



AGENDA MEMORANDUM

First Reading Item for the City Council Meeting of March 10, 2015
Second Reading Item for the City Council Meeting of March 24, 2015

DATE: February 3, 2015

TO: Ronald L. Olson, City Manager

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Engineering Contract

City of Corpus Christi Regional Water Supply Strategic Sustainability Plan

CAPTION:

Ordinance amending the FY 2015 Capital Improvement Program Budget adopted by Ordinance No. 030303 to add Project No. E14001 City of Corpus Christi Regional Water Supply Strategic Sustainability Plan; transferring and appropriating \$572,365 from the Unreserved Fund Balance in No. 4041 Raw Water Supply Development Fund to and appropriating in the No. 4080 Water CIP Fund for the City of Corpus Christi Regional Water Supply Strategic Sustainability Plan; and authorizing the City Manager or designee to execute a Professional Services Agreement in the amount of \$539,967 with CH2M Hill Engineers, Inc., a Delaware Corporation with a branch office in Corpus Christi, Texas for the City of Corpus Christi Regional Water Supply Strategic Sustainability Plan for technical, public outreach, strategic planning and associated services.

PURPOSE:

The purpose of this agenda item is to obtain authority to execute the CH2M Hill contract for the City of Corpus Christi Regional Water Supply Strategic Sustainability Plan.

BACKGROUND AND FINDINGS:

The objective of this project is to develop a City of Corpus Christi Regional Water Supply Sustainability Plan (Plan) that identifies, develops and optimizes the sustainment and implementation of firm safe yield water supply resources in advance of Region water demands.

The deliverable of this Plan will be a recommended Business Plan addressing the acquisition delivery of Regional water supply resources in response to City Council Resolution No. 030200 directive.

1. This Plan provides a suite of planning assumptions and decision making criteria, comparison metrics and process tools for on-going and future PLAN implementation sustainability;
2. This Plan provides enhanced screening tools that account for current and future municipal and industrial water demand and supply projections that develop water supply portfolios for future PLAN acquisition by using the current City Water Availability Model;
3. This Plan simulates individual potential water supply acquisitions that increase and diversify water supply reliability with attention given to increase in yield reduction in costs and meet other PLAN decision and governance criteria; and
4. This Plan develops a diverse portfolio of water supply projects (next, best three to five projects) water supply acquisition strategies that account for future demands and increased drought resiliency through diversity of source. Portfolio selection also considers yield potential, development schedule, fixed and variable costs, regulatory and permitting requirements, system enhancement opportunities, and project risks and benefits.

The basic services of Project Orientation, Water Demand, Supply and Reliability Index, Water Supply Acquisition Selection Criteria and Project Portfolios, Economic Policies for Rate Model Criteria, and Governance Policy and Criteria are supposed to be accomplished in nine (9) months after the City's Notice to Proceed. When complete, the Plan will articulate City strategies for future regional water supply implementation in concert with and in support of the State of Texas Water Plan. Decision Making criteria and guidelines for Policy development will enable the City to make current and future sustainable water resource supply acquisition decisions.

CH2M Hill Engineers, Inc. was selected as the A/E Consultant for this project through RFQ No. 2014-01 on May 20, 2014.

ALTERNATIVES:

1. Authorize the execution of the engineering contract.
2. Do not authorize the execution of the engineering contract. (Not Recommended)

OTHER CONSIDERATIONS:

Not applicable

CONFORMITY TO CITY POLICY:

Conforms to City Fiscal Policy

EMERGENCY / NON-EMERGENCY:

Non-Emergency

DEPARTMENTAL CLEARANCES:

Utilities Department

FINANCIAL IMPACT:

Operating Revenue Capital Not applicable

Fiscal Year 2014-2015	Project to Date Expenditures	Current Year	Future Years	TOTALS
Line Item Budget		\$572,365.00		\$572,365.00
Encumbered / Expended Amount				
This Item		\$539,967.00		\$539,967.00
Future Anticipated Expenditures This Project		\$32,398.00		\$32,398.00
BALANCE		\$0.00		\$0.00

Fund(s): Water CIP

Comments: Basic services described above are estimated to be completed within 9 months with additional time for public and City Council review of the Plan. The amendment will result in the expenditure of an amount not to exceed \$539,967.

RECOMMENDATION:

City Staff recommends approval of the Ordinance as proposed.

LIST OF SUPPORTING DOCUMENTS:

Ordinance
Project Budget
Location Map
Contract
Presentation