



Agenda Report

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

SUBJECT:

OPERATIONS AND MAINTENANCE FACILITY IMPROVEMENTS AT PLANT NO. 2, PROJECT NO. P2-138

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Approve a Professional Design Services Agreement with Stantec Architecture Inc. to provide engineering services for Operations and Maintenance Facility Improvements at Plant No. 2, Project No. P2-138, for an amount not to exceed \$7,914,529; and
- B. Approve a contingency of \$791,453 (10%).

BACKGROUND

The Orange County Sanitation District (OC San) support facilities at Plant No. 2 include an Operations Center, Cart Barn, Maintenance Building, and Construction Trailers. The existing two story, 21,500-square foot Operations Center and Cart Barn were originally constructed in 1977 and remodeled in 1992 and 1994. The Operations Center is manned 24/7/365 and is essential to the operations and management of the wastewater treatment plant. The existing Maintenance Building was originally constructed in 1998 and is the main hub of OC San's Plant No. 2 Maintenance Department. The two-story, 30,100-square foot Maintenance Building includes offices and shop space for approximately 90 field staff and supervisors that includes the Collections staff. The Construction Trailers house Engineering Construction Management staff as well as five employees from the Risk Management Division.

Planning Study Project No. PS18-05, Plant 2 Future Site Plant Development Study, evaluated relocating non-process facilities, such as the Operation Center and Maintenance Building, to the northern portion of the plant to allow additional space for future process and contractor staging areas. When the support facilities are relocated to the northern portion of the plant, the main entrance to OC San Plant No. 2 would also need to be relocated for security purposes and to provide easy access of these buildings. Currently, there's an existing Banning Avenue gate at the northern end of the plant which is used for construction ingress and egress.

Planning Study Project No. PS15-06, Seismic Evaluation of Structures at Plant Nos. 1 and 2 evaluated the seismic and geotechnical risks of numerous structures at both treatment plants,

including the Operations Center and Maintenance Building at Plant No. 2. The study concluded that these two buildings have seismic and geotechnical deficiencies that could result in the loss of these buildings if an earthquake occurred in the vicinity of Plant No. 2.

RELEVANT STANDARDS

- Protect OC San assets
- Sustain 1, 5, 20-year planning horizons
- Comply with state, local, and federal laws such as California Government Code §4526: Select the “best qualified firm” and “negotiate fair and equitable fees”
- Commitment to safety & reducing risk in all operations

PROBLEM

The existing Operations Center is 45 years old, does not meet current building codes, and requires upgrades to keep it operational. The building was constructed on top of an influent trunk line, making direct access to the line difficult. In addition, the structure was built without a building permit, which is required for any major modifications or upgrades. OC San has attempted some design upgrades to bring parts of the building up to code, but was unsuccessful in obtaining building permits from the City of Huntington Beach unless the whole structure was renovated. It was determined to be more effective to replace the building than perform an extensive remodeling project, while keeping the facility operational 24/7/365.

The 2017 Facilities Master Plan developed a capital improvement plan for the next 20 years and beyond. The current treatment plant sites are nearly built-out, leaving little room for future treatment facilities and construction laydown area. At some point, facility structures will reach the end of their useful life and will need to be fully replaced. The best approach would be to build replacement facilities in new locations and, once operable, shut down and remove existing facilities. Space is also required for construction staging areas.

Planning Study Project No. PS15-08, Seismic Evaluation of Structures at Plant Nos. 1 and 2, concluded that the existing Operations Center and Maintenance Building have seismic and geotechnical deficiencies that could result in the loss of these buildings if an earthquake occurred in the vicinity of Plant No. 2. Any loss of these buildings would negatively impact operations at Plant No. 2.

In addition, earthquake fault lines run through the site that restrict where any new “occupied” buildings can be constructed. This complicates land-use planning for the limited unused space in Plant No. 2 and constrains where future process and support facilities can be constructed.

PROPOSED SOLUTION

Award a Professional Design Services Agreement (PDSA) for Operations and Maintenance Facility Improvements at Plant No. 2, Project No. P2-138. This project will construct a new Operations Building and retrofit the existing Maintenance Building.

This project will also refine the master planning for the northern portion of Plant No. 2 for the efficient utilization of this constrained area and will locate the new Operations Building away from fault hazards. The master planning will include the new Operations Building, a future Maintenance Building (for when the retrofitted Maintenance Building is at the end of its useful life at the distant future), a future Electrical Substation, and a 12kV Service Center to be replaced by a future project. This project will include a new main entrance with a signalized intersection at Banning Avenue that will provide protected entry and exit at Brookhurst for OC San traffic. This master planning will allow for the traffic flow, parking, deliveries, security, and site improvements to be taken into considering when the Operations Building and new entrance are being designed.

TIMING CONCERNS

Delaying the approval of the PDSA agreement would delay completion of the project, which would increase the risk of a seismic event impacting the Plant No. 2 wastewater treatment operations and maintenance and staff safety.

RAMIFICATIONS OF NOT TAKING ACTION

Without this project the OC San operations and maintenance work could be impacted if a major earthquake occurs.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

Consultant Selection:

OC San requested and advertised for proposals for Operations and Maintenance Facility Improvements at Plant No. 2, Project No. P2-138 on June 16, 2022. The following evaluation criteria were described in the Request for Proposals (RFP) and used to determine the most qualified Consultant.

CRITERION	WEIGHT
Project Understanding and Approach	40%
Related Project Experience	20%
Project Team and Staff Qualifications	40%

Four proposals were received on August 16, 2022, and evaluated in accordance with the evaluation process set forth in OC San’s Purchasing Ordinance by a pre-selected Evaluation Team consisting of the following OC San staff: Senior Engineer (Project Engineer), Engineering Manager, two Engineering Supervisors, and Chief Plant Operator. The Evaluation Team also included two non-voting representatives: one Supplemental Engineering Services contract employee (Project Manager) and one representative from the Contracts Administration Division.

Two of the proposers, Austin Building and Design, Inc. and IDS Group, Inc, submitted incomplete proposals on the proposal due date and OC San determined that re-submission of additional parts of the proposal after the due date was not allowed and therefore their proposals were deemed non-responsive.

The Evaluation Team scored the remaining two proposals on the established criteria as summarized in the table below:

	Firm	Approach (Max 40)	Related Experience (Max 30)	Team (Max 30)	Total Score (Max 100)
1	Stantec Architecture Inc.	32	15	26	73
2	HDR Architecture, Inc	22	16	27	65

Based on this scoring, both Consultants were shortlisted for interviews on September 20, 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 Architecture Inc. (Stantec) was selected as the most qualified Consultant.

	Firm	Approach (Max 40)	Related Experience (Max 30)	Team (Max 30)	Total Score (Max 100)
1	Stantec Architecture Inc.	32	15	30	77
2	HDR Architecture, Inc	25	15	26	66

Stantec provided a better understanding and approach to deliver the two separate design packages for the project within the required schedule period. Stantec provided relevant project experience for the Maintenance Building seismic retrofit, especially noting the design challenges and solutions for the temporary relocation of OC San staff during the retrofit construction period. They have relevant experience in other building projects and also from working on a similar OC San project previously. The proposed project team organization and staff matched well to the Scope of Work requirements to deliver the two separate design packages. Additionally, the proposed Stantec team had recent and relevant experience needed to execute this project, is well organized to complete the design, represented all-needed disciplines, and included subconsultants with the needed relevant experience and background.

Review of Fee Proposal and Negotiations:

Proposals were accompanied by sealed fee proposals. In accordance with 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 Stantec 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. Starting on September 29, 2022, the Evaluation Team conducted negotiations and met seven times, which resulted in revised labor hours to reflect the level of effort needed to complete the Scope of Work. The table below summarizes the revised level of effort:

	Original Fee Proposal	Negotiated Fee
Total Hours	43,436	44,542
Total Fee	\$7,601,342	\$7,914,529

The negotiated fee increased for the overall level of effort on the Project primarily due to the following factors:

- Adding hours for seismic retrofitting of two Plant No. 2 Headworks Power Buildings that were originally in Project No. J-136, Power Building Structural Seismic Improvements at Plant No. 1 and 2. During negotiations, it was determined that by transferring the seismic retrofitting of these two buildings to this project, Project No. J-136 can be cancelled. Canceling Project No. J-136 would allow OC San staff to execute the same work in a more efficient manner. The added design effort to P2-138 is over \$230,000, which was not in the original fee proposal. This additional scope does not change the basis of qualification selection, since the work is similar to the seismic retrofit for the existing Maintenance Building, which was already included in the original P2-138 Scope of Work.
- Adding hours to conduct a programming study for the new Maintenance Building that is needed to complete the master site planning for the area north of the Banning gate. Although the original Scope of Work included a 10% conceptual design of the new Maintenance Building, this additional programming study to size the building was not included.
- Adding hours to upsize the existing force main to match the new, larger stormwater pump station; as well as to extend the force main pipe alignment to discharge at the Headworks, instead of connecting to the effluent Interplant Pipeline, which was incorrectly assumed by the consultant.
- Adding hours for the methane barrier design under the new Operations Building which could be built over an abandoned oil well. This was not included in the original Scope of Work, but the consultant believed it could be a requirement by the City of Huntington Beach.
- Increasing the drawing sheet counts by approximately 134 sheets to accommodate the scale conversion from architectural and buildings' practice to the AutoCAD standard scale. This does not significantly impact the fee increase because it simply converts from larger size drawings to smaller sizes.
- Reducing hours by removing hazard fault study.
- Reducing hours for leak testing at abandoned oil well #3.

The Consultant's fringe and overhead costs, which factor into the billing rate, have been substantiated. The contract profit is 5%, 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 progresses 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.

CEQA

The project is included in the Facilities Master Plan 2020 Program Environmental Impact Report, State Clearinghouse Number 2019070998. If the Consultant proposes to change the project as the result of their evaluation during the Preliminary Design phase, the Project may require an addendum.

FINANCIAL CONSIDERATIONS

This request complies with authority levels of OC San's Purchasing Ordinance. This item has been budgeted (Adopted Budget, Fiscal Years 2022-2023 and 2023-2024, Section 8, Page 76) 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) with the complete agenda package:

- Professional Design Services Agreement
- Presentation

CG:tk