



● **Board of Directors**
Engineering and Operations Committee

1/11/2022 Board Meeting

7-1

Subject

Authorize on-call agreements with Aspen Environmental Group and Environmental Science Associates in amounts not to exceed \$750,000 per year each, for a maximum of four years for environmental planning services to support O&M and board-authorized Capital Investment Plan projects; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

Staff utilizes on-call agreements to provide specialized environmental planning services, including biological resources, cultural resources, regulatory guidance, and other technical support in compliance with the California Environmental Quality Act (CEQA) and other state and federal environmental laws. This action authorizes two new on-call professional services agreements to Aspen Environmental Group and Environmental Science Associates to provide environmental planning support for operations and maintenance (O&M) and capital projects. The recommended annual maximum amount of these agreements is \$750,000 each, with a maximum duration of four years. The increased agreement amounts are necessary in light of the increased number of overall projects and the increased cost of CEQA studies and document preparation. On-call agreements are typically used for short-term assignments, urgent projects, and projects with specialized technical needs.

Details

Background

Metropolitan's Board adopts an operating budget biennially that includes planned expenditures for O&M activities and capital programs, which are aggregated within the Capital Investment Plan (CIP). Staff's approach for environmental planning support of O&M activities and capital projects is to use available in-house staff first, with professional consultant services used only where appropriate. This approach maintains a stable, responsive, and experienced workforce and is consistent with Metropolitan's succession planning efforts.

When resource needs exceed available in-house staffing or require specialized technical expertise, Metropolitan uses a combination of project-specific and on-call professional services agreements. Firms are competitively evaluated, resulting in a prequalified list of firms from which both on-call and project-specific agreements are executed as project needs are identified. For capital programs, agreements are typically executed on a project-specific basis; those agreements over \$250,000 are approved individually by the Board. On-call agreements are multi-year agreements with annual not-to-exceed amounts that can be used to support both O&M and capital projects through the execution of individual task orders identified and authorized by staff. These agreements provide a higher degree of flexibility and quicker response time to provide environmental planning support as the need arises. Generally, the Environmental Planning Section has between 11 and 14 on-call agreements available for use at any given time, in the not-to-exceed amount of \$250,000 per year.

Over the next several fiscal years, a number of projects throughout Metropolitan's service area have been identified that will require environmental planning support beyond the level that can be provided by in-house staff. Support will be needed for the preparation of CEQA documentation, regulatory permitting, and other specialized services, including technical studies and reports for various environmental resource areas. The overall number of projects and the cost of the studies and document preparation have increased significantly, requiring additional contract authority. Based on the need for consultant support and associated cost for environmental

support for the anticipated workload, staff recommends executing agreements with Aspen Environmental Group and Environmental Sciences Associates with not-to-exceed amounts of \$750,000 in order to minimize the number of agreements executed and to lower administrative costs associated with executing and administering separate agreements.

In support of Metropolitan's goal of increasing business opportunities for Small Business Enterprise (SBE) firms, staff establishes SBE participation levels for the majority of professional services agreements. The only exceptions are for highly specialized areas of expertise, or for the uncommon occasions when sub-consulting opportunities are limited.

Agreements for Environmental Planning Services – Aspen Environmental Group and Environmental Science Associates

Request for Qualifications (RFQ) No. 1265 was issued in April 2021 to establish a pool of qualified firms to support projects related to Metropolitan's conveyance, distribution, storage, and treatment facilities and to replace on-call agreements expiring in February 2022. Environmental services to be provided under the agreements were identified in the RFQ and included support in five categories: biological resources management, cultural resources management, regulatory permitting and guidance, general on-call environmental planning services, and environmental planning support for specific future CIP and/or special projects. Twenty-eight firms submitted Statements of Qualifications, which were evaluated on key personnel, past and ongoing project performance, work methodology, and business outreach program. Based on the evaluation process for RFQ No. 1265, two firms, Aspen Environmental Group and Environmental Science Associates are recommended for award of agreements in an amount not to exceed \$750,000 each per contract year based on staff's current assessment of technical resources needed to support planned O&M and capital projects over the next four years. Additional on-call agreements will be awarded under the General Manager's authority in an amount not to exceed \$250,000 per contract year.

This action authorizes on-call agreements with Aspen Environmental Group and Environmental Science Associates in an amount not to exceed \$750,000 each per contract year. The maximum duration of the agreements will be four years. Funding for the work to be assigned to the consultants under on-call agreements is available within Metropolitan's biennial budget. No work is guaranteed to the consultants under these agreements. For each of the agreements, Metropolitan has established an SBE participation level of at least 25 percent of the amount of the agreement. Aspen Environmental Group is an established SBE firm, and Environmental Science Associates has committed to meet this level of participation.

Alternatives Considered

Staff considered continuing to execute all on-call roll-over agreements in an amount not to exceed \$250,000 per contract year; however, this practice necessitates executing a new agreement for all projects that exceed the annual roll-over agreement limit. Given the expected higher than average workload over the next four years, the anticipated number of projects that will require more complex environmental documents, and the increasing costs associated with preparation of environmental documentation, this alternative was not selected as it would forgo an opportunity to reduce the number of agreements executed and miss an opportunity to lower administrative costs associated with executing and administering separate agreements.

Summary

This action authorizes on-call agreements with **Aspen Environmental Group and Environmental Science Associates** in an amount not to exceed \$750,000 each per contract year.

Policy

Metropolitan Water District Administrative Code Section 8121: General Authority of the General Manager to Enter Contracts

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is not defined as a project under CEQA because it involves the creation of government funding mechanisms or other government fiscal activities that do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment (Public Resources Code 21065; Section 15378(b)(4) of the State CEQA Guidelines). In addition, where it can be seen with certainty that there is no possibility that the proposed action in question may have a significant effect on the environment, the proposed action is not subject to CEQA (Section 15061(b)(3) of the State CEQA Guidelines).

CEQA determination for Option #2:

None required

Board Options

Option #1

Authorize on-call agreements with Aspen Environmental Group and Environmental Science Associates, in an amount not to exceed \$750,000 per year each, for a maximum of four years for environmental planning services to support O&M and board-authorized Capital Investment Plan projects.

Fiscal Impact: Up to a maximum of \$750,000 per year for four years; however, funding for the work to be assigned to the consultants under on-call agreements and performed this biennium is already authorized in the biennial budgets. Future costs will be accounted for and appropriated under subsequent biennial budgets. In addition, no work is guaranteed to the consultants under these agreements.

Business Analysis: Contracting with multiple firms provides flexibility and an efficient means for Metropolitan to obtain needed technical services and specialized expertise to support the completion of capital projects in accordance with board-adopted schedules. On-call agreements with higher not-to-exceed amounts reduce administrative costs associated with multiple, smaller agreements and provide additional flexibility to address urgent projects quickly.

Option #2

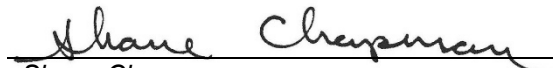
Do not authorize on-call agreements at this time.

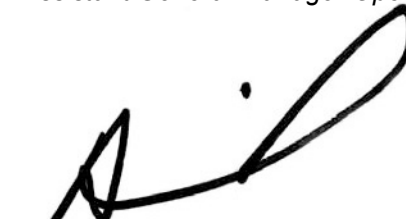
Fiscal Impact: None

Business Analysis: Under this option, Metropolitan staff would request board authorization for agreements on a project-specific basis or would execute smaller agreements less than \$250,000 per contract year. This option would forgo an opportunity to reduce administrative costs or address urgent projects promptly.

Staff Recommendation

Option #1

 12/22/2021
Shane Chapman Date
Assistant General Manager Operations

 12/27/2021
Adel Hagekhalil Date
General Manager