



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Amend an Existing Contract for Construction Management for the Sunnyvale Cleanwater Program (F18-193)

REPORT IN BRIEF

Approval is requested to amend an existing contract with The Covello Group, Inc., to provide Construction Management services related to the Sunnyvale Cleanwater Program (SCWP) reconstruction of the Water Pollution Control Plant (WPCP). The additional contract cost of \$614,512 will increase the current contract value from \$8,051,120 to \$8,665,632. Approval is also requested for a 10% contingency in the amount of \$61,451 for the additional contract cost. Total expenses for the contract term, including contingencies, will not exceed \$9,532,195.

Overall services under this contract include oversight and coordination of new construction and contractors; biddability reviews; constructability reviews; construction management; commissioning coordination; construction schedule and budget controls; site safety plan and implementation; records management; public outreach support; regulatory and environmental construction compliance oversight; coordinating the integration of automation and controls systems for various projects included in the program; multi discipline inspection; and materials testing.

EXISTING POLICY

General Plan Policy Goal EM-7 Effective Wastewater Treatment: Continue to operate and maintain the WPCP, using cost effective methods, so that all sewage and industrial wastes generated within the City receive sufficient treatment to meet the effluent discharge and receiving water standards of regulatory agencies.

ENVIRONMENTAL REVIEW

This contract award for construction management services 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 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 12 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 Council in 2016.

Current projects active at the WPCP include the construction of new headworks and primary treatment facilities, removal and dewatering of sediment (biosolids) from the oxidation ponds and digesters, and a condition assessment of the existing secondary and tertiary treatment facilities. Future projects at the WPCP will include overall rehabilitation as well as new mechanical secondary processes and facilities (administration, laboratory, and maintenance). The WPCP will be constructed while maintaining plant operations at all times with the existing infrastructure to ensure fully compliant discharge of treated wastewater.

Due to the magnitude and complexity of the Sunnyvale Cleanwater Program (SCWP) reconstruction, the determination was made previously that a consultant team would be selected to provide the management services necessary to oversee the construction. A Request for Proposals (RFP) for construction management services was issued in 2014. As a result of the RFP process, Council awarded a contract to The Covello Group, Inc. (“Covello”) on May 5, 2015 (RTC No. 15-0431). The contract was awarded for an initial five-year period, with consultant performance to be assessed and a recommendation made that either Council approve a contract extension or a new competitive proposal process be conducted. Staff is satisfied with Covello’s performance over the past three years and is therefore requesting a contract extension and increase in scope of work.

Under the current contract, Covello has provided oversight of construction management efforts, oversight and coordination of multiple construction contracts, and coordination of the new construction with ongoing WPCP operations. The focus of Covello’s current construction management services has been for the SCWP Phase 1 activities, or the Primary Treatment Facility. This contract amendment is requested to support pre-construction services for Phase 2 SCWP activities in the Secondary Treatment and Dewatering (RTC No. 17-0728) and the Administration and Laboratory Building (RTC No. 17-0567) design contracts. It is anticipated that the City will be awarding multiple consulting contracts for the SCWP over the next several years that Covello would be responsible to assist with the pre-construction and construction management services. As such, Council approval of the recommended contract amendment to Covello will allow the SCWP to proceed seamlessly with the current consultant staff.

FISCAL IMPACT

Budgeted funding is available in capital project 831470, SCWP Construction Management.

Original contract costs are as follows:

Construction Management Services	\$8,051,120
Contract contingency (10%)	<u>\$ 805,112</u>
Total Cost	\$8,856,232

Total additional contract costs per this amendment are as follows:

Construction Management Services	\$614,512
Project Contingency (10%)	<u>\$ 61,451</u>
Total Additional Cost	\$675,963

Funding Source

The Wastewater Management Fund long-term financial plan includes several projects related to the renovation of the WPCP, including SCWP Construction Management.

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) Authorize the City Manager to execute an amendment to an existing contract, in substantially the same form as Attachment 1 to the report, with The Covello Group, Inc., amending the scope of work to include Phase 2 Sunnyvale Cleanwater Program activities for the Secondary Treatment and Dewatering Project, extending the term of the agreement and increasing the total not-to-exceed contract value from \$8,051,120 to \$8,665,632, and 2) Approve a 10% contract contingency in the amount of \$61,451.

Prepared by: Gregory S. Card, Purchasing Officer

Reviewed by: Timothy J. Kirby, Director of Finance

Reviewed by: Jennifer Ng, Interim Director of Public Works

Reviewed by: Melody Tovar, Interim Director of Environmental Services Department

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager

ATTACHMENT

1. Draft First Amendment