

## OPERATIONS COMMITTEE

### Agenda Report

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**File #:** 2021-1970

**Agenda Date:** 4/6/2022

**Agenda Item No:** 5.

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**FROM:** James D. Herberg, General Manager  
Originator: Kathy Millea, Director of Engineering

**SUBJECT:**

**SANTA ANA TRUNK SEWER REHABILITATION, PROJECT NO. 1-23**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Approve a Professional Design Services Agreement with Stantec Consulting Services, Inc. to provide engineering services for Santa Ana Trunk Sewer Rehabilitation, Project No. 1-23, for an amount not to exceed \$3,880,000; and
- B. Approve a contingency of \$388,000 (10%).

**BACKGROUND**

The Santa Ana Trunk, which carries sewage from the southern portion of Santa Ana and the northern portion of Costa Mesa to Orange County Sanitation District (OC San) Plant No. 1, was originally constructed in the early 1950s. Several projects have replaced or rehabilitated small portions of the pipe and rehabilitated the majority of the manholes in the past 60 years.

The project area for the Santa Ana Trunk Sewer Rehabilitation is located in Alton Avenue heading west from Bristol Street then diagonally through easements in a light industrial/commercial area toward Plant No. 1. The Santa Ana Trunk sewer is constructed of unlined 42-inch and 48-inch diameter reinforced concrete pipe.

**RELEVANT STANDARDS**

- California Government Code §4526: Select the “best qualified firm” and “negotiate fair and equitable fees”
- Protect OC San assets
- Commitment to safety & reducing risk in all operations

**PROBLEM**

Closed circuit television inspections and corrosion assessments revealed severe defects, including exposed aggregate, exposed reinforcement steel and infiltration in the pipelines, as well as exposed aggregate and liner detachment in some manhole structures.

**PROPOSED SOLUTION**

Award a Professional Design Services Agreement for Project No. 1-23 to rehabilitate the corroded sewer pipelines and manholes for the Santa Ana Trunk Sewer north of Interstate 405. The design will rehabilitate approximately 15,000 feet of sewers and associated manholes. Construction of the project is expected to require significant bypass pumping, which requires careful design and coordination with neighbors and businesses to minimize public impacts.

**TIMING CONCERNS**

The schedule driver for this project is to resolve the current deficiencies to reduce the risk of pipeline failure.

**RAMIFICATIONS OF NOT TAKING ACTION**

Without this project, the pipeline is at risk of failure, which would cause a major sewage spill.

**PRIOR COMMITTEE/BOARD ACTIONS**

N/A

**ADDITIONAL INFORMATION**Consultant Selection:

OC San requested and advertised for proposals for Santa Ana Trunk Sewer Rehabilitation, Project No. 1-23, on October 14, 2021. The following evaluation criteria were described in the Request for Proposals and used to determine the most qualified Consultant.

| CRITERION                             | WEIGHT |
|---------------------------------------|--------|
| Project Understanding and Approach    | 40%    |
| Related Project Experience            | 35%    |
| Project Team and Staff Qualifications | 25%    |

Four proposals were received on December 14, 2021 and evaluated in accordance with the evaluation process set forth in OC San's Purchasing Ordinance by a pre-selected Evaluation Team consisting of OC San staff: CIP Project Manager, Senior Engineer, two Engineering Supervisors, and a Maintenance Supervisor. The Evaluation Team also included one non-voting representative from the Contracts Administration Division.

The Evaluation Team scored the proposal on the established criteria as summarized in the table below:

|   | Firm                              | Approach (Max 40) | Related Experience (Max 35) | Team (Max 25) | Total Score (Max 100) |
|---|-----------------------------------|-------------------|-----------------------------|---------------|-----------------------|
| 1 | AECOM Technical Services, Inc.    | 36                | 27                          | 21            | 84                    |
| 2 | Stantec Consulting Services, Inc. | 35                | 29                          | 19            | 83                    |
| 3 | Atkins North America, Inc.        | 22                | 20                          | 13            | 55                    |
| 4 | Carollo Engineers, Inc.           | 23                | 18                          | 13            | 54                    |

Based on this scoring, two Consultants were shortlisted for interviews on January 12, 2022. Following the interview, each member of the Evaluation Team scored the Consultants based on both the proposals and interviews using the evaluation criteria and weighting described above. Based on the scoring shown below, Stantec Consulting Services, Inc. was selected as the most qualified Consultant.

|   | Firm                              | Approach (Max 40) | Related Experience (Max 35) | Team (Max 25) | Total Score (Max 100) |
|---|-----------------------------------|-------------------|-----------------------------|---------------|-----------------------|
| 1 | Stantec Consulting Services, Inc. | 39                | 31                          | 22            | 92                    |
| 2 | AECOM Technical Services, Inc.    | 34                | 29                          | 18            | 81                    |

Stantec Consulting Services, Inc., the proposer with the highest score, demonstrated a clear understanding of the Scope of Work by highlighting key challenges for each element and providing potential mitigation solutions, has a proven team with great experience on similar projects, and showed an understanding of the decisions that need to be made during Preliminary Design to start Design with a well-defined scope. Their approach to develop a detailed implementation plan and get buy-in from stakeholders in preliminary design mitigates major risks for this project. Therefore, the Evaluation Team determined that Stantec Consulting Services, Inc. is the most qualified firm to complete the Scope of Work.

#### Review of Fee Proposal and Negotiations:

Proposals were accompanied by sealed fee proposals. In accordance with the Purchasing Ordinance, the fee proposal of only the highest-ranked firm was opened after approval by the Director of Engineering of the Evaluation Committee's recommendation.

To meet the goals and objectives of the Project, on January 18, 2022, the Evaluation Team began negotiations with Stantec Consulting Services, Inc. to clarify the requirements of the Scope of Work, the assumptions used for the estimated level of effort, and the proposed approach to meet the goals and objectives for the project. Negotiations included multiple meetings and emails to verify assumptions and level of effort, resulting in an increase in the level of effort of 18 tasks by approximately \$385,000, a decrease in the level of effort of 15 tasks by approximately \$173,000, and a net increase of approximately \$212,000.

During negotiations, the design schedule duration was decreased by three weeks, a total of 28 drawings were added, the level of effort for Preliminary Design was increased, field activity and environmental documentation assumptions were refined, and scope was added for air pressure monitoring to aid in the design of air jumpers.

The following table summarizes how the estimated level of effort was revised through the negotiations process.

|                    | Original Fee Proposal | Final Fee Proposal |
|--------------------|-----------------------|--------------------|
| Number of Drawings | 135                   | 163                |
| Total Hours        | 15,425                | 17,211             |
| Total Fee          | \$3,667,767           | \$3,880,000        |

The Consultant's fringe and overhead costs, which factor into the billing rate, have been substantiated. The contract profit is 5.88%, which is based on an established formula based on OC San's standard design agreements. Staff is requesting a 10 percent contingency to address revisions as the project progress through preliminary and final design.

Based on the above, staff has determined that the final negotiated fee is fair and reasonable for the level of effort required for this project and recommends award of the Professional Design Services Agreement to Stantec Consulting Services, Inc.

## **CEQA**

The project is exempt from CEQA under Class 1, 2, and 3 categorical exemptions set forth in California Code of Regulations Sections 15301, 15302, and 15303. A Notice of Exemption will be filed with the OC Clerk-Recorder after OC San Board of Directors approval of the Construction Contract.

## **FINANCIAL CONSIDERATIONS**

This request complies with authority levels of OC San's Purchasing Ordinance. This item has been budgeted, (Budget Update, Fiscal Year 2021-2022, Appendix A, Page A-7, Santa Ana Trunk Sewer Rehabilitation, Project No. 1-23) and the project budget is sufficient for the recommended action.

## **ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OC San website ([www.ocsan.gov](http://www.ocsan.gov)) with the complete agenda package:*

- Professional Design Services Agreement
- Presentation

VP:iw