



AGENDA MEMORANDUM

Action Item for the City Council Meeting of September 29, 2020

DATE: September 14, 2020

TO: Peter Zaroni, City Manager

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Professional Services Contract Amendment No. 1
Holly and Rand Morgan Elevated Storage Tanks Implementation

CAPTION:

One-reading ordinance authorizing Amendment No. 1 to CP&Y, Inc. to provide professional design services for the implementation of the Holly and Rand Morgan Elevated Storage Tanks Implementation Project in an amount of \$383,397 for a total contract value not to exceed \$432,935 and amending the FY 2020 Capital Improvement Program Budget to include the Holly and Rand Morgan Elevated Storage Tanks Implementation Project, located in City Council Districts 1 and 5, with funding available from FY 2020 Water Capital Improvement Program Budget.

SUMMARY:

This ordinance approves Amendment No. 1 for professional services contract with CP&Y, Inc. to provide hydraulic modeling, pressure reducing valve/pump design, and pipe replacement program associated with the Holly and Rand Morgan Elevated Storage Tanks Implementation project.

BACKGROUND AND FINDINGS:

In 2010, Texas Commission on Environmental Quality (TCEQ) issued notice that the City did not have enough elevated storage volume. In June 2012, TCEQ approved the City's Alternative Capacity Requirement (ACR) Implementation Plan. As part of the implementation plan, two new elevated storage tanks (EST), Holly EST and Rand Morgan EST, were constructed in 2018. The City attempted to bring the Holly EST into service and experience multiple waterline breaks throughout the system. Consequently, Holly EST was removed from service and Rand Morgan EST was not placed into service.

In June 2020, the City retained CP&Y, Inc. to provide independent review and recommendations for the City's EST Implementation Plan and Alternative Capacity Requirement (ACR) agreement with TCEQ. This included the existing Holly Road and Rand Morgan EST's as well as the

proposed Flour Bluff and Nueces Bay EST's. CP&Y, Inc. submitted a final report in August with recommended next steps to place EST's into service. This project will accomplish the next phase.

The project scope is summarized below:

- Updated ACR Implementation Plan
 - Hydraulic modeling
 - Scenario analysis
 - Updated ACR report and schedule
 - Coordination with TCEQ
- Design of Recommended Modifications to Existing EST's
 - Bid documents for bypass pumps, pressure reducing valves (PRV's), piping, electrical power and instrumentation
 - Bid phase support
 - Construction phase support
- Pipe Reinvestment Program
 - Information review to create well-defined pipe reinvestment program
 - Update reinvestment cost estimates

This project is needed to meet regulatory requirements set by TCEQ.

PROJECT TIMELINE:

2020 - 2021		2021				2021 - 2022	
Sept - June		J	A	S	O	November - November	
Design		Bid/Award				Construction	

Project schedule reflects City Council award of Amendment No. 1 in September 2020 with anticipated completion in November 2022.

COMPETITIVE SOLICITATION PROCESS:

Due to the urgency of this project an exception to the City's procurement policy is being requested with this project. Local Government Code 252.022(a) exempts this contract or procurement from State's competitive bidding requirements because it is a procurement for professional services. Texas Government Code 2254 requires the City to select professional services based on demonstrated competence and qualifications to perform the services.

CP&Y, Inc. has completed 198 water projects in Texas during the last 5 years. They have work experience with nearly every water utility in Texas. CP&Y, Inc. also served as the City's independent consultant for the 2008 water quality boil notice. CP&Y, Inc was selected for this assignment based on the qualifications and experience of the firm with similar past projects and their ability to provide an independent assessment of the current situation.

ALTERNATIVES:

Not awarding the contract amendment to CP&Y, Inc. would further delay placing the Holly Road EST and the Rand Morgan EST into service. It would also impact the City's ability to comply with the ACR Implementation Plan timeline potentially resulting in TCEQ fines.

FISCAL IMPACT:

The fiscal impact in FY2020 is an amount of \$432,935 for Holly and Rand Morgan Elevated Storage Tanks Implementation with funding approved and available from FY 2020 Water Capital Improvement Program Budget.

FUNDING DETAIL:

The FY 2020 Capital Improvement Program (CIP) Budget is amended to create the Holly and Rand Morgan Elevated Storage Tanks Implementation project. The project is funded through FY 2020 Water CIP funds.

Fund: Water 2020 (Fund 4099)
Mission Elem: Water Distribution (041)
Project: Holly and Rand Morgan Elevated Storage Tanks (Project No. 20267)
Account: 550950
Activity: 20267-4099-EXP

RECOMMENDATION:

Staff recommends approval of the professional services contract amendment with CP&Y, Inc. in the amount of \$383,397 for the Holly and Rand Morgan Elevated Storage Tanks Implementation project. The design phase will begin in September 2020 with completion planned in June 2021. The construction is planned to start in November 2021 with completion in November 2022.

LIST OF SUPPORTING DOCUMENTS:

Location & Vicinity Maps
Proposal