

OTAY WATER DISTRICT
ENGINEERING, OPERATIONS & WATER RESOURCES COMMITTEE MEETING
and
SPECIAL MEETING OF THE BOARD OF DIRECTORS

2554 SWEETWATER SPRINGS BOULEVARD
SPRING VALLEY, CALIFORNIA
Board Room

MONDAY
November 28, 2011
11:30 A.M.

This is a District Committee meeting. This meeting is being posted as a special meeting in order to comply with the Brown Act (Government Code Section §54954.2) in the event that a quorum of the Board is present. Items will be deliberated, however, no formal board actions will be taken at this meeting. The committee makes recommendations to the full board for its consideration and formal action.

AGENDA

1. ROLL CALL
2. PUBLIC PARTICIPATION – OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO SPEAK TO THE BOARD ON ANY SUBJECT MATTER WITHIN THE BOARD'S JURISDICTION BUT NOT AN ITEM ON TODAY'S AGENDA

DISCUSSION ITEMS

3. APPROVE A PROFESSIONAL ENVIRONMENTAL SERVICES CONTRACT TO ARCADIS/MALCOM PIRNIE FOR VALUE ENGINEERING AND CONSTRUCTABILITY REVIEW FOR THE RANCHO DEL REY GROUNDWATER WELL AND OTAY INTERCONNECT PIPELINE PROJECTS IN AN AMOUNT NOT-TO-EXCEED \$153,628 (KAY) [5 minutes]
4. REJECT ALL CONSTRUCTION BIDS FOR THE 30-INCH POTABLE WATER PIPELINE IN HUNTE PARKWAY (RIPPERGER) [5 minutes]
5. TERMINATE CONTRACT WITH AS-NEEDED TRAFFIC CONSULTANT, INFRASTRUCTURE ENGINEERS (CAMERON) [10 minutes]
6. CAPITAL IMPROVEMENT PROGRAM STATUS REPORT FOR THE 1ST QUARTER OF FISCAL YEAR 2012 (KAY) [10 minutes]
7. INFORMATIONAL REPORT REGARDING THE DISTRICT'S CONSULTANT SELECTION PROCESS (KAY) [5 minutes]
8. SAN DIEGO COUNTY WATER AUTHORITY UPDATE (WATTON) [10 minutes]
9. ADJOURNMENT

BOARD MEMBERS ATTENDING:

Jose Lopez, Chair
Gary Croucher

All items appearing on this agenda, whether or not expressly listed for action, may be deliberated and may be subject to action by the Board.

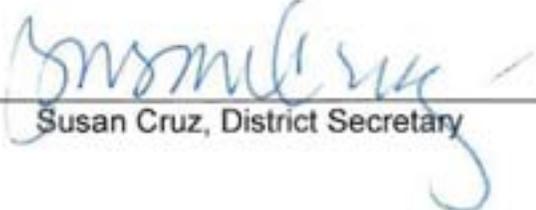
The Agenda, and any attachments containing written information, are available at the District's website at www.otaywater.gov. Written changes to any items to be considered at the open meeting, or to any attachments, will be posted on the District's website. Copies of the Agenda and all attachments are also available through the District Secretary by contacting her at (619) 670-2280.

If you have any disability that would require accommodation in order to enable you to participate in this meeting, please call the District Secretary at 670-2280 at least 24 hours prior to the meeting.

Certification of Posting

I certify that on November 23, 2011 I posted a copy of the foregoing agenda near the regular meeting place of the Board of Directors of Otay Water District, said time being at least 24 hours in advance of the meeting of the Board of Directors (Government Code Section §54954.2).

Executed at Spring Valley, California on November 23, 2011.



Susan Cruz, District Secretary

AGENDA ITEM 3



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	January 4, 2012
SUBMITTED BY:	Daniel Kay <i>DK</i> Associate Engineer	PROJECT/ SUBPROJECT:	P2434-001102 DIV. NO. 2, 3, 4 P2511-001102
	Ron Ripperger <i>RR</i> Engineering Manager		
APPROVED BY: (Chief):	Rod Posada <i>RP</i> Chief, Engineering		
APPROVED BY: (Asst. GM):	Manny Magaña <i>MM</i> Assistant General Manager, Engineering and Operations		
SUBJECT:	Award of a Professional Services Contract to Arcadis/Malcolm Pirnie for Value Engineering and Constructability Review for the Rancho Del Rey Groundwater Well and Otay Interconnect Pipeline Projects		

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board of Directors (Board) award a professional services contract to Arcadis/Malcolm Pirnie (Arcadis), for providing professional Value Engineering and Constructability Review Services for the Rancho Del Rey (RDR) Groundwater Well and Otay Interconnect Pipeline Projects in an amount not to exceed \$153,628 (see Exhibits A and B for Project locations).

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

To obtain Board authorization for the General Manager to enter into a professional services agreement with Arcadis. The contract amount is not to exceed \$153,628 for providing Value Engineering and Constructability Review for the RDR Groundwater Well and Otay Interconnect Pipeline Projects.

ANALYSIS:

At the April 6, 2011 and the November 3, 2010 Board Meetings, the Board awarded engineering design contracts to Tetra Tech for the RDR Groundwater Well Project and to Lee & Ro for the Otay Interconnect Pipeline Project, respectively.

The RDR Groundwater Well project consists of equipping a well previously drilled and developed, and constructing a wellhead treatment facility to remove salinity and other constituents from the water. The product water from this facility will be pumped into the distribution system, thereby, augmenting the District's potable water supply by approximately 600 acre-feet per year (AFY).

The Otay Interconnect Pipeline Project consists of a transmission main and pumping station between the La Presa area of Spring Valley and the Eastlake area in the City of Chula Vista. The Project's primary objective is to provide the capability of conveying potable water from the North District to the South District (and vice-versa) via a transmission main and a 10,000 gpm booster pump station. Additional facilities may be included to provide the capability to receive an alternative source of water via the Sweetwater Authority's system in the future.

Due to the size and complexity of each project, the District has solicited Value Engineering and Constructability Review proposals from engineering and construction management firms. This process has been successfully used on past projects such as the Jamacha Road 36-Inch Pipeline Project and proved to be cost beneficial by providing refinements to the design.

In accordance with District Policy 21, Staff solicited professional engineering and construction management consulting firms by placing an advertisement on the District's website and with various publications including the Union Tribune and San Diego Daily Transcript.

The Pre-Proposal Meeting for the Project was held on October 6, 2011. Twelve (12) people from various consulting groups attended the meeting. Nineteen (19) firms submitted a Letter of Interest and a Statement of Qualifications. The Request for Proposal (RFP) was sent to all nineteen (19) construction management and engineering firms resulting in the following six (6) proposals received on October 18, 2011:

- Harris & Associates
- Arcadis/Malcolm Pirnie
- Value Management Strategies (VMS)
- MWH
- Jacobs
- Atkins

The remaining thirteen (13) firms that chose not to propose as a prime consultant are RBF, Vanir Construction Management, Butier, SAIC, Simplex Construction Management, Psomas, Consolidated CM, RH & Associates, Cumming, Nolte Vertical Five, EPC Consultants, Vali Cooper & Associates, and URS Corporation.

Staff evaluated and scored all written proposals. Arcadis received the highest score for their services based on their experience, understanding of the scope, their proposed method to accomplish the work, and their proposed fee. Due to the fee being under \$200,000 staff did not interview the consultants. A summary of the complete evaluation is shown in Attachment D.

Arcadis' proposal demonstrated that they are qualified and will provide the proper resources needed to complete each task in the scope of work. After a fee negotiation meeting was held with Arcadis, staff was satisfied with their proposed fee and no changes were made.

District staff is currently working with Arcadis. They are updating the District's Wastewater Management Plan and to date have provided excellent service. References were checked and verified that Arcadis is a highly rated consultant. In addition, staff performed a Google search and did not find any negative information about Arcadis.

FISCAL IMPACT:



Funding for the overall project comes from two CIP projects, P2434-Rancho Del Rey Groundwater Well and P2511-Otay Interconnect Pipeline. The combined budget for these Projects is \$43,550,000

The total budget for CIP P2434, as approved in the FY 2012 budget, is \$6,250,000. Total expenditures, plus outstanding commitments and forecast, is \$3,612,777. See Attachment B for budget detail.

The total budget for CIP P2511, as approved in the FY 2012 budget, is \$37,300,000. Total expenditures, plus outstanding commitments and forecast, is \$3,197,882. See Attachment C for budget detail.

Based on a review of the financial budgets, the Project Manager has determined that the budgets are sufficient to support each Project.

Finance has determined that 40% of the funding is available from the Expansion Fund and 60% from the Betterment Fund for each Project.

STRATEGIC GOAL:

This Project supports the District's Mission statement, "To provide the best quality of water, wastewater, and recycled water service in a professional, effective, and efficient manner."

LEGAL IMPACT:

None.



General Manager

P:\WORKING\CIP P2511-North-South District Inter tie\Staff Reports\Value Engineering & Constructability Review Consultant\RD 01-04-12. Staff Report, Value Engineering & Constructability Review, (DE-RR).docx

DK/RR:jf

Attachments: Attachment A - Committee Actions
Attachment B - P2434 Budget Detail
Attachment C - P2511 Budget Detail
Attachment D - Summary of Proposal Rankings
Exhibit A - P2434 Location Map
Exhibit B - P2511 Location Map



ATTACHMENT A

SUBJECT/PROJECT: P2434-001102 P2511-001102	Award of a Professional Services Contract to Arcadis/Malcolm Pirnie for Value Engineering and Constructability Review for the Rancho Del Rey Groundwater Well and Otay Interconnect Pipeline Projects
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COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on November 28, 2011. The Committee supported Staff's recommendation.

NOTE:

The "Committee Action" is written in anticipation of the Committee moving the item forward for Board approval. This report will be sent to the Board as a Committee approved item, or modified to reflect any discussion or changes as directed from the Committee prior to presentation to the full Board.



ATTACHMENT B

Otay Water District
P2434 - Rancho Del Rey Well Development

Date Updated: November 07, 2011

Budget	Committed	Expenditures	Outstanding Commitment & Forecast	Projected Final Cost	Vendor/Contractors
8,293,000					
Planning					
Labor	338,139	338,139		338,139	
Land	326,092	326,092		326,092	
Permits	125	125		125	CITY OF CHULA VISTA-DEPT. OF
Materials	1,348	1,348		1,348	VARIOUS
Rental	159	159		159	PEANHALL COMPANY
Construction Costs	26,154	26,154		26,154	CHILDTIME CHILDCARE, INC.
Professional Legal Fees	5,619	5,619		5,619	GARCIA CALDERON & RUIZ LLP
Outreach Materials	1,676	1,676		1,676	MARSTON-MARSTON INC
Regulatory Agency Fees	50	50		50	PETTY CASH CUSTODIAN
Consultant Contracts	19,481	19,481		19,481	JONES & STOKES ASSOCIATES INC
	13,625	13,625		13,625	MFM CONSTRUCTORS INC
	1,100	1,100		1,100	SOUTHWESTERN COLLEGE
	3,065	3,065		3,065	SOUTHERN CALIFORNIA SOIL
	14,993	14,993		14,993	SEPARATION PROCESSES INC
	6,930	6,930		6,930	VALLEY CONSTRUCTION MANAGEMENT
	1,736,430	1,716,505	19,925	1,736,430	AECOM TECHNICAL SERVICES INC
Service Contracts	5,100	5,100		5,100	S R BRADLEY & ASSOCIATES INC
	257	257		257	SAN DIEGO DAILY TRANSCRIPT
	245	245		245	SAN DIEGO UNION TRIBUNE LLC
	2,694	2,500	194	2,694	FIRST AMERICAN TITLE CO
	624	624		624	UNION TRIBUNE PUBLISHING CO
	399	399		399	REPROHAUS CORP
	440	440		440	URBANA'S MASTER SWEEPING INC
	6	6		6	COUNTY OF SAN DIEGO
	134	134		134	COURIER EXPRESS, INC.
	205	205		205	USA SIGN CO.
	3,226	3,226		3,226	QUALITY ASSURANCE LABORATORY
	7,108	7,108		7,108	MULTI WATER SYSTEMS
	1,955	1,955		1,955	BARRETT CONSULTING GROUP
	5,665	5,665		5,665	EARTH TECH
	3,344	3,344		3,344	CITY OF CHULA VISTA
	16,714	16,714		16,714	BOYLE ENGINEERING CORPORATION
	112	112		112	MONTGOMERY WATSON LABORATORIES
	2,500	2,500		2,500	ANDREW A. SMITH COMPANY
	2,000	2,000		2,000	ENARTEC ENGINEERING PLANNING
	35,200	35,200		35,200	ALCEM FENCE COMPANY INC.
Total Planning	2,565,313	2,565,194	20,110	2,565,313	
Design					
Labor	186,690	186,690		186,690	
Professional Legal Fees	172	172		172	STUTZ ARTIANO SHROFF
Consultant Contracts	724,494	232,327	492,167	724,494	TETRA TECH INC
	7,847	7,847		7,847	PSS&J
	4,000	2,235	1,765	4,000	ATKINS
	6,130	6,130		6,130	MTOL INC
	3,200	3,200		3,200	ALTA LAND SURVEYING INC
Value Engineering/Const. Review	79,500	-	79,500	79,500	ARCADIS/MALCOLM PIRNIE
Service Contracts	294	294		294	REPROHAUS CORP
	130	130		130	SAN DIEGO DAILY TRANSCRIPT
	343	343		343	SAN DIEGO UNION TRIBUNE LLC
Total Design	1,012,798	439,367	573,432	1,012,798	
Construction					
Labor	14,996	14,996		14,996	
Total Construction	14,996	14,996		14,996	
Grand Total	3,612,777	3,019,226	593,551	3,612,777	



ATTACHMENT C

Otay Water District

Date Updated: November 07, 2011

P2511 - North District - South District Interconnection System

<i>Budget</i>	<i>Committed</i>	<i>Expenditures</i>	<i>Outstanding Commitment & Forecast</i>	<i>Projected Final Cost</i>	<i>Vendor/Comments</i>
37,300,000					
Planning					
Labor	170,549	170,549		170,549	
Professional Legal Fees	501	501	-	501	STUTZ ARTIANO SHINOFF
	562	562	-	562	GARCIA CALDERON & RUIZ LLP
Consultant Contracts	9,013	9,013	-	9,013	CPM PARTNERS INC
	814,751	290,548	548,203	814,751	LEE & RO INC
	22,068	22,068	-	22,068	NARASIMHAN CONSULTING SERVICES
Service Contracts	245	245	-	245	SAN DIEGO UNION-TRIBUNE LLC
Total Planning	1,017,689	489,486	548,203	1,017,689	
Design					
Labor	131,866	131,866		131,866	
Business Meetings	60	60	-	60	PETTY CASH CUSTODIAN
Regulatory Agency Fees	2,358	2,358	-	2,358	COUNTY OF SAN DIEGO - DPW
	9,705	9,705	-	9,705	CITY OF CHULA VISTA
Consultant Contracts	1,868,594	447,007	1,221,587	1,668,594	LEE & RO INC
	5,000	5,000	-	5,000	PBS&J
	1,605	1,605	-	1,605	CPM PARTNERS INC
Value Eng./Const. Review	74,150	-	74,150	74,150	ARCADIS/MALCOLM PIRNE
Service Contracts	327	327	-	327	SAN DIEGO UNION-TRIBUNE LLC
	189	189	-	189	SAN DIEGO DAILY TRANSCRIPT
Total Design	1,893,835	598,098	1,295,737	1,893,835	
Construction					
Labor	94	94		94	
	490	490	-	490	CPM PARTNERS INC
	285,774	-	285,774	285,774	LEE & RO INC
Total Construction	286,358	584	285,774	286,358	
Grand Total	3,197,882	1,088,168	2,129,713	3,197,882	

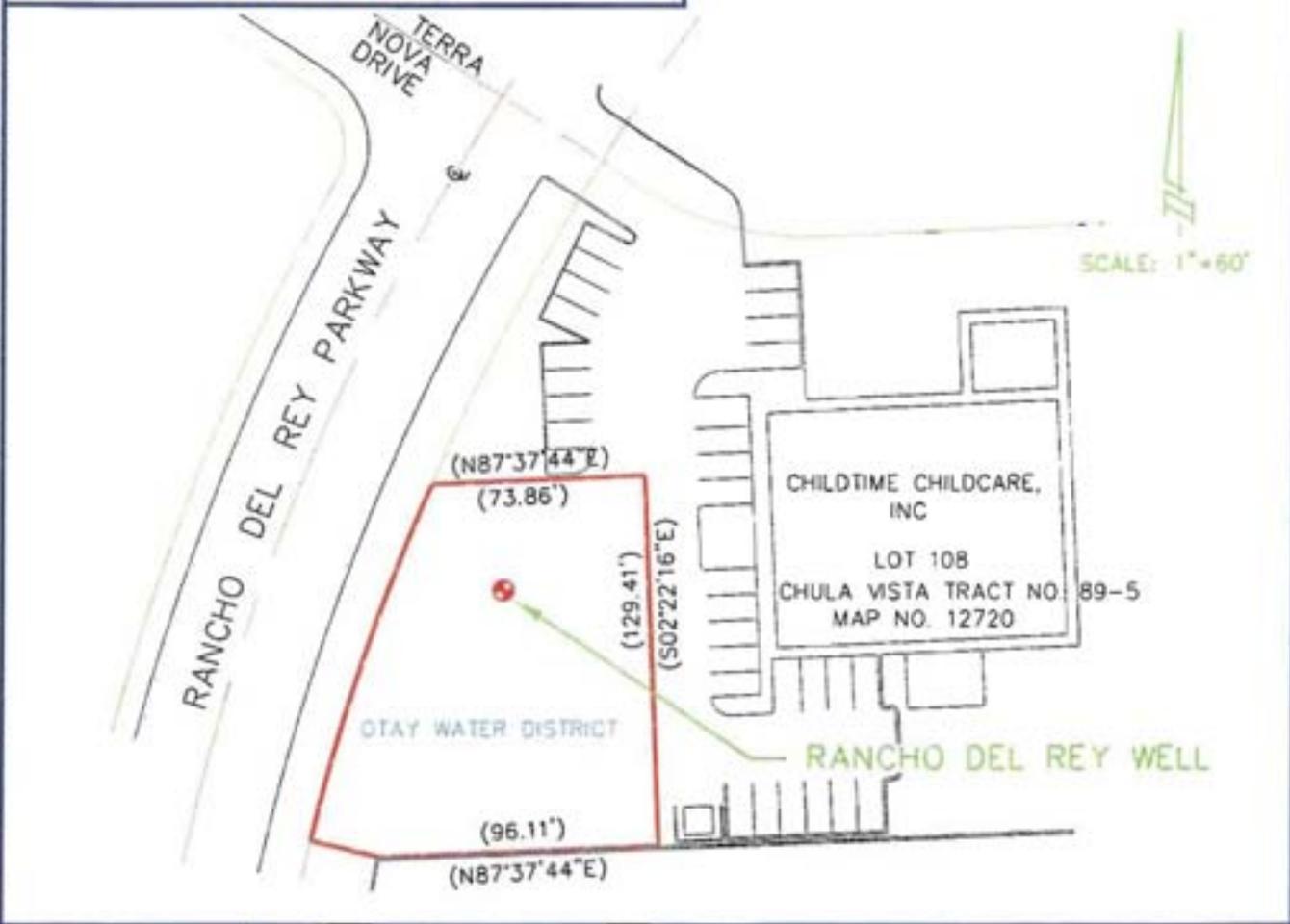
ATTACHMENT D
SUMMARY OF PROPOSAL RANKINGS
Value Engineering & Constructability Review

		WRITTEN						TOTAL SCORE	REFERENCES
		Credentialed Team	Responsiveness, Project Understanding	Technical and Management Approach	INDIVIDUAL SUBTOTAL - WRITTEN	AVERAGE SUBTOTAL - WRITTEN	Proposed Fee*		
MAXIMUM POINTS		30	35	30	85	85	15	100	Four/Good Excellent
Harris & Associates	Ron Ripberger	25	32	24	71	72	1	Y	73
	Jeff Marshburn	26	29	25	74				
	Gary Stalter	27	29	26	74				
	Brandon D'Perno	28	32	25	73				
	David Charles	26	33	24	70				
Arcadio/Malcolm Pirnie	Ron Ripberger	24	33	28	77	77	12	Y	80
	Jeff Marshburn	27	29	28	77				
	Gary Stalter	28	32	28	78				
	Brandon D'Perno	28	33	26	75				
	David Charles	28	33	28	77				
VMS	Ron Ripberger	21	32	33	86	64	11	Y	75
	Jeff Marshburn	20	30	33	83				
	Gary Stalter	20	18	33	67				
	Brandon D'Perno	23	29	30	84				
	David Charles	21	30	34	85				
MWH	Ron Ripberger	27	32	29	76	70	15	Y	85
	Jeff Marshburn	27	32	29	76				
	Gary Stalter	26	29	24	70				
	Brandon D'Perno	24	33	33	89				
	David Charles	27	34	33	73				
Jacobs	Ron Ripberger	25	32	24	71	71	8	Y	79
	Jeff Marshburn	22	29	25	68				
	Gary Stalter	23	29	24	70				
	Brandon D'Perno	23	29	24	72				
	David Charles	25	29	24	72				
Atkins	Ron Ripberger	28	32	25	73	71	13	Y	84
	Jeff Marshburn	23	30	24	67				
	Gary Stalter	24	27	32	88				
	Brandon D'Perno	26	29	34	73				
	David Charles	26	32	24	72				

*Review Panel does not see or consider fee when scoring other categories. Fee is scored by the PM, who is not on Review Panel.

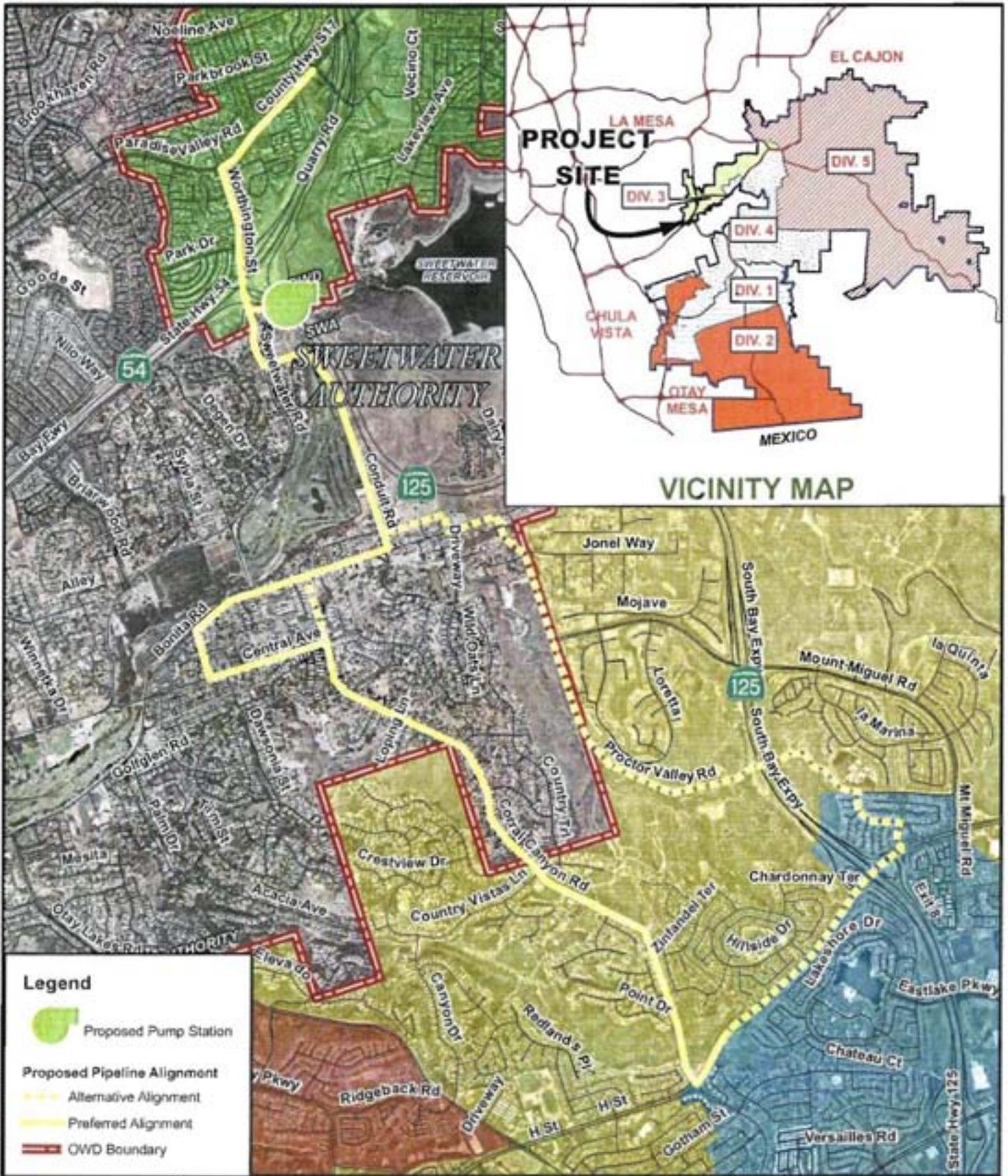
FEE SCORING CHART			
Consultant	Proposed Fee	Position	Score
MWH	\$128,304	Input	15
Atkins	\$148,528		13
Arcadio	\$113,638		12
VMS	\$187,804		11
Jacobs	\$191,958		8
Harris & Associates	\$220,408	Fixed	1

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OTAY WATER DISTRICT
 RANCHO DEL WAY PARKWAY, CHULA VISTA, CA
 RANCHO DEL REY GROUND WATER DEVELOPMENT
 CIP P2434

EXHIBIT A



OTAY WATER DISTRICT
 NORTH / SOUTH DISTRICT INTERCONNECTION SYSTEM
 PROPOSED PUMP STATION AND PIPELINE ALIGNMENT



CIP # P2511



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	January 4, 2012		
SUBMITTED BY:	Ron Ripperger <i>[Signature]</i> Engineering Manager	PROJECT/ SUBPROJECT:	P2514- 001102	DIV. NO.	1
APPROVED BY: (Chief)	Rod Posada <i>[Signature]</i> Chief, Engineering				
APPROVED BY: (Asst. GM):	Manny Magaña <i>[Signature]</i> Assistant General Manager, Engineering and Operations				
SUBJECT:	Reject all Construction Bids for the 30-Inch Potable Water Pipeline in Hunte Parkway				

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board of Directors (Board) reject all bids for the construction of the 30-Inch Potable Water Pipeline in Hunte Parkway (see Exhibit A for Project location).

COMMITTEE ACTION: _____

Please see Attachment A.

PURPOSE:

To obtain Board authorization for the General Manager to reject all bids for the construction of the 30-Inch Potable Water Pipeline in Hunte Parkway and to rebid the Project.

ANALYSIS:

The 2010 Water Resources Master Plan identified the need to install a new pipeline in Hunte Parkway from Proctor Valley Road to the entrance of the District's Use Area. This pipeline is needed to eliminate high head losses experienced during the morning peak demand periods in the existing 980 Pressure Zone. The pipeline will be installed parallel to the existing 20-Inch 980 Pipeline in Hunte Parkway and will also eliminate the low pressures currently experienced in the 980 Zone.

The Project was advertised for bid on September 12, 2011. A Pre-bid Meeting and site visit were held on October 4, 2011, which was attended by five (5) contractors. Four (4) addenda were sent out to all bidders and plan houses to address contractors' questions asked during the bidding period. Staff notified several contractors during the bid process about the project to encourage them to submit a bid.

Seven (7) bids were received on November 3, 2011. The table below provides the bid results:

<u>CONTRACTOR</u>	<u>TOTAL BID AMOUNT</u>	<u>CORRECTED BID AMOUNT</u>
1. Garcia Juarez Construction	\$1,266,100.00	
2. CCL Contracting	\$1,314,956.00	
3. TC Construction	\$1,384,553.00	
4. El Cajon Grading and Engineering	\$1,401,177.00	
5. Charles King Company	\$1,462,011.00	
6. Cedro Construction	\$1,556,169.21	\$1,556,259.47
7. Bert W. Salas	\$1,625,999.50	

The Engineer's Estimate is \$875,000.

Subsequent to opening bids, staff compared the bids to the Engineer's Estimate and the Project budget. Since the low bid was considerably higher than anticipated, staff recommends rebidding the Project to provide an opportunity to receive lower bids. Staff is confident that rebidding the Project will ultimately result in a lower bid and keep the overall Project within budget. Staff anticipates submitting a Staff Report to the February Committee Meeting/March Board Meeting for the award of a construction contract for this Project.

FISCAL IMPACT:



None.

STRATEGIC GOAL:

This Project supports the District's Mission statement, "To provide customers with the best quality water, wastewater, and recycled water service in a professional, effective, and efficient manner" and the District's Vision, "A District that is innovative in providing water services at affordable rates, with a reputation for outstanding customer service."

LEGAL IMPACT: _____

None.



General Manager

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RR/RP:jf

Attachments: Attachment A - Committee Action
Exhibit A - Location Map



ATTACHMENT A

SUBJECT/PROJECT: P2514-001102	Reject all Construction Bids for the 30-Inch Potable Water Pipeline in Hunte Parkway
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COMMITTEE ACTION:

The Engineering, Operations and Water Resources Committee reviewed this item at a meeting held on November 28, 2011. The Committee supported staff's recommendation.

NOTE:

The "Committee Action" is written in anticipation of the Committee moving the item forward for Board approval. This report will be sent to the Board as a Committee approved item, or modified to reflect any discussion or changes as directed from the Committee prior to presentation to the full Board.

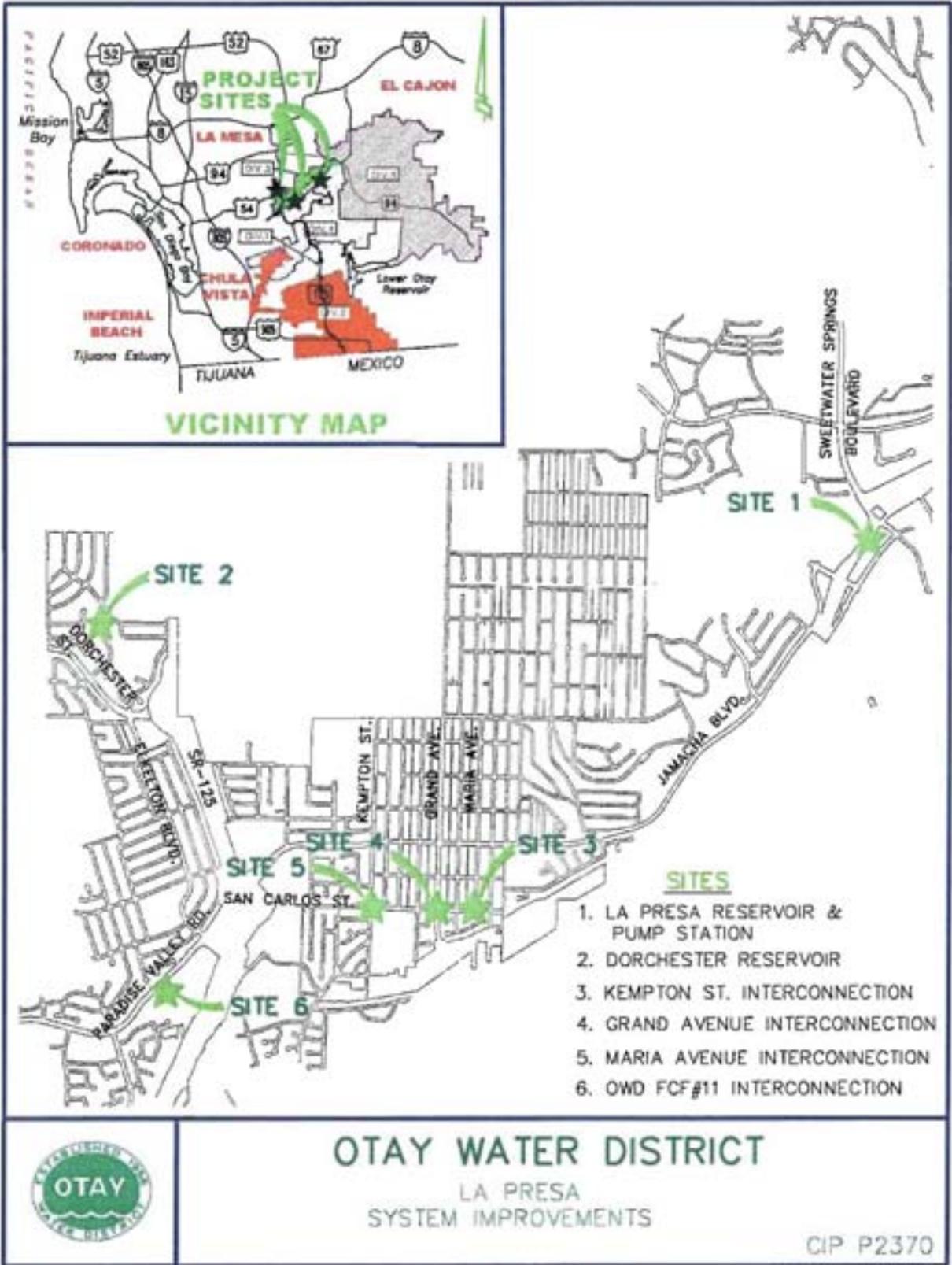


EXHIBIT A



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	January 4, 2012		
SUBMITTED BY:	Ron Ripperger <i>[Signature]</i> Engineering Manager	PROJECT/ SUBPROJECT:	N/A	DIV. NO.	N/A
APPROVED BY: (Chief)	Rod Posada <i>[Signature]</i> Chief, Engineering				
APPROVED BY: (Asst. GM):	Manny Magaña <i>[Signature]</i> Assistant General Manager, Engineering and Operations				
SUBJECT:	Approve Termination of Contract with As-Needed Traffic Services Consultant, Infrastructure Engineers				

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board of Directors (Board) approve the termination of the contract for the As-Needed Traffic Engineering Services Consultant, Infrastructure Engineers, and authorizes the General Manager to terminate the contract in the amount of \$175,000.

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

To obtain Board approval and authorization for the General Manager to terminate the As-Needed Traffic Engineering Services Consultant contract with Infrastructure Engineers in the amount of \$175,000.

ANALYSIS:

The Board awarded a professional services contract to Infrastructures Engineers for As-Needed Traffic Engineering Services at the October 5, 2011 Board Meeting. Subsequently, the District entered into the contract with Infrastructure Engineers on October 21, 2011. Due to a recent newspaper article regarding the District's process used in selecting Infrastructure Engineers as the As-Needed Traffic Engineering

Services Consultant for Fiscal Years 2012 and 2013, the staff is recommending a change to the Engineering and Planning Department Design Division Guideline G1.17 to be considered by the Board at the January Meeting to check for additional information when hiring a professional consultant. In an effort to be consistent with the District's proposed updated consultant selection process and due to the information represented in the article, staff is recommending termination of the contract with Infrastructure Engineers.

In accordance with the "Termination or Abandonment" section in the Professional Services Agreement, the District will provide Infrastructure Engineers ten (10) calendar days written notice to terminate their contract upon approval from the Board. Staff will re-advertise the As-Needed Traffic Engineering Request for Proposal and proceed with a new selection process.

Staff recently received a letter from Infrastructure Engineers (previously doing business as AAE) addressed to their clients and public officials. Their letter, which is attached as Attachment B for your information, provides their position regarding issues they encountered with the City of Montebello, California.

FISCAL IMPACT:



None.

STRATEGIC GOAL:

This supports the District's Mission statement, "To provide customers with the best quality water, wastewater, and recycled water service in a professional, effective, and efficient manner" and the District's Vision, "A District that is innovative in providing water services at affordable rates, with a reputation for outstanding customer service."

LEGAL IMPACT:

None.



General Manager

F:\WORKING\As Needed Services\Traffic Engineer\FY12-FY13\Staff Report\RD 01-04-12 Termination of Contract\RD 01-04-12. Staff Report. Termination of Contract with Infrastructure Engineers. (28-RR).docx

DK/RR:jf

Attachments: Attachment A - Committee Action
Attachment B - Letter from Infrastructure
Engineers, dated November 9, 2011,
Subj: Facts Related to AAE's Work
in the City of Montebello



ATTACHMENT A

SUBJECT/PROJECT: N/A	Approve Termination of Contract with As-Needed Traffic Services Consultant, Infrastructure Engineers
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COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on November 28, 2011. The Committee supported Staff's recommendation.

NOTE:

The "Committee Action" is written in anticipation of the Committee moving the item forward for Board approval. This report will be sent to the Board as a Committee approved item, or modified to reflect any discussion or changes as directed from the Committee prior to presentation to the full Board.



DATE: November 9, 2011
TO: AAE Clients and Public Officials
FROM: Sid Mousavi, CEO – Infrastructure Engineers
SUBJ: **Facts Related to AAE's Work in the City of Montebello**

Recently the State Controller's Office conducted an audit of the City of Montebello's financial records. Among numerous findings, the State Controller also mentioned AAE's contract with the City and how AAE has awarded contracts up to \$2 million to itself in addition to being paid for City engineering services. Following the audit report, the news media expanded upon the report and published news information to the general public, which was inaccurate, politically motivated and damaging to the City of Montebello, as well as AAE's reputation and image.

The intent of this letter is to state the facts and dismiss the incorrect findings and reports about the contractual agreement between the City and AAE and AAE's performance in the City.

AAE, Inc. entered into an agreement with the City of Montebello in 2005 to provide various engineering services including, but not limited to traffic engineering, water engineering, plan check services, City engineering, land development engineering, and any other needed and related engineering services. AAE provided 140 hours of professional staff time per week at the rate of \$9,652, which was the lowest in the industry. In January 2010, with the downturn of the economy and reduction in building activities, AAE proposed to the City to reduce staffing as well as the hourly rates in order to reduce the cost of Engineering Division operations. The City accepted AAE's proposal effective March 2010, which resulted in an annual savings of \$102,900 to the City. With the change in staffing and cost, AAE was able to provide the most economical and yet very professional services to the City of Montebello.

Due to continued stress within the economy, a year later in March 2011 AAE again proposed to the City to further reduce the engineering cost. AAE proposed that the City pay \$5,912 per week for staff time, which represents approximately a 39% reduction from the original contract. AAE provides three Registered Civil Engineers, one Registered Traffic Engineer, and other support engineers and professionals to support the City's engineering needs.

In addition to staffing, the contract required AAE to design and manage the Capital Projects and prepare them for the Contractor to bid on construction. The fee for design and management of the Capital Project was established as a percentage of the cost of lowest bids for construction. These percentages were based on industry standards and the City's experience prior to the City's/AAE's contract date. As the cost of construction in the last three years was

reduced by 25% to 30%, so was the cost of preparing the design and management fee of these projects.

Under **NO** circumstances did AAE award any contract to itself. The contract between the City and AAE specifically requires that all work orders be approved by the City Manager or his designee. Every project was defined by scope, fee and schedule and was approved by the Department Head, as well as the City Manager, prior to the start of each and every project. Upon completion of the design, every single project was awarded by the City Council to the lowest responsible bidder.

AAE has no authority to award a project to any entity. Only the City Council awards projects. AAE does not have a construction arm and, therefore, has no financial or other interest in the selection process. Every project has been awarded to independent Contractors. The bids are received by the City Clerk and opened publicly in accordance with City, State and Federal requirements.

As a matter of reference, the City approved the design and administration of the following Capital Projects for FY 2009/2010:

Project	Contractor	Construction Cost (\$)	Design & Management Approved by	Contract Awarded by
FY 2010 Street Slurry Seal	Roy Allan Slurry Seal Co.	\$306,277.90	Director & City Manager	City Council
Local Street Resurfacing	Silva Construction, Inc.	\$459,638.83	Director & City Manager	City Council
Traffic Signal Modification at Whittier Bl./Montebello Bl.	CT&F, Inc.	\$109,069.36	Director & City Manager	City Council
Whittier Bl. Revitalization Phase IIB	Nobest, Inc.	\$671,821.53	Director & City Manager	City Council
Roadway Improvements – Various Locations	Roy Allan Slurry Seal Co.	\$206,832.40	Director & City Manager	City Council
Street Improvements – Montebello Hills	All American Asphalt	\$749,473.61	Director & City Manager	City Council
Sidewalk Rehabilitation Project - Citywide	C. J. Construction	\$1,573,305.90	Director & City Manager	City Council

Every single invoice for the services rendered by AAE was approved by the City's Director of the Department for payments. All payments to AAE were included in the City's warrant register and approved by the City Council. Under no circumstance was AAE approving any payments to itself as alleged in the audit report and news media. It is impossible for any vendor to approve a payment for itself in any City government.

AAE, Inc. is not the only Engineering Consultant that has multi-year contracts and the City of Montebello is not the only City with multi-year contracts with Engineering Consultants. For example, in Los Angeles County and more specifically in San Gabriel Valley, the following Cities

have similar "evergreen" contracts with other Consultants with many years of service as listed below:

City	Years with Same Consultant
City of Industry	Over 20 Years
Diamond Bar (Building & Safety)	Over 20 Years
Duarte	Over 15 Years
La Verne	Over 10 Years
Rosemead	Over 20 Years
Walnut	Over 30 Years
Paramount	Over 20 Years
Huntington Park	Over 20 Years

In addition to providing day-to-day engineering services to the Community of Montebello, AAE has been successful in applying for and receiving several million dollars of construction grants from various agencies. For example, in FY 2009/10 alone, AAE obtained and managed the following State and Federal grants for the City:

1. American Recovery Reinvestment Act Funding	\$1,925,000
2. Safe Route to School Grant, Greenwood/Washington	362,923
3. Whittier Boulevard Phase IIA	749,000
4. Garfield Improvements	<u>334,682</u>
Total:	\$3,371,605

The State and Federal grant funds in the amount of \$3,371,605 in FY 2009/10 alone represent AAE's effort in bringing new revenue for the improvement of the City's infrastructure and ultimately enhancing the quality of life of the residents and businesses of Montebello. AAE was able, on its own efforts, to generate these new revenues for the City, while providing the most economical services to the community.

In addition to the City of Montebello's audit report, the news media further elaborated on their previous report from January 2011 when they reported that the FBI was investigating AAE's relationship with certain members of the City of Maywood. We respect the work of the Federal authorities and stand ready to fully cooperate with them if they contact us. Meanwhile, in the court of public opinion, the news media has already convicted AAE of wrongdoing.

We have always been proud of our honest, professional and ethical services that we have provided to the City of Montebello and always have been grateful for the Community of Montebello for allowing us the opportunity to continue our service.

AGENDA ITEM 6



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	January 4, 2012
	Daniel Kay <i>DK</i> Associate Civil Engineer	PROJECT:	Various DIV.NO. ALL
SUBMITTED BY:	Ron Ripperger <i>RR</i> Engineering Manager		
APPROVED BY: (Chief)	Rod Posada <i>RP</i> Chief, Engineering		
APPROVED BY: (Asst GM)	Manny Magaña <i>M Magaña</i> Assistant General Manager, Engineering and Operations		
SUBJECT:	Informational Item - First Quarter Fiscal Year 2012 Capital Improvement Program Report		

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board of Directors (Board) accepts the First Quarter Fiscal Year 2012 Capital Improvement Program (CIP) Report for review and receives a summary via PowerPoint presentation.

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

To update the Board about the status of all CIP project expenditures and to highlight significant issues, progress, and milestones on major projects.

ANALYSIS:

To keep up with growth and to meet our ratepayers' expectations to adequately deliver safe, reliable, cost-effective, and quality water,

each year the District Staff prepares a six-year CIP Plan that identifies the District infrastructure needs. The CIP is comprised of four categories consisting of backbone capital facilities, replacement/renewal projects, developer's reimbursement projects, and capital purchases.

The First Quarter Fiscal Year 2012 update is intended to provide a detailed analysis of progress in completing these projects within the allotted time and budget. Expenditures through the First Quarter totaled approximately \$2.81 million. Approximately 12% of the Fiscal Year 2012 expenditure budget was spent.

FISCAL IMPACT:



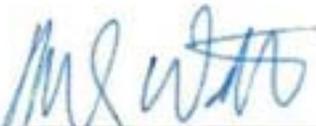
None.

STRATEGIC GOAL:

The Capital Improvement Program supports the District's Mission statement, "To provide customers with the best quality water, wastewater, and recycled water service in a professional, effective, and efficient manner" and the District's Vision, "A District that is innovative in providing water services at affordable rates, with a reputation for outstanding customer service."

LEGAL IMPACT:

None.



General Manager

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DK/RR/RP:jf

- Attachments: Attachment A - Committee Action
Attachment B - Fiscal Year 2012 1st Quarter Report Presentation



ATTACHMENT A

SUBJECT/PROJECT: Various	Informational Item - First Quarter Fiscal Year 2012 Capital Improvement Program Report
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COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on November 28, 2011. The Committee supported Staff's recommendation.

NOTE:

The "Committee Action" is written in anticipation of the Committee moving the item forward for Board approval. This report will be sent to the Board as a Committee approved item, or modified to reflect any discussion or changes as directed from the Committee prior to presentation to the full Board.

FISCAL YEAR 2012 1st QUARTER REPORT
(Expenditures through 3/30/2011)
(\$ In Thousands)

ATTACHMENT B

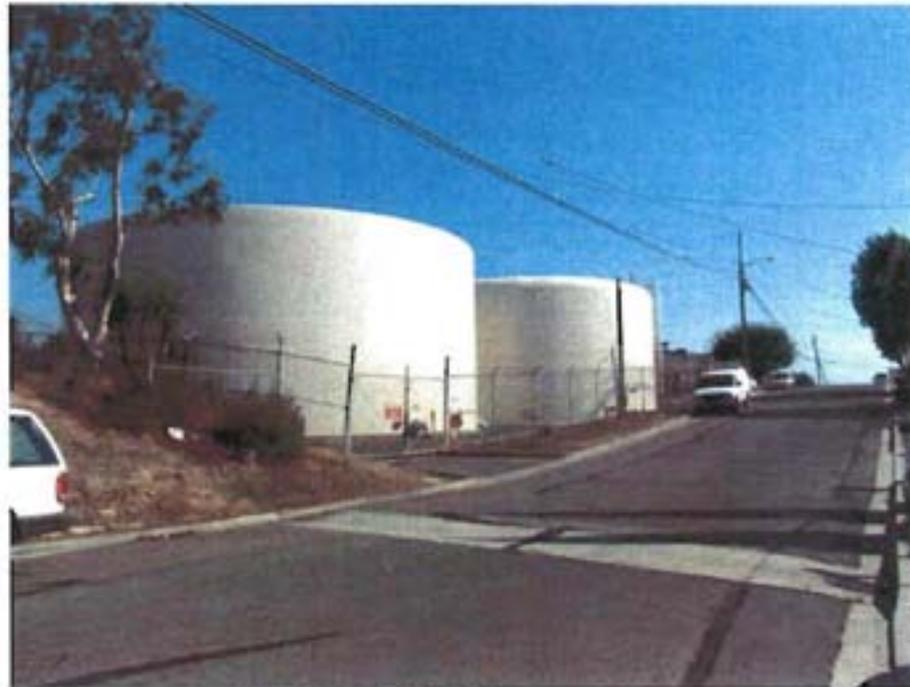
CIP No.	Description	Project Manager	FISCAL YEAR-TO-DATE, 03/30/11				LIFE-TO-DATE				Comments	
			FY 2012 Budget	Expenses	Balance	Expense to Budget %	Budget	Expenses	Balance	Expense to Budget %		
CAPITAL FACILITY PROJECTS												
P2028	PL - 36-inch, SDCWA Clay FCF No. 14 to Regulatory Site	Rippinger	\$ 300	\$ 99	\$ 201	33%	\$ 20,900	\$ 20,188	\$ 612	97%	Project complete	
P2083	PS - 875-2 Pump Station Replacement (28,000 GPM)	Rippinger	-	-	-	0%	12,581	581	17,000	5%	On-hold per CIP P2451 delay	
P2287	36-Inch Main Pumpouts and Air/Vacuum Ventilation Installations	Vaiquez	-	-	-	0%	435	234	201	54%	No expenses for Q1 Board should approve \$200 overall budget increase and award of construction contract on Nov. 2. FY 12 budget should be increased to \$200. PDR finalized and 90% design drawings underway. Spending adjusted based on limited notice to proceed	
P2370	La Presa System Improvements	Marchion	800	56	544	9%	960	95	865	10%	Budget should be sufficient for the work this FY. Spending estimated to be \$40K for FY 12 for monitoring water quality	
P2424	Rancho Del Rey Groundwater Well Development	Marchion	850	223	627	26%	6,250	2,540	3,310	41%	Budget will be spent this fiscal year. Project complete. Hatz to provide 50% reimbursement	
P2451	Clay Mesa Desalination Conveyance and Distribution System	Kennedy	2,350	74	2,276	3%	30,000	867	29,133	3%	Project complete. Hatz to provide 50% reimbursement	
P2466	Regional Training Facility	Coburn-Boyd	20	12	8	60%	272	264	8	97%	Study complete but recommends waiting for better economic conditions	
P2467	San Diego Formation Groundwater Feasibility Study	Kennedy	400	1	399	0%	1,800	791	1,009	42%	W/L delivered, A/Cs delivery scheduled week of 10/31/11. Motor rewinding underway (2nd set as of 10/31/11). HVAC preconstruction meeting	
P2473	PS - 711-1 Pump Station Improvement	Cameron	300	261	39	87%	500	348	152	70%	Project on hold	
P2488	Del Rio Road Hells and Clay Interconnection	Key	150	24	126	16%	300	324	(24)	108%	Project in design	
P2489	Gilegale Drive Hells and Clay Interconnection	Key	150	15	135	10%	300	318	(18)	106%	Project in design	
P2497	Solar Power Feasibility Study	Kennedy	25	1	24	4%	250	48	204	19%	Project on hold	
P2502	803-1 Pump Station Modifications	Marchion	425	35	390	8%	575	99	476	17%	Project on hold	
P2503	850-2 Pump Station Modifications	Marchion	325	24	301	7%	475	102	373	21%	Project on hold	
P2511	South District - South District Interconnection System	Marchion	1,400	338	1,062	24%	37,300	1,037	36,263	3%	Alternatives analysis revisions underway	
P2514	PL - 30-inch, 980 Zone, Hurst Parkway - Proctor Valley/Use Area	Rippinger	750	59	691	8%	1,500	58	1,441	4%	Project out for bid for construction	
P2517	Chase Avenue Hells and Clay Interconnection	Key	100	4	96	4%	400	4	396	1%	Project in design	
R2548	RecPL - Clay Mesa Distribution Pipelines and Conversions	Key	100	32	68	32%	2,200	291	1,909	13%	Project in design	
R2558	RecPL - 16-inch, 860 Zone, Anway Road - Clay Mesa/Alta	Kennedy	150	27	123	18%	3,500	1,316	2,184	38%	Project on hold	
R2577	RecPL - 24-inch, 860 Zone, Alta Road - Alta Geyser/Anway	Key	350	47	303	13%	4,500	1,780	2,720	39%	Design complete	
R2587	RecPL - 24-inch, 927 Zone, Wueste Road - Olympic/Clay WTP	Cameron	150	17	133	11%	7,000	882	6,118	13%	Project is on hold	
R2091	RecPS - 927-1 Pump Station Upgrade (10,000 GPM) and System Enhancements	Key	1,500	231	1,269	15%	3,950	701	3,249	18%	Project in construction. Hatz project's currently under construction and inspection on site is occurring, however, one specific project is complete and final walk thru is scheduled for second quarter of FY 2012	
R2094	Possible Ingestion Meters to Recycled Water Conversions	Charles	200	32	168	16%	3,100	1,426	1,674	46%	Project on hold	
Total Capital Facility Projects			Total	10,595	1,613	8,982	15%	138,948	34,660	104,288	25%	
REPLACEMENT/RENEWAL PROJECTS												
P2366	APCO Engine Replacements and Retrofits	Rahders	295	-	295	0%	3,488	1,965	1,523	56%	No expenses in Q1	
P2382	Safety and Security Improvements	Munoz	480	23	457	5%	3,397	1,513	1,884	45%	Project spending on track	
P2416	SR-125 Utility Relocations	Kennedy	48	-	48	0%	963	922	41	96%	Least Counsel is collecting from CRC	
P2440	1,625 Utility Relocations	Marchion	25	4	21	84%	1,600	1,574	26	98%	Waiting for completion of City sewer lines	
P2453	SR-11 Utility Relocations	Key	50	3	47	6%	155	9	146	6%	Call Trans driven	
P2458	AMR Manual Meter Replacement	Keenan	1,400	242	1,158	17%	10,208	5,874	4,334	57%	On schedule and on budget for Q1	
P2477	Res - 624-1 Reservoir Cover Replacement	Marchion	200	3	197	2%	450	32	418	7%	PDR in progress	
P2484	Large Water Meter Replacement Program	Keenan	220	-	220	0%	835	239	596	29%	Project has not started	
P2485	SCADA Communication System and Software Replacement	Staker	350	8	342	3%	1,325	690	635	52%	100% of this year's budget will be spent	
P2486	Asset Management Plan Condition Assessment and Data Acquisition	Stevens	400	46	354	12%	1,350	696	654	52%	Project spending on track	
P2491	850-3 Reservoir Exterior Coating	Cameron	200	3	197	2%	300	5	295	2%	Construction to begin in February 2012	
P2493	624-2 Reservoir Interior Coating	Cameron	30	-	30	0%	950	1	949	0%	Scheduled for next fiscal year This project is on hold, budget will probably be spent towards the end of the fiscal year	
P2494	Multiple Species Conservation Plan	Coburn-Boyd	80	0	80	10%	800	783	17	98%	On-going project with monthly expenditures	
P2496	San Miguel Habitat Management/Mitigation Area	Coburn-Boyd	250	48	202	19%	1,875	860	1,015	46%	Phase I improvements complete	
P2496	Clay Levee Road Utility Relocations	Key	25	23	2	92%	250	167	83	67%	Project is in the planning stage	
P2504	Regulatory Site Access Road and Pipeline Relocation	Cameron	300	38	262	13%	600	46	554	8%	Project is in the planning stage	
P2505	857-1 Reservoir Interior/Exterior Coating	Cameron	25	-	25	0%	375	375	-	100%	Project is completed	
P2506	857-2 Reservoir Interior/Exterior Coating	Cameron	25	198	(173)	-100%	375	370	5	99%	Project is completed	
P2507	East Palomar Street Utility Relocation	Cameron	350	12	338	4%	800	58	742	7%	Project in design	
P2508	Pipeline Cathodic Protection Replacement Program	Key	50	1	49	2%	150	1	149	1%	In progress	
P2518	803-3 Reservoir Interior/Exterior Coating	Cameron	-	-	-	0%	450	-	450	0%	Scheduled for next fiscal year	
P2519	832-3 Reservoir Interior/Exterior Coating	Cameron	-	-	-	0%	450	-	450	0%	Scheduled for next fiscal year	
R2096	RWC/WRF - Upgrades and Modifications	Key	2,000	197	1,803	10%	4,950	1,089	3,861	22%	Project in construction	
S2012	SVSD Outfall and RSD Replacement and DM Reimbursement	Kennedy	642	-	642	0%	4,392	751	3,641	17%	Money to be spent in Q4	
S2018	Arriado Boulevard Birch Sewer Main Improvement	Cameron	1,400	30	1,370	2%	1,900	338	1,562	18%	Construction to begin in January 2012	
S2020	Calavo Drive Birch Sewer Main Replacement	Cameron	370	5	365	1%	550	61	489	11%	Construction to begin in January 2012	
S2022	Holden Mesa Drive 8-inch Sewer Main Rehabilitation	Cameron	80	7	73	9%	150	35	115	23%	Construction to begin in January 2012	
S2023	Calavo Drive Sewer Main Utility Relocation	Cameron	50	-	50	0%	86	14	72	16%	County driven project	
S2024	Campo Road Sewer Main Replacement	Cameron	10	-	10	0%	3,250	2	3,248	0%	Project is on hold	

FISCAL YEAR 2012 1st QUARTER REPORT
 (Expenditures through 9/30/2011)
 (\$ In Thousands)

CIP No.	Description	Project Manager	FISCAL YEAR-TO-DATE, 09/30/11				LIFE-TO-DATE				Comments
			FY 2012 Budget	Expenses	Balance	Expense to Budget %	Budget	Expenses	Balance	Expense to Budget %	
Total Replacement/Retainal Projects		Total	9,195	901	8,294	100%	46,723	18,185	28,538	39%	
CAPITAL PURCHASE PROJECTS											
P2282	Vehicle Capital Purchases	Randers	395	-	395	0%	5,346	2,027	3,319	47%	No expenses in Q1
P2285	Office Equipment and Furniture Capital Purchases	Dobrows	60	-	60	0%	671	471	100	82%	There are no planned expenses for this fiscal year.
P2366	Field Equipment Capital Purchases	Randers	278	17	261	6%	1,668	915	753	55%	Expenditures on track
P2443	Information Technology Mobile Services	Jenkins	250	6	244	2%	1,552	1,122	630	67%	Project spending on track
P2451	Records Management System Upgrade	Sievers	100	17	83	17%	506	280	226	55%	Project spending on track
P2489	Information Technology Network and Hardware	Jenkins	460	10	408	11%	3,173	1,206	967	55%	Project spending on track
P2470	Application Systems Development and Integration	Sievers	430	104	326	24%	2,448	1,301	1,147	53%	Project spending on track
Total Capital Purchase Projects		Total	1,973	196	1,777	9%	14,364	7,802	6,562	54%	
DEVELOPER REIMBURSEMENT PROJECTS											
R2104	PL - 12 inch, 711 Zone, La Media Road - Rich/Rock Mountain	Charles	-	-	-	0%	833	-	833	0%	No expenses for Q1
R2107	PL - 12 inch, 711 Zone, Rock Mountain Road - La Media/SR 125	Charles	-	-	-	0%	722	-	722	0%	No expenses for Q1
P2305	PL - 10" to 12" Overhead, 1206 Zone, PB Road - Rolling Hills Hydro PSPB	Charles	1	-	1	0%	50	-	50	0%	No expenses for Q1
R2400	PL - 12 inch, 624 Zone, La Media Road - Village 7/Clay Valley	Charles	-	-	-	0%	444	-	444	0%	No expenses for Q1
R2403	PL - 12 inch, 624 Zone, Heritage Road - Olympic/Clay Valley	Charles	-	-	-	0%	925	-	925	0%	No expenses for Q1
R2513	East Orange Avenue Bridge Crossing	Cameron	5	32	(27)	640%	750	32	718	4%	Construction to begin in February 2012.
R2515	310-1 Reservoir Paving	Cameron	25	-	25	0%	300	-	300	0%	Budget to be spent on POR.
R2516	PL - 12 inch, 640 Zone, Jamacha Road - Carby/Osage	Marchioro	-	-	-	0%	450	-	450	0%	Scheduled for next fiscal year.
R2520	Molokini Mobile Radio Upgrade	Anderson	50	-	50	0%	100	-	100	0%	No expenses for Q1
R2531	Large Meter Vault Upgrade Program	Keenan	200	5	195	3%	600	5	595	1%	Project spending on track.
R2028	RecPL - 8 inch, 680 Zone, Heritage Road - Santa Victoria/Clay Valley	Charles	-	-	-	0%	600	-	600	0%	No expenses for Q1
R2042	RecPL - 8 inch, 927 Zone, Rock Mountain Road - SR-125/East side	Charles	-	-	-	0%	140	-	140	0%	No expenses for Q1
R2047	RecPL - 12 inch, 680 Zone, La Media Road - Rich/Rock Mountain	Charles	-	-	-	0%	450	-	450	0%	No expenses for Q1
R2082	RecPL - 24 inch, 680 Zone, Olympic Parkway - Village 2/Heritage	Charles	1	-	1	0%	1,747	-	1,747	0%	No expenses for Q1
R2093	RecPL - 20 inch, 680 Zone, Heritage Road - Village 2/Olympic	Charles	1	-	1	0%	400	-	400	0%	No expenses for Q1
R2084	RecPL - 20 inch, 680 Zone, Village 2 - Heritage/La Media	Charles	1	-	1	0%	971	-	970	0%	No expenses for Q1
R2085	RecPL - 20 inch, 680 Zone, La Media - State/Olympic	Charles	1	-	1	0%	600	-	600	0%	No expenses for Q1
R2099	Recycled System Air and Vacuum Valve Retrofit	Jolly	234	42	192	18%	700	42	658	6%	Work is progressing as scheduled.
R2026	Challenge Boulevard 8-inch Sewer Main Replacement	Cameron	25	10	15	40%	250	10	240	4%	Construction to begin in January 2012.
R2027	Rancho San Diego Pump Station Rehabilitation	Kennedy	100	-	100	0%	2,800	-	2,800	0%	County of San Diego driven project.
R2026	Explorer Way 8-inch Sewer Main Replacement	Marchioro	20	4	16	20%	125	4	121	3%	POR in progress.
R2029	Chase Avenue 8-inch Sewer Main Replacement	Marchioro	20	5	15	25%	125	5	120	4%	POR in progress.
R2030	Avocado Boulevard 8-inch Sewer Main Replacement	Marchioro	20	1	19	5%	125	1	124	1%	POR in progress.
R2031	Juliana Street 8-inch Sewer Main Replacement	Marchioro	20	-	20	0%	125	-	125	0%	POR in progress.
R2032	Puebla Drive 8-inch Sewer Main Replacement	Marchioro	20	-	20	0%	125	-	125	0%	POR in progress.
R2033	Sewer System Various Locations Rehabilitation	Marchioro	100	-	100	0%	800	-	800	0%	POR in progress.
R2034	Vista Grande and Paseo Grande 8-inch Sewer Main Replacement	Marchioro	25	-	25	0%	250	-	250	0%	POR in progress.
Total Developer Reimbursement Projects		Total	698	66	630	9%	15,730	100	15,630	1%	
GRAND TOTAL			\$ 22,632	\$ 2,809	\$ 19,823	12%	\$ 216,787	\$ 66,737	\$ 150,050	31%	

Otay Water District Capital Improvement Program

Fiscal Year 2012
1st Quarter Update
(through September 30, 2012)



657-1 & 657-2 Reservoirs



Background

The approved CIP Budget for Fiscal Year 2012 consists of 74 projects that total \$22.6 million. These projects are broken down into four categories.

- | | |
|----------------------------|----------------|
| 1. Capital Facilities | \$10.6 million |
| 2. Replacement/Renewal | \$ 9.1 million |
| 3. Capital Purchases | \$ 2.0 million |
| 4. Developer Reimbursement | \$ 0.9 million |

Overall expenditures through the first quarter Fiscal Year 2012 totaled \$2.8 million which is 12% of our fiscal year budget.



Fiscal Year 2012

1st Quarter Update

(\$1,000)

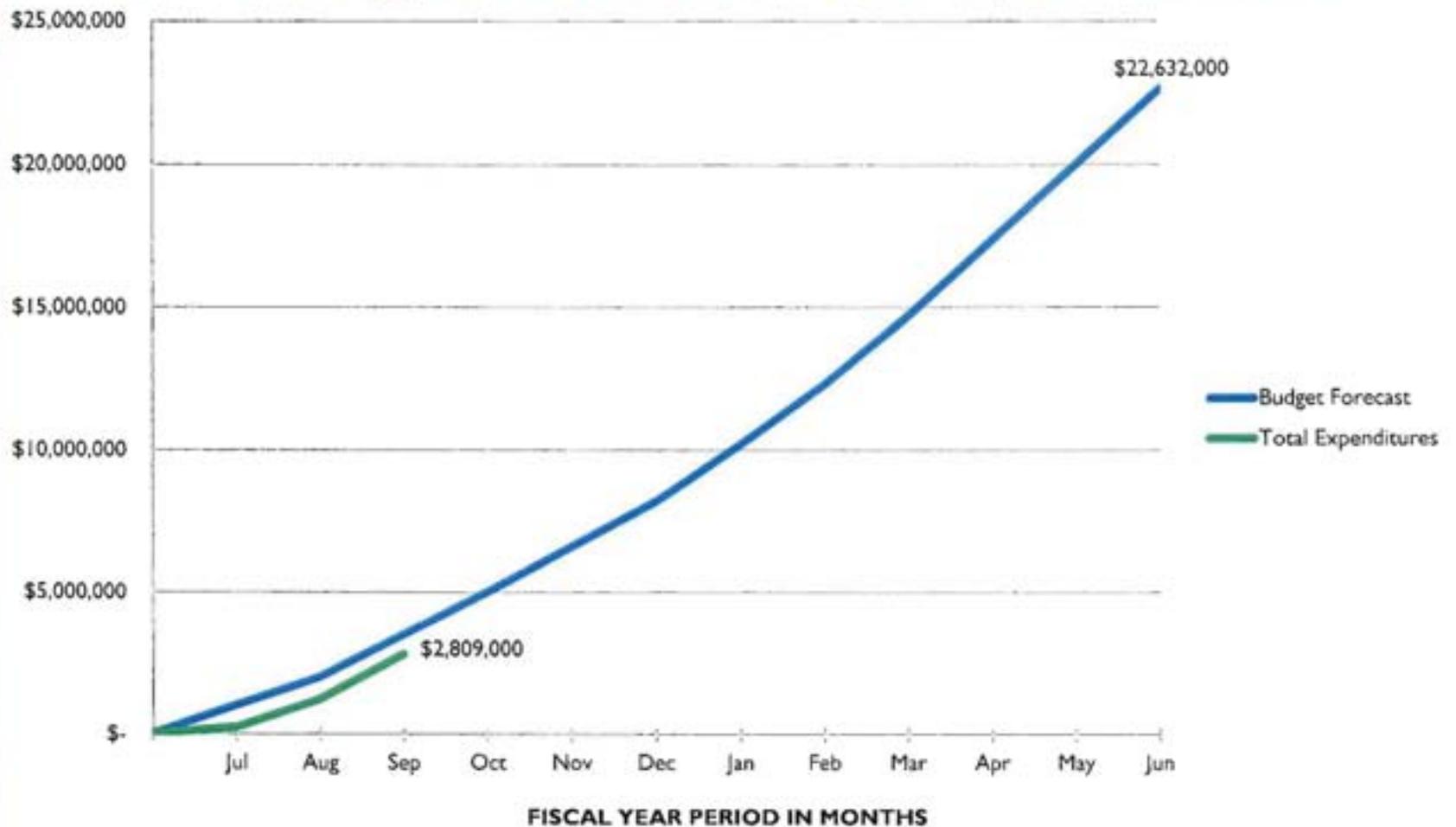
CIP CAT	Description	FY 2012 Budget	FY 2012 Expenditures	% FY 2012 Budget Spent	Total Life-to- Date Budget	Total Life-to-Date Expenditures	% Life-to- Date Budget Spent
1	Capital Facilities	\$10,595	\$1,613	15%	\$138,948	\$34,650	25%
2	Replacement/ Renewal	\$9,165	\$901	10%	\$46,723	\$18,185	39%
3	Capital Purchases	\$1,973	\$196	10%	\$14,364	\$7,802	54%
4	Developer Reimbursement	\$899	\$99	11%	\$15,732	\$100	1%
	Total:	\$22,632	\$2,809	12%	\$215,767	\$60,737	28%



Fiscal Year 2012

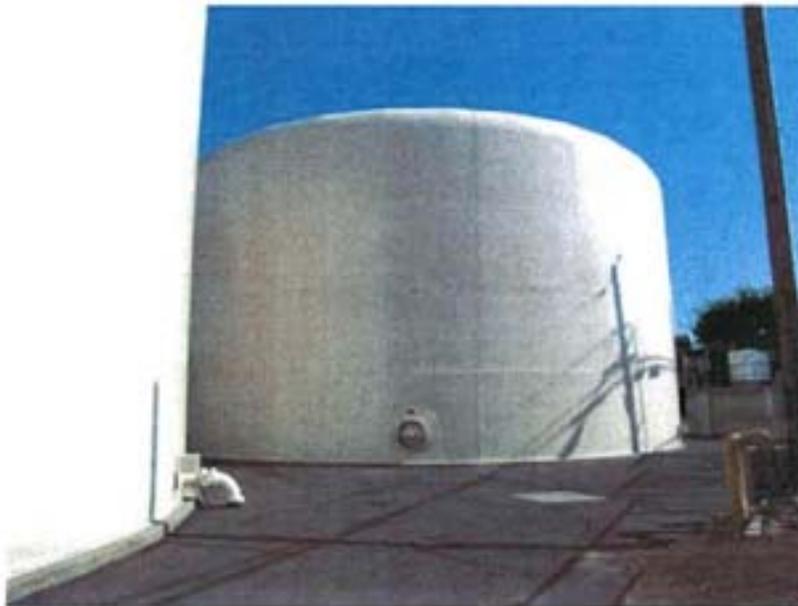
1st Quarter

CIP Budget Forecast vs. Expenditures



CIP Projects in Construction

- 657-1 & 657-2 Reservoir Coating & Upgrades
- Interior/Exterior Coating
- Structural Upgrades
- \$750K Budget



Above: Liquid Level Indicator

Left: 657-2 Reservoir - Complete



CIP Projects in Construction

- RWCRWF Upgrades
- New Aeration System, Blower System, and Electrical Instrumentation
- \$4.95M Budget



Above: New Trench for Aeration Piping to New Air Scour Facility

Left: Exposing Existing Aeration Piping

Construction Contract Status

CIP NO.	PROJECT TITLE	CONTRACTOR	BASE BID AMOUNT	CONTRACT AMOUNT W/ ALLOWANCES	NET CHANGE ORDERS*		CURRENT CONTRACT AMOUNT	TOTAL EARNED TO DATE	% CHANGE ORDERS W/ ALLOWANCE CREDIT**	% COMPLETE	EST. COMP. DATE
					PROJECT TOTAL	%					
P2506/P2506	657-1 & 657-2 Reservoir Coating & Upgrades	Blastco Inc.	\$582,500	\$632,500	\$5,627	1.0%	\$607,912	\$607,912	-3.9%	100.0%	Oct 2011
P2488/P2489	Del Rio Road & Gillispie Drive Emergency Interconnections	LH Woods	\$339,000	\$379,000	\$9,699	2.9%	\$368,105	\$368,105	-2.9%	100.0%	Complete Aug 2011
R2091	944-1R Recycled Pump Station Upgrade & System Enhancements	Sepulveda	\$1,099,423	\$1,162,423	\$0	0.0%	\$1,099,423	\$172,071	-5.4%	15.7%	May 2012
R2096	RWCWRF Upgrades	Newest	\$3,349,000	\$3,499,000	\$0	0.0%	\$3,349,000	\$150,748	-4.3%	4.5%	May 2012
		TOTALS:	\$5,369,923	\$5,672,923	\$15,326	0.3%	\$5,424,439	\$1,298,836	-4.4%		

*NET CHANGE ORDERS DO NOT INCLUDE ALLOWANCE ITEM CREDITS. IT'S A TRUE CHANGE ORDER PERCENTAGE FOR THE PROJECT.

**THIS CHANGE ORDER RATE INCLUDES THE CREDIT FOR UNUSED ALLOWANCES.



Consultant Contract Status

Consultant	CIP No.	Project Title	Original Contract Amount	Total Change Orders	Revised Contract Amount	Approved Payment To Date	% Change Orders	% Project Complete	Date of Signed Contract	End Date of Contract
PLANNING										
ARCADIS U.S., INC.	Varies	WASTEWATER MANAGEMENT PLAN	\$ 349,979.36	\$ -	\$ 349,979.36	\$ -	0.0%	0.0%	8/3/2011	6/30/2013
SALVADOR LOPEZ-CORDOVA	P2451	DESALINATION PROJECT	\$ 45,000.00	\$ -	\$ 45,000.00	\$ 4,172.90	0.0%	9.3%	9/10/2010	8/31/2012
TRAN CONSULTING ENGINEERS	S1201	SANITARY SEWER CCTV INSPECTION AND CONDITION ASSESSMENT	\$ 560,025.00	\$ -	\$ 560,025.00	\$ 518,810.81	0.0%	92.6%	1/20/2010	6/30/2013
DESIGN										
AECOM	P2451	OTAY MESA CONVEYANCE AND DISINFECTION SYSTEM	\$ 3,910,297.00	\$ -	\$ 3,910,297.00	\$ 33,215.00	0.0%	0.8%	1/3/2011	6/30/2016
CPM PARTNERS	Varies	AS-NEEDED SCHEDULING SERVICES	\$ 175,000.00	\$ -	\$ 175,000.00	\$ 143,257.50	0.0%	81.9%	5/18/2010	6/30/2012
DARNELL & ASSOCIATES	Varies	AS-NEEDED TRAFFIC ENGINEERING SERVICES FOR FY2010 AND FY2011	\$ 175,000.00	\$ 24,330.00	\$ 199,330.00	\$ 170,397.50	13.9%	85.5%	1/20/2010	6/30/2012
ENGINEERING PARTNERS INC, THE	Varies	AS-NEEDED ELECTRICAL DESIGN SERVICES	\$ 100,000.00	\$ -	\$ 100,000.00	\$ 80,540.00	0.0%	80.5%	10/7/2009	6/30/2012
HDR	R2091	TEMPORARY LABOR SERVICES	\$ 5,000.00	\$ -	\$ 5,000.00	\$ -		0.0%	9/1/2011	6/30/2012
HVAC ENGINEERING INC	P2502, P2503	HVAC SERVICES FOR 850-2 PS & 803-1 PS	\$ 19,421.00	\$ -	\$ 19,421.00	\$ 16,426.00	0.0%	84.6%	9/17/2010	12/31/2011
LEE & RO INC	Varies	AS-NEEDED ENGINEERING DESIGN SERVICES	\$ 175,000.00	\$ 13,754.00	\$ 188,754.00	\$ 82,996.94	7.9%	33.4%	6/30/2010	6/30/2012
LEE & RO INC	P2511	NORTH DISTRICT/SOUTH DISTRICT INTERCONNECTION	\$ 2,769,119.00	\$ -	\$ 2,769,119.00	\$ 713,555.74	0.0%	25.8%	11/4/2010	12/31/2015
MICHAEL D KEAGY REAL ESTATE	S2019, S2020, S2022	APPRAISAL SERVICES	\$ 17,000.00	\$ -	\$ 17,000.00	\$ 12,000.00	0.0%	70.6%	1/4/2011	12/31/2011
MICHAEL D KEAGY REAL ESTATE	P2504	APPRAISAL SERVICES	\$ 4,500.00	\$ -	\$ 4,500.00	\$ -	0.0%	0.0%	9/22/2011	12/31/2011
MTGL INC.	Varies	AS-NEEDED GEOTECHNICAL CONSULTING SERVICES	\$ 175,000.00	\$ -	\$ 175,000.00	\$ 29,240.00	0.0%	16.7%	6/23/2010	6/30/2012



Consultant Contract Status

Consultant	CIP No.	Project Title	Original Contract Amount	Total Change Orders	Revised Contract Amount	Approved Payment To Date	% Change Orders	% Project Complete	Date of Signed Contract	End Date of Contract
DESIGN										
MWH AMERICAS INC.	R2096, R2095, S2018	RWCWRF UPGRADE PROJECT	\$ 458,813.00	\$ 122,048.00	\$ 580,861.00	\$ 541,404.74	26.6%	93.2%	10/14/2009	6/30/2013
NARASIMHAN CONSULTING	Varies	HYDRAULIC MODELING SERVICES	\$ 175,000.00	\$ -	\$ 175,000.00	\$ 27,778.50	0.0%	15.9%	5/2/2011	6/30/2013
NAUGHTON APPRAISALS	P2514	APPRAISAL SERVICES	\$ 9,000.00	\$ -	\$ 9,000.00	\$ 4,000.00	0.0%	44.4%	7/19/2011	12/31/2011
REPROHAUS	R2058, R2077 R2087	AS-NEEDED REPROGRAPHIC SERVICES	\$ 20,000.00	\$ -	\$ 20,000.00	\$ 7,428.33	0.0%	37.1%	2/18/2010	12/31/2011
TETRA TECH, INC	P2434	RANCHO DEL REY WELL - PHASE 2	\$ 724,493.50	\$ -	\$ 724,493.50	\$ 174,005.00	0.0%	24.0%	4/21/2011	12/31/2014
V & A CONSULTING	Varies	PROFESSIONAL CORROSION SERVICES	\$ 392,729.00	\$ -	\$ 392,729.00	\$ 18,205.00	0.0%	4.6%	6/23/2011	6/30/2013
CONSTRUCTION SERVICES										
ALTA LAND SURVEYING, INC.	Varies	ALTA LAND SURVEYING	\$ 45,000.00	\$ -	\$ 45,000.00	\$ 18,836.25	0.0%	41.9%	6/1/2011	8/31/2011 COMPLETE
ALTA LAND SURVEYING, INC.	Varies	SURVEYING SERVICES FY12-FY13	\$ 175,000.00	\$ -	\$ 175,000.00	\$ 12,420.00	0.0%	7.1%	8/15/2011	6/30/2013
RBF CONSULTING	R2058, R2077, R2087	CONSTRUCTION MANAGEMENT SERVICES FOR THE OTAY MESA RECYCLED WATER SUPPLY LINK	\$ 708,560.00		\$ 708,560.00	\$ 12,730.00	0.0%	1.8%	3/24/2010	12/31/2011
SAIC ENERGY, ENVIRONMENT & INFRASTRUCTURES, LLC	R2096	CONSTRUCTION MANAGEMENT	\$ 359,013.32	\$ -	\$ 359,013.32	\$ -	0.0%	0.0%	8/15/2011	6/30/2012
VALLEY CONSTRUCTION MANAGEMENT	Varies	AS-NEEDED CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES	\$ 175,000.00		\$ 175,000.00	\$ 113,280.00	0.0%	64.7%	3/17/2010	6/30/2012



Consultant Contract Status

Consultant	CIP No.	Project Title	Original Contract Amount	Total Change Orders	Revised Contract Amount	Approved Payment To Date	% Change Orders	% Project Complete	Date of Signed Contract	End Date of Contract
ENVIRONMENTAL										
A.D. HINSHAW	Varies	CONSULTING SERVICES FOR JWA's CEQA	\$ 34,825.25	\$ -	\$ 34,825.25	\$ 8,500.51	0.0%	24.6%	3/25/2010	6/30/2012
ICF INTERNATIONAL (aka JONES & STOKES ASSOCIATES)	P1253	SAN MIGUEL HABITAT MANAGEMENT AREA	\$ 987,807.00	\$ -	\$ 987,807.00	\$ 862,123.19	0.0%	87.3%	2/3/2009	12/31/2011
ICF INTERNATIONAL (aka JONES & STOKES ASSOCIATES)	Varies	AS-NEEDED ENVIRONMENTAL CONSULTING SERVICES	\$ 375,000.00	\$ -	\$ 375,000.00	\$ 103,693.38	0.0%	27.7%	9/9/2010	6/30/2013
DR. MARY ANNE HAWKE	P2494	SCIENCE ADVISOR REVIEW	\$ 4,350.00	\$ -	\$ 4,350.00	\$ 3,000.00	0.0%	69.0%	9/9/2010	NO END DATE
RECON	P2494	PREPARATION OF THE SUBAREA PLAN	\$ 270,853.00	\$ -	\$ 270,853.00	\$ 190,221.86	0.0%	70.2%	3/28/2008	6/30/2015
TECHNOLOGY ASSOCIATES	P2494	CONSULTING SERVICES FOR JWA's NCCP	\$ 34,825.25	\$ 41,825.26	\$ 76,450.51	\$ 42,422.49	120.8%	55.5%	4/5/2010	6/30/2013
THE RICK ALEXANDAR COMPANY (TRAC)	P2494	CONSULTING SERVICES FOR JWA's NCCP	\$ 20,201.75	\$ -	\$ 20,201.75	\$ 12,990.62	0.0%	64.3%	3/17/2010	6/30/2013
WATER RESOURCES										
CITY OF CHULA VISTA	R2093	WASTEWATER RECLAMATION FACILITY STUDY	\$ 150,000.00	\$ -	\$ 150,000.00	\$ 109,302.18	0.0%	72.9%	9/24/2009	12/31/2012
MICHAEL R. WELCH	P2481	ENGINEERING PLANNING SVCS.	\$ 40,000.00	\$ -	\$ 40,000.00	\$ 22,950.00	0.0%	57.4%	3/25/2009	6/30/2013
PUBLIC SERVICES										
AEGIS ENGINEERING MANAGEMENT	Varies	RECYCLED WATER PLAN CHECKING, RETROFIT, AND INSPECTION SERVICES FOR DEVELOPER PROJECTS	\$ 300,000.00	\$ -	\$ 300,000.00	\$ 210,370.55	0.0%	70.1%	1/20/2010	6/30/2012
AEGIS ENGINEERING MANAGEMENT	Varies	RECYCLED WATER PLAN CHECKING, RETROFIT, AND INSPECTION SERVICES FOR DEVELOPER PROJECTS	\$ 300,000.00	\$ -	\$ 300,000.00	\$ 63,707.39	0.0%	21.2%	11/24/2010	6/30/2013
TOTALS:			\$ 13,890,433.07	\$ 201,857.26	\$ 14,092,390.33	\$ 4,343,961.28	1.5%			



THANK YOU
QUESTIONS?





STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	January 4, 2012		
SUBMITTED BY:	Daniel Kay <i>DK</i> Associate Civil Engineer	PROJECT/ SUBPROJECT:	N/A	DIV. NO.	N/A
	Ron Ripperger <i>RR</i> Engineering Manager				
	Stephen Dobrawa <i>SD</i> Purchasing and Facilities Manager				
APPROVED BY: (Chief)	Rod Posada <i>R Posada</i> Chief, Engineering				
APPROVED BY: (Asst. GM):	Manny Magaña <i>M Magaña</i> Assistant General Manager, Engineering and Operations				
SUBJECT:	Informational Item regarding the District's Consultant Selection Process				

GENERAL MANAGER'S RECOMMENDATION:

No recommendation. This is an informational item only.

COMMITTEE ACTION: _____

Please see Attachment A.

PURPOSE:

To update the Otay Water District (District) Board of Directors (Board) on the District's updated consultant selection process.

ANALYSIS:

Background:

Due to a recent newspaper article regarding the District's process used in selecting Infrastructure Engineers as the new As-Needed Traffic Engineering consultant for Fiscal Years 2012

and 2013, Staff has reviewed the selection processes used for retaining Professional Consulting and General Consulting services and has determined that additional steps be added to the current guideline to review the standing of recommended consultants and consulting firms.

Professional Consulting Services:

The District's official policy for the selection of Professional Consultants is described in Policy 21 (Exhibit A). Examples of professional services, as defined in California Government Code (sections 4525-4529), that consultants regularly provide to the District include engineering design, construction management, environmental, geotechnical, electrical engineering, and other incidental services such as traffic engineering, etc. that professional consultants and those in their employ may logically or justifiably perform. In addition to Policy 21, the Engineering Department uses a guideline, Engineering Guideline G1.17 (Exhibit B), for the step-by-step process to select a professional services consultant.

Specifically, staff is adding a step, item number twenty-two (22), to the guideline to include an internet search such as Google to check for additional information about the firm. This new step in the process will provide another measure of assurance that the recommended consultant meets all the selection criteria in order to receive a contract from the District. In addition, the District will include language in future Request for Proposals (RFPs) whereby consultants who have changed their company name in the last five years need to provide the reason(s) for doing so.

Staff contacted multiple local agencies in San Diego County to determine what their policies and procedures are for hiring professional consultants. Staff found that similar agencies do not conduct additional background checks beyond reference checks except for Padre Dam Municipal Water District, which does personal "Google" checks. Prior to the article, the District's standard practice for determining a consultant's viability to perform the contracted scope of work was to check three to five references provided by the consultant. Based on Staff's research (Exhibit C), it is clear that the District's policies and procedures are consistent with industry standards.

General Consulting:

General Consulting is defined as any consulting service not identified as a "Professional Consulting Service" (as defined in California's Government Code, Sections 4525-4529). Typical examples of General Consulting Services used by the District include financial, actuarial, public relations, safety, labor negotiation and relations, and other similar expert services provided by an individual or consulting firm.

As provided for in the District's Purchasing Manual, the General Manager has established guidelines for the selection of general consultants. The guidelines will be amended to include background and reference checks consistent with those used for the selection of individuals and firms providing Professional Consulting Services.

Public Works (Construction):

The District's process for soliciting bids for the construction or improvement and repair of facilities and roads is defined within California Public Contract Code (sections 20640-20645). Award of Public Works Contracts must be made to the "lowest responsible bidder" (ref: Public Contract Code section 20642). California Public Contract Code (section 1103) defines "responsible bidder" as "...a bidder who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity, and experience to satisfactorily perform the public works contract."

To this end, Staff will continue to check the references provided in the contractor's bid as well as the references provided for their project manager. In addition, District staff will also perform an internet search to check for any articles or references as well as requesting the contractor's safety record from the Occupational Safety and Health Administration (OSHA).

FISCAL IMPACT:



None.

STRATEGIC GOAL:

This supports the District's Mission statement, "To provide customers with the best quality water, wastewater, and recycled water service in a professional, effective, and efficient manner" and the District's Vision, "A District that is

innovative in providing water services at affordable rates, with a reputation for outstanding customer service."

LEGAL IMPACT: _____

None.



General Manager

F:\WORKING\As Needed Services\Consultant Selection Process\Staff Report Info Item for 11-02-11\RD 11-02-11, Staff Report, Info
Consultant Selection, (DK-RR)R1-09CX

DK/RR:jf

Attachments: Attachment A - Committee Action
Exhibit A - Policy 21
Exhibit B - Engineering Guideline G1.17
Exhibit C - Other Agency Consultant Selection



ATTACHMENT A

SUBJECT/PROJECT: Various	Informational Item regarding the District's Consultant Selection Process
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COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on November 28, 2011. The Committee supported Staff's recommendation.

NOTE:

The "Committee Action" is written in anticipation of the Committee moving the item forward for Board approval. This report will be sent to the Board as a Committee approved item, or modified to reflect any discussion or changes as directed from the Committee prior to presentation to the full Board.

EXHIBIT A

EXHIBIT A

OTAY WATER DISTRICT BOARD OF DIRECTORS POLICY			
Subject	Policy Number	Date Adopted	Date Revised
POLICY FOR SELECTION OF PROFESSIONAL CONSULTANTS	21	8/1/90	3/13/06

I. PURPOSE

The purpose of this policy is to establish procedures governing the selection of professional consultants in the performance of District work.

II. SCOPE

This policy is applicable to all District departments and offices directly responsible to the General Manager.

III. POLICY

For the purpose of this policy, "professional consultants" means any "Firm" qualified and authorized to provide "architectural, landscape architectural, engineering, environmental, and land surveying services" or "construction project management" or "environmental services," as each of those terms or services is defined in the California Government Code, commencing with Section §4525, as hereinafter amended or renumbered (the "Professional Services Provisions").

This Policy provides a method and procedure pursuant to which professional consultants in engineering, architectural, landscape architectural, environmental, land surveying and construction management, including plan checking, inspection, and projects requiring a special expertise, may be retained from the private sector to augment the District's professional capabilities or for the performance of specialized services not available to the District from the existing District work force.

Services provided to the District by professional consultants may cover a wide range of professional activity including but not limited to studies, special reports, design and related activities on such projects as pipelines, pump stations, reservoirs, planning studies and other expert testimony capabilities.

Pursuant to the Professional Services Provisions, and particularly the provisions of the California Government Code Section §4526, the Otay Water District may adopt procedures that assure that professional services are engaged on the basis of demonstrated competence and qualifications for the types of services to be performed and at fair and reasonable prices. Furthermore, maximum participation of small business firms, as defined in Government Code Section 14837, and disadvantaged business enterprises (DBEs) shall be encouraged. Government Code Section 14837 defines "small business" as a business in which the principal office is located in California and the officers of such business are domiciled in

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

Subject	Policy Number	Date Adopted	Date Revised
POLICY FOR SELECTION OF PROFESSIONAL CONSULTANTS	21	8/1/90	3/13/06

California, which is independently owned and operated and which is not dominant in its field of operation.

IV. METHOD OF SELECTION OF PROFESSIONAL CONSULTANTS

A. Major Projects - Anticipated Fee Greater than \$200,000

1. The District will advertise in at least one local newspaper of general circulation, on the District's webpage, and through CWA's Small Contractor Outreach and Opportunities Programs, and any other medium deemed appropriate by the project manager, before a Request for Proposal (RFP) is issued. Interested parties will be required to submit a Letter of Interest and a Statement of Qualifications within the time frame specified in the publication. The "Statement of Qualifications" shall be a written document, shall contain background information on the firm that is current as of the date of submission of the statement and must highlight the work, expertise and experience that qualify the firm to undertake the work required by the District, as such work is described in the publication.
2. All parties who submit Letters of Interest and a Statement of Qualifications, and are deemed qualified as a result of the Statement of Qualifications process, will receive a copy of the RFP. Proposals will only be accepted from those firms that submitted the Letter of Interest and the Statement of Qualifications within the time-frame specified in the publication. The form of the proposal will be prescribed by the District. If a firm has submitted a Statement of Qualifications within a calendar year and the qualifications remain correct and accurate, then only a letter of interest will suffice.
3. The General Manager and the appropriate department head(s) shall approve the selection criteria and the associated weighing factor to be used in evaluating the proposals accepted by the District in accordance with Paragraph 2, above. The General Manager, or his/her designee, shall appoint a review panel of no fewer than five qualified staff to review and evaluate the proposals, and to rank the firms in the order from most qualified to least qualified. The panel will interview only those firms which in the panel's opinion appear to have the most desirable qualifications. If in the opinion of the panel none of the firms are qualified, all proposals may be rejected. In the event of an

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

Subject	Policy Number	Date Adopted	Date Revised
POLICY FOR SELECTION OF PROFESSIONAL CONSULTANTS	21	8/1/90	3/13/06

unusual project which poses special problems beyond the scope previously encountered by staff personnel, the review panel may be augmented by an unbiased, qualified member of the profession being considered, so long as he/she has not and will not submit a proposal.

4. If a firm is rejected on the basis of its proposal, and is not asked to appear for an interview, the firm may appeal the decision by submitting a protest to the General Manager or his/her designee. A copy of the proposal shall be submitted with the protest. The protest shall be filed within five business days of the rejection notification. The protest shall provide a compelling reason why the firm believes the original proposal contained all relevant experience or other requested information. If the General Manager, or his/her designee, concurs with the appellant, the firm shall be added to the interview list.
 5. Immediately upon conclusion of oral interviews, the review panel's oral scores will be combined with the written proposals scores and shall designate the order of preference of the candidates.
 6. The department head designated by the General Manager, or his/her designee, shall commence negotiations of an agreement with the first choice of the review panel for the extent of service to be rendered and the compensation. If agreement is not reached within a reasonable time, the department head shall terminate the negotiations with the first choice and shall open negotiations with the second choice of the review panel and so on until a firm is retained or the list of selected firms is exhausted. Professional societies and organizations have published schedules of fees for professional services which may be used as a guide following adjustment to reflect the actual scope of work expected of the firm selected.
- B. Intermediate Projects - Fees of \$50,000 to \$200,000
1. The process for selecting consultants for intermediate projects shall be the same as prescribed in Sections IV-A and V of this policy, with the exception of formal interviews of the highest ranked consultants which are not required, and subject to other applicable exceptions described below.
- C. Minor-Intermediate Projects - Fees of \$5,000 to \$50,000

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

Subject	Policy Number	Date Adopted	Date Revised
POLICY FOR SELECTION OF PROFESSIONAL CONSULTANTS	21	8/1/90	3/13/06

1. The process for selecting consultants for minor-intermediate projects shall be the same as prescribed in Sections IV-B and V of this policy, with the exception of advertisement in a paper of major circulation, and subject to other applicable exceptions described below.

D. Minor Projects - Fees Less than \$5,000

1. The process for selecting consultants for minor projects shall be in accordance with the Purchasing Manual as adopted by the Board.

V. PROCEDURAL REQUIREMENTS FOR SELECTION OF CONSULTANTS FOR MAJOR, INTERMEDIATE AND MINOR-INTERMEDIATE PROJECTS

1. The appropriate department head receives proposals from all interested parties; which are defined as consultants that have submitted a Letter of Interest and a Statement of Qualifications as defined in Section IV-A-1.
2. The evaluating panel shall consider the qualifications and demonstrated experience of the prospective consultants as well as the fee proposed by each firm to provide the services as requested in the RFP. The panel will determine which firm offers the best value for the work required. Such determination will be made with due consideration to all factors including the qualifications, approach to the scope of work, and experience of the consultant, relative to the project as measured in the score matrix. The weight assigned to each factor under consideration will be reflected in the score matrix included in the RFP.
3. A review panel is appointed in accordance with this policy. Review panel member names are not made available to consultants prior to a call for interview.
4. The first choice of the review panel is called for negotiation. If an agreement cannot be negotiated, the first choice will be dismissed from further consideration on that particular project. Following the dismissal of the first choice, negotiations will commence with the second.
5. A successful negotiation shall result in presentation by the department head to the General Manager, or his/her designee, of a professional agreement signed by the selected firm. The agreement may provide for differing methods of compensation based upon the type of work to be performed. "Per diem" or "hourly" compensation is the general rule when specific scope

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

Subject	Policy Number	Date Adopted	Date Revised
POLICY FOR SELECTION OF PROFESSIONAL CONSULTANTS	21	8/1/90	3/13/06

of work is yet to be determined. This type of compensation should carry a stated maximum amount which will not be exceeded except by prior District approval. Fixed-fee or cost-plus-fixed-fee compensation is commonly used after scope of work has been explicitly identified. Compensation is paid as services are performed rather than in advance.

6. All contracts in excess of the amount authorized by the Board to the General Manager, or his/her designee, in accordance with Section 2.01 of the District's Code of Ordinances, shall be submitted to the Board for consideration.
7. All agreements for professional services shall provide for the management phase of the resulting contract. A single project manager shall be designated by the consultant and a liaison manager shall be designated by the District for purposes of contract administration.
8. Late responses or untimely responses by prospective candidates should not be considered for further action. The ability to respond to a publication or an invitation for consideration in a timely and responsive manner is essential to a future satisfactory contract relationship.
9. All proposed contracts shall be reviewed by the District's Legal Counsel and approved as to form prior to presentation to the General Manager or his/her designee.
10. The department head shall insure that other departments which have a proper interest in the work under consideration are kept informed as to the progress of the work and that user decisions and desires are constructively considered within the constraints of financial and practical limitations.

EXHIBIT B

EXHIBIT B

ENGINEERING AND PLANNING DEPARTMENT DESIGN DIVISION GUIDELINES	NO. G1.17	Pg. 1 of 8
Consultant Selection	Rev. 1	Rev. Date: 10/25/2011
	Origination Date 9/10/2010	Approved By RR
	Originated By GPS	

PURPOSE:

To establish guidelines for selection of professional consultants in accordance with Policy 21 that ensure selections are made consistently and fairly. These guidelines are intended to be managed and implemented by the Project Manager (PM).

SCOPE:

These guidelines pertain to selection of consultants for projects with an expected value of at least \$5,000. Smaller projects are to be handled in accordance with the Purchasing Manual.

PROCESS:

1. Develop a Request for Proposal (RFP). Require that the written proposals be submitted in two parts: 1) the main proposal and 2) the cost proposal (either separately bound or in a sealed envelope).
2. Advertise the RFP. Describe in the advertisement the general scope of the project and request a Letter of Interest (LOI) and a current Statement of Qualifications (SOQ). State a due date for the LOI's and SOQ's in the advertisement. Advertise the RFP for a minimum of 21 days before proposals are due.
 - a. For projects with an expected value greater than \$50,000, advertise the project in a newspaper of general circulation and on the District website.
 - b. For projects with an expected value between \$5,000 and \$50,000, the advertisement need only be on the District website.

EXHIBIT B

ENGINEERING AND PLANNING DEPARTMENT DESIGN DIVISION GUIDELINES	NO. G1.17	Pg. 2 of 8
Consultant Selection	Rev. 1	Rev. Date: 10/25/2011
	Origination Date 9/10/2010	Approved By
	Originated By GPS	RR

- c. Send the advertisement directly to firms that have previously expressed interest in the project or are known to be viable candidates to conduct the work.
3. Receive and keep a log of LOI's and SOQ's received from consultants.
 4. Publish the RFP to qualified consultants only, determined at the discretion of the Project Manager. Generally, a consultant should be considered qualified if they can demonstrate having done any work of the general nature requested in the RFP. The degree of qualification will be assessed in the subsequent proposal review stage.
 5. Notify and acknowledge the efforts of unqualified consultants.
 6. Hold a non-mandatory Pre-Proposal meeting to describe the scope of the project, proposal requirements, and the proposal evaluation method.
 7. Prepare Pre-Proposal meeting minutes and distribute to attendees. Consultants who submitted a LOI, but did not attend the non-mandatory pre-proposal meeting, should also receive meeting minutes. Reiterate to consultants the last day that questions will be received.
 8. Receive questions and distribute answers to all consultants on the LOI list. If questions cause major changes to be made to the RFP, issue a "Final" RFP.
 9. Receive proposals on the specified due date. Return late proposals unopened to the consultant.
 10. Select a Review Panel consisting of at least five (5) qualified individuals:

EXHIBIT B

ENGINEERING AND PLANNING DEPARTMENT DESIGN DIVISION GUIDELINES	NO. G1.17	Pg. 3 of 8
Consultant Selection	Rev. 1	Rev. Date: 10/25/2011
	Origination Date 9/10/2010	Approved By RR
	Originated By GPS	

- a. The Review Panel should include at least one (1) person from Operations.
 - b. The PM may not be part of the official Review Panel, because he/she is the only person that will see the cost proposals.
 - c. Individuals from other agencies may be part of the Review Panel, if the project scope warrants it.
11. Meet with Review Panel to distribute proposal evaluation packets and describe the project scope and evaluation criteria. Include the following in the evaluation packet:
- a. The consultant's main proposal.
 - b. Main proposal evaluation spreadsheet (see Attachment A).
 - c. Copy of the RFP.
 - d. Evaluation rating method and criteria (see Attachment B).
12. Allow a one to two week evaluation period for the written proposals.
- a. Each Review Panel member will rate the main proposals in three categories, without knowledge of the cost proposals:
 - i. Qualifications and experience of Firm and Project Team (30 points).
 - ii. Understanding of the Scope, Responsiveness to RFP, Schedule, & Resources (25 points).
 - iii. Soundness and Viability of Proposed Project Approach (30 points).

EXHIBIT B

ENGINEERING AND PLANNING DEPARTMENT DESIGN DIVISION GUIDELINES	NO. G1.17	Pg. 4 of 8
Consultant Selection	Rev. 1	Rev. Date: 10/25/2011
	Origination Date 9/10/2010	Approved By RR
	Originated By GPS	

b. The PM will rate:

- i. Each consultant's commitment to disadvantaged business enterprises (DBE) as defined by the District's Policy 31. This category is evaluated on a yes or no basis and not given a point value.
- ii. Each consultant's cost proposal in accordance with the type of service being provided (15 points):

1. Project Specific Services. Scores are assigned based on the consultant's total proposed fee. The consultant with the lowest fee gets a score of 15 points. The consultant with the highest fee gets a score of 1 point. The scores for the remaining consultants are determined proportionally in the range using the following formula (see Attachment C):

$$\text{Score X} = 1 + 14(\text{high fee} - \text{fee X}) / (\text{high fee} - \text{low fee})$$

2. As-Needed Services. The scoring is based on the rates submitted by all consultants. The consultant is required to fill out a billing rate table provided in the RFP. The rates are added and the consultant with the lowest composite rate gets a score of 15 points. The consultant with the highest composite rate gets a score of 1 point. The scores for the remaining consultants are determined proportionally in the range using the formula above and in Attachment C.

c. The total possible score for the written proposal is 100 points.

EXHIBIT B

ENGINEERING AND PLANNING DEPARTMENT DESIGN DIVISION GUIDELINES	NO. G1.17	Pg. 5 of 8
Consultant Selection	Rev. 1	Rev. Date: 10/25/2011
	Origination Date 9/10/2010	Approved By RR
	Originated By GPS	

13. Receive evaluation spreadsheets for the main proposal from Review Panel members on the predetermined due date. As necessary, the Project Manager may meet with individual Review Panel members to clarify scoring, particularly if scores seem out of step with the general consensus.
14. Prepare the "Summary of Proposal Rankings" spreadsheet (see Attachment D) by adding the average of the main proposal scores to the average of the cost proposal scores to get the average written proposal scores. The average in each case should be rounded to the nearest whole number before adding them together. See SPECIAL PROVISION.

FOR PROJECTS WITH A VALUE LESS THAN \$200,000, SKIP TO STEP 21.

15. Invite the most qualified firms to make oral presentations and participate in an interview. Generally, this should be at least the top three (3) and no more than the top five (5) consultants.
 - a. Provide consultants 7 to 10 days notice of the interview date and format (see Step 16, below). The order of presentations should be selected randomly.
 - b. Notify remaining consultants that they were unsuccessful in reaching the interview stage of the selection process.
16. Meet with Review Panel to distribute interview evaluation packets, including:
 - a. Interview evaluation spreadsheet (see Attachment E)
 - b. Evaluation rating method and criteria (see Attachment F).
 - c. The Review Panel will not be provided a copy of the "Summary of Proposal Rankings" or any information about the cost proposal.

EXHIBIT B

ENGINEERING AND PLANNING DEPARTMENT DESIGN DIVISION GUIDELINES	NO. G1.17	Pg. 6 of 8
Consultant Selection	Rev. 1	Rev. Date: 10/25/2011
	Origination Date 9/10/2010	Approved By RR
	Originated By GPS	

17. Conduct the interview. The interview format is discretionary, but should generally:
 - a. Be no more than an hour long.
 - b. Include a consultant presentation (20 - 30 minutes).
 - c. Include a question and answer period (20 - 30 minutes).
 - d. A few standard questions should be provided to the Review Panel to address key topics of interest. However, additional customized questions for each consultant should be developed by the Review Panel based on issues raised or requiring clarification from their written proposal or presentation.
 - e. The PM will participate in the interview to manage the process and may ask questions, but will not provide scores.

18. Each Review Panel member will rate the interviews in four (4) categories. The maximum possible score for the interview is fifty (50) points:
 - a. Additional creativity, insight to issues (15 points).
 - b. Strength of project manager (15 points).
 - c. Presentation, communication skills (10 points).
 - d. Quality of response to questions (10 points).

19. Receive evaluation spreadsheets for the interview from Review Panel members at the end of the interview process. As necessary, the Project Manager may meet with individual

EXHIBIT B

ENGINEERING AND PLANNING DEPARTMENT DESIGN DIVISION GUIDELINES	NO. G1.17	Pg. 7 of 8
Consultant Selection	Rev. 1	Rev. Date: 10/25/2011
	Origination Date 9/10/2010	Approved By
	Originated By GPS	RR

Review Panel members to clarify scoring, particularly if scores seem out of step with the general consensus.

20. Complete the "Summary of Proposal Rankings" spreadsheet (see Attachment G) by entering the oral evaluations from the Review Panel, averaging the oral evaluation results, and adding those averages (rounded to the nearest whole number) to the average written proposal scores. See SPECIAL PROVISION.
21. Check references of consultant with the highest average score.
22. Research the consultant's business name on the internet using search engines, such as Google, Yahoo, etc., to verify that the business is in good standing.
23. If references are acceptable, notify consultant of preliminary selection.
24. Meet with selected consultant to negotiate final scope of work, fee, and other terms, as appropriate.
25. If unable to come to terms with highest ranked consultant, repeat steps 21, 22 and 23 with second ranked consultant.
26. Once a successful negotiation has been completed, notify remaining consultants of the decision.
27. Prepare Staff Report to recommend consultant to the Board for approval.

SPECIAL PROVISION - Tiebreaking Procedure

If the final scores (Step 14 for projects less than \$200,000 and Step 20 for projects greater than \$200,000) indicate that two or

EXHIBIT B

ENGINEERING AND PLANNING DEPARTMENT DESIGN DIVISION GUIDELINES	NO. G1.17	Pg. 8 of 8
Consultant Selection	Rev. 1	Rev. Date: 10/25/2011
	Origination Date 9/10/2010	Approved By
	Originated By GPS	RR

more consultants are tied (exactly the same score), then a tiebreaking procedure will be implemented.

1. For projects less than \$200,000, the interview procedure described in Steps 15 through 18, above, will be used for the tied consultants.
2. For projects greater than \$200,000, where an interview has already been conducted, a second interview will be conducted for the tied firms. The interview will be conducted by a new panel of 3 members, which may include the PM. It will be question and answer format only and a formal scoring system will not be used. The winner will be chosen by a consensus of the panel.

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Attachment A

INDIVIDUAL PROPOSAL RANKINGS

< PROJECT NAME >

	Qualifications of Team	Responsiveness, Project Understanding	Technical and Management Approach
SCORE	30	25	30
Firm 1			
Firm 2			
Firm 3			
Firm 4			
Firm 5			

REVIEWER'S NAME: _____

REVIEWER'S SIGNATURE: _____

DATE: _____

Attachment B

Written Proposal Evaluation Criteria

Evaluation Criteria	Scoring			
	Max	Low	Ave	High
<u>Qualifications of Team</u> <ol style="list-style-type: none"> 1. Does the firm regularly provide the services requested in the RFP? 2. Does the proposed team have the qualifications and experience to execute the scope of work? 3. Does the proposed team include a strong project manager? 4. Does the proposed team cover all of the necessary disciplines? 	30	0 - 10	11 - 20	21 - 30
<u>Responsiveness, Project Understanding</u> <ol style="list-style-type: none"> 1. Does the proposal demonstrate an understanding of the project? 2. Is the proposal responsive to the requirements of the RFP? 3. Is the proposal presented clearly, legibly, professionally? 4. Is the proposed schedule to complete the work reasonable (not necessarily the shortest)? 	25	0 - 8	9 - 17	18 - 25
<u>Technical and Management Approach</u> <ol style="list-style-type: none"> 1. Does the proposal present insightful, creative, viable ideas? 2. Does the proposal demonstrate that the consultant is knowledgeable about the topic of the project? 3. Does the proposal offer a sound technical plan for executing the work? 4. Does the proposal offer a management approach that would be compatible with the needs and interests of the District? 	30	0 - 10	11 - 20	21 - 30

Attachment C

Formula for Scoring Consultant Fees

(based on maximum score of 15 points)

$$\frac{(\text{Highest Fee} - \text{Fee X})}{(\text{Highest Fee} - \text{Lowest Fee})} = \frac{(\text{Score X} - \text{Lowest Score})}{(\text{Highest Score} - \text{Lowest Score})}$$

$$\frac{(\text{Highest Fee} - \text{Fee X})}{(\text{Highest Fee} - \text{Lowest Fee})} = \frac{(\text{Score X} - 1)}{15-1}$$

$$\text{Score X} = 1 + \frac{14 * (\text{Highest Fee} - \text{Fee X})}{(\text{Highest Fee} - \text{Lowest Fee})}$$

Example

Firm	Fee	Calculated	Rounded
1	\$5,000	15.00	15
2	\$7,800	9.77	10
3	\$12,500	1.00	1

$$\text{Score Firm 2} = 1 + 14 * (12,500 - 7,800) / (12,500 - 5000) = 1 + 14 * (4,700/7,500) = 9.77$$

Attachment D

SUMMARY OF PROPOSAL RANKINGS

[CIP No. and Project Title]

		WRITTEN							REFERENCES	
		Qualifications of Team	Responsiveness, Project Understanding	Technical and Management Approach	INDIVIDUAL SUBTOTAL - WRITTEN	AVERAGE SUBTOTAL - WRITTEN	Proposed Rates*	Consultant's Commitment to DBE		TOTAL SCORE
MAXIMUM POINTS		30	25	30	85	85	15	Y/N	100	Poor/Good/Excellent
Firm 1	Reviewer 1									
	Reviewer 2									
	Reviewer 3									
	Reviewer 4									
	Reviewer 5									
Firm 2	Reviewer 1									
	Reviewer 2									
	Reviewer 3									
	Reviewer 4									
	Reviewer 5									
Firm 3	Reviewer 1									
	Reviewer 2									
	Reviewer 3									
	Reviewer 4									
	Reviewer 5									
Firm 4	Reviewer 1									
	Reviewer 2									
	Reviewer 3									
	Reviewer 4									
	Reviewer 5									
Firm 5	Reviewer 1									
	Reviewer 2									
	Reviewer 3									
	Reviewer 4									
	Reviewer 5									

Review Panel does not see or consider rates when scoring other categories. Rates are scored by the PM, who is not on Review Panel.

Consultant	Proposed Rates	Position	Score
		lowest	#DIV/0!
			#DIV/0!
			#DIV/0!
			#DIV/0!
		highest	#DIV/0!

Attachment E

INDIVIDUAL PROPOSAL RANKINGS

< PROJECT NAME >

	Additional Creativity, Insight to Issues	Strength of Project Manager	Presentation, Communication Skills	Quality of Responses to Questions
SCORE	15	15	10	10
Firm 1				
Firm 2				
Firm 3				
Firm 4				
Firm 5				

REVIEWER'S NAME: _____

REVIEWER'S SIGNATURE: _____

DATE: _____

Attachment F

Oral Interview Evaluation Criteria

Evaluation Criteria	Scoring			
	Max	Low	Ave	High
<u>Additional Creativity and Insight</u> <ol style="list-style-type: none"> 1. Did the consultant present new information that enhances their proposal? 2. Did the consultant present information that showed they have thought about the project and how to effectively implement it? 3. Did the consultant draw from their experience to illustrate a proposed approach? 	15	0 - 6	7 -11	12 - 15
<u>Strength of Project Manager</u> <ol style="list-style-type: none"> 1. Did the PM have a prominent role in the presentation and interview? 2. Did the PM control the process effectively? 3. Did the PM demonstrate skills that give confidence in his/her ability to succeed in that role? 	15	0 - 6	7 -11	12 - 15
<u>Presentation and Communication Skills</u> <ol style="list-style-type: none"> 1. Was the presentation organized well and delivered smoothly? 2. Did the consultant use their time effectively? 3. Did the presenters make eye contact and establish a rapport with the Review Panel? 	10	0 - 4	5 - 7	8 -10
<u>Responses to Questions</u> <ol style="list-style-type: none"> 1. Were the questions answered completely and articulately? 2. Were the responses thoughtful and insightful? 3. Did the responses provide a better feel for how the consultant will use their experience to the benefit of the project? 	10	0 - 4	5 - 7	8 -10

Attachment G

SUMMARY OF PROPOSAL RANKINGS

[CIP No. and Project Title]

		WRITTEN							ORAL						TOTAL SCORE	REFERENCES	
		Qualifications of Team	Responsiveness, Project Understanding	Technical and Management Approach	INDIVIDUAL SUBTOTAL - WRITTEN	AVERAGE SUBTOTAL - WRITTEN	Proposed Rates*	Contractor's Commitment to DBE	AVERAGE TOTAL WRITTEN	Additional Creativity and Insight	Strength of Project Manager	Presentation, Communication Skills	Quality of Response to Questions	INDIVIDUAL TOTAL - ORAL			AVERAGE TOTAL ORAL
MAXIMUM POINTS		30	25	20	45	45	15	15	90	18	35	35	10	50	50	150	Four/Grand Excellent
Firm 1	Reviewer 1																
	Reviewer 2																
	Reviewer 3																
	Reviewer 4																
	Reviewer 5																
Firm 2	Reviewer 1																
	Reviewer 2																
	Reviewer 3																
	Reviewer 4																
	Reviewer 5																
Firm 3	Reviewer 1																
	Reviewer 2																
	Reviewer 3																
	Reviewer 4																
	Reviewer 5																
Firm 4	Reviewer 1																
	Reviewer 2																
	Reviewer 3																
	Reviewer 4																
	Reviewer 5																
Firm 5	Reviewer 1																
	Reviewer 2																
	Reviewer 3																
	Reviewer 4																
	Reviewer 5																

*Review Panel does not see or consider rates when scoring other categories. Rates are scored by the PM, who is not on Review Panel.

Consultant	Proposed Rates	Position	Score
		lowest	#FIVE
			#FOUR
			#THREE
			#TWO
		highest	#ONE

EXHIBIT C

EXHIBIT C

OTHER AGENCY CONSULTANT SELECTION			
AGENCY	CONTACT	BACKGROUND CHECKS?	POLICY
Vallecitos Water District	Rob Scholl 760-744-0460 x230	No	Checks the Consultant provided references only.
Padre Dam	Michael Hindle 619-258-4632	Yes (limited)	Checks the Consultant provided references only. They do Google searches for Principals and Project Managers.
Sweetwater Authority	Hector Martinez 619-409-6751	No	Checks the Consultant provided references only, but have not done work recently with Contractors or Consultants that they don't already know.
Helix Water District	Aneld Anub 619-667-6273	No	Only sends proposals to firms they have pre-approved.
City of Chula Vista	Kirk Ammerman 619-691-5115	No	Checks the Consultant provided references only, but due to the Tribune's article, Legal Counsel is reviewing the process.
Olivenhain Municipal Water District	George Briest 760-632-4640	No	Checks the Consultant provided references only. No extensive background check. Only send proposals to firms that the Project Manager knows.
Lakeside Water District	Brett Sanders 619-443-3805	No	Checks references provided by the consultants
Santa Fe Improvement District	Karen Falk 858-414-9978	No	Check three references. No additional background check.
City of La Mesa	Eric Roark 619-667-1118	No	Checks the Consultant provided references only.
Ramona Water District	Philip Dauben 760-788-2260	No	Checks the Consultant provided references only. No background checks.
San Diego County Water Authority	Mike Kinny 858-522-6800	No	References checked by one individual. No extensive background check. Don't hire people they don't know.
City of Santee	Steven Miller 619-258-4100 x176	No	Checks three references provided by the consultants. No additional background checks.

10/18/11