

Mayor and Council Communication

DATE: 03/08/22

M&C FILE NUMBER: M&C 22-0160

LOG NAME: 20SWM SHIELD 19 RENEWAL 2

SUBJECT

(ALL) Authorize the Second Renewal of a Professional Services Agreement, as Renewed and Amended, with Shield Engineering Group, PLLC for Stormwater Capital Project Management Services in the Amount of \$2,400,000.00 and Authorize the Second Amendment to the Agreement, as Renewed, to Add Additional Funds to the Contract in the Amount of \$2,000,000.00 for a Total Contract Amount of \$4,400,000.00

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize execution of the second renewal, in the amount of \$2,400,000.00, to City Secretary Contract No. 52582, as renewed and amended, a professional services agreement with Shield Engineering Group, PLLC for Stormwater Capital Project Management Services; and
2. Authorize the second amendment to City Secretary Contract No. 52582, as renewed and amended, to add additional funds in the amount of \$2,000,000.00, for a total contract amount of \$4,400,000.00.

DISCUSSION:

Approval of this Mayor and Council Communication (M&C) will authorize the second renewal of City Secretary Contract No. 52582, a professional services agreement with Shield Engineering Group PLLC (Shield) in the amount of \$2,400,000.00, for staff extension services in managing Stormwater Capital Projects and the second amendment to the contract, as renewed and amended, for additional funds in the amount of \$2,000,000.00 for a revised contract amount of \$4,400,000.00. The actions in this M&C will add \$4,400,000.00 to the current project amount of \$3,500,000.00 for a revised project amount of \$7,900,000.00. The amendment will also add specific language to the contract regarding renewals to conform with the intent of staff and the City Council.

In May 2018, the Stormwater Management Division published a Request for Qualifications for various technical services associated with drainage engineering, including capital project management. Shield was selected as the most qualified engineering consultant for this service.

On June 18, 2019 (M&C C-29150), the City Council approved the original agreement in an amount not to exceed \$1,100,000.00. That M&C allowed for additional renewal periods, contingent upon City Council approval, for the purpose of maintaining continuity and efficiency in the delivery of the Stormwater capital program. Staff, by this M&C, seeks City Council authorization for this second renewal so that delivery of capital projects under the current 5-year Stormwater revenue bond program can continue without disruption.

On August 11, 2020 (M&C 20-0530), the initial contract was renewed in the amount of \$1,100,000.00 and amended to add additional funds in the amount of \$1,300,000.00 to establish a revised contract amount of \$2,400,000.00. This action increased the total project amount to \$3,500,000.00.

The next round of staff extension services is projected to cost \$4,400,000.00. Under this renewal and amendment, Shield is expected to provide project management services for approximately 130 projects over approximately 21 months. Project management services will cover stormwater project development, design, construction management, and project closeout. This amended amount is based upon the estimated number of projects for this timeframe, and the expected cost is in proportion to the project management costs experienced for the smaller, PayGo-funded, Stormwater capital program prior to the 2020 bond program. The contract will remain in effect until funds are expended or the work is completed.

Due to the fluctuation of funding for capital improvements, the Stormwater Program uses consultant staff augmentation to assist with project delivery as opposed to having the number of full-time City staff adequate to manage the peak workload. The Stormwater Utility fee increase approved by the City Council in October 2019 made possible a revenue bond sale. The revenue bond issuance in 2020 more than doubled the Stormwater capital delivery capacity compared to the strictly PayGo-funded program of the preceding years, requiring more project management resources.

Projects to be constructed and managed through this contract include hazardous roadway overtopping mitigation projects, storm drain pipe rehabilitation projects, flood mitigation improvements, and channel restoration improvements. Anticipated bond spending for these projects is reflected in the Fiscal Years 2022-2026 Stormwater Management Capital Improvement Program.

Funding is budgeted in the Consultant & Other Professional Service account of the Transportation & Public Works Dept Highway & Streets Department's Stormwater Capital Projects and Stormwater Revenue Bonds 2020 Funds for the purpose of funding the various projects, as appropriated.

DVIN Office - Shield Engineering Group, PLLC is in compliance with the City's Business Equity Ordinance by committing to 11% Business Equity participation on this project. The City's Business Equity goal on this project is 11%.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are available in the current capital budget, as previously appropriated, in the Stormwater Capital Projects and Stormwater Rev Bonds 2020 Funds for various projects to support the approval of the above recommendations and execution of the renewal and amendment to the contract . Prior to any expenditure being incurred, the Transportation & Public Works Department has the responsibility to validate the availability of funds.

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