

City of Hesperia

STAFF REPORT



DATE: November 6, 2018

TO: Mayor and Council Members
Chair and Board Members, Hesperia Water District

FROM: Nils Bentsen, City Manager

BY: Michael Blay, Assistant City Manager
David R. Burkett, Project Construction Manager

SUBJECT: Approve an Amendment to the Professional Services Agreement to Provide Grant Management Services for Recycled Water System (C.O. No. 8087)

RECOMMENDED ACTION

It is recommended that the City Council and the Board of Directors of the Hesperia Water District (Council/Board) approve an amendment to the existing Professional Services Agreement (PSA) with the Mojave Water Agency (MWA) for Professional Consulting Services for the Recycled Water System Project (C.O. No. 8087), and authorize the City Manager to execute said amendment.

BACKGROUND

The Victor Valley Wastewater Reclamation Authority (VWVRA) has completed construction of the Hesperia Sub-Regional Water Reclamation Plant (HSWRP). The HSWRP will be capable of supplying up to one million gallons (MG) per day of reclaimed or recycled water, which will be used for irrigation purposes. In order to utilize this resource, the City began construction on Phase 1 of a distribution system to convey the recycled water to potential users. The primary user under this first phase will be the Hesperia Golf Course, but many other users can be served as well, including parks, schools, and the Hesperia Civic Center Complex.

The first phase of the distribution system, which has been divided into two sub-phases, includes approximately 10 miles of "purple" water pipe (Phase 1A) and a 2.5 MG water storage tank and a booster station (Phase 1B). Construction on Phase 1A of the project should be completed in early November 2018. Construction on Phase 1B has commenced and is estimated to be completed in January 2020.

ISSUES/ANALYSIS

In order to assist with funding the project, in July 2014 the Hesperia Water District applied for Proposition 84 grant from the California Department of Water Resources (DWR) through MWA. In October 2014, the City was notified that it had secured a \$2.0 million dollar grant through the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2004 (also known as Proposition 84).

The Hesperia Water District was actually a sub-recipient of the grant as the grant was in fact awarded to MWA. As a condition for receipt of the grant funds, MWA was to take the lead in managing the grant program. MWA subsequently hired Kennedy/Jenks Consultants, a professional environmental and engineering consulting firm, to manage the grant program.

The Recycled Water System project was originally estimated to be completed in March 2018, but due to delays in securing environmental approvals and the departure of the City Engineer during the design process, the project has been delayed by nearly two years. Since the project will continue approximately two years beyond the estimated completion date and additional project management services will be required during that extended time period, Kennedy/Jenks Consultants has requested an amendment to the original agreement increasing their fees.

The original agreement was executed by the City Manager as the total original fee proposed for the services was below the \$50,000 limit for City Manager approval as stipulated in Joint Resolution No. 2014-22 approved by the City Council at its June 4, 2014 meeting. However, the additional fees requested will result in a revised total fee that exceeds City Manager signature authority and requires City Council approval.

In order to comply with the requirements of Proposition 84 Grant and the MWA stipulation that they manage the grant program, staff is recommending that the Council/Board approve an amendment to the existing Professional Services Agreement with MWA in the amount of \$28,800 (PSA) and approve an additional \$2,800 in contingency funding for a total amendment to the existing MWA agreement of \$31,600. The original Agreement amount was \$46,528. Approval of the amendment will increase MWA's total contract amount to \$75,328, plus the additional \$2,800 contingency amount for a total budget of \$78,128.

FISCAL IMPACT

The funds for the proposed amendment are available in the adopted Fiscal Year 2018-19 Capital Improvement Program Budget under C.O. No. 8087 Recycled Water System Project.

ALTERNATIVE(S)

1. Provide alternative direction to staff

ATTACHMENT(S)

1. Cost Proposal by Kennedy/Jenks Consultants