

0150-10345-0000

**TRANSMITTAL**

TO  
The Council

DATE  
2/19/15

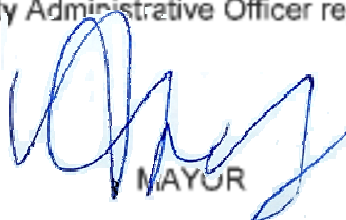
COUNCIL FILE NO.

FROM  
The Mayor

COUNCIL DISTRICT

**Personal Services Contract with Hach Company for the  
Installation, Calibration, and Maintenance of Flow Gauging Monitors and the  
Collection, Storage, and Delivery of Data for the City's Wastewater Collection System**

Approved and transmitted for your consideration.  
See the City Administrative Officer report attached.



MAYOR

(Ana Guerrero)

MAS:WKP:06150095f

**Report From**  
**OFFICE OF THE CITY ADMINISTRATIVE OFFICER**  
**Analysis of Proposed Contract**  
(\$25,000 or Greater and Longer than Three Months)

To: The Mayor	Date: 02-18-15	C.D. No. ALL	CAO File No.: 0150-10345-0000				
Contracting Department/Bureau: Public Works/Sanitation		Contact: Rowena Lau, (323) 342-6206					
Reference: Transmittal from the Board of Public Works dated December 17, 2014; referred for report on December 18, 2014.							
Purpose of Contract: For the installation, calibration, and maintenance of flow gauging monitors and the collection, storage, and delivery of flow data for the Bureau's wastewater collection systems.							
Type of Contract: ( X ) New contract ( ) Amendment		Contract Term Dates: Five years from the date of execution with one renewal option for an additional five years and a second renewal option for an additional six months on a month-to-month basis for a total potential term of 10.5 years.					
Contract/Amendment Amount: \$13,000,000 (or \$1,300,000 per year)							
Proposed amount \$13,000,000 + Prior award(s) \$0 = Total \$13,000,000							
Source of funds: Sewer Operations and Maintenance Fund No. 760							
Name of Contractor: Hach Company							
Address: 5600 Lindbergh Drive, Loveland, CO 80539							
	Yes	No	N/A*	8. Contractor has complied with:	Yes	No	N/A*
1. Council has approved the purpose	X			a. Equal Employmt. Oppty./Affirm. Action	X		
2. Appropriated funds are available	X			b. Good Faith Effort Outreach**	X		
3. Charter Section 1022 findings completed	X			c. Equal Benefits Ordinance	X		
4. Proposals have been requested	X			d. Contractor Responsibility Ordinance	X		
5. Risk Management review completed	X			e. Slavery Disclosure Ordinance	X		
6. Standard Provisions for City Contracts included	X			f. Bidder Certification CEC Form 50	X		
7. Workforce that resides in the City: 0%				*N/A = not applicable ** Contracts over \$100,000			

**COMMENTS**

In accordance with Executive Directive No. 3, the Board of Public Works, on behalf of the Bureau of Sanitation (Bureau), is requesting authority to execute a Personal Services Contract with Hach Company (Hach) for the installation, calibration, and maintenance of flow gauging monitors and the collection, storage, and delivery of flow data for the Bureau's wastewater collection systems for a five year period with one renewal option for an additional five years and a second renewal option for an additional six months on a month-to-month basis (for a total potential term of 10.5 years) at a total cost of \$13,000,000 (or \$1,300,000 per year). In accordance with Los Angeles Administrative Code Section 10.5 (a), Council approval is required to execute the proposed contract as the term of the contract exceeds three years.

**Background**

The City's wastewater conveyance system transports 350 million gallons per day (MGD) of wastewater through 6,700 miles of sewer pipes to the City's four treatment and water reclamation plants. The Bureau requires an effective and accurate flow gauging system to monitor the depth, volume, velocity, and flow of wastewater in the system. This information is required for the following purposes:

 WKF Analyst 06150095	 Assistant CAO	 City Administrative Officer
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- Identify areas in the sewer network that are at capacity and implement measures to prevent sewer overflows or spills;
- Accurately bill the 29 contract agencies that discharge into the City's wastewater conveyance system;
- Assess the capacity of the wastewater collection system during wet and dry weather seasons and plan for future capacity needs of the system;
- Validate the needs of the Wastewater Capital Improvement Expenditure Program (CIEP) and allow the Bureau to defer, downgrade, or upgrade projects if necessary;
- Develop and calibrate hydrodynamic models to predict the flow and course of wastewater through the system, which will lead to the design of more efficient and effective sewers;
- During rainfall events, determine the locations where groundwater is infiltrating into the system due to root intrusion or structural issues and repair or replace those structures; and
- Identify bottlenecks in the system.

This information is critical to the successful planning and operations of the system and will reduce the number of sewer spills and overflows. In addition, flow gauging data is required to prepare sewer capacity reports and plans and to develop a hydrodynamic model of the City's primary wastewater collection system, which were both requirements under the Collection System Settlement Agreement (CSSA). Although the terms of the CSSA expired in 2014, the Bureau continues to maintain the programs and practices that were implemented as a result of the CSSA. The Bureau reports that over the last few years, the flow gauge information has allowed the Bureau to defer, eliminate, upgrade or downgrade capital projects, which has resulted in \$545 million of savings.

Historically, the Bureau has used outside vendors to obtain flow monitoring data. In 2000, the Bureau purchased its own flow gauges and installed and maintained the devices using existing staff. Over time, it was determined that staff did not have the expertise or experience to maintain and calibrate the devices. The Bureau later found that many of the gauges were not working properly and the gauges were abandoned in 2007. In December 2007, the Board of Public Works approved Contract No. 113359 with DHI Water & Environment, Inc. (DHI), to develop a hydrodynamic model of the City's primary wastewater collection system. To develop the hydrodynamic model, DHI installed 93 flow gauges throughout the sewer network and maintained the gauges up until the contract expired in 2011. At that time, DHI removed 78 gauges, leaving the City with 15 flow gauges for contract agency billing purposes.

### **Contractor Selection Process**

In accordance with Charter Section 1022, the Personnel Department determined on July 1, 2011 that City employees do not have the technical expertise or equipment to perform the proposed work to be contracted. As such, on April 29, 2013, the Board of Public Works approved the distribution of a Request for Proposals (RFP) for the installation, calibration, and maintenance of flow gauging monitors and the collection, storage, and delivery of flow data for the Bureau's wastewater collection systems. On June 19, 2013, the Bureau received three proposals in response to the RFP and each proposal was evaluated using the following criteria:

- Responsiveness to the RFP (40 percent);
- Qualifications of the proposer (30 percent); and
- Cost and budget control (30 percent).



Hach received the highest overall score and on December 17, 2014, the Board of Public Works approved the Bureau's recommendation to execute the proposed contract with Hach.

### **Scope of Work**

Under the terms of Article 4.4 of the contract, Hach will provide a comprehensive list of services that include the following:

- Install and setup flow gauging equipment with wireless transmitters;
- Conduct site investigations to determine appropriate locations for equipment installation;
- Provide traffic control measures when working in the public right-of-way or when required;
- Perform hydraulic calibration and physical confirmation of sensor readings;
- Replace batteries of equipment as needed;
- Upgrade the equipment if new technology becomes available;
- Implement a Quality Assurance/Quality Control (QA/QC) program where contractor staff will manually review each monitoring site for performance and data quality and accuracy;
- Respond, repair, and replace malfunctioning equipment;
- Provide secure database management services with 24/7 secure data access and provide software updates and upgrades;
- Conduct software, instrumentation, and equipment training for City staff; and
- Prepare and deliver monthly, annual, and ad-hoc data reports and analysis.

Article 4.4 also requires Hach to ensure that all sanitary sewer flow monitoring sites are operational at all times with a minimum uptime of 95 percent per month, or maximum allowable downtime of two days, to allow for maintenance and service.

### **Compensation for Services**

The cost ceiling for this contract shall not exceed \$13,000,000 over the 10 year term of the contract. This cost ceiling will support a network of 190 flow gauges consisting of 140 permanent gauges and 50 gauges that will be rotated among the smaller sewers. The 140 permanent gauges will include the gauges required to bill the 29 contract agencies and gauges located in the large sewers that send wastewater to the treatment plants. The 50 remaining gauges will be rotated among the smaller sewers each year. This approach will provide sufficient flow data for the entire Citywide wastewater collection system. This cost ceiling includes the one-time installation of 190 gauges (\$800 per unit), monthly data delivery services (\$395 per unit per month), semi-annual calibration fees (\$390 per unit), one-time set-up fees for the FlowWorks software (\$120 per unit), an option to purchase the devices at the end of the contract, and a 10 percent contingency. The complete list of fees for all services provided under this contract is included in Exhibit 16 of the proposed contract.

Sufficient funds are available within the Sewer Operations and Maintenance Fund No. 760 Account 50LP82, Sanitation – Project Related, to support the first year costs of the proposed contract. Future year funding will be provided through the City's annual budget process, which is subject to Mayor and Council approval. In addition, the contract contains a Financial Liability Clause (Article 10.4.3) which limits the City's financial obligation under the contract to the amount appropriated in the City's budget.

## **Compliance with City Contracting Requirements**

Hach has complied with all applicable City contracting procedures, laws, and policies. The Bureau reports that the City Attorney has reviewed and approved the contract as to form.

## **RECOMMENDATION**

That the Council authorize the Board of Public Works, on behalf of the Bureau of Sanitation, to execute the proposed Personal Services Contract with Hach Company for the installation, calibration, and maintenance of flow gauging monitors and the collection, storage, and delivery of flow data for the Bureau's wastewater collection systems for a five year period with one renewal option for an additional five years and a second renewal option for an additional six months on a month-to-month basis at a total cost not to exceed \$13,000,000.

## **FISCAL IMPACT STATEMENT**

There is no General Fund impact. Sufficient funds are available within the Sewer Operations and Maintenance Fund No. 760 to support the first year costs of the proposed contract (\$500,000 for 2014-15 and \$800,000 for the 2015-16 Proposed Budget). Funding for the remaining years of the contract will be provided through the City's annual budget process and will be subject to both the availability of funds and Mayor and Council approval. The contract contains a Financial Liability Clause (Article 10.4.3) which limits the City's financial obligation under the contract to the amount appropriated in the City's budget. As such, the recommendations in this report comply with the City's Financial Policies as ongoing revenues will support ongoing expenditures.

*MAS:WKP:06150095*