-term Strategic Infrastructure Plan (SIP) to serve as

a road map for the physical improvements and process enhancements needed to maintain a high level of treatment and to meet current and expected regulatory requirements and stewardship objectives. In 2013, to help implement the SIP, the City secured the professional services of an engineering design team of consultants to develop a comprehensive Master Plan, which included the “basis of design” development for the various process areas to be rebuilt and a programmatic environmental impact report (PEIR). The Master Plan was adopted by City Council in 2016.

Current projects active at the WPCP include the removal and dewatering of sediment (biosolids) from the oxidation ponds and digesters, construction of new headworks and primary treatment facilities, hypochlorite conversion project, digester project and the emergency flow management project. Future projects at the WPCP will include overall rehabilitation as well as new processes and facilities for some portions of the existing WPCP. The facility will be constructed while maintaining plant operations at all times with the existing infrastructure to ensure fully compliant discharge of treated waste water.

Due to the magnitude and complexity of the Sunnyvale Clean Water Program WPCP reconstruction, the determination was made previously that a consultant team would be selected to provide the management services necessary to oversee the program. A Request for Proposals (RFP) for program management services was issued in 2013. As a result of the RFP process, Council awarded a contract to CDM Smith on March 25, 2014 (RTC No. 14-0264). The contract was awarded for an initial three-year period, with consultant performance to be assessed and recommendation made that either Council approve a contract extension or a new competitive proposal process be conducted. Staff is satisfied with CDM Smith’s performance over the past three years and is therefore requesting a contract extension.

Under the current contract, CDM Smith has provided oversight of master planning efforts; oversight and coordination of multiple design and construction contracts; and coordination of the program with ongoing WPCP operations. As the program continues, the consultant will also plan and coordinate projects to comply with the Programmatic Environmental Impact Report (PEIR) and the City’s National Pollutant Discharge Elimination System (NPDES) permit. Several phases of work may require simultaneous coordination to provide efficiency and optimum value to the City.

The City anticipates awarding multiple consulting contracts over the next several years. The Program Management Consultant (PMC) will be required to coordinate its work with the City and other City Consultants who will be working simultaneously on the Headworks and Primary Treatment Facility; Rehabilitation Primary Effluent Pipeline from Central Plant to Ponds; Rehabilitation Influent Pipelines to WPCP; Existing Plant Rehabilitation; Secondary Treatment Improvements- Stage 1, Air Flotation Tank Pump Station and Pipeline, Digester Supernatant Pump Station and Drainage Piping Upgrades, Thickening and Dewatering Facility-Stage 1, and Maintenance Building; Caribbean Drive Parking and Trail Access Enhancements; and Administration and Lab Building. Council approval of the recommended contract amendment to CDM Smith will allow the Sunnyvale Clean Water Program to proceed seamlessly as current consultant staff is well aware of the issues at the site and understands our program.

### **FISCAL IMPACT**

Budgeted funding is available in capital project 830240, WPCP Program Management Services.

Original contract costs are as follow:

Program Management Services (Core)	\$6,166,807	
Additional Reconstruction Program Tasks	\$2,480,000	
Project Contingency, Core Services (5%)	\$ 308,340	
Total Original Contract Cost		\$ 8,955,147

Total additional contract costs per this amendment are as follow:

Program Management Services (Core)	\$9,809,232	
Additional Reconstruction Program Tasks	\$2,000,000	
Project Contingency, Core Services (5%)	\$ 490,492	
Total Additional Contract Cost		\$12,299,694

Combined Total Contract Not-to-Exceed Cost	<b>\$21,254,841</b>
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#### Funding Source

The Wastewater Management Fund long-term financial plan includes several projects related to the renovation of the WPCP, including WPCP Program Management Services. Based on the approval of the Master Plan by City Council in August 2016, Staff has updated the program budget which is included in the FY 2017/2018 Recommended Budget. While the current approved 20-Year Financial Plan does not include sufficient funding over the next three years to fully fund the terms of this contract, the upcoming FY 2017/18 Recommended Budget will include recommended adjustments to the project allocations over the 20-Year Financial Plan to fund program management costs.

#### 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

Authorize the City Manager to 1) execute an amendment to an existing contract, in substantially the same form as Attachment 1 to the report, with CDM Smith, increasing the total not-to-exceed contract value from \$8,646,807 to \$20,456,039 and extending the term of the agreement for three years, through March 31, 2020, and 2) approve a 5% contract contingency on the additional core Program Management Services in the amount of \$490,462.

Prepared by: Noel Dietz, Acting Purchasing Officer

Reviewed by: Timothy J. Kirby, Director of Finance

Reviewed by: Manuel Pineda, Director of Public Works

Reviewed by: Kent Steffens, Assistant City Manager, Interim Director of Environmental Services

Reviewed by: Walter C. Rossmann, Assistant City Manager

Approved by: Deanna J. Santana, City Manager

#### ATTACHMENT

1. Draft Amendment to Consultant Services Agreement