



COUNCIL AGENDA: 11/19/19  
FILE: 19-1065  
ITEM: 7.3

## Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Kerrie Romanow

**SUBJECT:** SEE BELOW

**DATE:** October 28, 2019

Approved

*D. D. Syl*

Date

*11/6/19*

**SUBJECT: MASTER SERVICE AGREEMENTS WITH ENVIRONMENTAL SCIENCE ASSOCIATES AND ASCENT ENVIRONMENTAL, INC. FOR ENVIRONMENTAL CONSULTING SERVICES FOR VARIOUS CITY PROJECTS**

### RECOMMENDATION

Approve master agreements with the following firms for environmental review and permitting services for the San José-Santa Clara Regional Wastewater Facility and Integrated Waste Management projects and programs:

- (a) Environmental Science Associates from the date of execution through June 30, 2024 in an amount not to exceed \$1,000,000; and
- (b) Ascent Environmental, Inc. from the date of execution through June 30, 2024 in an amount not to exceed \$500,000.

### OUTCOME

Approval of master service agreements with Environmental Science Associates and Ascent Environmental, Inc. would enable staff to have these firms on retainer for environmental review and permitting services for various City projects and programs managed by the Environmental Services Department, including the Capital Improvement Program at the San José-Santa Clara Regional Wastewater Facility and Integrated Waste Management programs and projects.

## **BACKGROUND**

The Environmental Services Department (“ESD”) is responsible for ensuring compliance with environmental regulations on many City projects. In 2014, the City selected Environmental Science Associates, CH2M Hill Engineers, Inc., and David J. Powers & Associates Inc. through a Request for Qualifications process for environmental review services. These agreements will terminate on December 31, 2019.

The San José City Council adopted the Plant Master Plan and certified the associated Environment Impact Report (EIR) in November 2013. The Plant Master Plan recommended over \$2.0 billion in construction projects be completed over the next 30 years with approximately \$1.4 billion to occur in the first ten years to rehabilitate aging infrastructure at the San José-Santa Clara Regional Wastewater Facility<sup>1</sup> (Wastewater Facility). The Plant Master Plan EIR provided environmental review for many of the recommended projects at a program level of detail. Before these projects can be approved for construction, further environmental review may be required to address the more detailed site-specific issues and changes of a particular project. Some of these projects will also be subject to State and Federal environmental permitting requirements that require biological, cultural, or archeological certified specialist to provide comprehensive analysis and reporting.

The Integrated Waste Management division oversees solid waste collection, processing, and disposal for residential, commercial, and City Facilities. The Integrated Waste Management manages five exclusive hauler contracts to service these solid waste sectors. The Division also provides a range of other services, including household hazardous waste drop-off, a free junk pickup program and an illegal dumping program to help reduce waste and keep San José streets clean. Past Integrated Waste Management projects that required environmental review included modifications to waste collection services, various pilot projects, and the Bring Your Own Bag Ordinance.

The selected Consultant(s) shall provide services and support on current and future environmental review and permitting activities for ESD so that programs and projects comply with the California Environmental Quality Act and other environmental permitting requirements as needed. Consultant services may also be required for other ESD sites.

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<sup>1</sup> The legal, official name of the facility remains San Jose/Santa Clara Water Pollution Control Plant, but beginning in early 2013, the facility was approved to use a new common name, the San José-Santa Clara Regional Wastewater Facility.

## **ANALYSIS**

On August 5, 2019 the City issued a Request for Proposal seeking interested firms to submit proposals for environmental review and permitting services in support of various projects and programs managed by the ESD. Two applications were received by the September 6, 2019 submittal deadline. Staff reviewed the written proposals and ranked both firms.

Evaluation of the proposals and the interview were based on each firm's expertise, experience and approach that consisted of:

- Qualifications/expertise of lead staff
- Experience or projects and programs of similar size, scope, and complexity
- Approach to managing technical and budget challenges
- Approach to managing project staff and resources adequately
- Approach to providing quality assurance/quality control for all deliverables
- City's Local and Small Business Preference

The final rankings are summarized below:

<b><u>Consultant Firm</u></b>	<b><u>Total Score</u></b>	<b><u>Rank</u></b>
Environmental Sciences Associates	86	1
Ascent Environmental, Inc.	75	2

Environmental Science Associates qualified for the Local Business Preference.

Both firms demonstrated a high level of technical expertise and experience in providing a broad range of environmental consultant services including but not limited to project/program environmental review, clearance, and permitting; environmental documentation, studies, and reports; site monitoring and reporting; regulatory research and environmental compliance evaluation; construction document review and worker training; and other environmental consultation services.

Staff recommends approval of master agreements with Environmental Science Associates and Ascent Environmental, Inc. based on their expertise and various projects and program needs within ESD as follows:

- Environmental Science Associates is recommended to provide primary support to the Wastewater Facility Operations & Maintenance and Sustainability & Compliance Divisions on Facility capital improvement projects. It is anticipated that several capital improvement projects will require environmental review and permitting support within the upcoming year. These projects include, but are not limited to, the Headworks

Improvement Project, Digested Dewatering Sludge, and Outfall Rehabilitation & Repair Project.

- Ascent Environmental, Inc. is recommended to provide primary support on various projects in the Integrated Waste Management Division. Secondary support could be provided to various other projects/programs within other divisions of ESD.

These master agreements would provide much needed technical expertise and support on an as-needed basis and provide staff the ability to choose the firm that would best complement staff expertise. Staff reserves the discretion to issue individual service orders based on the consultant firm's expertise, cost, and availability. Staff will negotiate costs with consultants on project proposals to ensure project costs and consultant resources are efficiently managed.

## **CONCLUSION**

Based on the proposals evaluated by staff, Environmental Science Associates and Ascent Environmental, Inc., were determined to have the necessary expertise and experience, and an approach that demonstrates their ability to provide the required services. These firms would provide as-needed environmental review and permitting services that staff are unable to perform given their current capacity and technical capabilities.

## **EVALUATION AND FOLLOW-UP**

No additional follow up action with the Council is expected at this time.

## **POLICY ALTERNATIVES**

***Alternative #1: Direct City staff to provide the required services with in-house resources.***

**Pros:** Increased work options for City staff.

**Cons:** A bulk of the anticipated work is environmental analysis for the RWF CIP projects pursuant to California Environmental Quality Act. The California Environmental Quality Act analysis requires the independent judgment of the City's Planning Department staff and therefore cannot be completed by the project proponent (i.e. the Environmental Services Department). Some of the anticipated work may require analysis and/or reporting by registered engineers and/or certified biologists in various technical specialties. ESD and Planning Department staff do not possess the capacity or all of the required technical capability across the broad range of expertise anticipated for the projects.

**Reason for not recommending:** The City would need to hire several new staff members with the knowledge and expertise in a variety of environmental areas. Portions of the

anticipated work would still need to be performed by third-party licensed engineers, geologists, or other specialists to meet regulatory requirements.

***Alternative #2: Perform a separate RFP process for each project.***

**Pros:** The Request for Proposal selection process would focus on the specific needs of each project instead of the broader scope of work specified in the recent RFP.

**Cons:** The Request for Qualification selection process typically takes six months or more to complete and involves a large amount of staff time to develop project-specific RFPs, solicit responses, interview consultants, negotiate contracts, and obtain City Council approval.

Larger projects require more timely response due to upcoming regulatory and/or construction deadlines. By having consultants attached to specific projects, there will be less capacity to respond to unforeseen projects that require immediate response.

**Reason for not recommending:** This approach will limit the City's flexibility and response time for handling unforeseen environmental projects, possibly leading to missing regulatory deadlines and possibly subject the City to violations and/or fines. Multiple RFPs for similar services will lead to higher staff workloads for ESD, other City Departments, and the City Council.

**CLIMATE SMART SAN JOSE**

The recommendation in this memo has no effect on Climate Smart San José energy, water, or mobility goals.

**PUBLIC OUTREACH**

This memorandum will be posted on the City's website for the November 19, 2019 City Council agenda.

**COORDINATION**

The memorandum has been coordinated with the City Manager's Budget Office, the City Attorney's Office, and the Planning, Building and Code Enforcement Department.

**COMMISSION RECOMMENDATION/INPUT**

This item is scheduled to be heard at the November 14, 2019 Treatment Plant Advisory Committee meeting. A supplemental memorandum with the Committee's recommendation will be included in an amended November 19, 2019 City Council meeting agenda.

### **FISCAL/POLICY ALIGNMENT**

This project is consistent with the Council approved Budget Strategy to focus on rehabilitating aging RWF infrastructure, improve efficiency, and reduce operating costs. This project is also consistent with the budget strategy principle of focusing on protecting our vital core services.

### **COST SUMMARY/IMPLICATIONS**

1. **AMOUNT OF RECOMMENDATION:** \$ 1,500,000
2. **COST AGREEMENT WITH EACH CONSULTANT:**

Environmental Science Associate Agreement	\$1,000,000
Ascent Environmental, Inc. Agreement	\$500,000
<b>TOTAL AGREEMENT AMOUNT</b>	<b>\$ 1,500,000</b>
3. **COST ELEMENTS OF AGREEMENT/CONTRACT:** The consultant's services are reimbursed on an hourly rate schedule in the master agreement for the involved consultant personnel.
4. **SOURCE OF FUNDING:** San Jose/Santa Clara Treatment Plant Capital Fund (512), San José/Santa Clara Treatment Plant Operating Fund (513), and the Integrated Waste Management Fund (423).
5. **FISCAL IMPACT:** Projects that will use these agreements are funded through the San José/Santa Clara Treatment Plant Capital Fund (512), the San José/Santa Clara Treatment Plant Operating Fund (513), and the Integrated Waste Management Fund (423). No additional funding is necessary to approve these master agreements. Funds have already been appropriated or will be appropriated for the various City projects upon issuance of each service order.

### **BUDGET REFERENCE**

Services performed by the consultants under these agreements will be authorized by service orders. An appropriation is not required for execution of these master consultant agreement, but is required for each service order authorized under these agreements. Future funding is subject to the annual appropriation of funds and, if needed, will be included in the development of future year budgets during the annual budget process.

HONORABLE MAYOR AND CITY COUNCIL

October 28, 2019

**Subject: Master Agreements for Environmental Consulting Services for Various City Projects**

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**CEQA**

Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) Resulting in No Physical Changes to the Environment.

/s/

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For questions please contact Jennifer Voccola-Brown, Interim Sustainability and Compliance Manager at (408) 975-2594.