

**AGENDA FOR A MEETING OF THE
ENGINEERING/EQUIPMENT COMMITTEE
OF THE VALLECITOS WATER DISTRICT
THURSDAY, AUGUST 4, 2022 AT 3:00 P.M.
AT THE DISTRICT OFFICE IN THE BOARD ROOM
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA**

CALL TO ORDER - DIRECTOR HERNANDEZ

NOTICE TO THE PUBLIC

Committee meetings of the Board of Directors of the Vallecitos Water District will be held in the Board Room at the District Offices located at 201 Vallecitos de Oro, San Marcos, California, on the date and time identified above.

Vallecitos Water District is following the guidance issued by the County of San Diego, effective March 1, 2022, which follows the California Department of Public Health guidance which recommends that persons attending public meetings are strongly recommended to wear a face covering in indoor public settings, whether vaccinated or not. The Department of Industrial Relations also strongly recommends, but does not require, the use of face coverings by all visitors.

BROADCAST OF THE MEETING. Members of the public may watch the meeting live via computer or smart device by going to the District's website: www.vwd.org/meetings and clicking on the "Watch Live" icon; however, they will not be able to participate in the meeting remotely.

LISTEN TO THE MEETING. Members of the public may listen to the meeting live on their phone by dialing (888) 788-0099 (Toll Free) or (877) 853-5247 (Toll Free). When prompted, enter the meeting ID and Passcode displayed on the District's website.

PUBLIC COMMENT

Persons wishing to address a matter not on the Agenda may be heard at this time; however, no action will be taken until the matter is placed on a future agenda in accordance with Board policy. Public comments are limited to three minutes. A Request to Speak form is required to be submitted to the Senior Executive Assistant prior to the start of the meeting, if possible. Public comment should start by stating name, address and topic. The Committee is not permitted during this time to enter into a dialogue with the speaker.

ITEM(S) FOR DISCUSSION

1. PROFESSIONAL SERVICES AGREEMENT AWARD FOR THE ASSET MANAGEMENT PLAN PROJECT (pp. 3-5)
2. DEVELOPMENT PROJECT STATUS BI-ANNUAL UPDATE

OTHER BUSINESS

If you have any disability which would require accommodation in order to enable you to participate in this meeting, please call the Senior Executive Assistant at 760.744.0460 ext. 264 at least 48 hours prior to the meeting.

AFFIDAVIT OF POSTING

I, Anthony Flores, Senior Executive Assistant of the Vallecitos Water District, hereby certify that I caused the posting of this Agenda in the outside display case at the District office, 201 Vallecitos de Oro, San Marcos, California by 3:00 p.m., Monday, August 1, 2022.

Anthony Flores

DATE: AUGUST 4, 2022
TO: ENGINEERING AND EQUIPMENT COMMITTEE
SUBJECT: PROFESSIONAL SERVICES AGREEMENT AWARD FOR THE ASSET MANAGEMENT PLAN PROJECT

BACKGROUND:

The Asset Management Program in the Vallecitos Water District began in 2017 but was more formally established in 2019 to develop a data-driven, asset-centric, industry standard approach to managing the existing infrastructure assets. Asset Management is a comprehensive and continuous program focused on assessing the value and condition of infrastructure with the goal of minimizing the total lifecycle cost of ownership while providing the required Level of Service. An effective program integrates the disciplines of economics, engineering, maintenance, operations, and IT working together to build and maintain a sustainable infrastructure and reduces costs to District rate payers over the lifecycle of all assets.

Asset Management is identified in the District's 2022 Strategic Plan, Focus Area 1, Infrastructure Integrity. Strategy 1.2, Asset Management and Replacement infrastructure specifically identifies the goals of Asset Management.

The Asset Management program consists of many integrated parts. Staff presented an overview of the Asset Management Program at the October 6, 2021, Board meeting. This included:

- Update on the Ductile Iron Pipe Condition Assessment Pilot Program
- Condition Assessment of the Land Outfall West pipeline
- Satellite and Acoustic Leak Detection services completed in May 2022
- Tracking of Water System Leaks
- Managing and integrating the District's Computerized Maintenance Management System (CMMS) with the District's Geographic Information System (GIS)

The Asset Management Program proposed the creation and implementation of an Asset Management Plan (AMP). The goal of the AMP is to provide a roadmap for implementation of the District's comprehensive Asset Management Program. Additionally, creating a Renewal and Replacement schedule with funding analysis so the District can properly track reserve requirements along with asset lifecycle costs. A consultant was used to assist staff in generating an accurate and comprehensive AMP Request for Proposal (RFP) outlining the District's vision and needs for developing an AMP.

DISCUSSION:

The RFP was released March 2022 to eight engineering firms. The firms were asked to prepare and present their experience, methodology and expertise in creating similar Asset Management Plans. The eight firms staff requested proposals from included:

- Arcadis
- Black & Veatch
- HDR, Inc.
- Hoch Consulting
- West Yost
- Kennedy Jenks
- Hazen and Sawyer
- GHD

On May 5, 2022, staff received proposals from five of the firms, Arcadis, Black & Veatch, West Yost, Kennedy Jenks and GHD. Once received, staff reviewed the proposals and rated each firm based on their experience on similar projects, how well they addressed the RFP requirements, project approach, scope of work, fee/labor hours, and schedule.

Staff selected three of the firms, Arcadis, Black & Veatch and West Yost as most qualified to move forward with virtual interviews as a second and final phase in the selection process. Interviews were conducted on July 21, 2022, and Black & Veatch was selected as the most qualified and responsive consultant for a total contract value of \$299,500. On July 25, staff met with Black & Veatch to negotiate a final scope, fee, and schedule. Black & Veatch’s current scope and fee is as follows:

Task 1: Project Management/Administration	\$ 15,550
Task 2: Levels of Service	\$ 19,750
Task 3: Asset Registry and Asset Fact Sheets	\$ 30,320
Task 4: Asset Condition and Remaining Useful Life	\$ 67,230
Task 5: Business Risk Exposure Analysis	\$ 55,980
Task 6: Renewal and Replacement Tool	\$ 47,840
Task 7: Funding Strategy	\$ 13,580
Task 8: Asset Management Plan	<u>\$ 49,300</u>
Total:	\$ 299,550

Though a final scope/fee has not been submitted, staff expect few changes, and will complete negotiations before scheduling a recommendation to the full Board.

FISCAL IMPACT:

The project is identified in the Fiscal Year 22/23 budget with a total Capital Improvement Plan budget amount of \$704,000, with \$245,000 allocated for the current fiscal year. To support the creation and implementation of the proposed AMP as well as other projects within the Asset Management Program under this CIP budget, \$150,000 will need to be appropriated from FY 23/24 to the current fiscal year, FY 22/23. The overall CIP budget

will not need to be increased but will be evaluated in 2023 during the regular budget review process based on the Asset Management Program needs.

The project funding source is 50% Water Replacement and 50% Sewer Replacement. The total estimated project cost and budget are below:

Budget	\$ 704,000
AMP Consultant	\$ 299,550*
Previous Program Expenditures (FY17/18-FY21/22)	\$ 284,000
Program Leak Detection/Condition Assessment	\$ 43,450
Staff and Overhead	\$ 88,200
<u>Project Contingency (7.5%)</u>	<u>\$ 49,000</u>
Total	\$ 704,000*

*Approximate fee, contract negotiations ongoing

RECOMMENDATION:

Engineering and Equipment Committee to support staff recommendation to execute a professional services agreement with Black & Veatch in the amount of \$299,550, pending final negotiations, for the Asset Management Plan project and allocate \$150,000 from FY 23/24 to the current FY 22/23 without an increase in the overall CIP budget.