



City Council Staff Report

From: City Manager

Report Type: CONSENT CALENDAR

Lead Department: Public Works

Meeting Date: September 9, 2024

Report #:2407-3273

TITLE

Approval of Contract Amendment No. 4 to Contract Number C19170648 with Salas O'Brien Engineers, Inc., for Professional Design Services, to Add Services and Increase Compensation by \$99,200 for a New Not-to-Exceed Amount of \$659,597, and to Extend the Schedule for Performance Through December 31, 2026, for the 12kV Electrical Distribution Network Rehabilitation Project at the Regional Water Quality Control Plant, Funded by the Plant Repair, Retrofit, and Equipment Replacement Capital Improvement Program Project (WQ-19002); CEQA Status – Exempt Under Section 15301

RECOMMENDATION

Staff recommends that Council approve and authorize the City Manager or their designee to execute Contract Amendment No.4 to Contract C19170648 with Salas O'Brien Engineers, Inc., to increase the contract compensation by \$99,200 and expand the scope of services, update the hourly rate schedule, and extend the contract term through December 31, 2026. The revised total contract amount is not-to-exceed \$659,597, including \$639,320 for basic services and \$20,277 for additional services.

BACKGROUND

The 12,470-Volt (12kV) Electrical Distribution Network (Loop) is the backbone for the Regional Water Quality Control Plant's (RWQCP) medium voltage power distribution infrastructure, using circuit breakers, switches, cabling, conduits, vaults, and transformers to distribute electrical power to wastewater treatment unit processes (e.g., primary treatment, secondary treatment, tertiary treatment, disinfection, and solids handling unit processes). Unit processes are critical to the treatment of wastewater for compliance with federal and state regulations, and reliable power supply to these unit processes is needed to avoid system disruptions.

The 12kV Loop Rehabilitation Project design scope includes replacement of equipment at or beyond its design life and upgrades to accommodate future RWQCP capital projects. Following

a formal Request for Proposals, a design contract was awarded to Salas O'Brien Engineers, Inc. (Salas O'Brien) in October 2018.¹

In March 2019, the City adopted the Sea Level Rise Policy²; Amendment No. 1³ added funds to the contract primarily for the structural design effort for elevated structures needed to incorporate recommendations of the City's Sea Level Rise Policy and design changes to meet the requirements of CPAU-Electric for new incoming electrical service switchgear.

During design, a large CIP project (Primary Sedimentation Tanks Rehabilitation and Equipment Room Electrical Room Upgrade Project) was under construction and another large CIP project (Secondary Treatment Upgrades Project) was in the design phase. Both projects include 12kV equipment that needed to be carefully sized, located, and sequenced, and temporarily powered. Amendment No. 2, in May 2020, added funding for a 3D model, coordination efforts with on-going construction, and three sets of additional design deliverables.⁴

Due to long lead times for manufactured electrical switchgear and switchboxes that caused construction delays, Amendment No. 3⁵ extended the contract term by six months with no additional compensation.

ANALYSIS

Construction of the 12kV Loop Rehabilitation Project was designed in seven phases by Salas O'Brien. 12kV Electrical Power Distribution Loop Rehabilitation Bid Package 1 Project construction included only Phase 1 of the design and is nearing completion. 12kV Electrical Power Distribution Loop Rehabilitation Bid Package 2 Project construction was bid in July 2024, and includes construction of the remaining phases of the design. Salas O'Brien Engineers' services are needed through the end of both construction projects. Due to long lead times for

¹ City Council, October 15, 2018; Agenda Item #4; SR #9274

<https://www.cityofpaloalto.org/files/assets/public/v/1/agendas-minutes-reports/reports/city-manager-reports-cmrs/year-archive/2018/id-9274-design-services-for-wqcp-medium-voltage-electrical-distribution-network-rehabilitation.pdf>

² City Council, March 18, 2019; Agenda Item #8; SR #9576

<https://www.cityofpaloalto.org/files/assets/public/v/1/agendas-minutes-reports/reports/city-manager-reports-cmrs/year-archive/2019/031819-9576-proposed-draft-sea-level-rise-policy.pdf>

³ City Council, May 11, 2020; Agenda Item #3; SR #10969

<http://www.cityofpaloalto.org/files/assets/public/v/1/agendas-minutes-reports/reports/city-manager-reports-cmrs/year-archive/2020/id-10969-approval-to-increase-compensation-extend-term-of-design-contract-for-12kv-loop-rehab.-at-wqcp.pdf>

⁴ City Council, November 15, 2021; Agenda Item 6#; SR #13690

<https://www.cityofpaloalto.org/files/assets/public/v/1/agendas-minutes-reports/reports/city-manager-reports-cmrs/year-archive/2021/id.-13690-approval-to-increase-compensation-extend-term-of-design-contract-for-12kv-loop-rehab.-at-wqcp.pdf>

⁵Salas O'Brien Engineers Amendment No. 3 Contract No. C19170648;

<https://www.cityofpaloalto.org/files/assets/public/v/1/public-works/water-quality-control-plant/attachment-b-salas-obrien-contract-c19170648-amendment-no.pdf>

electrical switchgear, Salas O'Brien Engineers anticipates 12kV Electrical Power Distribution Loop Rehabilitation Bid Package 2 Project construction completion in December 2026.

Additional design services in Amendment No. 4 (Attachment A) required to support the project through the Bid Package 2 construction include contractor submittal reviews, responding to contractor RFIs, periodic site inspections, periodic witness testing of newly installed equipment, and updating of record drawings to capture any field changes through the construction period.

FISCAL/RESOURCE IMPACT

Funding required for this contract amendment is available in the Fiscal Year 2025 Adopted Wastewater Treatment Fund Capital Improvement Program Plant Repair, Retrofit, and Equipment Replacement Project (WQ-19002). Palo Alto treats the combined wastewater from Palo Alto, Los Altos, Los Altos Hills, Mountain View, Stanford University, and East Palo Alto Sanitary District. Palo Alto's share of this project is approximately 36% and the other five agencies' share is approximately 64%, based on volume and strength of wastewater contribution of each partner. The \$99,200 amount for this contract amendment is the combined cost for all the partners. The Palo Alto Wastewater Collection Fund's share of this expense is already budgeted.

STAKEHOLDER ENGAGEMENT

This project is part of the RWQCP's minor capital improvement program funded by Palo Alto and its five additional partner agencies. The five partner agencies are regularly updated about both the need for and the progress on wastewater treatment capital work. Updates are provided each year at an annual meeting and at other periodic meetings established to inform partner agency staff about the minor capital improvement program. This project has been part of that process. Additionally, RWQCP staff has routinely coordinated feedback from Utilities Department electrical staff via project reviews.

ENVIRONMENTAL REVIEW

The project is exempt from review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301, subsections (b) and (e)(1), Existing Facilities, as it involves the repair and maintenance of an existing publicly owned utility used to provide sewerage treatment services with a minor addition to an existing building and no or negligible expansion of use.

ATTACHMENTS

Attachment A: Salas O'Brien Engineers, Inc. Contract C19170648, Amendment No. 4

APPROVED BY:

Brad Eggleston, Director Public Works/City Engineer