

METRO JPA/TAC
Staff Report
Date: 5/19/2021

Project Title:

Pure Water Program – Amendment No. 2 to the Agreement with CH2M Hill Engineers, Inc. for Design Engineering Services for the North City Water Reclamation Plant Expansion and Influent Conveyance Project

Presenter(s) Name:

John Stufflebean

Presenter(s) Title:

Assistant Director

Requested Action:

Approve Amendment No. 2 to the design engineering services agreement between the City of San Diego and CH2M Hill Engineers, Inc. for the North City Water Reclamation Plant Expansion and Influent Conveyance Project and forward item to Metro JPA/ Metro Commission for approval. Amendment No. 2 is for a total not to exceed amount of \$7,298,826, which will be utilized for construction support services. This action will also extend the contract term for an additional 5 years.

Recommendations:

Approve Amendment No. 2 to the design agreement

Metro TAC:	Approve the subject item and forward to Metro JPA/ Metro Commission for approval
IROC:	N/A
Prior Actions: (Committee/Commission, Date, Result)	N/A

Fiscal Impact:

Is this projected budgeted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Cost breakdown between Metro & Muni:	It is <u>estimated</u> that the funding will be allocated as follows: Water: 20% (approximately \$1,459,765.20), Wastewater: 80% (approximately \$5,839,060.80) (Metro: 100%, Muni: 0%).
Fiscal impact to the Metro JPA:	33.5% of Metro cost (approximately \$1,956,085.37)

Capital Improvement Program:

New Project?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A <input type="checkbox"/>
Existing Project?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Upgrade/addition <input type="checkbox"/> Change <input type="checkbox"/>

Previous TAC/JPA Action:

None

Additional/Future Action:

Present item to Metro JPA/ Metro Commission for approval in June 2021

City Council Action:

City Council approval is anticipated in July 2021

Background: *Provide background information on the need for the project*

San Diego's imported water supplies face increasing stresses from a variety of sources. As a result, the region's supplies are becoming less reliable and more expensive. These circumstances, and the threat limitation on San Diego's water supplies, have intensified the need for new sources of water. Pure Water San Diego is the City of San Diego's 20-year program to provide a safe, secure and sustainable local drinking water supply for San Diego. Recycled water will be turned into drinkable water through the use of water purification technology. Further, Pure Water's system-wide reuse will significantly reduce flows to the Point Loma Wastewater Treatment Plant and will make San Diego more water independent. On April 29, 2014, City Council adopted Resolution Number R-308906 supporting the Pure Water Program. Pure Water implementation includes design and construction of new treatment and conveyance facilities. To ensure quality design and construction of future Pure Water facilities, the Public Utilities Department has elected to obtain professional engineering and technical services for completing the design work.

Discussion: *Provide information on decisions made to advance the project*

One of the currently on-going projects that is being executed under the Pure Water Program is the expansion of the existing North City Water Reclamation Plant (NCWRP). The NCWRP treats wastewater from several San Diego Communities and distributes recycled water for irrigation and industrial purposes in the northern San Diego region. As part of the Pure Water Program implementation, the NCWRP will be expanded so the facility can treat an average annual flow of 52 million gallons per day (mgd), continue serving recycled water customers, and provide tertiary-treated water to the Pure Water Facility so it can produce 30 mgd of pure water.

In October 2016, the City awarded an agreement to CH2M Hill Engineers, Inc. to perform design and construction support services for the North City Water Reclamation Plant Expansion and Influent Conveyance project. The original Agreement is on file in the Office of the City Clerk as Document No. R-310738. The said Agreement was issued for an amount not to exceed \$17,198,752 for a duration of five (5) years.

In October 2018, City Council approved Amendment No. 1 (R-311991) for a total not the exceed amount of \$2,500,000 to provide the necessary funding for additional design efforts and to support future unanticipated and unforeseen design and engineering support services. Thus, the total contract amount was increased from \$17,198,752 to \$19,698,752.

Since the initiation of the design and through the completion of the design efforts for all of the NCWRP construction packages, it was realized that a larger level of effort will be required to support a project of this magnitude. As the overall design advanced, the project increased in complexity which in turn required additional budget for construction support services to cover all supplementary tasks which were not accounted for initially. Such as a higher number of submittals, RFI's, inspections, and other tasks.

In addition to, the majority of the original construction budget was utilized to complete the Early Site Work package, which consisted of grading, excavation, site civil work and utility relocations to prepare the NCWRP in advance of the "main" plant expansion work. Overall, the level of effort to support the Early Site Work package for construction inspection, site staffing, review of submittals and RFI's, and overall construction support depleted the original allotted budget for construction support services under the design agreement. As a result, the City of San Diego requested for CH2M Hill Engineers, Inc. to submit a proposal to address the required budget for future construction support services that are needed to complete the NCWRP Expansion project. In response to this request, the consultant submitted a proposal for Amendment No. 2 with the intent to replenish the construction support services budget.

Amendment No. 2 to the design agreement with CH2M Hill Engineers, Inc. will provide the necessary funding to support all the related construction support services. The consultant will perform the following tasks: review of submittals and shop drawings, respond to RFI's, attend project construction meetings, prepare record drawings, provide facility commissioning support, geotechnical and structural observations, prepare various permit applications, preparation of operation and maintenance manuals, commission support and provide as-needed technical support. Amendment No. 2 is for a total not to exceed amount of \$7,298,826 which in turn will increase the total contract amount from \$19,698,752 to \$26,997,578.

In addition, Amendment No. 2 will extend the contract term for an additional 5 years in order to complete all of the required work for the NCWRP Expansion project. As a result, the total contract duration is for 10 years and aligns with the overall construction schedule for the Pure Water Program.

Bid Results: *If bidding was done provide bidding format and results*
N/A