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Title: Actions pertaining to the Renewable Natural Gas Diversion into Natural Gas Pipeline Project (Council District 3 and Fresno County):

1. Affirm City Manager's determination that Sterns, Conrad and Schmidt Consulting Engineers is uniquely qualified
2. Award the Professional Engineering Services Agreement with Stearns, Conrad and Schmidt Consulting Engineers for design, bidding and construction support, in the amount not to exceed \$222,758.64

Sponsors: Department of Public Utilities

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Attachments: 1. Attachment 1 - Consultant Services Agreement.pdf, 2. Attachment 2 - Original Consultant Agreement.pdf, 3. Attachment 3 - Uniquely Qualified Determination Letter.pdf

Date	Ver.	Action By	Action	Result
12/9/2021	1	City Council	adopted	Pass

REPORT TO THE CITY COUNCIL

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SUBJECT

Actions pertaining to the Renewable Natural Gas Diversion into Natural Gas Pipeline Project (Council District 3 and Fresno County):

1. Affirm City Manager's determination that Sterns, Conrad and Schmidt Consulting Engineers is uniquely qualified
2. Award the Professional Engineering Services Agreement with Stearns, Conrad and Schmidt Consulting Engineers for design, bidding and construction support, in the amount not to exceed \$222,758.64

RECOMMENDATIONS

Staff recommends that City Council uphold City Manager's uniquely qualified finding and award a

Professional Engineering Services Agreement (Agreement) with Stearns, Conrad and Schmidt Consulting Engineers (Consultant) in the amount not to exceed \$222,758.64, inclusive of a \$20,000.00 contingency for the design, bidding, and construction support of the Renewable Natural Gas Diversion into Natural Gas Pipeline project (Project) located at the Regional Wastewater Reclamation Facility (Facility); and authorize the Director of Public Utilities, or designee, to sign the agreement on behalf of the City of Fresno (City).

EXECUTIVE SUMMARY

The Department of Public Utilities is seeking to award a consultant service agreement to Stearns, Conrad and Schmidt Consulting Engineers for design, bidding, and construction support services for the Project. The Department has determined the Consultant to be uniquely qualified based on their qualifications, as well as their knowledge of the facilities, and prior efforts towards the construction documents. Entering into an agreement with the Consultant will provide the Department with a cost savings to complete the necessary services, as well as expediting the work resulting in new revenue to offset operational cost and reducing the flaring of excess digester gas.

BACKGROUND

As a result of its operations, the Facility produces excess digester gases that are required to be burned off by a flare into the atmosphere. Rather than waste a valuable resource, the gases, being of sufficiently high quality, may be further conditioned to reach California Public Utility Commission standards resulting in a product that may then be distributed to Pacific Gas & Electric (PG&E). The Project proposes to construct a Renewable Natural Gas (RNG) pipeline from the Facility's Gas Conditioning System (GCS) to PG&E facilities located at Chateau Fresno Avenue, approximately three miles to the west of the Facility. The Project would result in the generation of revenue to the City to offset operational costs, while at the same time, employing a more environmentally friendly use of excess digester gases.

In 2016, an advertisement was published inviting Statements of Qualifications under which eight submittals were received and considered by a selection committee with the Consultant ultimately determined to be the most qualified for the services. The City entered into an Agreement with the Consultant on January 12, 2017, in the amount of Six Hundred Seventeen Thousand Dollars (\$617,000), inclusive of a \$25,000 contingency and an expiration date of January 31, 2018. Subsequent amendments to the Agreement extended its expiration date to June 30, 2020. The rendering of the Consultant's remaining services became stalled, beyond the Agreement expiration date as a result of the Department working through issues pertaining to digester gases on other projects within the Facility. All issues now having been resolved and the Department desires to continue the design development process and undertake necessary bidding and construction support services for implementation of the project. At the time of expiration, construction documents were prepared to an 85% completion level and the remaining contract balance was \$208,451.04. This Agreement contains minor changes to the scope of services to carry the Project through to the end of construction resulting in an overall total fee increase of \$14,307.60 to account for labor rate increases since execution of the original 2017 Agreement. The new total fee of this Agreement to \$222,758.64, inclusive of a \$20,000.00 contingency amount.

ENVIRONMENTAL FINDINGS

By the definition provided in the California Environmental Quality Act (CEQA) Guidelines Section

15378, the award of this Consultant Services Agreement for the design services does not qualify as a “project” for the purposes of CEQA.

LOCAL PREFERENCE

Local preference does not apply to this action because the award of agreement is occurring under a process deeming the consultant as uniquely qualified.

FISCAL IMPACT

There is no impact to the General Fund. This Project is located in Council District 3 and Fresno County. Funding for the Agreement is included in the Wastewater Management Division's Fiscal Year 2021 Capital Improvement Budget Sewer Enterprise Fund 40501.

Attachments:

Attachment 1 - Consultant Service Agreement

Attachment 2 - Original Consultant Agreement

Attachment 3 - Uniquely Qualified Determination Letter