

# Mayor and Council Communication

**DATE:** 05/19/20

**M&C FILE NUMBER:** M&C 20-0344

**LOG NAME:** 60STRATEGIC AMPLAN

**SUBJECT**

Authorize Execution of a Professional Services Agreement with GHD, Inc., in an Amount Not to Exceed \$396,879.00, for Development of a Strategic Asset Management Plan (ALL COUNCIL DISTRICTS)

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**RECOMMENDATION:**

It is recommended that the City Council authorize the City Manager to execute a Professional Services Agreement with GHD, Inc., for the development of a Strategic Asset Management Plan for the Water Utility in an amount not to exceed \$396,879.00.

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**DISCUSSION:**

On May 1, 2018, by Mayor and Council Communication (M&C) C-28671, the City Council authorized an amendment to an agreement with Freese and Nichols, Inc. to conduct an asset management maturity assessment for the Water Utility, as a component of its ongoing asset management initiatives. The resulting assessment produced several recommendations for initiatives that would further the City's asset management objectives. One of the recommendations was the development of a Strategic Asset Management Plan (SAMP). Creation of a Strategic Asset Management Plan will allow the Utility to implement an overarching asset management framework to guide decision making across the organization.

A Request for Proposals was issued in December 2019. An extensive review of the seven submissions resulted in the selection of GHD, Inc. GHD, Inc. has extensive experience working with water and wastewater utilities across the globe in the development of asset management strategies and objectives. GHD, Inc. will work with staff to develop a Strategic Asset Management Plan that follows the Institute of Asset Management (IAM) guidelines. The plan will include an Asset Management Framework and an Asset Management implementation Plan (roadmap/schedule).

M/WBE – A waiver of the goal for SBE subcontracting requirements was requested by the Water Department and approved by OBD, in accordance with the BDE Ordinance, because the purchase of goods and services is from sources where subcontracting or supplier opportunities are negligible.

The Agreement with GHD, Inc. will serve ALL COUNCIL DISTRICTS.

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**FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that funds are available in the current operating budget, as previously appropriated, in the Water & Sewer Fund to support the approval of the above recommendation and execution of the agreement. Prior to any expenditure being incurred, the Water Department has the responsibility to validate the availability of funds.

**Submitted for City Manager's Office by:** Dana Burghdoff 8018

**Originating Business Unit Head:** Chris Harder 5020

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