



**DATE:** February 19, 2019

**TO:** Mayor and City Council

**FROM:** Director of Utilities & Environmental Services

**SUBJECT:** New Garin Reservoir and Pump Station Improvements: Authorization for the City Manager to Amend Professional Services Agreement for Additional Engineering Services During Construction

### **RECOMMENDATION**

That Council adopts the attached resolution amending the Professional Services Agreement with Kleinfelder, Inc., to by increase the contract amount by \$56,294 to a not to exceed amount of \$356,294, for additional engineering services during construction related to the New Garin Reservoir and Pump Station Improvements Project.

### **SUMMARY**

The City required the La Vista Development to build a new 0.75 million-gallon water storage reservoir and upgrade the existing Garin Pump Station. On September 15, 2015, the City and Kleinfelder, Inc. (Kleinfelder) entered into a Professional Services Agreement for Kleinfelder to provide engineering, design, and construction support services for the new reservoir and pump station improvements. Staff is requesting Council approval to increase the contract amount with Kleinfelder by \$56,294 to a not to exceed amount of \$356,294, to provide additional engineering services during construction.

### **BACKGROUND**

The City required the La Vista Development to build a new 0.75 million-gallon water storage reservoir and upgrade the existing Garin Pump Station. To ensure that the required water system improvements are built in a timely manner, and to provide a greater degree of control over the design and construction of critical infrastructure, the City administered the design of the project.

On September 15, 2015, Council approved Resolution No. 15-172, authorizing the City to enter into a Professional Services Agreement with Kleinfelder, Inc., for design services and technical support during construction. On December 13, 2016, Council approved the plans and specifications for the new storage reservoir and pump station improvements and called for bids to be received on March 7, 2017. Finally, on May 23, 2017, Council awarded the construction contract to Spiess Construction Co., Inc.

## DISCUSSION

Project costs for engineering services have exceeded previously approved amounts for reasons described in this report. The Professional Services Agreement for engineering services during construction must be amended before the project can be fully completed and the contract closed out.

Kleinfelder's original engineering services agreement was set at a not to exceed amount of \$300,000. The City requested a proposal from Kleinfelder to assist with programming and testing and start-up of the equipment including the pumps, the standby power generator, the automatic transfer switch, and field testing of the cathodic protection components. A portion of the additional services are required due to the specialty nature of the programming. Additional services are also required for record drawings due to the number of field changes during construction. Kleinfelder has submitted a proposal in the amount of \$56,294 for these additional services. Staff is requesting Council approval to increase the contract amount of Kleinfelder's contract by \$56,294 to a not to exceed amount of \$356,294 for these additional services.

## ECONOMIC IMPACT

There are no economic impacts to Hayward customers. All of the construction costs will be paid by the developer in accordance with the terms of the agreement with La Vista, L.P.

## FISCAL IMPACT

The total estimated project costs are as follows:

Professional Engineering Services – Consultant	\$356,294
Design Administration – City Staff	\$50,000
Engineering and Inspection Fees – PG&E (Estimated)	\$100,000
Testing and Inspection Services (Estimated)	\$100,000
Construction Contract	\$3,389,700
Administrative Change Orders (Estimated)	\$163,000
<b>Total:</b>	<b>\$4,158,994</b>

As mentioned previously, La Vista, L.P., will be responsible for fully reimbursing the City for all costs related to this project. The current estimate is approximately 0.25% higher than the agreed total developer reimbursement cost of \$4,148,667. Staff does not anticipate using all the administrative change order (ACO) amount as the project is expected to be completed in April 2019. The estimated remaining ACO budget is anticipated to be sufficient to cover the additional consulting costs. This project will have no impact on the General Fund.

## STRATEGIC INITIATIVES

This agenda item does not directly relate to one of Council's Strategic Initiatives.

## **SUSTAINABILITY FEATURES**

No sustainability features are associated with this item.

## **PUBLIC CONTACT**

There is no material impact on other Hayward residents and businesses.

Prior to construction, notices were provided to affected residents and property owners to inform them of the nature and purpose of the work, potential impacts, work schedule and City contact for additional information.

## **NEXT STEPS**

If Council approves amending the Professional Services Agreement, staff will prepare an amendment to the agreement with Kleinfelder, Inc., for additional engineering services. The following schedule has been developed for this project:

Award Construction Contract	May 23, 2017
Notice to Proceed	October 23, 2017
Construction Completion	April 2019

*Prepared by:* Tay Nguyen, Associate Civil Engineer

*Recommended by:* Alex Ameri, Director of Utilities & Environmental Services

Approved by:



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Kelly McAdoo, City Manager