



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	September 3, 2014
SUBMITTED BY:	Stephen Beppler Senior Civil Engineer Bob Kennedy 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 Engineering Design Services Contracts for Fiscal Years 2015 and 2016		

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board of Directors (Board) award two (2) professional As-Needed Engineering Design Services contracts to Arcadis and Psomas and authorize the General Manager to execute two agreements with Arcadis and Psomas, each in an amount not-to-exceed \$300,000 for Fiscal Years 2015 and 2016. The total amount of the two contracts will not exceed \$300,000.

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

To obtain Board authorization for the General Manager to enter into professional As-Needed Engineering Design Services contracts with Arcadis and Psomas, with each contract in an amount not-to-exceed \$300,000 for Fiscal Years 2015 and 2016. The total amount of the two contracts will not exceed \$300,000.

Historically, a single firm has been selected to provide as-needed consulting services. However, staff is looking for ways to increase production and value for the District. Selecting multiple engineering firms will allow the District to solicit task proposals from the two firms and evaluate the value to the District based on the design team strength, schedule to complete the task, and

ultimately the cost for the design effort. This is a pilot selection program and the effectiveness of selecting multiple consulting firms will be evaluated to determine if this should be done for other design disciplines in the future.

ANALYSIS:

The District will require the services of a professional engineering design consultant on an as-needed basis in support of Capital Improvement Program (CIP) projects for Fiscal Years 2015 and 2016. It is more efficient and cost effective to issue an as-needed contract for 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, electrical, and environmental services.

The District staff will identify tasks and request cost proposals from the two 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 engineering design services for Fiscal Years 2015 and 2016, at this time, are listed below:

CIP	DESCRIPTION	ESTIMATED COST
P2453	SR-11 Utility Relocations	\$50,000
P2551	Blossom Lane Interconnection	\$25,000
P2552	South Barcelona Interconnection	\$25,000
R2048	Otay Mesa Distribution Pipelines	\$15,000
R2116	14-inch Recycled Forcemain Assessment and Repair	\$35,000
R2117	RWCWRF Contact Basin Expansion PDR	\$75,000
S2033	Sewer System Rehabilitation	\$50,000
	TOTAL:	\$275,000

The engineering design services scopes for the above projects are estimated from preliminary information and past projects. Staff believes that a \$300,000 cap on each of the As-Needed Engineering Design Services contracts is adequate, while still providing a buffer.

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 engineering design services by placing an advertisement on the Otay Water District's website on April 25, 2014 and with various other publications including the San Diego Daily Transcript. Thirteen (13) firms submitted a Letter of Interest and a Statement of Qualifications. The Request for Proposal (RFP) for Engineering Design Services was sent to all thirteen (13) firms resulting in six (6) proposals received on June 12, 2014. They are as follows:

- Arcadis (Carlsbad, CA)
- J.C. Heden / Dudek (San Diego, CA/Encinitas, CA)
- Lee & Ro (San Diego, CA)
- NV5 (Nolte Associates) (San Diego, CA)
- Psomas (San Diego, CA)
- Tran Consulting Engineers (San Diego, CA)

Firms that submitted Letters of Interest, but did not propose, were Atkins, Landmark, Nasland, KEH, CivilSource and Rick Engineering.

In accordance with the District's Policy 21, Staff evaluated and scored all written proposals and interviewed the top six (6) firms on July 14, 2014. Arcadis and Psomas 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 Psomas were the most qualified consultants with the best overall proposal. The District has not previously worked with Psomas on any project, but they are a highly rated company, 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 Psomas 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 company. 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 this contract will be expended from a variety of projects, as previously noted above. The fees for professional services requested herein are available in the authorized CIP project budgets. This contract is 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 budget, 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 this contract are 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 innovative in providing water services at affordable rates, with a reputation for outstanding customer service."

LEGAL IMPACT:

None.

SB/BK:jf

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



ATTACHMENT A

SUBJECT/PROJECT:	Award of Two (2) As-Needed Engineering Design Services Contracts for Fiscal Years 2015 and 2016
Various	

COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee (Committee) reviewed this item at a meeting held on August 14, 2014, and the following comments were made:

- Staff recommended that the Board award two (2) professional As-Needed Engineering Design Services contracts to Arcadis and Psomas and authorize the General Manager to execute two agreements with Arcadis and Psomas, each in an amount not-to-exceed \$300,000 for Fiscal Years 2015 and 2016. The total amount of the two contracts will not exceed \$300,000.
- Staff stated that the District has always selected a single firm to provide as-needed consulting services. However, staff looked at other alternatives to increase production and value for the District while maintaining responsiveness. Staff believes that selecting multiple engineering firms will allow the District to solicit task proposals from the two firms and evaluate the value to the District based on the design team strength, schedule to complete the task, and ultimately the cost for the design effort. It was noted that this action is a pilot program and the effectiveness of selecting multiple consulting firms will be evaluated to determine if this should be done for other design disciplines in the future.
- Consultants will provide professional engineering design services in support of the District's Capital Improvement Program (CIP) projects including sewer replacements, interjurisdictional water system interconnections, utility relocations, and improvements at the Ralph W. Chapman Water Reclamation Facility.
- It was indicated that the District will identify tasks and request cost proposals from the two consultants during the contract period. The District will evaluate the proposals based upon qualifications and cost and then 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 describe in the scope of work.

- Staff stated that a list of possible CIP projects is provided on Page 2 of the staff report. It was noted that a buffer of approximately \$25,000 is included in the contract amounts.
- The selection process was discussed, which staff indicated that six (6) proposals were received by the District. Staff evaluated, interviewed, and scored all proposals in accordance with Policy 21. Results of the selection process are provided in Attachment B of the staff report.
- Staff indicated that Arcadis and Psomas received the highest overall scores based on their experience, proposed method to accomplish the work, and their combined hourly rate. Fees were evaluated by comparing billing rates for the following 7 positions:
 - Principal Engineer
 - Associate Principal Engineer
 - Project Manager
 - Project Engineer II
 - Project Engineer I
 - Technician/Drafter
 - Office Support
- It was discussed that the District has not previously worked with Psomas on any projects, but they are a highly rated company and provide similar services to other local agencies including the City of La Mesa. Arcadis has provided services for the District in the past, including the Wastewater Management Plan and Rancho Del Rey Water Treatment Plant Support Services. Both firms are readily available to provide the services required.
- The Committee supported to work with Arcadis again and also work with Psomas for as-needed engineering design services. This is an advantage to the District because if one firm is not available or suitable for a project, the District has the option to assign it to the other firm.

Upon completion of the discussion, the committee received staffs' report and supported presentation to the full board as a consent item.

**ATTACHMENT B
SUMMARY OF PROPOSAL RANKINGS
As-Needed Engineering Design - FY2015-16**

		WRITTEN							ORAL							REFERENCES	
		Qualifications of Team	Responsiveness and Project Understanding	Technical and Management Approach	INDIVIDUAL SUBTOTAL - WRITTEN	AVERAGE SUBTOTAL - WRITTEN	Proposed Rates*	Consultant's Commitment to DBE	TOTAL - WRITTEN	Additional Creativity and Insight	Strength of Project Manager	Presentation and Communication Skills	Responses to Questions	INDIVIDUAL TOTAL - ORAL	AVERAGE TOTAL ORAL		TOTAL SCORE
MAXIMUM POINTS		30	25	30	85	85	15	Y/N	100	15	15	10	10	50	50	150	Poor/Good/Excellent
Arcadis	Howard Almgren	25	19	23	67	74	1	Y	75	11	13	9	9	42	45	120	Excellent
	Kevin Cameron	28	23	27	78					13	14	9	8	44			
	Bob Kennedy	27	23	27	77					13	14	9	8	44			
	Dan Martin	27	23	27	77					14	14	10	9	47			
	Kent Payne	27	24	22	73					14	14	9	9	46			
Lee & Ro	Howard Almgren	21	19	23	63	62	2	Y	64	11	10	8	7	36	34	98	
	Kevin Cameron	20	17	19	56					10	9	7	6	32			
	Bob Kennedy	23	20	23	66					10	11	7	6	34			
	Dan Martin	22	20	22	64					11	10	7	7	35			
	Kent Payne	19	20	21	60					8	12	8	4	32			
Psomas	Howard Almgren	28	21	28	77	76	6	Y	82	13	14	8	8	43	44	126	Excellent
	Kevin Cameron	28	24	28	80					13	14	10	9	46			
	Bob Kennedy	26	22	25	73					13	14	9	8	44			
	Dan Martin	27	23	28	78					14	14	9	9	46			
	Kent Payne	21	23	27	71					13	14	8	8	43			
J.C. Heden / Dudek	Howard Almgren	28	24	28	80	77	5	Y	82	11	11	7	6	35	35	117	
	Kevin Cameron	27	24	27	78					13	12	7	5	37			
	Bob Kennedy	27	23	27	77					11	12	7	6	36			
	Dan Martin	27	23	27	77					11	12	7	7	37			
	Kent Payne	27	23	22	72					8	10	7	5	30			
NV5	Howard Almgren	23	19	23	65	68	7	Y	75	13	14	8	8	43	43	118	
	Kevin Cameron	25	23	25	73					13	13	9	8	43			
	Bob Kennedy	25	21	25	71					12	13	8	7	40			
	Dan Martin	25	20	25	70					14	13	9	9	45			
	Kent Payne	19	20	24	63					14	13	9	8	44			
Tran Consulting	Howard Almgren	21	23	24	68	66	15	Y	81	12	12	7	7	38	35	116	
	Kevin Cameron	22	20	23	65					12	13	6	5	36			
	Bob Kennedy	24	20	23	67					10	11	7	5	33			
	Dan Martin	23	21	24	68					12	12	6	6	36			
	Kent Payne	19	21	24	64					10	11	5	5	31			

RATES SCORING CHART							
Consultant	Rate	Position	Score	Consultant	Rate	Position	Score
Arcadis	\$1,116	lowest	1				
Lee & Ro	\$1,079	fifth	2				
Psomas	\$960	third	6				
J.C. Heden / Dudek	\$985	fourth	5				
NV5	\$925	second	7				
Tran Consulting	\$660	highest	15				

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