

SWEETWATER AUTHORITY

Engineering and Operations Committee

May 1, 2024

REVISED



Consideration to Authorize the General Manager to Execute Contracts with Project Professionals Corporation and TKE Engineering for On-call Construction Management and Inspection Consulting Services

RECOMMENDATION

Staff recommends that the Governing Board authorize the General Manager to execute on-call construction management and inspection consulting services contracts with Project Professionals Corporation of La Mesa, CA, for a not-to-exceed amount of \$200,000, and TKE Engineering, Inc. of San Diego, CA, for a not-to-exceed amount of \$200,000, for a twelve-month period from the date of the agreement execution, with four one-year possible extensions subject to future Board approval.

OVERVIEW

Sweetwater Authority (Authority) staff has proposed a Capital Improvement Programed (CIP) schedule with several projects entering construction in FY 2024-25. The projects include pipeline replacement, pipeline reliability improvements, tank construction and rehabilitation, treatment plant upgrades, etc. In addition, development activity in the Authority's service area continues to be a factor in staff's workload capacity projections. In order to manage the construction and inspection and deliver CIP projects, staff envisions that On-call Construction Management and Inspection Consultants would be able to assist with the full range of Construction Management activities including the following categories:

- Constructability review of design plans and specifications prepared by other firms.
- Construction Management.
- Construction Inspections.

Some of the programs and projects that the consulting services will be used for include:

- Pipeline Replacement Program: Various pipeline replacements of up to 5,700 linear feet per year of pipelines, subject to Board approval.
- Pipeline Reliability Improvements Program: Up to 2,800 linear feet per year of new pipelines to increase the distribution system capacity and reliability, subject to Board approval.
- Tank Rehabilitation Program: Maintenance and repairs to various structural components, coatings, and the cathodic protection systems for various tanks, subject to Board approval.
- Other CIP projects identified in adopted Fiscal Year Budgets by the Board.

On March 18, 2024, a Request for Qualifications (RFQ) for On-call Construction Management and Inspection Consulting Services was publicly advertised on Bidnet Direct, the San Diego Union Tribune, on the Authority's website, and emailed to several consultants who had expressed interest in the RFQ. The advertised RFQ is included as Attachment 1. The RFQ included a statement encouraging participation by local, small and/or disadvantaged businesses.

On April 12, 2024, Statements of Qualifications (SOQ) were submitted by seven consultants, listed below:

- Capo Projects Group, Inc., San Clemente, CA
- Dudek, Encinitas, CA
- Hoch Consulting, APC, Oceanside, CA
- MKN CPM, Inc., Oceanside, CA
- New City Consulting Inc., Bonsall, CA
- Project Professionals Corporation, La Mesa, CA
- TKE Engineering, Inc., San Diego, CA

A team of three staff members, two representing the Engineering and Operations Department and one representing Management, reviewed the SOQs according to the evaluation criteria listed in the RFQ. Based on the professional nature of the requested work and the proposed contract for professional services, a qualifications-based selection process was used, which included the following evaluation criteria:

Category	Maximum Points
Completeness of SOQ in addressing requested information	10
Qualifications and experience of the Consultant's personnel assigned	45
Firms experience relevant to the type of work being considered	45

Upon review of the SOQs submitted, the following consultants were ranked by staff as the two most qualified:

- Project Professionals Corporation, La Mesa, CA
- TKE Engineering, Inc., San Diego, CA

All SOQs received with hourly compensation rates are included as Attachments 2 through 8. Staff recommends selecting the two consultants that were ranked the highest by staff. Selecting two consultants as opposed to one will give the Authority flexibility in assigning tasks based on the most cost-effective quotes from the consultants selected, and will potentially allow the Authority to have constructability review, construction management, and construction inspection tasks completed at a faster rate by distributing work among the consultants when there is a high level of tasks to be completed, rather than having a queue of tasks to be performed by a single consultant that could result in project delays.

On September 13, 2023, the Board authorized the General Manager to execute contracts with three consultants for on-call general engineering services. The on-call general engineering contracts provide services for construction management and inspection as part of their proposed services, but tasks assigned to these consultants have been geared heavily toward design services. Having separate on-call consultants specifically for construction management and inspection will provide staff greater flexibility in delivering CIP Projects.

FISCAL IMPACT

The FY 2023-24 Budget includes funding for the proposed expenditures and staff will propose sufficient funding in the FY 2024-25 Budget for these services. Depending on which project the on-call consultants are utilized for, funds would be available from the following budget sources:

- Operating Expense line item 10-40-400-5650 Engineering General - Consulting
- Capital Investment Projects:
 - o Engineering Design Program (proposed to be transferred to Engineering Operations Budget for FY 2024-25)
 - o Pipeline Replacement Program
 - o Other specific Capital Investment Projects

Costs associated with the on-call construction management and inspection services contracts will be negotiated on a project task order basis, using the hourly compensation rate schedule with each contract. The current hourly compensation rate schedules for each SOQ are attached for reference.

Staff anticipates awarding Task Orders ranging from \$2,000 to over \$100,000 per Task Order. To ensure competitive pricing per Task Order and avoid sole sourcing, staff would request cost proposals from both consultants selected. Any Task Orders over \$75,000 will require approval by the Board.

Staff requests that each consultant contract be authorized by the Board with a not-to-exceed amount of \$200,000 for twelve months from the date of agreement execution. Each contract will also contain four one-year optional extensions upon mutual agreement. Each following year, if work is satisfactory to the Authority, staff will return to the Board requesting a one-year extension and an additional amount based on the Authority's approved budget and other potential needs. The agreements will be a maximum of 5 years.

OPTIONS

1. Authorize the General Manager to execute on-call construction management and inspection consulting services contracts with Project Professionals Corporation of La Mesa, CA, for a not-to-exceed amount of \$200,000, and TKE Engineering, Inc. of San Diego, CA, for a not-to-exceed amount of \$200,000 for a twelve month period from the date of agreement execution, with four one-year possible extensions subject to future Board approval.
2. Other direction as determined by the Governing Board.

Staff Contact:

Carlos Quintero, General Manager

Roberto Yano, Assistant General Manager

Erick Del Bosque, Director of Engineering and Operations

SUPPORTING INFORMATION

Attachments

1. RFQ
2. SOQ and hourly rate schedule – Capo Projects Group, Inc.
3. SOQ and hourly rate schedule – Dudek
4. SOQ and hourly rate schedule – Hoch Consulting, APC
5. SOQ and hourly rate schedule – MKN CPM, Inc.
6. SOQ and hourly rate schedule – New City Consulting Inc.
7. SOQ and hourly rate schedule – Project Professionals Corporation
8. SOQ and hourly rate schedule – TKE Engineering, Inc.
9. Staff Presentation

****Attachments 2 through 6 are located on the Committee [meeting website](#).**

Strategic Plan

Strategic Plan Goal 2: System and Water Supply Reliability (SR) – Achieve an uninterrupted, long-term water supply through investment, maintenance, innovation and developing local water resources.

- Objective SR1: Implement the current Water Distribution System Master Plan to include: pipeline replacements; new pipelines for capacity, reliability and redundancy; additional water storage capacity in deficient zones; and additional pumping capacity for Hydropneumatic Zones.

Objective SR9: Cost-effectively maintain facilities and infrastructure to optimize their useful life and performance.

Past Board Actions

June 28, 2023	The Governing Board adopted Resolution 23-13, adopting the Fiscal Year 2023-24 Budget
September 13, 2023	The Governing Board authorized the General Manager to execute on-call general civil engineering services contracts with Ardurra Group, Inc., Dudek, and LEE+RO, Inc. based on the hourly rates provided with their Statements of Qualifications with not-to-exceed amounts of \$200,000 for twelve months from the date of agreement execution; authorized each contract to contain four one-year optional extensions upon mutual agreement; and directed staff to bring back to the Board each following year, if consultant work is satisfactory to the Authority, requests for one-year extensions and an additional amount based on the Authority's approved budget and other potential needs, subject to a maximum contract term of five years.