



DATE: June 20, 2017

CATEGORY: Consent

DEPT.: Public Works

TITLE: **Engineering Services Contract with Telstar Instruments, Inc.**

RECOMMENDATION

1. Authorize the City Manager to amend the existing engineering services contract with Telstar Instruments, Inc., to add funding of \$30,000 for engineering services through December 31, 2017, for a total contract amount of \$120,000.
2. Authorize the City Manager to execute a new engineering services contract with Telstar Instruments, Inc., for \$246,000 for the period July 1, 2017 through June 30, 2018.

BACKGROUND

The Public Services Division operates and maintains infrastructure used to deliver potable water, collect and pump wastewater, collect and discharge stormwater, and collect and destroy landfill gas. The facilities used for these functions include a large inventory of electrical and mechanical equipment, including pumps, motors, generators, and electrical control panels.

Public Services' budget includes funding for a Utilities Electrician, which is currently vacant due to difficulty identifying well-qualified candidates. Public Services uses a contractor (currently Telstar Instruments, Inc.) to provide electrical services to the Landfill Postclosure and Utilities Operations in the absence of an on-staff electrician. Telstar is a long-term service provider for the City and has the appropriate expertise and knowledge of the City's equipment. Due to the large inventory of equipment, ongoing preventive maintenance needs, and unanticipated repairs, Public Services anticipates continuing to use a contractor to assist with maintenance needs after the vacant position is filled.

There are separate contracts for services for the Utilities Operation (\$90,000) and Postclosure Operation (\$25,000); both contracts expire in December 2017. Although

there is adequate funding for the Postclosure contract to cover Fiscal Year 2016-17 expenses, a funding increase of \$30,000 is needed for additional utilities equipment costs.

ANALYSIS

In Fiscal Year 2016-17, Telstar completed numerous unanticipated emergency repairs to utilities infrastructure, including replacing ventilation equipment at Whisman and Miramonte reservoirs, replacing electronic equipment at the Shoreline Irrigation Pump Station, and replacing electronic and monitoring equipment at the High Level Ditch Storm Pump Station. Staff is requesting an increase of \$30,000 for the Fiscal Year 2016-17 contract to fund the costs of unanticipated repairs for the Utilities Section.

Staff has also evaluated the anticipated workload for Fiscal Year 2017-18 and recommends funding one contract in the amount of \$246,000. 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, and potable groundwater wells and pump stations. Telstar will also provide consulting and technical services for electrical systems, instrumentation and controls, supervisory control and data acquisition (SCADA), and emergency assistance for on- and off-site repairs. The new contract will include adequate funding for scheduled preventive maintenance (average of the last two fiscal years), a contingency for unanticipated emergency repairs, and inflation. An overview of the recommended funding is shown below:

Utilities Operation Services:	\$135,000
Contract Contingency and Inflation (20%):	\$27,000
Postclosure Operation Services:	\$70,000
Contract Contingency and Inflation (20%):	\$14,000

FISCAL IMPACT – The contract will be funded from existing operating budgets.

ALTERNATIVES

1. Do not amend contract.
2. Do not approve new contract.
3. Provide other direction to staff.

PUBLIC NOTICING – Agenda posting.

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GAH/TS/7/CAM
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