



# JOINT REPORT

**DATE:** May 14, 2024

**CATEGORY:** Consent

**DEPT.:** Public Works

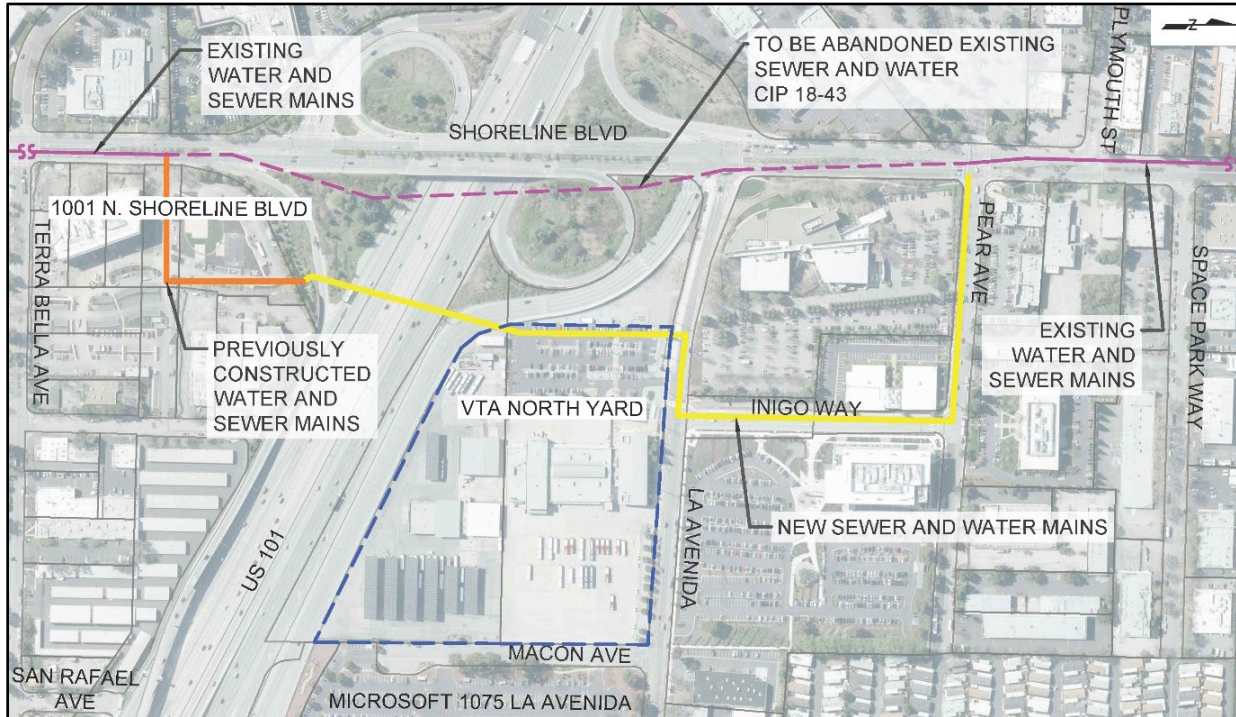
**TITLE:** **Water and Sanitary Sewer Main Replacement Crossing U.S. 101, Project 16-61—Various Actions**

## **RECOMMENDATION**

1. Acting in its capacity as Board of Directors of the Shoreline Regional Park Community, transfer and appropriate \$105,000 from the Shoreline Regional Park Community Fund to Water and Sanitary Sewer Main Replacement Crossing U.S. 101, Design, Project 16-61.
2. Transfer and appropriate \$105,000 from the Wastewater Fund to the Water and Sanitary Sewer Main Replacement Crossing U.S. 101, Design, Project 16-61. (Five votes required)
3. Acting in the joint capacity as the City Council and Board of Directors of the Shoreline Regional Park Community, authorize the City Manager or designee to amend the professional services agreement with AECOM Technical Services, Inc., a California Corporation (Entity No. 608461), for Water and Sanitary Sewer Main Replacement Crossing U.S. 101, Design, Project 16-61, to add \$290,000 for a total agreement not-to-exceed amount of \$1,511,100.

## **BACKGROUND**

Water and Sanitary Sewer Main Replacement Crossing U.S. 101, Design, Project 16-61 (Project), is the design effort to replace existing major water and sewer pipelines that cross U.S. 101 under Shoreline Boulevard. The construction phase of the project is under Water and Sanitary Sewer Main Replacement Crossing U.S. 101, Construction, Project 20-41 (Project Construction). Implementation of this project will increase redundancy to the North Bayshore Area, improve maintenance access to City utilities, and provide sewer capacity for areas outside of North Bayshore. The Project will install approximately 3,700 linear feet of water main and 3,100 linear feet of sewer main. Figure 1 outlines the new pipeline alignments, including through the Valley Transportation Authority (VTA) North Yard property.



**Figure 1: Project Location**

Table 1 provides the history of Council actions for the Project, including approval of an agreement with AECOM Technical Services, Inc. (AECOM), to provide design services on March 20, 2018.

**Table 1: Project History**

Date	Action/Milestone
<a href="#"><u>March 20, 2018</u></a>	Council approved a professional services agreement with AECOM to provide design services for the Project in the amount of \$694,080.
<a href="#"><u>May 5, 2020</u></a>	Council approved additional design services with AECOM in an amount of \$117,000 for a total agreement not-to-exceed amount of \$811,080.

Date	Action/Milestone
<a href="#"><u>June 27, 2023</u></a>	Council approved the following for the Project and Project Construction: <ul style="list-style-type: none"> <li>• Environmental findings;</li> <li>• Appropriation of funding;</li> <li>• Plans and specifications;</li> <li>• Authorization for staff to advertise the Project for bids;</li> <li>• Authorization to execute a construction contract if the low bid was within the project budget;</li> <li>• Ratification of an amendment to extend the term of the agreement with AECOM;</li> <li>• Additional design services with AECOM in an amount of \$410,020, for a total agreement not-to-exceed amount of \$1,221,100 and extending the term as needed; and</li> <li>• Execution of a professional services agreement with Tanner Pacific, Inc., for construction engineering services in a not-to-exceed amount of \$629,300.</li> </ul>

**ANALYSIS**

**Hazardous Materials**

The construction contract was awarded to the lowest responsive bidder, K.J. Woods Construction, Inc., on November 17, 2023, in the amount of \$9,818,000. Following the award of the construction contract, additional work items have arisen. These are due to United States Environmental Protection Agency (EPA) requirements as part of their ongoing investigation of elevated concentrations of polychlorinated biphenyl (PCB) soil contamination recently discovered at the VTA North Yard. Consequently, the EPA is requiring additional soil information for the Project due to the disturbance of soil for construction work.

Based on discussions with the EPA, the City submitted two work plans to the EPA on March 12, 2024 to delineate the site investigation into two areas to collect and sample soil borings. After receiving feedback from the EPA, staff instructed AECOM to proceed with additional soil sampling, recognizing that construction activities are contingent upon the findings of the soil investigation and are time-critical.

To date, soil sampling efforts for one area have been completed and the remaining sampling work is scheduled to be completed in May 2024. Based on the results of the soil investigation, AECOM will update the Soil and Groundwater Management Plan for the contractor to adhere to during the handling and disposal of the soil removed during trench excavation.

Construction work within the VTA North Yard is currently scheduled to start at the end of June 2024, pending soil test results. The results may impact the construction schedule and contract costs, such as higher disposal costs.

**Consultant Amendment**

Additional services are needed from AECOM to continue providing the technical expertise to manage the soil investigations, conduct agency coordination, and make recommendations for any construction modifications. These services were not part of the original scope of work with AECOM and include the following:

- Perform 24 soil borings;
- Test and analyze collected soil and water samples;
- Prepare a report with findings;
- Update the Soil and Groundwater Management Plan; and
- Coordinate with the EPA.

The recommended fee of an additional \$290,000 for the expanded scope of work is consistent for such services, and staff considers the fee to be fair and reasonable. Staff recommends Council authorize amending the agreement with AECOM to add \$290,000 for a new total not-to-exceed amount of \$1,511,100, inclusive of basic and additional services and reimbursable expenses.

**FISCAL IMPACT**

Water and Sanitary Sewer Main Replacement Crossing U.S. 101, Design, Project 16-61, has a project budget of \$1,452,000 and is funded from the sources shown in Table 2.

**Table 2: Funding Sources, Project 16-61**

	<b>Design, Project 16-61</b>
Water Capacity Fees	\$ 600,000
Shoreline Regional Community	256,000
Wastewater	256,000
Wastewater Capacity Fees	<u>200,000</u>
Wastewater Debt Proceeds	<u>140,000</u>
<b>TOTAL</b>	<b><u>\$1,452,000</u></b>

The project design costs are shown in Table 3.

**Table 3: Project Design Costs, Project 16-61**

Design Consultant Services	\$1,221,100
Recommended Design Contract Amendment	290,000
Project Management	37,000
Other Project Costs	<u>11,900</u>
Subtotal	\$1,560,000
City Administration	<u>102,000</u>
<b>Total Design Cost Estimate</b>	<b><u>\$1,662,000</u></b>
Current Project Budget	<u>1,452,000</u>
<b>Budget Shortfall</b>	<b>(\$210,000)</b>

An increase in appropriations of \$210,000 is requested to fund the additional design and construction support efforts related to the soil contamination. Staff recommends transferring and appropriating \$105,000 from the Shoreline Regional Park Community Fund and \$105,000 from the Wastewater Capacity Fee Fund to Water and Sanitary Sewer Main Replacement Crossing U.S. 101, Design, Project 16-61. Should the recommended actions be approved, the Project would be funded in the amount of \$1,662,000. There is sufficient funding in the Shoreline Regional Park Community Fund and the Wastewater Capacity Fee Fund for the recommended actions.

The professional services agreement fee, with the inclusion of the recommended amendment, is \$1,263,506 for basic services and reimbursable expenses and a contingency of \$247,594 for additional services for a total not-to-exceed contract amount of \$1,511,100.

### **CONCLUSION**

Water and Sanitary Sewer Main Replacement Crossing U.S. 101, Design, Project 16-61, will replace critical aging water and sewer mains, increase redundancy to the North Bayshore Area, improve maintenance access to City utilities, and provide capacity for North Bayshore Area development. After the construction contract was awarded, hazardous soil materials were identified near the proposed utility trenches within the VTA North Yard property, requiring engagement with the EPA. Subsequent investigations and coordination efforts are needed to formulate the work plan to address the soil contamination. Additional appropriations and a consultant agreement amendment are necessary for additional efforts not included in the

original scope of work, including additional project management and design changes, soil investigations, EPA application preparation and submission, and ongoing coordination with EPA and VTA.

**ALTERNATIVES**

1. Do not authorize appropriations and direct staff to use other funding sources for the agreement amendment with AECOM.
2. Do not authorize the amendment adding funding to the professional services agreement with AECOM and direct staff to identify alternative consultant services to meet EPA requirements to address the soil contamination.
3. Provide other direction.

**PUBLIC NOTICING**—Agenda posting.

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cc: APWD—Au, PCE—Tseng, SCE—Morales, RPPA, SMA—Doan, SMA—Goedicke, File  
(Project 16-61)