



## Agenda Report

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

**SUBJECT:**

**SUPPLEMENTAL ENGINEERING SERVICES, CONTRACT NO. PSA2021-002**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

Approve Professional Services Agreements to provide Supplemental Engineering Services, Contract No. PSA2021-002, for a three-year period commencing May 1, 2022, through April 30, 2025, with two one-year renewal options, for an amount not to exceed \$29,700,000 per individual agreement with the following two firms:

- AECOM Technical Services, Inc.
- Jacobs Project Management Co.

### **BACKGROUND**

Orange County Sanitation District's (OC San's) Engineering Department includes 99 full time staff in a variety of engineering, inspection, administrative, and engineering support roles, plus 13 supervisors, four managers, and the Director of Engineering. The department manages the execution of the Capital Improvement Program (CIP), as well as many of the more complex repair projects. Using its project controls staff and program management tools, the Engineering Department forecasts staffing levels over the next 20 years to deliver the program.

To ensure that projects are completed on time and properly controlled, OC San has been utilizing supplemental engineering services agreements. The benefits of this approach, as opposed to hiring full-time staff or limited-term employees, include the ability to adjust staffing levels for a variety of disciplines from month-to-month and year-to-year, access to certain engineering disciplines, specialists, and technical experts needed only intermittently, and rapid mobilization of highly skilled technical resources for third party reviews such as value engineering and constructability reviews.

### **RELEVANT STANDARDS**

- Ensure the public's money is wisely spent
- Sustain 1, 5, 20-year planning horizons
- California Government Code §4526: Select the "best qualified firm" and "negotiate fair and

equitable fees”

## **PROBLEM**

OC San anticipates a \$1.5 billion CIP from July 2022 through June 2027.

Although staff intends to request additional positions in the proposed Fiscal Year 2022-23 and 2023-24 budget, the projected workload will still exceed the number of staff.

The current supplemental engineering support agreement with Jacobs Project Management Co. started in July 2016 and may be extended no later than June 2023. A similar agreement with Jacobs Project Management was in effect between May 2012 and June 2016.

## **PROPOSED SOLUTION**

Approve two Professional Services Agreements to provide Supplemental Engineering Services for up to a five-year period ending in April 2027.

When OC San identifies the need for supplemental professional resources, whether to complete a specific task or fill a project or program role, the two firms will be requested to propose appropriately qualified staff. OC San will then determine the most appropriate team for the assignment, and either authorize the person or persons to fill the project role or negotiate the budget and schedule for the task.

Staff will provide quarterly reports to the Board of Directors on the utilization of the Supplemental Engineering Services contracts.

## **TIMING CONCERNS**

Although the existing Supplemental Engineering Services agreement with Jacobs could be terminated in June 2022, an overlapping period between the existing contract and the new contracts will allow existing assignments to either be completed in the coming year or migrated through a phased approach before the existing contract expires.

## **RAMIFICATIONS OF NOT TAKING ACTION**

Without the necessary engineering resources, projects will have to be delayed, and certain specialty services will need to be separately procured as needed, resulting in delays and additional administrative costs.

## **PRIOR COMMITTEE/BOARD ACTIONS**

N/A

**ADDITIONAL INFORMATION**

Consultant Selection:

OC San requested and advertised for proposals for Supplemental Engineering Services, Contract No. PSA2021-002, on September 21, 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	25%
Related Project Experience	40%
Project Team and Staff Qualifications	35%

Three proposals were received on November 17, 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: three Engineering Managers, one Engineering Supervisor, and one Construction Inspection 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 25)	Related Experience (Max 40)	Team (Max 35)	Total Score (Max 100)
1	Jacobs Project Management Co.	24	38	32	94
2	AECOM Technical Services	19	29	25	73
3	WSP USA, Inc.	16	26	20	62

Based on this scoring, all three Consultants were shortlisted for interviews on December 16, 2021. Following the interviews, 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, Jacobs Project Management Co. and AECOM Technical Services were selected as the most qualified Consultants.

	Firm	Approach (Max 25)	Related Experience (Max 40)	Team (Max 35)	Total Score (Max 100)
1	Jacobs Project Management Co.	25	38	32	95
2	AECOM Technical Services	19	30	27	76
3	WSP USA, Inc.	14	21	19	54

Jacobs Project Management Co. demonstrated a very impressive pool of professionals experienced in the type of work required and presented an approach for managing resource requests and supervising resources which has proven highly effective in the existing Supplemental Engineering Services agreement. AECOM Technical Services documented a deep bench of professionals with relevant experience, demonstrated experience with similar agreements with other agencies, and provided a good approach to supervising on-site staff.

#### Review of Fee Proposal and Negotiations:

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

Staff conducted negotiations with Jacobs Project Management Co. and AECOM Technical Services to confirm fringe and overhead rates and resolve payment terms, insurance, and indemnification.

The Consultant's fringe and overhead costs, which factor into the billing rate, have been substantiated. The contract profit is 5.0%, which is based on an established formula based on OC San's standard design agreements. Based on this, staff has determined that the final negotiated payment terms are fair and reasonable and recommends award of the Professional Services Agreements to Jacobs Project Management Co. and AECOM Technical Services.

#### Contract Value:

Staff has estimated that, on average, the equivalent of 32 full time staff will be required over the maximum 5-year period of these contracts. Assignments will be made on a case-by-case basis, so fees earned by one firm could be more than the other firm. For this reason, staff is proposing the contract limit for each firm be approximately 60 percent of the total expected fees associated with the 32 full-time equivalents.

#### **CEQA**

N/A

#### **FINANCIAL CONSIDERATIONS**

This request complies with authority levels of OC San's Purchasing Ordinance. The budgeted cost for the proposed Professional Service Agreements is contained within the approved CIP project budgets and no additional funding is necessary.

#### **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 Services Agreement
- Presentation

JM:DF:iw