

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

| | | | |
|---|--|--|----------------------|
| (1) DEPARTMENT Public Works | (2) MEETING DATE 9/9/2014 | (3) CONTACT/PHONE Jeff Lee, Utilities Division Capital Projects Manager (805) 781-1043 | |
| (4) SUBJECT Request to: 1) approve and execute, subject to phased notices to proceed, a sole source agreement for professional engineering services with Cannon in the amount of \$86,810 for final design of the County Service Area No. 23 (CSA 23 - Santa Margarita)/Atascadero Mutual Water Company /Garden Farms Community Water District Emergency Intertie Project; and 2) authorize the Public Works Director to sign future amendments to the agreement. District 5. | | | |
| (5) RECOMMENDED ACTION It is our recommendation that the Board: 1. Approve and execute, subject to phased Notices to Proceed, a sole source Agreement for Professional Engineering Services with Cannon in the amount of \$86,810 for final design of the County Service Area No. 23 (CSA 23 - Santa Margarita)/Atascadero Mutual Water Company (AMWC)/Garden Farms Community Water District (GFCWD) Emergency Intertie Project; and 2. Authorize the Public Works Director to sign future amendments to the Agreement in an amount not to exceed a contingency of \$12,500. | | | |
| (6) FUNDING SOURCE(S) Services to Special Districts (FC 20104) | (7) CURRENT YEAR FINANCIAL IMPACT Up to \$99,310.00 | (8) ANNUAL FINANCIAL IMPACT N/A | (9) BUDGETED? Yes |
| (10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ___) <input type="checkbox"/> Board Business (Time Est. ___) | | | |
| (11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A | | | |
| (12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) 19001446 | | (13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A | |
| (14) LOCATION MAP Attached | (15) BUSINESS IMPACT STATEMENT? No | (16) AGENDA ITEM HISTORY <input checked="" type="checkbox"/> N/A Date: _____ | |
| (17) ADMINISTRATIVE OFFICE REVIEW <i>Nikki J. Schmidt</i> | | | |
| (18) SUPERVISOR DISTRICT(S) District 5 | | | |

Reference: 14SEP09-C-1

County of San Luis Obispo



TO: Board of Supervisors

FROM: Public Works

Jeff Lee, Utilities Division Capital Projects Manager

VIA: Dean Benedix, Utilities Division Manager

DATE: 9/9/2014

SUBJECT: Request to: 1) approve and execute, subject to phased notices to proceed, a sole source agreement for professional engineering services with Cannon in the amount of \$86,810 for final design of the County Service Area No. 23 (CSA 23 - Santa Margarita)/Atascadero Mutual Water Company /Garden Farms Community Water District Emergency Intertie Project; and 2) authorize the Public Works Director to sign future amendments to the agreement. District 5.

RECOMMENDATION

It is our recommendation that the Board:

1. Approve and execute, subject to phased Notices to Proceed, a sole source Agreement for Professional Engineering Services with Cannon in the amount of \$86,810 for final design of the County Service Area No. 23 (CSA 23 - Santa Margarita)/Atascadero Mutual Water Company (AMWC)/Garden Farms Community Water District (GFCWD) Emergency Intertie Project; and
2. Authorize the Public Works Director to sign future amendments to the Agreement in an amount not to exceed a contingency of \$12,500.

DISCUSSION

On June 17, 2014, your Board approved Resolution No. 2014-156 authorizing Public Works to file a grant application for an IRWM Expedited Drought Grant (Prop 84) which included the CSA 23/Atascadero Mutual Water Company/Garden Farms Community Water District Emergency Intertie Project (CSA 23 Intertie Project). One of the anticipated grant requirements is that construction start on or before April 1, 2015 which is an accelerated project delivery schedule. In order to meet this schedule, project design needs to start prior to the anticipated grant award date of October 15, 2014.

The project will provide an emergency source of water to Santa Margarita in the event of drought or other emergency by constructing a 2.5-mile, 8-inch pipeline along El Camino Real to interconnect the Santa Margarita, AMWC and Garden Farms CWD water systems. The proposed connections will give

CSA 23 access to multiple water supply sources that can supplement or supply drinking water in the event of a drought or emergency. Access to these water sources would provide system redundancy and would enable CSA 23 to provide a safe and reliable water supply during drought.

Currently, the 3-year average rainfall amounts for the Santa Margarita area are approximately 50% below the local average, causing groundwater levels to drop below normal. This apparent risk to water supply has triggered an ALERT status for the community which requests voluntary reduction in water use by all residents and business owners in Santa Margarita. If the drought continues, CSA 23 may not be able to provide its customers with an adequate, dependable water supply, putting the ability to fulfill the human right to water in jeopardy. The completion of the proposed intertie project is needed now, during this prolonged drought, and would provide needed water security for the community.

The Public Works Department created a Professional Services list of "Water Resources Engineering" under a Request for Qualifications (RFQ) PS-1185 in September 2012. The list qualified three firms which our department would use for a two year period on water resource design projects. The three firms are Cannon Associates, Wallace Group and West-Yost. Given the short turnaround for the design requirements on these IRWM expedited drought grant projects, we contacted the firms to check availability to proceed with the work. West-Yost was unresponsive and was not pursued for proposals. We have previously engaged Wallace Associates to prepare preliminary designs for another IRWM expedited drought grant: the Nacimiento/Salinas/CMC Emergency intertie project. Cannon was then contacted and had resources to pursue the design. This results in the attached agreement for the project. While multiple proposals were not received, the selection was based on the RFQ process. Nonetheless, your Board would be waiving the adopted Contract for Services Policy by approving the sole source agreement.

The Agreement provides for design of the CSA 23 Intertie Project. We recommend that your Board approve and execute the attached Agreement, with phased notices to proceed (NTP) in order to minimize funding risks. The first NTP would be given after successful approval of today's action and allow for preliminary design support, utility coordination and development of project base maps. The second NTP would be subject to grant award and local funding match approval by your Board in a subsequent action. The first NTP would forward the project design in anticipation of securing Proposition 84 grant funding and the accelerated delivery schedule. The completed project will provide water reliability and security for the Santa Margarita community and water system.

OTHER AGENCY INVOLVEMENT/IMPACT

The Department of Water Resources is responsible for administering the IRWM grant program pursuant to the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006.

AMWC and Garden Farms own and operate their respective water systems and have expressed written support of the Project as noted in attached letters of support. The County Service Area 23 was made aware of the project at their July 2014 meeting and supports its implementation with Proposition 84 grant funds.

County Counsel has approved this Agreement as to form and legal effect.

An agreement between the County, Garden Farms Community Water District and AMWC will be developed this fall to establish the operational conditions for this emergency intertie as well as arrangements for operating and water delivery cost, when warranted.

FINANCIAL CONSIDERATIONS

The proposed agreement is \$86,810, plus authorization of future amendments not to exceed a contingency amount of \$12,500, for total compensation of \$99,310.

Sufficient budget exists within Services to Special Districts for this contract. The Notice to Proceed will be phased (see below table) to minimize costs prior to grant award and local match funding approval for the entire project. In the event the grant or funding match is unsuccessful, work will be discontinued on the project.

The following table outlines the multiple Notices to Proceed approach:

| Phase(s) / Description | Tasks | Contract Amount | Notice to Proceed |
|--|----------------------------|-------------------------------------|---|
| I (Design & Con Docs) | 1 through 3 | \$25,000 | With today's action |
| I (Design & Con Docs), II (Specifications), III (Bid Assistance), and IV (Construction Support) | 4, 5, and 6 7 8 9 | \$74,310 includes contingency | Upon grant award and local match funding approval |

RESULTS

Approval of the recommended action will result in the design of the County Service Area No. 23 / Atascadero Mutual Water Company / Garden Farms Community Water District Emergency Intertie Project, which, upon implementation, will contribute to the County's community goals of providing for a safe, healthy, livable and well governed community.

File: 201R020117

Reference: 14SEP09-C-1

C:\Users\nschmidt\AppData\Roaming\PROVOX\AgendaTemp\Agenda_Item_Agenda_631_2014_3765.doc.JL:mac

ATTACHMENTS

1. Vicinity Map
2. Agreement for Professional Services
3. Letters of Support – June 11, 2014 Correspondence from Garden Farms Community Water District July 17, 2014 Correspondence from Atascadero Water Company