

AGENDA ITEM NO.
COUNCIL MEETING
APPROVED BY
DEPARTMENT DIRECTOR 
CITY MANAGER

April 10, 2007

FROM: RENE A. RAMIREZ, Director 
Department of Public Utilities - Administration

BY: GARTH GADDY, Provisional Water Division Manager 
Department of Public Utilities - Water Division

SUBJECT: APPROVE PROFESSIONAL SERVICES AGREEMENT WITH PROVOST & PRITCHARD ENGINEERING GROUP, INC. FOR \$1,831,500 FOR ENGINEERING DESIGN, ENVIRONMENTAL SERVICES, AND RIGHT-OF-WAY ACQUISITION SERVICES, FOR THE CONSTRUCTION OF A RAW WATER PIPELINE TO CITY'S SURFACE WATER TREATMENT FACILITY AND APPROVE A RESOLUTION FOR THE REALLOCATION OF \$1,022,500 FROM VARIOUS WATER CAPITAL PROJECTS WITHIN THE WATER ENTERPRISE FUND TO PROVIDE ADDITIONAL APPROPRIATIONS FOR THE PROFESSIONAL SERVICES AGREEMENT

KEY RESULT AREA

Resource Management

RECOMMENDATIONS

Staff recommends that the City Council:

1. Approve an Agreement for \$1,831,500 with Provost & Pritchard Engineering Group, Inc., for the engineering design, environmental services, and right-of-way acquisition services, for the construction of a raw water pipeline to City's Surface Water Treatment Facility; and authorize the Director of Public Utilities to enter into this agreement on behalf of the City.
2. Approve a resolution for the reallocation of \$1,022,500 from various Water Capital Projects within the Water Enterprise Fund to provide additional appropriations to fund the Professional Services Agreement with Provost & Pritchard Engineering Group, Inc.

EXECUTIVE SUMMARY

The City's Surface Water Treatment Facility (SWTF) has become an integral component of the Department's water production capability and water resource management operations. The utilization of entitled surface water supplies to provide potable water has aided in reducing the strain on the groundwater aquifer. The twenty-eight mile stretch of unlined Enterprise Canal presently used for raw water conveyance to the SWTF, though a valuable interim and back-up supply route, is susceptible to contamination by storm water run-off from agricultural and urban lands. The project at hand will eliminate exposure of the surface water supply from these potential contaminants through the use of a dedicated five mile long raw water supply pipeline. This project will provide not only improved water quality, but also enhanced public protection, increased water supply reliability, and reduced power consumption at the SWTF. A Federal grant, secured by the Department, for nearly \$500,000 will offset a significant portion of the design and environmental services costs.

KEY OBJECTIVE BALANCE

This project balances the three focus areas of Customer Satisfaction, Employee Satisfaction and Financial Management. Customer satisfaction is derived by determining the most cost-effective design for constructing this important piece of infrastructure that will enhance raw water supply quality and reliability. Employee satisfaction and financial management are derived through using technical expertise in evaluating and designing the pipeline to ensure the timely and cost-effective completion of this major undertaking.

BACKGROUND

A portion of the City's United States Bureau of Reclamation Central Valley Project (CVP) entitlement of 60,000 acre-feet of water is presently conveyed through the concrete lined Friant-Kern Canal and then diverted to the unlined Fresno Irrigation District's Enterprise Canal for delivery to the SWTF. The twenty-eight mile stretch along the Enterprise Canal is susceptible to numerous chemical and microbial contaminants carried by storm water run-off from agricultural and urban areas. During the design of the SWTF a technical memorandum was prepared by the engineering design firm of Montgomery Watson Harza, which identified the five mile long pipeline as being the preferred water supply route once the CVP water supply contract had been renewed. Now that the CVP contract has been renewed, it is appropriate to construct this facility and benefit from the long-term advantages it will provide such as enhanced water quality and delivery reliability, and reduced SWTF power consumption.

This phase of the project will tie to the already completed first one mile of pipeline constructed in concert with the construction of public works improvements by Clovis Unified School District and the State Center Community College District (SCCCD) for their new campuses north of the SWTF. The first one mile of pipeline was constructed utilizing a reimbursement agreement with the SCCC to take advantage of their construction activities and to avoid campus disruptions and costly improvement removal and replacement had the pipeline been constructed at a later date.

The use of contracted consultant services is essential for this project due to the complexity of design, right-of-way acquisition, permitting with multiple agencies, and breadth of environmental studies. The design of the pipeline project will investigate several routes and evaluate each utilizing a matrix to consider both economic and non-economic factors. When an approved route has been selected the consultant will finalize environmental studies, assist with right-of-way acquisitions, and finalize the pipeline design. The consultant will also assist the City during the project bidding and construction phases.

In 2004 the Department's Water Division made several applications for State and Federal low interest loans and grants. Subsequently, the FY 2004 United States Environmental Protection Agency (EPA) Appropriation included a \$500,000 grant to the City for this project. The grant requires the City provide matching funds. The grant funds have been specifically structured to assist in covering costs of the project design and environmental studies.

In adherence with Fresno Municipal Code Section 3-109 and Administrative Order 6-19, over 100 consultants were notified requesting statements of qualifications. After review of the received statements of qualifications and subsequent interviews, Provost & Pritchard Engineering Group, Inc., was selected to perform the design and related services. The services required by this Agreement will be completed in approximately 1522 consecutive calendar days from the authorization to proceed. The contract amount is for a total fee not to exceed \$1,665,000, and a contingency of 10% not to exceed \$166,500 to cover unexpected additional work pursuant to the stipulated contract conditions. The total encumbrance request is \$1,831,500. The Agreement has been "Approved as to Form" by the City Attorney's Office.

Friant-Kern Pipeline FY07 Budget	\$ 859,000
Est. Expenditures to date	- \$ 24,000
Est. Budget Available	<u>\$ 835,000</u>

Budget Requirement Summary:

Total FY07 Cost	\$1,857,500
Est. Budget Available	- \$ 835,000
Required Funding	<u>\$1,022,500</u>

Reallocation Summary:

Water Enterprise Fund	
WC00004 – Water Main Extensions	
Non-site Specific, Contract Construction	+ \$ 400,000
WC00016 – Water Well Construction	
PS 61A, Contract Construction	+ \$ 322,200
WC00029 – Water Supply Disinfection	
PS 12A, Contract Construction	+ \$ 22,000
PS 45, Contract Construction	+ \$ 46,100
PS 103, Contract Construction	+ \$ 47,400
PS 197, Contract Construction	+ \$ 94,600
PS 218, Contract Construction	+ \$ 2,800
Total Reallocation	<u>\$1,022,500</u>

Attachment(s):

- Administrative Reallocation Resolution

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO APPROVING THE REALLOCATION OF \$1,022,500 FROM VARIOUS WATER CAPITAL PROJECTS WITHIN THE WATER ENTERPRISE FUND TO PROVIDE ADDITIONAL APPROPRIATIONS FOR THE DESIGN AND OTHER SERVICES RELATED TO THE FRIANT KERN CANAL PIPELINE PROJECT.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FRESNO:

THAT \$1,022,500 within the appropriations set forth in PART III of the Annual Appropriation Resolution No. 2006-253 be and is hereby approved to be reallocated within the Water Enterprise Fund.

THAT account titles and numbers requiring adjustment by this Resolution are as follows:

Water Enterprise Fund

Appropriations:

Account: **57507** Contract Construction **\$ (400,000)**
Fund: **40101**
Org Unit: **411501**
Project: **WC00004**
KRA: **0602006000**

Total Appropriations **\$ (400,000)**

Appropriations:

Account: **57507** Contract Construction **\$ (322,200)**
Fund: **40101**
Org Unit: **411501**
Project: **WC00016**
KRA: **0103011000**

Total Appropriations **\$ (322,200)**

Appropriations:

Account: **57507** Contract Construction **\$ (300,300)**
Fund: **40101**
Org Unit: **411501**
Project: **WC00029**
KRA: **0602006000**

Total Appropriations **\$ (300,300)**

Appropriations:

Account: 51101 Permanent Salaries	\$ 26,000
53302 Prof Svcs/Consulting - Outside	<u>996,500</u>
Fund: 40101	
Org Unit: 411501	
Project: WC00038	
KRA: 0103011000	
Total Appropriations	<u>\$ 1,022,500</u>

THAT the purpose is to reallocate funds in the Water Enterprise Fund from water main extensions, well construction, and supply disinfection projects to the Friant Kern Canal/Surface Water Treatment Facility pipeline project. Total design costs for the project are estimated to be \$1,857,500 which includes, \$1,831,500 for the professional services agreement and \$26,000 for staff costs.

CLERK'S CERTIFICATION

STATE OF CALIFORNIA }
COUNTY OF FRESNO } ss.
CITY OF FRESNO }

I, REBECCA E. KLISCH, City Clerk of the City of Fresno, certify that the foregoing Resolution was adopted by the Council of the City of Fresno, California, at a regular meeting thereof, held on the _____ Day of _____, 2007.

AYES:
NOES:
ABSENT:
ABSTAIN:

Mayor Approval: _____, 2007
Mayor Approval/No Return: _____, 2007
Mayor Veto: _____, 2007
Council Override Veto: _____, 2007

REBECCA E. KLISCH
City Clerk
