

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

(1) DEPARTMENT Public Works	(2) MEETING DATE 9/23/2014	(3) CONTACT/PHONE Scott Duffield, Project Manager (805) 788-2316	
(4) SUBJECT Request to 1) waive the Contract for Services policy; 2) approve and execute a sole source agreement for professional engineering services with Black & Veatch Corporation in the amount of \$92,316 for design and support services for the Nacimiento Water Pipeline, Nacimiento River Crossing Repair Project; and 3) authorize the Public Works Director to sign future amendments to the agreement in an amount not to exceed a contingency of \$20,000. District 1.			
(5) RECOMMENDED ACTION It is recommended that the Board acting as the San Luis Obispo County Flood Control and Water Conservation District (District): <ol style="list-style-type: none"> 1. Wave the Board adopted Contract for Services Policy requiring requests for proposals for services costing over \$25,000; 2. Approve and execute the attached sole source agreement for professional engineering services with Black & Veatch Corporation in the amount of \$92,316 for design and support services for the Nacimiento Water Pipeline, Nacimiento River Crossing Repair Project; and 3. Authorize the Public Works Director to sign future amendments to the agreement in an amount not to exceed a contingency of \$20,000. 			
(6) FUNDING SOURCE(S) Nacimiento Construction Fund (2200001000)	(7) CURRENT YEAR FINANCIAL IMPACT \$112,316.00	(8) ANNUAL FINANCIAL IMPACT N/A	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ___) <input checked="" type="checkbox"/> Board Business (Time Est. <u>10 min.</u>)			
(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) 19001461		(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 1			

Reference: 14SEP23-BB-1

County of San Luis Obispo



TO: Board of Supervisors

FROM: Public Works
Scott Duffield, Project Manager

VIA: Dean Benedix, Utilities Division Manager

DATE: 9/23/2014

SUBJECT: Request to 1) waive the Contract for Services policy; 2) approve and execute a sole source agreement for professional engineering services with Black & Veatch Corporation in the amount of \$92,316 for design and support services for the Nacimiento Water Pipeline, Nacimiento River Crossing Repair Project; and 3) authorize the Public Works Director to sign future amendments to the agreement in an amount not to exceed a contingency of \$20,000. District 1.

RECOMMENDATION

It is recommended that the Board acting as the San Luis Obispo County Flood Control and Water Conservation District (District):

1. Wave the Board adopted Contract for Services Policy requiring requests for proposals for services costing over \$25,000;
2. Approve and execute the attached sole source agreement for professional engineering services with Black & Veatch Corporation in the amount of \$92,316 for design and support services for the Nacimiento Water Pipeline, Nacimiento River Crossing Repair Project; and
3. Authorize the Public Works Director to sign future amendments to the agreement in an amount not to exceed a contingency of \$20,000.

DISCUSSION

On June 2, 2014, the Nacimiento water pipeline had to be shut down due to a significant leak that was discovered in a remote section of Camp Roberts near the Nacimiento River. On July 8, 2014, your Board adopted a resolution which waived the requirement of a competitive bidding process to allow emergency repair and investigation contract work on the Nacimiento water pipeline. Your Board approved similar resolutions on August 12, 2014, August 26, 2014 and September 9, 2014, which waived the requirement of a competitive bidding process to continue emergency repair and investigation contract work on the Nacimiento water pipeline, and continued the authorization of the Director of Public Works to execute contracts up to \$425,000. A request to continue the emergency contract authority for the Director of Public Works to contract work up to \$675,000 was submitted to

your Board for consideration as a separate item. Work continues under an emergency contract procedure to investigate the pipeline and collect additional pipe condition data.

No water deliveries have been made to the Nacimiento Water Supply project participants since June 2, 2014. The ongoing state of the drought continue to impact agency well levels, and the urgency to resume water deliveries to the participants is critical. The Nacimiento project participants have expressed a critical need to resume water deliveries no later than April 2015.

Staff continues to communicate with Teichert Construction requesting they initiate actions to provide a permanent fix or replacement. Teichert has taken no action nor has proposed any form/program or plan for remediation toward repair or reinitiation of water deliveries as of this date. The department seeks to develop an interim repair, in parallel with the field investigations, in order to resume water delivery entitlements beginning in spring of 2015.

Therefore, staff is now recommending that your Board waive purchasing policies for required RFP-based selection, and approve a sole source professional engineering services agreement with Black & Veatch Corporation, in the amount of \$92,316 for design and support services for an interim repair. Black & Veatch was the design engineer for the Nacimiento Water Project, is familiar with the detailed requirement and operational criteria on the project's facilities, and is the preferred consultant.

By taking this action, Public Works staff can commence with review of feasibility to place the line back in service in spring 2015. The scope of the contract provides for developing contract documents for remedial work which the department intends to bring to your Board in December for advertisement and subsequent award of construction contract to have the system deliver at a level to meet demands for 2015.

County Counsel has also retained the service of an expert pipeline engineering consultant to assist in pipeline forensics, condition assessment and remediation efforts that will produce information that will be considered in the interim repair design.

OTHER AGENCY INVOLVEMENT/IMPACT

The Nacimiento participating agencies that receive Nacimiento water for distribution to their customers include the City of Paso Robles, Templeton Community Services District, Atascadero Mutual Water Company, the City of San Luis Obispo, and County Service Area 10A. The Nacimiento Technical Support Group (TSG) and the Nacimiento Commission support the emergency contracting work efforts, and the District's pursuit of a design and work plan to provide a permanent repair and/or replacement pipeline to provide full capacity capability to the Nacimiento Water Supply system as soon as possible.

The Office of County Counsel has reviewed and approved the attached professional services agreement as to legal form and effect.

FINANCIAL CONSIDERATIONS

The Black & Veatch Corporation agreement in the amount of \$92,316 with contingencies of \$20,000 is being funded from the Nacimiento Construction Fund. Sufficient budget exists, at this time, to cover the anticipated cost of these professional services.

RESULTS

Approval of the recommended action will authorize the Department of Public Works to execute contracts with outside parties for this work which will lead to restoration of the pipeline to delivery service. This will lead to a safer and well-governed community.

File CF 622.100.01

Reference: 14SEP23-BB-1

L:\UTILITIES\SEP14\BOS\Sole Source Agreement brd ltr.docx.sd.taw

ATTACHMENTS

1. Vicinity Map
2. Agreement for Professional Services with Black & Veatch Corporation