



# COUNCIL REPORT

**DATE:** April 3, 2023  
**CATEGORY:** Consent  
**DEPT.:** Public Works  
**TITLE:** **Engineering Services Contract with  
Telstar Instruments, Inc.**

## **RECOMMENDATION**

1. Appropriate \$40,000 from the Solid Waste Fund to the Public Works Department Landfill Operating Index. (Five votes required)
2. Authorize the City Manager or designee to amend the Fiscal Year 2022-23 on-call electrical and mechanical engineering services contract with Telstar Instruments, Inc., for utility and landfill control system services, increasing compensation by \$40,000, for a total contract not-to-exceed amount of \$330,000.
3. Authorize the City Manager or designee to execute an engineering services contract with Telstar Instruments, Inc., for on-call electrical and mechanical engineering services in a not-to-exceed amount of \$290,000 for the period of July 1, 2023 through June 30, 2024.

## **BACKGROUND**

The City enters into annual contracts with Telstar Instruments, Inc. (Telstar), to perform complex control system programming, troubleshooting, and repairs for the electrical and mechanical equipment for the Landfill Postclosure Operation and for the utility pump stations. Telstar has been a long-term service provider for the City and has extensive knowledge of the City's equipment and operations. Due to their history with the City, Telstar is able to quickly assess and respond to the City's needs, keeping this essential equipment functioning. The Fiscal Year 2022-23 contract amount is \$290,000.

In late 2022, staff replaced two of the five on-site compressors for the landfill gas extraction system that required connection to the Supervisory Control and Data Acquisition (SCADA) 24-hour monitoring system and an upgrade to the electrical system to support the units at an unanticipated cost of \$20,000. In addition, staff replaced two problematic ground watering meters with new solar-powered ultrasonic monitoring units at a cost of \$19,000. Due to these unanticipated costs, the funding allocated for Telstar services for landfill operations has been exhausted.

## **ANALYSIS**

An additional \$40,000 is projected to be needed for preventative maintenance for landfill operations through the end of June 2023 in the Fiscal Year 2022-23 contract. No additional funding is anticipated to be required for the City's utility systems.

For Fiscal Year 2023-24, staff has evaluated the anticipated workload and recommends an annual contract for Fiscal Year 2023-24 in the amount of \$290,000. Telstar will provide electrical and mechanical engineering services for the landfill gas flare station, microturbines (fueled by landfill gas), generators, the landfill gas collection and emission control system, water, sewer, and storm pump stations, and groundwater wells. Telstar will also provide consulting and technical services for electrical systems, instrumentation and controls, and emergency assistance for on-site and off-site repairs. The contract amount also includes funding for scheduled preventive maintenance. To ensure there is no interruption of service from Telstar at the start of the new fiscal year, staff recommends that Council authorize the City Manager or designee to execute the new contract to be effective July 1, 2023.

## **FISCAL IMPACT**

An increase in appropriations of \$40,000 is being requested for Fiscal Year 2022-23. Funding for the recommended increase of \$40,000 to the Fiscal Year 2022-23 Telstar contract in support of landfill operations is available from the Solid Waste Fund. With the amendment, the total contract not-to-exceed amount will be \$330,000.

The Fiscal Year 2023-24 Telstar contract is recommended to be funded from Fiscal Year 2023-24 operating budgets from the Water Fund (\$95,000), Wastewater Fund (\$80,000), Shoreline Regional Park Community Fund (\$15,000), and the Solid Waste Fund (\$100,000) for a total contract not-to-exceed amount of \$290,000. Upon approval of the Fiscal Year 2023-24 budget by the City Council, there will be sufficient funding from these sources for the contract.

## **ALTERNATIVES**

1. Reduce the amount of the new contract.
2. Provide other direction.

**PUBLIC NOTICING**—Agenda posting.

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