

SAN JOSÉ / SANTA CLARA WATER POLLUTION CONTROL PLANT

October 5, 2017

TREATMENT PLANT ADVISORY COMMITTEE

The Honorable Mayor and City Council
City of San José
200 East Santa Clara Street
San Jose, CA 95113

Dear Mayor Liccardo and City Council:

At its meeting of September 14, 2017, the Treatment Plant Advisory Committee (TPAC) reviewed this item concerning the Water Pollution Control Plant on the San José City Council agenda for October 17, 2017:

- A. Amendment to the Master Consultant Agreement with Stantec Consulting Services Inc. (formerly MWH Americas, Inc.) for Program Management Services for the San Jose – Santa Clara Regional Wastewater Facility Capital Improvement Program

Staff Recommendation: Approve an Amended and Restated Master Consultant Agreement with Stantec Consulting Services Inc. (formerly MWH Americas, Inc.) for program management services for the San José – Santa Clara Regional Wastewater Facility Capital Improvement Program, increasing the not to exceed agreement amount from \$39,000,000 to a revised not to exceed agreement amount of \$78,000,000; and extending the term of the agreement from September 30, 2018 to June 30, 2023.

Assistant Director Ashwini Kantak and Deputy Director Julia Nguyen presented.

Ms. Nguyen explained the relationship between the Stantec agreement and Auditor's Report for Committee Member Diep, and noted the Auditor's proposed recommendations were incorporated into the Stantec amendment. Committee Member Grilli followed up about when the recommendations will be implemented. Ms. Kantak mentioned six of the ten recommendations were addressed through the amendment. Once the amendment is approved by Council, they will be implemented. The remaining item is separate from the amendment and will be resolved by the end of September.

Committee Member Watanabe asked about the frequency of audits for consulting agreements. Auditor Sharon Erickson and Director Kerrie Romanow indicated that there is not a routine schedule for these types of audits. Ms. Kantak added that consultant and construction agreements are brought forward to TPAC; periodic updates about the schedule or work plan can be provided as staff needs sufficient time to work on the audit.



Committee Member Gatto inquired who decides when to utilize staff or consultants for projects. Ms. Romanow responded that she works directly with the City Manager's Office to evaluate recommendations.

Chair Liccardo expressed concerns about the vacancy rate. He asked if (1) there is time to work with the bargaining units to start increasing wage levels to better recruit and select candidates for wastewater positions, and (2) if there is a way to unbind constraints so staff is given the flexibility they need to hire. Ms. Romanow clarified that some of the challenges are related to compensation, and how classifications are Citywide. It would require five to seven deputy director level staff to manage staff which would cause organizational challenges. The Environmental Services Department will work with Human Resources and the City Manager's Office if adjustments can be made. Assistant City Manager Dave Sykes added that the issue is also due to compaction with the leadership positions across the City. These positions report up to Deputy Director, Assistant Director, and Director. Ultimately, they will need to look at how these positions relate to other City departments.

Committee Member Gatto inquired if there is flexibility to modify a contract if the economy improves. Ms. Kantak replied that this particular agreement is a Master Agreement with a not to exceed amount. Staff authorizes the work for each year through service orders.

On a motion by Vice Chair Kolstad and a second by Committee Member Diep, TPAC approved to accept the staff recommendation.

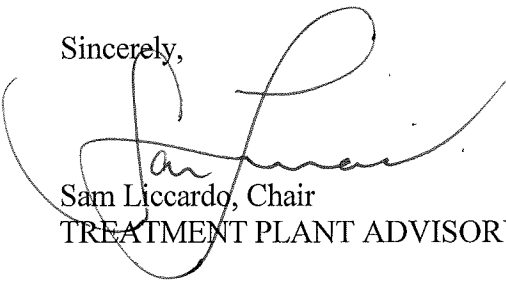
Ayes – 6 (Davis, Diep, Kolstad, Liccardo, Sykes, Watanabe)

Nayes – 2 (Grilli, Leonardis)

Absent – 0

Abstain – 1 (Gatto)

Sincerely,



Sam Liccardo, Chair

TREATMENT PLANT ADVISORY COMMITTEE