

# City of Hesperia

## STAFF REPORT



**DATE:** February 18, 2020

**TO:** 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:** Award a Professional Services Agreement for Consulting Services Related to the America's Water Infrastructure Act of 2018 (AWIA), C.O. No. 4070-1911

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### RECOMMENDED ACTION

It is recommended that the Board of Directors of the Hesperia Water District award a Professional Services Agreement (PSA) to Claris Strategy in the amount of \$188,768 plus a 10% contingency amount of \$18,877 for a total not-to-exceed amount of \$207,645 for professional consulting services related to the America's Water Infrastructure Act of 2018 (AWIA), C.O. No. 4070-1911 and authorize the City Manager to execute said agreement.

### BACKGROUND

In October 2018, the United States Congress and President passed and signed into law the America's Water Infrastructure Act of 2018 (AWIA) as Public Law No. 115-270, which amends Section 1433 of the Safe Water Drinking Act. The AWIA is an unfunded mandate from the federal government that contains requirements for public water systems that serve a population greater than 3,300 persons to conduct an assessment of the risks to, and reliance of, its water system and related infrastructure. The City's water system meets this population criterion.

The AWIA requires that a Risk and Resiliency Assessment (RRA) be completed and certified before December 31, 2020. The RRA will assess the resilience of pipes, source water, treatment, storage and distribution facilities as well as electronic, computer, and other automated systems that are used by the City's water system. The RRA will also review the monitoring practices of the system, the financial infrastructure, the use, storage and handling of various chemicals and the operation and maintenance of the water system. When the RRA is complete, the City is then required to prepare an updated Emergency Response Plan (ERP), which is to be completed and certified before June 30, 2021. The ERP will include strategies and resources required to improve the resilience of the water system, including physical security and cybersecurity. The ERP will also develop plans and procedures to follow in response to a malevolent act or a natural disaster.

### ISSUES/ANALYSIS

The scope of work for the Hesperia Water Infrastructure Assessment consists of an assessment that will cover the risk, resilience, and response planning related to the following:

- Physical assets of water production and distribution facilities (i.e., wells, pump stations, water tanks, distribution pipes, etc.)
- Supervisory Control and Data Acquisition (SCADA) network

- Water quality surveillance
- Supply chain
- Workplace security
- Financial systems
- Business network

The RRA and ERP will supplement and consolidate the Hesperia Water District's current emergency policies and procedures.

On November 21, 2019 staff released a Request for Proposal via the City's online bidding site, which made contact with more than 10,000 consulting firms with qualifications to provide professional consulting services. Nine of the firms submitted proposals on December 18, 2019. Proposals were reviewed and ranked by a selection panel made up of eight team members. The nine firms were ranked as follows by the selection panel:

1.	Claris Strategy	Arcadia, CA
2.	Willdan & West Yost Assoc.	Temecula, CA
3.	Gannett Fleming	San Marcos, CA
4.	AARC Consultants, LLC	Los Angeles, CA
5.	Cordoba Corp.	Chatsworth, CA
6.	John Robinson Consulting, Inc.	Pasadena, CA
7.	Prestige Analytics	San Diego, CA
8.	Tierra Consulting Group	Fort Lauderdale, FL
9.	TRC	Irvine, CA

After careful review of the proposals submitted by each firm, Claris Strategy was selected by the panel as the most qualified firm meeting the City's needs on this project. Once the selection panel completed their review and ranking of the consultants, the Fee Proposals were opened and reviewed. Initially, Claris Strategy's proposed fee was considered too high by City staff and through negotiations with the Consultant, staff was able to reduce their fee to within 10% of the average fee submitted by all consultants. Staff believes the revised fee is fair and reasonable and within the market rate for providing such services.

Consequently, staff is recommending award of a Professional Services Agreement (PSA) to Claris Strategy. The revised Fee Proposal from Claris Strategy to perform this work is \$188,768. Staff is also recommending an additional 10% contingency amount of \$18,877 be included in the PSA in order to address any unanticipated requirements that may arise, for a total contract amount of \$207,645.

Claris Strategy is a full-service professional consulting firm located in Irvine, California. Founded in 2012 by William Lim the name Claris comes from a play on the word "clarity", the philosophical foundation on which the firm was founded. The firm has considerable experience in crisis management planning, emergency preparedness, process improvement, facility assessment, technology assessment, and disaster recovery. Claris Strategy is a top-notch professional consulting firm with deep and broad experience in multiple industries and environments. They received high praise from former clients as a part of the reference check done by staff. Claris Strategy is more than capable of performing the work.

## **FISCAL IMPACT**

On June 4, 2019, the City Council adopted the FY 2019-20 Operating Budget, but did not include the AWIA consulting services. City staff became aware of this unfunded federal mandate after the FY 2019-20 Budget was adopted. The District is required to perform the RRA and ERP in order to comply with federal law.

Unappropriated funds for this assessment are available in Fund 700 – Water Operating; therefore, a budget amendment will be presented to the Board of Directors during the mid-year budget review to include funding of \$210,000.

The costs to provide these services are as follows:

Consulting Services	\$188,768
Contingency	18,877
Project Administrative Costs <sup>1</sup>	2,355
Total =	<u>\$210,000</u>

Note 1: Project administrative costs include items such as copying services, legal advertisements, postage, etc.

Sufficient unappropriated funds are available in Fund 700 to amend the budget and complete the consulting services proposed.

## **ALTERNATIVE(S)**

1. Provide alternative direction to staff

## **ATTACHMENT(S)**

1. AWIA Fact Sheet