



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Public Works/Lag San
Department No.: 054
For Agenda Of: 9/22/2015
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Directors, Laguna County Sanitation District

FROM: Department Scott D. McGolpin, P.E., Director, x3010
Director(s)
Contact Info: Mark A. Schleich, P.E., Deputy Director, x3605

SUBJECT: Professional Services Agreement with Carollo Engineers, Incorporated for Design of Laguna County Sanitation District Plant Upgrades - Third and Fourth Supervisorial Districts

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Recommended Actions:

- a. Approve and authorize the Chair to execute a two-year agreement with Carollo Engineers, Incorporated in the amount of \$2,980,949 for the design of Laguna County Sanitation District wastewater reclamation plant upgrades;
- b. Authorize a 10% contingency in the amount of \$150,000 with Carollo Engineers, Incorporated for additional engineering that may be needed to complete work; and
- c. Find that the proposed action does not constitute a "Project" within the meaning of the California Quality Act, pursuant to 14 CCR 15378 (b)(5), in that it is a government administrative activity that will not result in direct or indirect changes in the environment.

Summary Text:

The Laguna County Sanitation District (District) commissioned a *Wastewater Reclamation Plant Facilities and Financial Master Plan* to assess existing plant conditions and function now and into the future. The reclamation plant has a current treatment capacity of 3.7 million gallons per day (mgd) and consists of facilities built over time since 1959. The plan addressed existing equipment and treatment processes, particularly those that are older, have limitations and/or have met their useful lives. The plan

also looked ahead to future needs as well as costs associated with proposed improvements. Carollo Engineers, Incorporated was retained by the District in March 2014 to investigate the alternatives presented in the Master Plan and recommend a final approach. This work was completed in May 2015.

This action requests your Board approve an agreement with Carollo Engineering for detailed design and preparation of plans and specifications in the amount of \$2,980,949 with a contingency of \$150,000.

Background:

The existing Laguna County Sanitation District wastewater reclamation plant was built over time with facilities constructed in 1959, 1974, 1986, and 2001 and has a current treatment capacity of 3.7 mgd. A *Wastewater Reclamation Plant Facilities and Financial Master Plan* was prepared and presented to the Board in October 2011 that assessed the function and usefulness of the treatment facility infrastructure and studied treatment plant assets by evaluating equipment useful lives, function, and improvements needed to address regulatory criteria, capacity needs, customer growth, waste flow volumes and loading, and treatment and discharge alternatives.

The costs for implementing the recommendations of the plan were also assessed in the Master Plan pursuant to the County Enterprise Fund Reserve Policy adopted by the Board in June of 2007. The reserve policy was developed to minimize debt service, provide for anticipated capital replacement and expansion requirements as well as maintaining reserves for working capital and contingencies. The costs to implement the proposed improvements are included in the rates and fee structure developed in the Master Plan.

The vendor was selected through a request for qualifications that was provided to thirteen engineering firms. Two statements of qualifications were received and evaluated by a review committee comprised of Public Works Department/District staff based on predetermined scoring criteria. Based on demonstrated competence and professional qualifications, Carollo Engineers, Incorporated (lead and not a local vendor) and Cannon Corporation (a tri-county vendor) were selected. An agreement was negotiated in the amount of \$402,951 and executed by the Board on March 4, 2014 to perform preliminary engineering by analyzing plant process alternatives described in the 2010 Master Plan and prepare a project development report that would recommend a system for construction. That report was completed in May 2015 and recommended replacing older plant facilities with a new headworks and a conventional activated sludge system. They were responsive and timely in the completion on the work.

This action addresses an agreement to provide the detailed design of the chosen project for the preparation of plans, specifications, and construction cost estimate in order to facilitate construction bidding. The scope and cost proposal was evaluated by staff, and was followed by a subsequent meeting between staff and key Carollo and Cannon personnel to discuss qualifications, design costs and scope of work. A due diligence review of the vendor's past projects with other agencies indicates that the firms are qualified and that proposed costs are appropriate. In addition, a third party engineering firm provided review of the project development report and the scope/cost proposal. The third party review also found the vendors to be qualified and that the proposed scope and cost was appropriate. The parameters used to consider cost appropriateness included similar project scope, construction cost, and design cost as a percentage of construction cost. Industry data indicates that the detailed design costs are typically about 10% of construction costs. The estimated construction cost is \$35 million resulting in a detailed design cost of approximately 8.5% for this project. The final scope of work and cost proposal was negotiated resulting in the services described in the agreement at an associated cost of \$2,980,949.

The period to perform these services is expected to take approximately two years. Given that the vendors are qualified and that the cost and scope was found to be appropriate, staff recommends that the Board execute this agreement with Carollo Engineers.

Performance Measure:

Implementation of the improvements is consistent with master planning and the Capital Improvement Program.

Fiscal and Facilities Impacts:

Budgeted: Yes.

Fiscal Analysis:

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund			
State			
Federal			
Fees			
LCSD Enterprise Fund	\$ 1,500,000		\$ 3,130,949
Total	\$ 1,500,000	\$ -	\$ 3,130,949

The cost to perform design and prepare the plans and specifications for these improvements are estimated at \$2,980,949 (plus a contingency of \$150,000). The expenditure of these funds will occur over a two year period. The source of funds is the Laguna County Sanitation District capital reserve fund.

Special Instructions:

Retain one (1) original agreement for Clerk of the Board records and return the other two (2) original agreements to the Laguna County Sanitation District office, attention Martin Wilder.

Attachments:

Attachment A: Original agreement, three (3 copies).

Authored by:

Martin Wilder, P.E., Manager

Copy:

Colleen Hankins

Mark Paul