

OTAY WATER DISTRICT
ENGINEERING, OPERATIONS & WATER RESOURCES COMMITTEE MEETING
and
SPECIAL MEETING OF THE BOARD OF DIRECTORS

2554 SWEETWATER SPRINGS BOULEVARD
SPRING VALLEY, CALIFORNIA
Board Room

TUESDAY
April 18, 2017
3:00 P.M.

This is a District Committee meeting. This meeting is being posted as a special meeting in order to comply with the Brown Act (Government Code Section §54954.2) in the event that a quorum of the Board is present. Items will be deliberated, however, no formal board actions will be taken at this meeting. The committee makes recommendations to the full board for its consideration and formal action.

AGENDA

1. ROLL CALL
2. PUBLIC PARTICIPATION – OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO SPEAK TO THE BOARD ON ANY SUBJECT MATTER WITHIN THE BOARD'S JURISDICTION BUT NOT AN ITEM ON TODAY'S AGENDA

DISCUSSION ITEMS

3. AWARD A CONTRACT TO KIRK PAVING IN AN AMOUNT NOT-TO-EXCEED \$200,000 FOR AS-NEEDED ASPHALT PAVING SERVICES FROM JULY 1, 2017 THROUGH JUNE 30, 2018, WITH AN OPTION TO EXTEND IT TO JUNE 30, 2019 (MARTINEZ) [5 minutes]
4. AWARD TWO (2) PROFESSIONAL AS-NEEDED CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES CONTRACTS TO ALYSON CONSULTING AND VALLEY CONSTRUCTION MANAGEMENT, EACH IN AN AMOUNT NOT-TO-EXCEED \$500,000. THE TOTAL AMOUNT FOR THE TWO (2) CONTRACTS WILL NOT EXCEED \$500,000 DURING FISCAL YEARS 2018 AND 2019 (ENDING JUNE 30, 2019) (MARTIN) [5 min]
5. AWARD TWO (2) PROFESSIONAL AS-NEEDED WATER RECLAMATION ENGINEERING DESIGN SERVICES CONTRACTS TO ARCADIS U.S., INC. AND KEH & ASSOCIATES, EACH IN AN AMOUNT NOT-TO-EXCEED \$175,000. THE TOTAL AMOUNT SPENT THROUGH THE TWO CONTRACTS WILL NOT EXCEED \$175,000 DURING FISCAL YEARS 2018 AND 2019 (ENDING JUNE 30, 2019) (BEPPLER) [5 min]

6. APPROVE AN INCREASE TO THE CIP S2024 BUDGET IN THE AMOUNT OF \$1,600,000 AND AWARD A CONSTRUCTION CONTRACT TO WIER CONSTRUCTION CORPORATION FOR THE CAMPO ROAD SEWER REPLACEMENT PROJECT IN AN AMOUNT NOT-TO-EXCEED \$7,784, 245.95 (MARTIN) [5 minutes]
7. ADJOURNMENT

BOARD MEMBERS ATTENDING:

Tim Smith, Chair
Hector Gastelum

All items appearing on this agenda, whether or not expressly listed for action, may be deliberated and may be subject to action by the Board.

The Agenda, and any attachments containing written information, are available at the District's website at www.otaywater.gov. Written changes to any items to be considered at the open meeting, or to any attachments, will be posted on the District's website. Copies of the Agenda and all attachments are also available through the District Secretary by contacting her at (619) 670-2280.

If you have any disability that would require accommodation in order to enable you to participate in this meeting, please call the District Secretary at 670-2280 at least 24 hours prior to the meeting.

Certification of Posting

I certify that on April 14, 2017 I posted a copy of the foregoing agenda near the regular meeting place of the Board of Directors of Otay Water District, said time being at least 24 hours in advance of the meeting of the Board of Directors (Government Code Section §54954.2).

Executed at Spring Valley, California on April 14, 2017.

/s/ Susan Cruz, District Secretary

AGENDA ITEM 3



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	May 3, 2017
SUBMITTED BY:	Jose Martinez, Assistant Chief of Water Operations	PROJECT:	DIV. NO. All
APPROVED BY:	<input checked="" type="checkbox"/> Pedro Porras, Chief of Water Operations <input checked="" type="checkbox"/> German Alvarez, Assistant General Manager <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	ANNUAL AS-NEEDED PAVING SERVICES		

GENERAL MANAGER'S RECOMMENDATION:

That the Board authorize entering into an agreement with Kirk Paving in an amount not to exceed \$200,000 for as-needed asphalt paving services from July 1, 2017 through June 30, 2018, and with an option to extend it to June 30, 2019.

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

To present bid results and request that the Board authorize entering into an agreement with Kirk Paving, Lakeside, CA for as-needed asphalt paving services from July 1, 2017 through June 30, 2018 in an amount not to exceed \$200,000, and with an option to extend it to June 30, 2019.

ANALYSIS:

As a regular course of business, the District is required to maintain and repair its water delivery infrastructure. Routinely this work requires the removal and re-installation of asphalt paving in public roadways. It has been shown more effective and

efficient for the District to use outside contractors for its asphalt paving work. Therefore, the District has used outside asphalt paving contract services for more than twelve (12) years.

As-needed paving services have been included in the FY 2017 Operating Budget under Contracted Services. The FY 2018 budget for annual as-needed paving under Contracted Services is \$200,000.

In accordance with the District's purchasing requirements, a notice was published and bids were solicited for this work on a "unit price" basis. On March 21, 2017, contractors attended a mandatory pre-bid meeting and on April 4, 2017, bids were received and publicly opened with the following results from three (3) bidders:

<i>Bidder</i>	<i>Weighted Score</i>
Kirk Paving, Lakeside	468.00
RGC General Engineering	481.58
EngineeringABC Construction, San Diego	510.54

The responsive bidder with the lowest weighted score is determined to be the lowest responsible bidder, in this case it is Kirk Paving, of Lakeside, CA.

Kirk Paving served as the FY 2017 as-needed paving service contractor for the District and has performed all required work with no issues noted. Staff is confident that they will be able to perform the required work.

Bids have been submitted on a unit-cost basis for the different types of work typically required during paving. The types of work are assigned a weight factor based on the District's experience of the frequency they will be employed during the term of the agreement and these weights are multiplied by the unit cost to determine a unit score. Unit scores are totaled to provide the overall score of the bid and the contractor with the lowest overall score is the low bidder. Please refer to Attachment B.

Under Contracted Services for Utility Maintenance staff budgeted \$200,000 per year for this paving service, therefore, near the completion of FY18, staff will assess the cost of paving, which we believe may go up due to increases in construction activities. At that time staff will ask the contractor to let us know if its unit price will remain the same or if any adjusted increase is reasonable for an additional year contract. At that point, staff will either propose to renew its contract or will

go over the process again requesting additional proposals from other contactors. Consequently, staff would like to negotiate an optional second-year contract that remains competitive.

FISCAL IMPACT: Joe Beachem, Chief Financial Officer

The FY 2018 budget request includes \$200,000 for as-needed paving services. The project manager has projected that this requested amount is sufficient to cover the anticipated expenses for the paving needs in the 2018 fiscal year.

STRATEGIC GOAL:

Strategy: Stewards of Public Infrastructure.

Goal: Conduct the best practice preventative maintenance activities.

LEGAL IMPACT:

None.

Attachment A: Committee Action Form

Attachment B: FY 2018 As-Needed Paving Services Score Sheet



ATTACHMENT A

SUBJECT/PROJECT:	ANNUAL AS-NEEDED PAVING SERVICES
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COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on April 18, 2017, and the following comments were made:

Note:

The "Committee Action" is written in anticipation of the Committee moving the item forward for Board approval. This report will be sent to the Board as a committee-approved item, or modified to reflect any discussion or changes as directed from the Committee prior to presentation to the full Board.

ATTACHMENT B

FY 2018 As-Needed Paving Services Bid Score Sheet

Months 1-6

Item	Wght	Type of Service	<u>Kirk Paving</u>		<u>ABC Construction</u>		<u>RGC General Engineering</u>	
			<u>Unit Bid</u>	<u>Total</u>	<u>Unit Bid</u>	<u>Total</u>	<u>Unit Bid</u>	<u>Total</u>
			<u>Price</u>	<u>Score</u>	<u>Price</u>	<u>Score</u>	<u>Price</u>	<u>Score</u>
1	10	Asphalt 0"-6"	\$ 15.00	150	\$ 16.70	167.00	\$ 14.07	140.70
2	3	Asphalt 7"-12"	\$ 15.00	45	\$ 15.80	47.40	\$ 14.07	42.21
3	1	Cap/Sheet 0"-1"	\$ 0.10	0.1	\$ 0.20	0.20	\$ 0.20	0.20
4	1	Satin Seal	\$ 0.50	0.5	\$ 0.02	0.02	\$ 0.02	0.02
5	1	Traffic Stripping	\$ 0.20	0.2	\$ 0.20	0.20	\$ 0.25	0.25
6	3	Grinding	\$ 1.50	4.5	\$ 2.00	6.00	\$ 0.68	2.04
7	1	Traffic Loops	\$ 0.10	0.1	\$ 1.00	1.00	\$ 0.50	0.50
8	3	Sand/Seal	\$ 1.00	3	\$ 1.00	3.00	\$ 1.25	3.75
9	1	Base Rem/Rep	\$ 0.10	0.1	\$ 0.75	0.75	\$ 0.68	0.68
10	3	Saw Cut 0"-6"	\$ 0.20	0.6	\$ 0.50	1.50	\$ 0.68	2.04
11	1	Saw Cut 6"-12"	\$ 0.20	0.2	\$ 0.15	0.15	\$ 0.10	0.10
12	1	Saw Cut 12"+	\$ 0.20	0.2	\$ 0.10	0.10	\$ 0.10	0.10
13	1	Chip Seal*	\$ 1.50	1.5	\$ 0.75	0.75	\$ 1.00	1.00
14	8	1.5" Grind & Pav	\$ 3.50	28	\$ 3.40	27.20	\$ 5.90	47.20
Score Month 1-6			234		255.27		240.79	

Months 7-12

Item	Score	Type of Service	<u>Unit Bid</u>		<u>Unit Bid</u>		<u>Unit Bid</u>	
			<u>Price</u>	<u>Score</u>	<u>Price</u>	<u>Score</u>	<u>Price</u>	<u>Score</u>
			<u>Price</u>	<u>Score</u>	<u>Price</u>	<u>Score</u>	<u>Price</u>	<u>Score</u>
1	10	Asphalt 0"-6"	\$ 15.00	150	\$ 16.70	167.00	\$ 14.07	140.70
2	3	Asphalt 7"-12"	\$ 15.00	45	\$ 15.80	47.40	\$ 14.07	42.21
3	1	Cap/Sheet 0"-1"	\$ 0.10	0.1	\$ 0.20	0.20	\$ 0.20	0.20
4	1	Satin Seal	\$ 0.50	0.5	\$ 0.02	0.02	\$ 0.02	0.02
5	1	Traffic Stripping	\$ 0.20	0.2	\$ 0.20	0.20	\$ 0.25	0.25
6	3	Grinding	\$ 1.50	4.5	\$ 2.00	6.00	\$ 0.68	2.04
7	1	Traffic Loops	\$ 0.10	0.1	\$ 1.00	1.00	\$ 0.50	0.50
8	3	Sand/Seal	\$ 1.00	3	\$ 1.00	3.00	\$ 1.25	3.75
9	1	Base Rem/Rep	\$ 0.10	0.1	\$ 0.75	0.75	\$ 0.68	0.68
10	3	Saw Cut 0"-6"	\$ 0.20	0.6	\$ 0.50	1.50	\$ 0.68	2.04
11	1	Saw Cut 6"-12"	\$ 0.20	0.2	\$ 0.15	0.15	\$ 0.10	0.10
12	1	Saw Cut 12"+	\$ 0.20	0.2	\$ 0.10	0.10	\$ 0.10	0.10
13	1	Chip Seal*	\$ 1.50	1.5	\$ 0.75	0.75	\$ 1.00	1.00
14	8	1.5" Grind & Pav	\$ 3.50	28	\$ 3.40	27.20	\$ 5.90	47.20
Score Month 7-12			234		255.27		240.79	
Total Score			468		510.54		481.58	

AGENDA ITEM 4



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	May 3, 2017
SUBMITTED BY:	Dan Martin Engineering Manager	PROJECT:	Various DIV.NO. ALL
APPROVED BY:	<input checked="" type="checkbox"/> Rod Posada, Chief, Engineering <input checked="" type="checkbox"/> German Alvarez, Assistant General Manager <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Award of Two (2) As-Needed Construction Management and Inspection Services Contracts for Fiscal Years 2018 and 2019		

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board of Directors (Board) award two (2) professional As-Needed Construction Management and Inspection Services (CMIS) contracts and to authorize the General Manager to execute the agreements with Alyson Consulting (Alyson) and Valley Construction Management (Valley CM), each in an amount not-to-exceed \$500,000. The total amount for the two (2) agreements will not exceed \$500,000 during Fiscal Years 2018 and 2019 (ending June 30, 2019).

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

To obtain Board authorization for the General Manager to enter into two (2) professional As-Needed CMIS agreements with Alyson and Valley CM, with each agreement in an amount not-to-exceed \$500,000 for Fiscal Years 2018 and 2019. The total amount for the two (2) agreements will not exceed \$500,000 during Fiscal Years 2018 and 2019.

ANALYSIS:

The District will require the services of two (2) professional CMIS consultants in support of the District's Capital Improvement Program (CIP) projects for two (2) fiscal years, FY 2018 and FY 2019 (ending June 30, 2019).

The District has used an as-needed contract for construction management and inspection services over the last two fiscal years. The average fiscal year effort of the as-needed construction manager used to support the District's CIP for Fiscal Years 2016 and 2017 equates to less than a full-time employee (FTE) at a rate of 0.43 per year. Use of the As-Needed CMIS has provided the District with the ability to obtain consulting services in a timely and efficient manner. Active construction work for the District is anticipated to peak in Fiscal Years 2018 and 2019. An analysis of the CIP workload for Fiscal Years 2018 and 2019 estimates that a greater level of effort will be required for as-needed construction management services. During this two year peak, the annual effort for construction management services is projected at an annual rate of 0.89 of an FTE per year (below the threshold needed to consider a full-time employee with this specialized skill set).

The District staff will identify tasks for specific projects and request cost proposals from the two (2) consultants during the contract period. Each consultant will prepare a detailed scope of work, schedule, and fee for each task order, with the District evaluating the proposals based upon qualifications and cost. The District will enter into negotiations with the consultants, selecting the proposal that has the best value for the District. Upon written task order authorization from the District, the selected consultant shall then proceed with the project as described in the scope of work.

The anticipated CIP projects that are estimated to require construction management and partial inspection for Fiscal Years 2018 and 2019, at this time, are listed below:

CIP	Capital Facilities Project	ESTIMATED Construction Management COST
S2024	Campo Road Sewer Main Replacement	\$285,000
S2049	Calavo Basin Sewer Rehabilitation - Phase 2	\$30,000
S2048	Hillsdale Road Sewer Repairs	\$20,000
P2533	1200-1 Reservoir Interior/Exterior Coating	\$20,000

P2546	980-2 Reservoir Interior/Exterior Coating	\$35,000
P2543	850-1 Reservoir Interior/Exterior Coating	\$25,000
P2573	PL- 12-Inch Pipeline Replacement, 803 Zone, Hillsdale Road	\$40,000
P2574	PL - 12-Inch and 14-Inch Pipeline Replacement, 803 and 978 Zone, Vista Grande, Pence Drive	\$30,000
R2116	RecPL - 14-Inch, 927 Zone, Force Main Improvements	\$15,000
TOTAL:		\$500,000

The scopes of work for the above projects are estimated from preliminary information and past projects. Therefore, staff believes that a \$500,000 cap on the As-Needed CMIS contracts is adequate.

The As-Needed CMIS contracts do not commit the District to any expenditure until a task order is approved to perform work on a CIP project. The District does not guarantee work to the consultants, nor does the District guarantee that it will expend all of the funds authorized by the contract on professional services.

The District solicited for Construction Management and Inspection Services by placing an advertisement on the Otay Water District's website and using BidSync, the District's online bid solicitation website on January 31, 2017. The advertisement was also placed in the Daily Transcript. Eleven (11) firms submitted a Letter of Interest and a Statement of Qualifications. The Request for Proposal (RFP) for As-Needed CMIS was sent to the ten (10) firms resulting in eight (8) proposals received by March 3, 2017.

- Alyson Consulting, San Diego, CA
- Arcadis U.S., Inc., San Diego, CA
- Infrastructure Engineers, Brea, CA
- Kleinfelder/Simon Wong Engineering, San Diego, CA
- KOA Corporation, San Diego, CA
- NV5, San Diego, CA
- Valley Construction Management, San Diego, CA
- Wallace & Associates Consulting, Inc., Oceanside, CA

The three (3) firms that chose not to propose are Callu Engineering, Inc. of San Diego, KMEA of National City, and SCST, Inc. of San Diego.

In accordance with the District's Policy 21, staff evaluated and scored all written proposals and interviewed the top six (6) firms on March 23, 2017. Valley CM and Alyson received the highest scores for their services based on their experience, understanding of the scopes of work, proposed method to accomplish the work, and their composite hourly rate. Valley CM and Alyson were the most qualified consultants with the best overall total score. A summary of the complete evaluation is shown in Attachment B.

Valley CM and Alyson submitted the Company Background Questionnaire, as required by the RFP, and staff did not find any significant issues. In addition, staff checked their references and performed an internet search on the companies. Staff found the references to be excellent and did not find any outstanding issues with the internet search. Alyson is providing these services to the District under the District's current CMIS agreement. Staff found that Alyson's performance under the current agreement has been excellent.

FISCAL IMPACT: Joe Beachem, Chief Financial Officer

The funds for these contracts will be expended for a variety of projects, as previously noted above. These contracts are for as-needed professional services based on the District's need and schedule, and expenditures will not be made until a task order is approved by the District for the consultant's services on a specific CIP project.

Based on a review of the financial budgets, the Project Manager anticipates that the budgets will be sufficient to support the professional as-needed consulting services required for the CIP projects noted above.

The Finance Department has determined that the funds to cover these contracts will be available as budgeted for these projects.

STRATEGIC GOAL:

This Project supports the District's Mission statement, "To provide high value water and wastewater services to the customers of the Otay Water District in a professional, effective, and efficient manner" and the District's Vision, "A District that is at the forefront in innovations to provide water services at affordable rates, with a reputation for outstanding customer service."

LEGAL IMPACT:

None.

DM:mlc

P:\WORKING\As Needed Services\Construction Management\As Needed CM & Inspection Svcs FY18, FY19\Staff Report\BD 05-03-17 As-Needed CMIS FY18 - FY19 Staff Report\BD 05-03-17_Staff Report As-Needed Engineering Construction Management and Inspection Services.docx

Attachments: Attachment A - Committee Action
 Attachment B - Summary of Proposal Rankings



ATTACHMENT A

SUBJECT/PROJECT:	Award of Two (2) As-Needed Construction Management and Inspection Services Contracts for Fiscal Years 2018 and 2019
Various	

COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee (Committee) reviewed this item at a meeting held on April 18, 2017. The Committee supported Staff's recommendation.

NOTE:

The "Committee Action" is written in anticipation of the Committee moving the item forward for Board approval. This report will be sent to the Board as a Committee approved item, or modified to reflect any discussion or changes as directed from the Committee prior to presentation to the full Board.

**ATTACHMENT B
SUMMARY OF PROPOSAL RANKINGS
As-Needed Construction Management and Inspection Services - Fiscal Years 2018 and 2019**

		WRITTEN							ORAL					TOTAL SCORE	REFERENCES		
		Qualifications of Staff	Understanding of Scope, Schedule and Resources	Soundness and Viability of Proposed Project Plan	INDIVIDUAL SUBTOTAL - WRITTEN	AVERAGE SUBTOTAL - WRITTEN	Proposed Rates*	Consultant's Commitment to DBE	TOTAL WRITTEN	Additional Creativity and Insight	Strength of Project Manager	Presentation, Communication Skills	Quality of Response to Questions			INDIVIDUAL TOTAL - ORAL	AVERAGE TOTAL ORAL
MAXIMUM POINTS		30	25	30	85	85	15	Y/N	100	15	15	10	10	50	50	150	Poor/Good/Excellent
Alyson Consulting	Kevin Koeppe	28	20	26	74	73	8	Y	81	12	11	8	9	40	41	122	Excellent
	Jonathan Chambers	25	21	24	70					12	12	8	8	40			
	Steve Beppler	27	23	26	76					12	13	8	8	41			
	Stephanie Chen	26	22	26	74					13	14	8	8	43			
	Doug Rahders	24	21	25	70					11	11	9	8	39			
Arcadis	Kevin Koeppe	27	20	23	70	68	5	N	73	10	9	7	8	34	34	107	
	Jonathan Chambers	25	21	25	71					11	10	7	7	35			
	Steve Beppler	26	20	23	69					10	10	6	5	31			
	Stephanie Chen	26	19	19	64					10	9	7	7	33			
	Doug Rahders	21	21	22	64					10	8	9	8	35			
Infrastructure Engineers	Kevin Koeppe	26	20	26	72	68	11	N	79	9	8	7	7	31	30	109	
	Jonathan Chambers	24	23	24	71					9	9	6	6	30			
	Steve Beppler	25	20	24	69					7	9	6	5	27			
	Stephanie Chen	21	19	25	65					8	8	7	6	29			
	Doug Rahders	21	21	23	65					8	8	7	8	31			
Kleinfelder	Kevin Koeppe	28	23	28	79	77	1	Y	78	12	10	9	8	39	39	117	
	Jonathan Chambers	29	24	27	80					12	12	9	9	42			
	Steve Beppler	28	24	27	79					13	12	8	7	40			
	Stephanie Chen	25	23	27	75					11	11	8	7	37			
	Doug Rahders	25	22	27	74					10	11	9	8	38			
KOA Corporation	Kevin Koeppe	25	19	23	67	65	6	N	71	NOT INTERVIEWED							
	Jonathan Chambers	24	20	22	66					NOT INTERVIEWED							
	Steve Beppler	23	20	23	66					NOT INTERVIEWED							
	Stephanie Chen	22	19	23	64					NOT INTERVIEWED							
	Doug Rahders	24	18	22	64					NOT INTERVIEWED							
NV5	Kevin Koeppe	24	19	23	66	63	3	Y	66	NOT INTERVIEWED							
	Jonathan Chambers	23	20	22	65					NOT INTERVIEWED							
	Steve Beppler	24	20	22	66					NOT INTERVIEWED							
	Stephanie Chen	23	17	20	60					NOT INTERVIEWED							
	Doug Rahders	22	18	20	60					NOT INTERVIEWED							
Valley Construction Management	Kevin Koeppe	28	22	27	77	75	15	Y	90	13	11	8	9	41	40	130	Excellent
	Jonathan Chambers	27	24	27	78					11	13	7	8	39			
	Steve Beppler	27	24	27	78					13	13	7	8	41			
	Stephanie Chen	25	21	26	72					12	14	7	7	40			
	Doug Rahders	24	23	25	72					11	10	7	9	37			
Wallace & Associates	Kevin Koeppe	26	20	25	71	68	8	Y	76	11	9	8	8	36	36	112	
	Jonathan Chambers	25	21	25	71					10	11	7	8	36			
	Steve Beppler	25	19	25	69					10	12	6	6	34			
	Stephanie Chen	24	20	22	66					11	9	7	7	34			
	Doug Rahders	22	22	21	65					11	11	8	9	39			

RATES SCORING CHART			
Consultant	Rate	Position	Score
Alyson Consulting	\$142.10		8
Arcadis	\$147.10		5
Infrastructure Engineers	\$137.80		11
Kleinfelder	\$154.38	highest	1
KOA Corporation	\$146.40		6
NV5	\$151.60		3
Valley Construction Mgmt.	\$131.26	lowest	15
Wallace & Associates	\$143.04		8

*The fees were evaluated by comparing weighted rates for six positions. The sum of these six weighted rates are noted on the table to the left.
Note: The Review Panel does not see or consider rates when scoring other categories. Rates are scored by the PM, who is not on the Review Panel.

AGENDA ITEM 5



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	May 3, 2017
SUBMITTED BY:	Stephen Beppler Senior Civil Engineer	PROJECT:	Various DIV.NO. ALL
	Bob Kennedy Engineering Manager		
APPROVED BY:	<input checked="" type="checkbox"/> Rod Posada, Chief, Engineering <input checked="" type="checkbox"/> German Alvarez, Assistant General Manager <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Award of Two (2) As-Needed Water Reclamation Engineering Design Services Contracts for Fiscal Years 2018 and 2019		

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board of Directors (Board) award two (2) professional As-Needed Water Reclamation Engineering Design Services contracts and to authorize the General Manager to execute two agreements with Arcadis U.S., Inc. (Arcadis) and KEH & Associates (KEH), each in an amount not-to-exceed \$175,000. The total amount spent through the two contracts will not exceed \$175,000 during Fiscal Years 2018 and 2019 (ending June 30, 2019).

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

To obtain Board authorization for the General Manager to enter into two (2) professional As-Needed Water Reclamation Engineering Design Services contracts with Arcadis and KEH, with each contract in an amount not-to-exceed \$175,000 for Fiscal Years 2018 and 2019. The total amount spent through the two contracts will not exceed \$175,000 during Fiscal Years 2018 and 2019.

ANALYSIS:

The District will require the services of two (2) professional water reclamation engineering design consultants on an as-needed basis in support of the District's Capital Improvement Program (CIP) projects for Fiscal Years 2018 and 2019 (ending June 30, 2019). It is more efficient and cost effective to issue as-needed contracts for water reclamation engineering design which will provide the District with the ability to obtain consulting services in a timely and efficient manner. This concept has also been used in the past for other disciplines, such as construction management, geotechnical, traffic, and environmental services.

The District staff will identify tasks for specific projects and request cost proposals from the two (2) consultants during the contract period. Each consultant will prepare a detailed scope of work, schedule, and fee for each task order, with the District evaluating the proposals based upon qualifications and cost. The District will enter into negotiations with the consultants, selecting the proposal that has the best value for the District. Upon written task order authorization from the District, the selected consultant shall then proceed with the project as described in the scope of work.

The CIP projects that are estimated to require water reclamation engineering design services for Fiscal Years 2018 and 2019, at this time, are listed below:

CIP	DESCRIPTION	ESTIMATED COST
S2043	RWCWRF - Sludge Handling System	\$25,000
S2046	RWCWRF - Aeration Panels Replacement	\$60,000
S2051	RWCWRF - Headworks Improvements	\$60,000
S2061	RWCWRF - Aeration Controls Consolidation & Optimization Upgrades	\$30,000
	TOTAL:	\$175,000

Staff believes that a \$175,000 cap on each of the As-Needed Water Reclamation Engineering Design Services contract is adequate.

Fees for professional services will be charged to the CIP projects or to the Fiscal Year Operations budget.

The As-Needed Engineering Design Services contracts do not commit the District to any expenditure until a task order is approved to perform the work. The District does not guarantee work to the consultants, nor does the District guarantee to the consultants that it will expend all of the funds authorized by the contract on professional services.

The District solicited for Engineering Design Services by placing an advertisement on Bidsync, the Otay Water District's website, and with various other publications including the Daily Transcript. Seven (7) firms submitted a Letter of Interest and a Statement of Qualifications. The Request for Proposal (RFP) for Engineering Design Services was sent to all seven (7) firms resulting in three (3) proposals received by March 9, 2017. They are as follows:

- Arcadis U.S., Inc., San Diego and Carlsbad, CA
- ES Engineering Services, Orange, CA
- KEH & Associates, San Marcos, CA

Firms that submitted Letters of Interest, but did not propose, were AECOM of San Diego, Carollo Engineers, Inc. of San Diego, HDR Engineering, Inc. of San Diego, and Kleinfelder of San Diego.

In accordance with the District's Policy 21, staff evaluated and scored all written proposals. Arcadis and KEH received the highest scores based on their experience, understanding of the scope of work, proposed method to accomplish the work, and their composite hourly rate. Arcadis and KEH were the most qualified consultants with the best overall proposals. Arcadis currently holds a professional engineering agreement with the District for as-needed engineering design services (Fiscal Years 2015 and 2016) that is scheduled to end on June 30, 2017. Both consultants provide similar services to other local agencies and are readily available to provide the services required. A summary of the complete evaluation is shown in Attachment B.

Arcadis and KEH submitted the Company Background Questionnaire, as required by the RFP, and staff did not find any significant issues. In addition, staff checked their references and performed an internet search on the companies. Staff found the references to be excellent and did not find any outstanding issues with the internet search.

FISCAL IMPACT: Joe Beachem, Chief Financial Officer

The funds for these contracts will be expended on a variety of projects, as previously noted above. These contracts are for as-needed professional services based on the District's need and schedule, and expenditures will not be made until a task order is

approved by the District for the consultant's services on a specific CIP project.

Based on a review of the financial budgets, the Project Manager anticipates that the budgets will be sufficient to support the professional as-needed consulting services required for the CIP projects noted above.

The Finance Department has determined that the funds to cover these contracts will be available as budgeted for these projects.

STRATEGIC GOAL:

This Project supports the District's Mission statement, "To provide high value water and wastewater services to the customers of the Otay Water District in a professional, effective, and efficient manner" and the General Manager's Vision, "A District that is at the forefront in innovations to provide water services at affordable rates, with a reputation for outstanding customer service."

LEGAL IMPACT:

None.

SB/BK:mlc

P:\WORKING\As Needed Services\Water Reclamation Engineering Design\FY 2018-2019\Staff Report\BD_05-03-17_Staff Report_Award of As-Needed Water Reclamation Engineering Design Services (SB-BK).docx

Attachments: Attachment A - Committee Action
Attachment B - Summary of Proposal Rankings



ATTACHMENT A

SUBJECT/PROJECT: Various	Award of Two (2) As-Needed Water Reclamation Engineering Design Services Contracts for Fiscal Years 2018 and 2019
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COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee (Committee) reviewed this item at a meeting held on April 18, 2017. The Committee supported Staff's recommendation.

NOTE:

The "Committee Action" is written in anticipation of the Committee moving the item forward for Board approval. This report will be sent to the Board as a Committee approved item, or modified to reflect any discussion or changes as directed from the Committee prior to presentation to the full Board.

Attachment B
SUMMARY OF PROPOSAL RANKINGS
As-Needed Water Reclamation Engineering Design Services - Fiscal Years 2018 and 2019

		WRITTEN							REFERENCES	
		Qualifications of Team	Responsiveness and Project Understanding	Technical and Management Approach	INDIVIDUAL SUBTOTAL - WRITTEN	AVERAGE SUBTOTAL - WRITTEN	Proposed Fee*	Consultant's Commitment to DBE		TOTAL - WRITTEN
MAXIMUM POINTS		30	25	30	85	85	15	Y/N	100	Poor/Good/Excellent
Arcadis	<i>Lisa Coburn-Boyd</i>	27	23	26	76	78	6	Y	84	Excellent
	<i>Gene Palop</i>	29	23	30	82					
	<i>Dan Martin</i>	27	22	27	76					
	<i>Adolfo Segura</i>	29	23	27	79					
	<i>Bob Kennedy</i>	28	23	28	79					
ES Engineering	<i>Lisa Coburn-Boyd</i>	25	15	18	58	60	15	Y	75	
	<i>Gene Palop</i>	22	15	21	58					
	<i>Dan Martin</i>	20	18	20	58					
	<i>Adolfo Segura</i>	25	19	20	64					
	<i>Bob Kennedy</i>	24	18	21	63					
KEH	<i>Lisa Coburn-Boyd</i>	28	23	27	78	79	1	Y	80	Excellent
	<i>Gene Palop</i>	28	24	28	80					
	<i>Dan Martin</i>	28	22	27	77					
	<i>Adolfo Segura</i>	28	22	29	79					
	<i>Bob Kennedy</i>	28	23	28	79					

RATES SCORING CHART			
Firm	Arcadis	ES Engineering	KEH
Weighted Fee	\$144	\$115	\$158
Score	6	15	1

*Note: Review Panel does not see or consider proposed fee when scoring other categories. The proposed fee is scored by the PM, who is not on Review Panel.

AGENDA ITEM 6



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	May 3, 2017
SUBMITTED BY:	Dan Martin Engineering Manager	PROJECT:	S2024-001103 DIV. NO. 5
APPROVED BY:	<input checked="" type="checkbox"/> Rod Posada, Chief, Engineering <input checked="" type="checkbox"/> German Alvarez, Assistant General Manager <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Approval to Increase the CIP S2024 Budget in an Amount of \$1,600,000 and Award of a Construction Contract to Wier Construction Corporation for the Campo Road Sewer Replacement Project		

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board of Directors (Board) increase the CIP S2024 budget in the amount of \$1,600,000. Additionally, that the Board award a construction contract to Wier Construction Corporation (Wier Construction) and to authorize the General Manager to execute a construction contract with Wier Construction for the Campo Road Sewer Replacement Project in an amount not-to-exceed \$7,784,245.95 (see Exhibit A for Project location).

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

To obtain Board authorization to increase the CIP S2024 budget in the amount of \$1,600,000 from \$8,500,000 to \$10,100,000 and to obtain Board authorization for the General Manager to enter into a construction contract with Wier Construction for the Campo Road Sewer Replacement Project in an amount not-to-exceed \$7,784,245.95.

ANALYSIS:

The District is proposing the replacement of an existing 10-inch sewer pipeline, located within and south of Campo Road between Avocado Boulevard and Singer Lane, which is undersized to handle current sewer flows. To accommodate current and future flows, an approximately 7,420-foot-long, 15-inch gravity sewer main will be installed to replace the existing 9,225 feet long, 10-inch sewer main. The eastern terminus of the proposed pipeline will be located at the intersection of Avocado Boulevard/Rancho San Diego Village Shopping Center driveway and terminate in the Rancho San Diego Towne Center, where it will connect to the existing 27-inch sewer main within the shopping center's parking lot. Sewer laterals stemming from the existing pipe will be reconnected to the proposed pipeline. The majority of the pipeline will be installed with open trench construction except in two locations, a crossing of Campo Road and at the intersection of Campo Road/Jamacha Boulevard, where horizontal auger boring will be used. The existing sewer will be abandoned in place with the exception of a 210 feet long section of aboveground pipeline and seven supporting pillars that will be removed.

The design was provided by the District's As-needed Design Engineer, Rick Engineering Company. The Project was advertised on January 25, 2017 using BidSync, the District's online bid solicitation website. The Project was also advertised in the Daily Transcript and the District's website. BidSync provided electronic distribution of the Bid Documents, including specifications, plans, and addendum. A non-mandatory Pre-Bid Meeting was held on February 16, 2017, which was attended by sixteen (16) contractors, subcontractors, and suppliers. Two (2) addenda were sent out to all bidders and plan houses to address questions and clarifications to the contract documents during the bidding period. Bids were publicly opened on March 9, 2017, with the following results:

BID RANK	CONTRACTOR	TOTAL BID AMOUNT
1	Wier Construction Corporation Escondido, CA	\$7,816,780.95
2	LH Woods & Sons, Inc. Vista, CA	\$7,844,000.00
3	Palm Engineering Construction Company, Inc. San Diego, CA	\$8,265,493.50
4	S.C. Valley Engineering, Inc. El Cajon, CA	\$9,733,000.00
5	TC Construction Company, Inc. Santee, CA	\$9,790,940.00
6	Burtech Pipeline, Inc. Encinitas, CA	\$10,300,064.50
7	Pulice Construction, Inc. San Diego, CA	\$10,537,127.00

The Engineer's Estimate is \$7.2 Million.

A review of the bids was performed by District staff for conformance with the contract requirements. During the review of the bids, staff noted discrepancies between the unit prices and extended total amounts associated with the unit pricing on the bids submitted by Wier Construction, LH Woods & Sons, Inc., and Palm Engineering Construction Company. Staff corrected the bid amounts in accordance with the requirements included in Section 00400, "Bid List Requirements and Understanding" of the contract documents. The corrected bid amounts are shown in the table below:

BID RANK	CONTRACTOR	TOTAL BID AMOUNT
1	Wier Construction Corporation Escondido, CA	\$7,784,245.95*
2	LH Woods & Sons, Inc. Vista, CA	\$7,844,240.00**
3	Palm Engineering Construction Company, Inc. San Diego, CA	\$8,265,421.50***
4	S.C. Valley Engineering, Inc. El Cajon, CA	\$9,733,000.00
5	TC Construction Company, Inc. Santee, CA	\$9,790,940.00
6	Burtech Pipeline, Inc. Encinitas, CA	\$10,300,064.50
7	Pulice Construction, Inc. San Diego, CA	\$10,537,127.00

* Bid Item 30: Total price corrected to reflect unit price per Section 00400 "Bid List Requirements and Understanding" of the contract documents.

** Bid Item 31: Total price corrected to reflect unit price per Section 00400 "Bid List Requirements and Understanding" of the contract documents.

*** Bid Item 5: Total price corrected to reflect unit price per Section 00400 "Bid List Requirements and Understanding" of the contract documents.

Staff determined that Wier Construction was the lowest responsive and responsible bidder. Wier Construction holds a Class A Contractor's License in the State of California, which meets the contract document's requirements. Wier Construction's license is valid through October 31, 2017. The reference checks indicated a very good to excellent performance record. An internet background search of the company was performed and revealed no outstanding issues with this company.

Staff verified that the bid bond provided by Wier Construction is valid. Staff will also verify that Wier Construction's Performance Bond and Labor and Materials Bond are valid prior to execution of the contract.

The District has applied to the State Revolving Fund for funding to support the Project. As a result, the State Revolving Fund's requirements, which include Disadvantaged Business Enterprise (DBE) utilization and reporting, have been incorporated into the bidding and contract documents. District staff and staff from the State Revolving Fund have reviewed the DBE documents provided by Wier Construction as part of their bid package and have determined that they are compliant.

Subsequent to the bid opening, staff posted the bid opening results and the corrected bid results to BidSync. A request for the listed subcontractors associated with each of the bids was made by ABC Liovin Drilling, Inc. Staff provided the requested information and followed up with ABC Liovin Drilling, Inc. who confirmed receipt of the requested information and also confirmed that they had no concerns with respect to the award of the Project.

Along with the request to award the construction contract, staff is requesting a \$1,600,000 budget increase to support the completion of the Project. The basis for the budget increase request is as follows:

- The FY 2017 budget for the Campo Road Sewer Project was based on the Project's 60% design cost opinion provided by the design engineer. That estimate totaled approximately \$6,833,000. As the Project developed to the level of final plans and specifications during FY 2017, the Engineer's Estimate was updated to a new amount of \$7,200,000. This represents an increase of \$367,000.
- Acquisition of easements for the Project which total \$315,000 were in excess of the estimated amount of \$67,000 as included in the Project's 60% design cost option which was used for the FY 2017 budget. This represents an increase of \$248,000.
- When bids were opened, the bid from the lowest responsive and responsible bidder totaled approximately \$7,800,000. This represents an increase of approximately \$600,000 above the Engineer's Estimate.
- Staff is requesting an additional \$185,000 to support inspection of the work since most of the work will be performed at night due to permitting requirements.
- Staff is requesting construction contingency in the amount of \$200,000 to address unforeseen work on this complex underground

project (approximately 2.5% of the construction contract amount).

FISCAL IMPACT: Joe Beachem, Chief Financial Officer

The Fiscal Year 2017 budget for CIP S2024 is \$8,500,000. Total expenditures, plus outstanding commitments and forecast, including this contract, are \$10,100,000. See Attachment B for budget detail.

Based on a review of the financial budget, the Project Manager anticipates that with a budget increase of \$1,600,000, the Project will be completed within the new budget amount of \$10,100,000.

The Finance Department has determined that should the State Revolving Fund Loan be approved, the District would borrow \$6 million at an estimated rate of 1.7% for a term of 30 years. For the remainder of the project 50% of the funding will be available from the Replacement Fund and 50% of the funding will be available from the Betterment ID 18 fund for CIP S2024. Should the State decline the District's application for financial assistance, a lesser amount would be required to be borrowed from a more traditional source such as a Certificate of Participation at a higher interest rate.

The Project budget increase request included in this staff report is reflected in the Draft Fiscal Capital Improvement Program for Fiscal Years 2018 - 2023.

STRATEGIC GOAL:

This Project supports the District's Mission statement, "To provide high value water and wastewater services to the customers of the Otay Water District in a professional, effective, and efficient manner" and the District's Vision, "A District that is at the forefront in innovations to provide water services at affordable rates, with a reputation for outstanding customer service."

LEGAL IMPACT:

None.

DM:mlc

P:\WORKING\CIP S2024 Campo Road Sewer Replacement\Staff Reports\BD 05-03-17\BD 05-03-17, Staff Report Campo Road Sewer Replacement - Award Construction Contract_rev1.docx

Attachments: Attachment A - Committee Action
 Attachment B - S2024 Budget Detail
 Exhibit A - Project Location



ATTACHMENT A

SUBJECT/PROJECT: S2024-001103	Approval to Increase the CIP 2024 Budget in an Amount of \$1,600,000 and Award of a Construction Contract to Wier Construction Corporation for the Campo Road Sewer Replacement Project
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COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee (Committee) reviewed this item at a meeting held on April 18, 2017. The Committee supported Staff's recommendation.

NOTE:

The "Committee Action" is written in anticipation of the Committee moving the item forward for Board approval. This report will be sent to the Board as a Committee approved item, or modified to reflect any discussion or changes as directed from the Committee prior to presentation to the full Board.



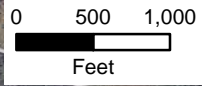
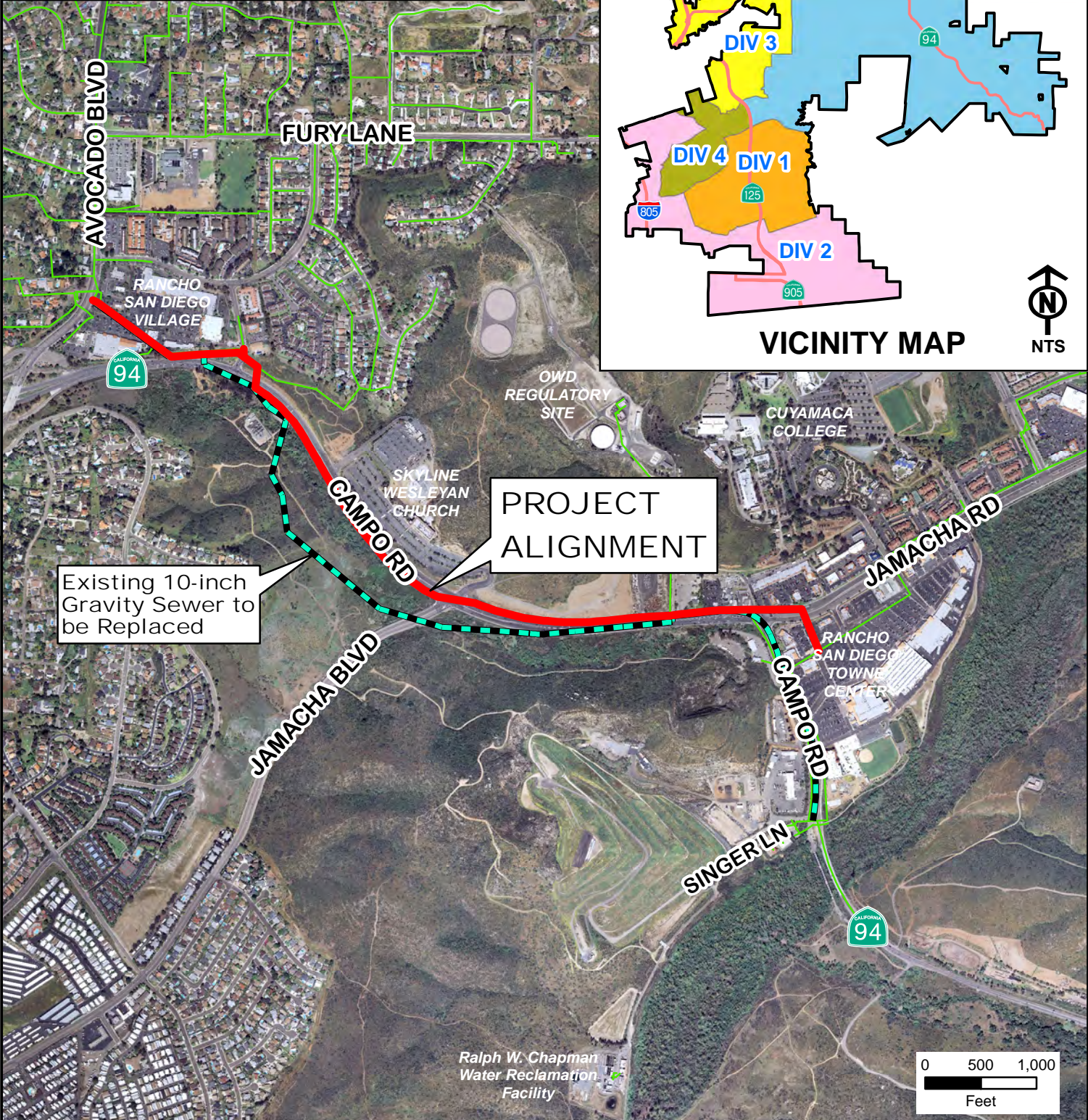
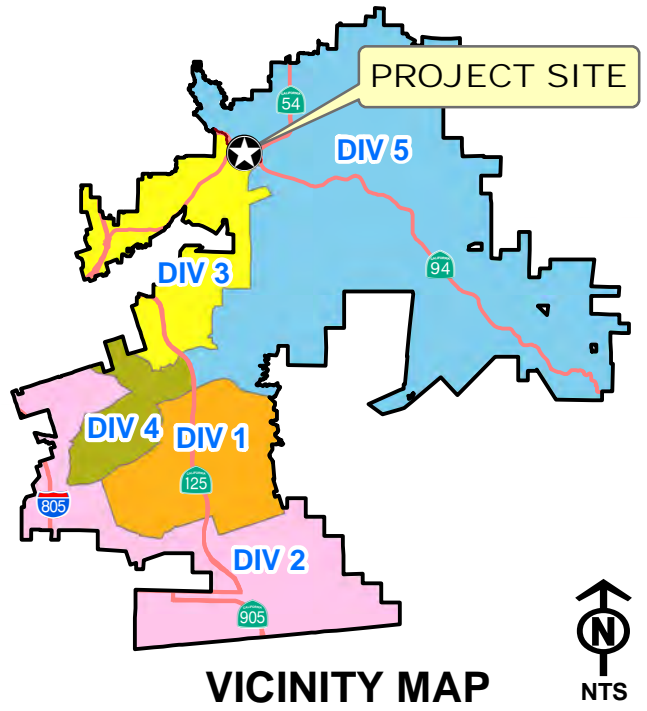
ATTACHMENT B – S2024 Budget Detail

SUBJECT/PROJECT:	Approval to Increase the CIP 2024 Budget in an Amount of \$1,600,000 and Award of a Construction Contract to Wier Construction Corporation for the Campo Road Sewer Replacement Project
S2024-001103	

Otay Water District					7-Apr-17
S2024 - Campo Road Sewer Main Replacement					
<i>Budget</i>	<i>Committed</i>	<i>Expenditures</i>	<i>Outstanding Commitment & Forecast</i>	<i>Projected Final Cost</i>	<i>Vendor/Comments</i>
10,100,000					
Planning					
Consultant Contracts	20,020	20,020	-	20,020	AEGIS ENGINEERING MGMT INC
Regulatory Agency Fees	2,260	2,260	-	2,260	COUNTY OF SAN DIEGO
	132	132	-	132	US BANK
Service Contracts	43	43	-	43	EAST COUNTY GAZETTE
	162	162	-	162	SAN DIEGO DAILY TRANSCRIPT
Standard Salaries	139,696	139,696	-	139,696	
Total Planning	162,312	162,312	-	162,312	
Design					
Consultant Contracts	9,315	9,315	-	9,315	WATER SYSTEMS CONSULTING INC
	765,074	691,074	74,000	765,074	RICK ENGINEERING COMPANY
	4,025	4,025	-	4,025	MICHAEL D KEAGY REAL ESTATE
	3,508	3,508	-	3,508	NINYO & MOORE GEOTECHNICAL AND
	735	735	-	735	AIRX UTILITY SURVEYORS INC
Professional Legal Fees	1,910	1,910	-	1,910	ARTIANO SHINOFF
	182	182	-	182	STUTZ ARTIANO SHINOFF
Regulatory Agency Fees	956	956	-	956	COUNTY OF SAN DIEGO
Service Contracts	158	158	-	158	SAN DIEGO DAILY TRANSCRIPT
	62	62	-	62	DAILY JOURNAL CORPORATION
Settlements	125,000	125,000	-	125,000	GRI-REGENCY LLC
	190,000		190,000	190,000	VESTAR
Standard Salaries	294,233	294,233	-	294,233	
Total Design	1,395,159	1,131,159	264,000	1,395,159	
Construction					
Construction Contract	7,784,246	-	7,784,246	7,784,246	WIER CONSTRUCTION CORP.
Consultant Contracts	17,400	17,400	-	17,400	ALYSON CONSULTING
	12,258	12,258	-	12,258	NINYO & MOORE GEOTECHNICAL AND
	42,461	-	42,461	42,461	RICK ENGINEERING COMPANY
	380,000	-	380,000	380,000	Construction Management/Inspection
Standard Salaries	100,000	15,281	84,719	100,000	
Project Contingency	200,000	-	200,000	200,000	2.5% of Construction Contract
Total Construction	8,536,365	44,939	8,491,425	8,536,365	
Grand Total	10,093,836	1,338,410	8,755,425	10,093,836	

Legend

- Proposed 15-Inch Sewer Main Alignment
- Existing 10-inch Gravity Sewer to be Replaced
- Existing Sewer Mains



OTAY WATER DISTRICT

CAMPO ROAD SEWER MAIN REPLACEMENT LOCATION MAP



P:\WORKING\CIP_S2024_Campo Road Sewer Replacement\Graphics\Exhibits\Figures\Exhibit A_Location Map_Oct 2015.mxd