

## Agenda Report

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

**SUBJECT:**

SUNFLOWER AND RED HILL INTERCEPTOR REPAIR, PROJECT NO. 7-66

### GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Approve a Professional Design Services Agreement with GHD Inc. to provide engineering services for Sunflower and Red Hill Interceptor Repair, Project No. 7-66, for an amount not to exceed \$308,712; and
- B. Approve a contingency of \$30,871 (10%).

### BACKGROUND

The Orange County Sanitation District (Sanitation District) completed construction of the Sunflower Interceptor Reach 3 and Red Hill Interceptor Reach 4 and 5, Project No. 7-6-3 in 1971, ranging in size from 27 inches to 84 inches in diameter. The concrete pipe includes PVC lining on the upper 270-degrees of the pipe section to protect the concrete from corrosive sewer gas. PVC lining was not installed on the bottom 90 degrees because it was expected to be covered by the liquid in the pipe, which is not corrosive to concrete.

### RELEVANT STANDARDS

- Protect Orange County Sanitation District assets

### PROBLEM

In 2015, as part of the Sanitation District asset management program, the pipe between Red Hill Avenue at MacArthur Boulevard in Irvine and Sunflower Avenue at South Timber Street in Costa Mesa was assessed for internal corrosion and lining condition. This section also includes three siphons, but it was only possible to enter and assess one of the three siphons.

The Sanitation District's assessment indicated the PVC lining has failed at multiple locations and concrete below the 270-degree lining has corroded.

The services of a design consultant are needed to complete this project.

## PROPOSED SOLUTION

Approve a Professional Design Services Agreement with GHD Inc.

## TIMING CONCERNS

The concrete pipe continues to corrode until a construction project is designed and completed.

## RAMIFICATIONS OF NOT TAKING ACTION

Increased risk of failure of the pipe due to continued concrete corrosion causing a sewage spill and property damage.

## PRIOR COMMITTEE/BOARD ACTIONS

N/A

## ADDITIONAL INFORMATION

### Consultant Selection:

The Sanitation District requested and advertised for proposals for Sunflower and Red Hill Interceptor Repair, Project No. 7-66, on April 30, 2019. The following evaluation criterion were described in the Request for Proposals (RFP) and used to determine the most qualified Consultant.

CRITERION	WEIGHT
Project Understanding and Approach	30%
Related Project Experience	30%
Project Team and Staff Qualifications	40%

Three proposals were received on June 10, 2019 and evaluated in accordance with the evaluation process set forth in the Sanitation District's Purchasing Ordinance No. OCSD-52 (Purchasing Ordinance), by a pre-selected Evaluation Team consisting of the following Sanitation District staff.

Rich Leon	Project Manager
Don Stokes	Maintenance Manager
William Cassidy	Engineering Supervisor

The Evaluation Team also included two non-voting representatives from the Contracts Administration Division and Engineering Division. Following scoring by the Evaluation Team, using the evaluation criterion and weighting described above, interviews were deemed unnecessary. Based on the ranking shown below, GHD Inc. was selected as the most qualified Consultant.

	GHD Inc.	LAN Inc.	Atkins NA Inc.
Evaluator 1	1st	2nd	3rd

Evaluator 2	1st	2nd	3rd
Evaluator 3	1st	3rd	2nd
<b>Combined Ranking</b>	<b>1st</b>	<b>2nd</b>	<b>3rd</b>

The selected firm's team had the best understanding of the project and most pertinent recent experience with repairs similar to this project.

#### Review of Fee Proposal and Negotiations:

Proposals were accompanied by sealed fee proposals. In accordance with the Sanitation District's 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 GHD 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. One negotiating meeting was held where staff and the Consultant reviewed the Project Elements, Preliminary Design, and Final Design tasks for clarity and desired level of effort. These negotiations modified the design process to streamline the process. As a result of these negotiations, GHD Inc. submitted a revised fee proposal.

	Original Fee Proposal	Negotiated Fee
Total Hours	1,830	1,797
Total Fee	\$326,623	\$308,712

The Consultant's fringe and overhead costs, which factor into the billing rate, have been substantiated. The contract profit is 9.94%, which is based on an established formula included in the Sanitation District's standard design agreements.

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 GHD Inc.

#### **CEQA**

This project is exempt from CEQA under the Class 1 categorical exemptions set forth in California Code of Regulations, Title 14, Section 15301 - Section 15301 (Class 1) exempts from CEQA "the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination," including "(b) Existing facilities of both investor and publicly-owned utilities used to provide electric power, natural gas, sewerage, or other public utility services".

The project consists of minor repairs to existing PVC lining and concrete pipe.

A Notice of Exemption will be filed with the OC Clerk-Recorder after the Sanitation District Board award of the Professional Design Services Agreement contract.

## **FINANCIAL CONSIDERATIONS**

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. This item has been budgeted, (Adopted Budget Update FY2019-20, Appendix, Page A-11) and the project budget is sufficient for the recommended action.

## **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 Design Services Agreement