



# Orange County Sanitation District

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## OPERATIONS COMMITTEE

### Agenda Report

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**File #:** 2020-1246

**Agenda Date:** 10/7/2020

**Agenda Item No:** 2.

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

**SUBJECT:**

**COATING INSPECTION AND CORROSION TESTING SERVICES**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION: Recommend to the Board of Directors to:

Approve an Amendment to the Professional Services Agreements with On-Site Technical Services, Inc. and CSI Services, Inc. to provide on-call Coating Inspection and other Corrosion Testing Services for Collection System and Treatment Plant projects, PSA2019-001, for an additional amount not to exceed \$75,000 each, for a total contract amount of \$275,000 each.

**BACKGROUND**

The Orange County Sanitation District (Sanitation District) uses outside specialty Consultants for on-call coating inspection and corrosion testing services in support of the Capital Improvement Program, small construction projects, and maintenance projects during the planning, design, and construction of facilities both inside the Plants and for the collection systems.

In February 2019, following a standard Request for Proposal (RFP) and evaluation process, the Sanitation District awarded Professional Services Agreements (PSA) to On-Site Technical Services, Inc.; CSI Services, Inc.; and Corpro Companies, Inc. for \$200,000 to each of the three selected firms.

**RELEVANT STANDARDS**

- Ensure the public's money is wisely spent

**PROBLEM**

Corpro Companies, Inc., one of the selected firms awarded a PSA for on-call coating inspection and corrosion testing services, has recently changed its business model and has not been able to provide the services needed to support the Sanitation District's construction program. This leaves the Sanitation District with a reduced capacity to meet the coating inspection and corrosion testing needs of the projects currently in progress.

## **PROPOSED SOLUTION**

Approve an Amendment to increase the capacity of the existing agreements with On-Site Technical Services, Inc. and CSI Services, Inc. to provide the necessary on-call coating inspection and corrosion testing services to support the Sanitation District's construction program. The additional amount is based upon a forecast of remaining work to the end of the contract period, at which time a new request for proposals will be developed for the next three-year period.

## **TIMING CONCERNS**

Collection system and treatment plant projects are currently in progress. With fewer on-call contracted resources available, there is a risk that the Sanitation District will not be able to effectively support these projects, resulting in potential delays and/or reduced quality.

## **RAMIFICATIONS OF NOT TAKING ACTION**

Increased risk in construction quality concerns and code compliance in supporting the Capital Improvement Program, Small Construction Projects, and Maintenance Projects.

## **PRIOR COMMITTEE/BOARD ACTIONS**

February 2019 - Approved Professional Services Agreements to provide on-call Coating Inspection and other Corrosion Testing Services for Collection System and Treatment Plant projects, PSA2019-001, for a three-year period effective May 1, 2019, for an amount not to exceed \$200,000 per individual agreement (\$600,000 total) with the following three firms:

- On-Site Technical Services, Inc.
- Corrpro Companies, Inc.
- CSI Services, Inc.

## **ADDITIONAL INFORMATION**

The On-Call Engineering Coating Inspection and Corrosion Testing PSAs cover a three-year period and the recommended contract amounts are based on the average of the number and type of tests and inspections utilized over the past three years, and the anticipated needs going forward for the next three years. Staff uses these Consultants on an as-needed basis only. The total agreement dollar amount is not guaranteed, nor is it paid to the Consultant if their services are not used.

In February 2019, three On-Call Engineering Survey PSAs were awarded to the top three evaluated firms out of the four total proposals received in a competitive RFP process. The second-ranked firm, Corrpro Companies, Inc., was one of the selected firms, but has recently changed its business model and has not been able to provide the services needed to support the Sanitation District's construction program and the Sanitation District is terminating this PSA.

To effectively meet the program needs, the Sanitation District recommends amending the current agreements with On-Site Technical Services, Inc. and CSI Services, Inc.

**CEQA**

This is not a project as defined by the California Environmental Quality Act (CEQA), therefore CEQA does not apply.

**FINANCIAL CONSIDERATIONS**

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. These funds are included in the individual project budgets that require these services.

| <u>Date of Approval</u> | <u>Contract Amount</u> | <u>Contingency</u> |
|-------------------------|------------------------|--------------------|
| 02/27/2019              | \$200,000              |                    |
| 10/28/2020              | <u>\$ 75,000</u>       |                    |
|                         | \$275,000              |                    |

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**ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OCSD website ([www.ocsd.com](http://www.ocsd.com)) with the complete agenda package:*

- Professional Services Agreement Amendment - On-Site Technical Services, Inc.
- Professional Services Agreement Amendment - CSI Services, Inc.

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