



DATE: June 16, 2026
TO: Mayor and City Council
FROM: Director of Public Works
SUBJECT: Adopt a Resolution Authorizing the City Manager to Execute a Professional Services Agreement with BKF Engineers for the Fiscal Year 2025 Water Line Replacement Project, Project 07028, with a Maximum Compensation Not-to-Exceed Amount of \$680,589

RECOMMENDATION

That the City Council adopts the attached resolution (Attachment II) authorizing the City Manager to execute a Professional Services Agreement (PSA) with BKF Engineers (BKF) in a maximum compensation amount not-to-exceed \$680,589 for the FY25 Water Line Replacement Project.

SUMMARY

As part of the City Council adopted Strategic Roadmap to improve utilities infrastructure, the City aims to upgrade the water distribution system by replacing two and a half miles of water pipeline annually. The goal is to improve the capacity and maintain the operability of the water distribution system and provide adequate fire flows.

The FY25 Water Line Replacement Project, Project 07028, will improve water supply reliability by replacing approximately 8,620 linear feet of existing cast iron and asbestos cement (ACP) pipes ranging from 6 to 12-inch diameters with new 8 or 12-inch polyvinyl chloride (PVC) or earthquake resistant ductile iron (ERDIP) pipes at three locations in the City. The water line locations were selected by staff due to their criticality and immediate needs for the system. These pipes have exceeded their service life, had main breaks, and would have major impacts on a large number of residents if they were to fail.

FISCAL IMPACT

This item has no impact to the General Fund or Measure C. The estimated breakdown for the total project costs is as follows:

Engineering Services (Consultant)	\$680,589
Design and Construction Management – City Staff	\$500,000
Construction Contract	\$6,300,000
Inspection & Testing & Permitting	\$300,000
<u>Total</u>	<u>\$7,780,589</u>

There is currently \$6,000,000 allocated for Project No. 07028 in the Water Replacement Fund (Fund 603). An additional \$1,780,589 will be reallocated from the FY24 Water Line Replacement Project to this project for a total of \$7,780,589.

The construction cost is only an estimate and assumes all project elements will be constructed. This will be confirmed during the preliminary design phase. Should the construction cost exceed the funds currently allocated in the Capital Improvement Program (CIP), staff will return to City Council to request that additional funds be appropriated to cover the additional cost.

BACKGROUND

The City's water distribution system is comprised of approximately 375 miles of water distribution pipelines, sixteen water storage tanks, and seven pump stations delivering water to upper pressure zones. The City has approximately 37,500 service connections in various sectors such as residential, commercial, industrial, and institutional/governmental. The water line locations were selected by staff for a variety of reasons including being undersized, having exceeded service life, frequency of breaks, and/or upgrades needed for supply reliability and fire flow improvements.

The City's current CIP includes funding to replace the City's water mains to improve supply reliability and fire flow through annual water line replacement projects. Approximately 67% of the pipelines within the City's water distribution system consist of asbestos cement pipe, 8% consists of cast iron pipe, and a majority of the existing pipelines are 6-inches in diameter.

DISCUSSION

The water line replacement includes replacing approximately 8,620 linear feet of existing ACP and 12-inch cast iron pipe. These segments have been selected based on performance and maintenance data over the past several years in addition to age and criticality of the pipes. Due to the critical nature of the pipelines and coordination with the paving project scheduled for next summer, the project will follow an accelerated schedule with design anticipated to be completed in Spring 2027 and construction anticipated to commence in Summer 2027.

On April 17, 2026, staff issued a request for proposal to consulting firms with specialized experience and knowledge of water distribution systems. On May 8, 2026, staff received nine proposals from AECOM Technical Services, Bellecci & Associates, Bennett Engineering Services, BKF Engineers, DCCM, EKI Environment & Water, HydroScience Engineers, RSA+, and Schaaf & Wheeler. The design costs ranged from \$503,202 to \$879,433. After reviewing the submitted proposals, staff recommends BKF for the project based on their responsiveness to the proposal and expedited schedule, extensive knowledge of pipeline replacement techniques, and experience of the proposed team in designing similar water line improvement projects. BKF has recently provided engineering design services for the A

Street Sewer Line Replacement Project, FY24 Water Line Replacement Project, and FY24 Sewer Line Replacement Project and has met the schedule and cost expectations for these projects.

Given the scope of work, staff has negotiated an amount of \$610,000 for the basic engineering design services and \$70,589 for additional services that the City may authorize, for a total not-to-exceed maximum compensation amount of \$680,589 with BKF. The additional services budget is needed to address potential changes in the project design that may be needed based on actual field conditions, such as site soil or project topography.

The total engineering design services are a little less than 10% of the estimated construction project cost, which is competitive given the scope of work, the nature of complicated underground utility projects, and that one of the project sites is located right at Hayward fault.

ECONOMIC IMPACT

The community will enjoy the benefits of the project, including the continued operability and serviceability of the water distribution system. Furthermore, a robust and reliable water infrastructure can help foster economic development and viability in the City.

Replacing the water mains and appurtenances are part of an effort to modernize and upgrade existing infrastructure pursuant to City Council direction. The project will reduce operations and maintenance costs associated with servicing the undersized and aging water mains. In addition, staff time attending to issues related to high frequency maintenance and system breaks will be reduced.

STRATEGIC ROADMAP

This agenda item supports the Strategic Roadmap, which includes Invest in Infrastructure as one of the strategic priorities. Specifically, this item relates to the implementation of Objective 4: Invest in Water Supplies, Sanitation Infrastructure & Storm Sewers under “Invest in Infrastructure:”

N20: Replace an average of 2.5 miles of water pipelines annually

SUSTAINABILITY FEATURES

The repair and replacement of deteriorating water lines would reduce potable water and energy losses related to leaks and main breaks.

PUBLIC CONTACT

Prior to and during construction, notices will be provided to affected residents, property, and business owners to inform them of the nature and purpose of the work, potential impacts, work schedule and City contact for additional information. In addition, staff will separately

contact any large employers and schools that may be affected by the project and coordinate work to minimize impact.

NEXT STEPS

Following City Council approval, staff will finalize a PSA with BKF and issue a Notice to Proceed. Staff will return to City Council for approval of the final design plans and specifications, and call for bids in Spring 2027.

Award Construction Contract	June 16, 2026
Approval of Plans and Specifications and Call for Bids	Spring 2027
Award of Construction Contract	Spring 2027
Construction Completion	Winter 2027

Prepared by: Derek Pham, Senior Utilities Engineer

Reviewed by: Zaheer Shaikh, Utilities Engineering Manager

Recommended by: Alex Ameri, Director of Public Works

Approved by:



Jennifer Ott, City Manager