



# OPERATIONS COMMITTEE

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## Agenda Report

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**File #:** 2025-4165

**Agenda Date:** 4/2/2025

**Agenda Item No:** 3.

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**FROM:** Robert Thompson, General Manager  
Originator: Mike Dorman, Director of Engineering

**SUBJECT:**

**UTILITY WATER PLANNING STUDY AT PLANT NOS. 1 AND 2, PROJECT NO. PS23-05**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Approve a Professional Services Agreement with HDR Engineering, Inc., to provide engineering services for Utility Water Planning Study at Plant Nos. 1 and 2, Project No. PS23-05, for an amount not to exceed \$670,000; and
- B. Approve a contingency of \$67,000 (10%).

**BACKGROUND**

The Orange County Sanitation District (OC San) utilizes various water systems for different purposes throughout Reclamation Plant Nos. 1 and 2. The plant water system is sourced from secondary effluent. The city water (potable) system is provided by the local city jurisdiction (City of Fountain Valley for Reclamation Plant No. 1 and City of Huntington Beach for Reclamation Plant No. 2).

The city water and plant water pump stations at Plant No. 1 and the city water pump station at Plant No. 2 are aging and require improvements to maintain service. The repair and rehabilitation frequencies for the mechanical equipment have increased to maintain operability, and the electrical equipment will require replacement. In addition, plant water and potable water demands have increased with plant expansion and process changes since they were originally designed and constructed resulting in redundancy deficiencies.

Project No. J-117B is currently replacing the plant water pump station at Plant No. 2.

**RELEVANT STANDARDS**

- 24/7/365 treatment plant reliability
- Sustain 1, 5, 20-year planning horizons
- Protect OC San assets

**PROBLEM**

An evaluation of improvements and long-term system needs for the city water and plant water pump stations at Plant No. 1, and the city water pump station at Plant No. 2, is required to optimize the scope and schedule of the associated future capital improvement project(s).

**PROPOSED SOLUTION**

Approve a Professional Services Agreement to conduct a study to determine the structural, mechanical, electrical, and instrumentation improvements required to ensure that the city water pump stations at Plant Nos. 1 and 2 and the plant water pump station at Plant No. 1 provide reliable, optimized operation for the next 25 years. The recommendations from this study will be implemented as part of future CIP projects that will start shortly after its completion.

**TIMING CONCERNS**

Delaying the study will delay the future projects and reduce system reliability.

**RAMIFICATIONS OF NOT TAKING ACTION**

If improvements to these pump stations are delayed or incorrectly planned, they will continue to age, will become more costly to repair, and may not be able to reliably meet potable and plant water demands. When these systems do not function correctly it impacts treatment processes, operational support needs, and costs.

**PRIOR COMMITTEE/BOARD ACTIONS**

N/A

**ADDITIONAL INFORMATION**

Consultant Selection:

OC San requested and advertised proposals for Utility Water Planning Study at Plant Nos. 1 and 2, Project No. PS23-05, on November 13, 2024. The following evaluation criteria were described in the RFP and used to determine the most qualified Consultant.

<b>Criterion</b>	<b>Weighting</b>
Project Understanding and Approach	35%
Related Project Experience	30%
Project Team and Staff Qualifications	35%

Three proposals were received on December 17, 2024, and evaluated in accordance with the evaluation process set forth in OC San’s Purchasing Ordinance, OC SAN-61 (Purchasing Ordinance), by a pre-selected Evaluation Team consisting of OC San staff; a Senior Engineer, Engineer, and Maintenance Supervisor. The Evaluation Team also included two non-voting representatives, one from the Contracts Administration Division, and one from the Finance Division.

Based on the evaluation results, there was a clear natural break in the scores between the highest-scoring proposer and the other proposers. Therefore, the Evaluation Team did not deem it necessary to conduct interviews. Below is the summary of the final scores.

Firm	Approach (Max 35)	Related Experience (Max 30)	Team (Max 35)	Total Score (Max 100)
HDR Engineering, Inc.	29	26	30	85
ProjectLine Technical Services, Inc.	26	18	19	63
IQA Solutions, Inc.	15	13	11	39

HDR Engineering, Inc., submitted a thorough proposal covering all aspects of the Scope of Work (SOW). HDR Engineering, Inc., demonstrated a clear understanding of OC San’s operational needs by its focus on the condition assessments. Also, in addition to its relevant project experience, HDR Engineering, Inc. proposed a team of experienced engineers for all disciplines necessary to complete the SOW.

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.

Staff conducted negotiations with HDR Engineering, Inc., to clarify the requirements of the SOW, the assumptions used for the estimated level of effort, and the proposed approach to meet the goals and objectives for the project. These discussions occurred over two negotiation meetings with the main outcome listed below:

- The level of effort was reduced based on clarifications to the SOW and reductions of efforts. Pump performance tests were removed, as well as a reduction in specialty inspection.
- Streamlining of project management activities and reduction in the study schedule reduced HDR Engineering, Inc.’s efforts.

	Original Fee Proposal	Negotiated Fee
Total Hours	2,949	2,559
Total Fee	\$782,254	\$670,000

The Consultant’s fringe and overhead costs, which factor into the billing rate, have been substantiated. The contract profit is 9.27%, which is based on an established formula based on OC San’s standard design agreements. Staff is requesting a 10% contingency to address revisions as the planning study develops.

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 Services Agreement to HDR Engineering, Inc.

### **CEQA**

The Project Study is exempt from CEQA under the statutory exemptions set forth in CEQA Guidelines Section 15262.

### **FINANCIAL CONSIDERATIONS**

This request complies with the authority levels of OC San's Purchasing Ordinance. This item has been budgeted (Budget FY 2024-25 and 2025-26, Section 8, Page 53, Master Planning Studies, M-STUDIES) and the 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) <<http://www.ocsan.gov>>) with the complete agenda package:*

- Professional Services Agreement
- Presentation

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