



RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: NOVEMBER 19, 2020

ITEM NO:

SUBJECT: SUPPLEMENTAL AGREEMENT WITH WATER SYSTEM CONSULTING, INC. IN RESPONSE TO REQUEST FOR PROPOSAL NO. 1997 FOR THE PREPARATION OF THE 2020 RIVERSIDE PUBLIC UTILITIES URBAN WATER MANAGEMENT PLAN IN AN AMOUNT NOT TO EXCEED \$87,300 AND RECOMMENDATION THAT THE CITY COUNCIL FORM A CITIZENS ADVISORY COMMITTEE REGARDING CITY-WIDE WATER POLICIES

ISSUES:

To consider the approval of a Supplemental Agreement in response to Request for Proposal No. 1997 for the preparation of the 2020 City of Riverside Public Utilities Urban Water Management Plan (UWMP) with Water System Consulting, Inc (WSC) of Rancho Cucamonga, California, in an amount not to exceed \$87,300. Also, consider the creation of a stakeholder committee (Water Policy Advisory Group) to advise the Board of Public Utilities and City Council on city-wide water policy issues.

RECOMMENDATIONS:

That the Water Committee recommend that the Board of Public Utilities:

1. Approve a Supplemental Agreement for the preparation of the 2020 Riverside Public Utilities Urban Water Management Plan with Water System Consulting, Inc. of Rancho Cucamonga, California, in response to Request for Proposal No. 1997 in an amount not to exceed \$87,300;
2. Authorize the City Manager, or designee, to execute a Supplemental Agreement with Water System Consulting, Inc. including making minor and non-substantive changes and to sign all documents and instruments necessary to complete the transactions; and,
3. Recommend to City Council the creation of a stakeholder focused Water Policy Advisory Group (WPAG) to advise both the Board of Public Utilities and City Council on city-wide water policy issues.

BACKGROUND:

An UWMP is a required mandate to be prepared by every urban water supplier as defined in the California Water Code Section 10610 et seq. and must be updated every five years for calendar years ending in “0” or “5”. The 2020 update is due to the California Department of Water Resources on July 1, 2021. Consequently, RPU’s update must be adopted and submitted to DWR prior to July 1, 2021.

This UWMP summarizes RPU’s projected retail and wholesale water demands and characterizes the source waters available to meet those demands for the next 25 years. The plan also describes the reliability of RPU’s water supplies and discusses RPU’s water shortage contingency plan during a catastrophic event and drought conditions.

The City is seeking to hire a consultant to prepare its 2020 UWMP. The UWMP will build from, and integrate with, the City’s other important planning efforts to meet DWR’s requirements as well as meet RPU’s specific water supply planning needs.

DISCUSSION:

The Water Consultants’ Panel (Panel) is a list of companies that are pre-qualified to perform work on an as-needed basis for the utility through a Master Agreement. The use of the Panel streamlines the bidding process for work to save resources and ensure the firm’s meet the requirements of doing business with the City. A Panel mechanism is typically used for projects that meet the following two criteria: 1) RPU Engineering does not have the ability or the resources needed to design the project within the period required; and 2) the cumulative value of supplemental agreements per consultant does not exceed \$750,000 as per the term of the Master Agreement. The Panel was approved by the Board on July 23, 2018 for the term of July 1, 2018 to May 1, 2021 with a provisional 1-year extension. All members of the Panel under the Facilities and Master Planning category were invited to submit proposals through RFP 1997 for the Urban Water Management Plan.

All six vendors from The Water Consultants’ Panel were invited to submit proposals through a Request for Proposal procurement process initiated by City of Riverside Public Utilities for the UWMP with one Consultant submitting a proposal (Water System Consulting, Inc. (WSC)). Staff reviewed the proposal and deemed it to be an overall responsive and responsible proposer. WSC’s proposal is fair and well below the engineer’s estimated amount of \$150,000, and WSC has extensive experience in developing UWMPs. Kennedy/Jenkey Consultants, Inc., Daniel B Stephens & Associates, Wood Rodgers, CDM Smith, and Carollo Engineers did not submit a proposal.

After the proposal due date closed, RPU staff contacted the 5 remainder consultants to find out the reasoning on why they did not submit a proposal. The feedback staff obtained was that consultant resources had already committed to other projects and were at their capacity to meet RPU’s timeline. A contributing factor challenging the bidding process was the delay and time the State took to release its 2020 guidelines: the draft version was released in August 2020. During the time the guidelines were being developed during this pandemic period, RPU staff was able to hone and refine the scope of work while recognizing that the available pool of consultants could be impacted.

One option is to reject the proposal from WSC and release another RFP through the standard process to see if City would receive additional proposals from qualified consultants. However, as several of the consultants on our consultant panel are already engaged, it is highly likely that other qualified consultants are also fully committed. Furthermore, to complete the UWMP by July 1, 2021 will require a considerable effort: delaying the start of the report will threaten our ability to complete it in due time.

Another option is to complete the report using City staff. However, staff is already committed to other important projects such as the Upper Santa Ana River Habitat Conservation Plan, the PFAS/PFOA mitigation plan, water resource projects budget development and multi-agency water policy projects. Diverting staff and other resources to the UWMP will slow progress on these.

The Supplemental Agreement for this work with Water System Consulting, Inc. is for \$87,300. The City of Riverside has a Master Agreement for Professional Consultant Services with Water System Consulting, Inc. that was executed on July 30, 2018. Although the City received only one proposal, its price is similar to the proposal received five years ago (2015 UWMP), which was for about \$85,000.

As part of this project, staff will engage in a significant public outreach effort to explain the purpose and findings of the UWMP.

The proposal is summarized in the table below:

Consultants	City Location	Bid Amount	Rank
Water System Consulting, Inc	Rancho Cucamonga, CA	\$87,300.00	1
➤ <i>Engineer's Estimate</i>		\$150,000.00	

The project/fiscal breakdown is as follows:

Project and Fiscal Breakdown		
Work Type	Performed By:	Amount (\$)
2020 Urban Water Management Plan	Water System Consulting, Inc.	\$87,300
Reimbursements		None
Anticipated Start Date:		December 2020
Anticipated Duration:		6 Months

The Purchasing Manager concurs that the recommended actions are in compliance with Purchasing Resolution No. 23256.

While the UWMP is focused on ensuring that there are sufficient water resources for current and future water needs, it primarily focuses on City’s ability to attest to sufficient water supplies in consideration of growth projections, conservation, drought or supply emergencies. The UWMP is not mandated to address voluntary water policy decisions such as the city mandates of Proposition R and Measure C or the new City Council strategic plan. RPU staff recognizes that there is a need for a larger discussion aimed at water policy matters to determine how to maximize the value and benefit of the City’s water resources. For example, there are several sources of water that are suitable for different needs. Identifying allocations and acceptable uses for each

source of water will inform staff how to incorporate these decisions into the Cost of Service Analysis (COSA) that forms the backbone of water rates. Staff recommends that a Water Policy Advisory Group be formed by the City Council and supported by the Board of Public Utilities to help consider water use policy options for the City of Riverside. The WPAG should include key stakeholders to ensure that it fosters inclusiveness, diversity and equity. For this reason, staff has developed the following outline of a WPAG for Board consideration and discussion.

- 2 members from agricultural interests (Gage Canal Company, Grow Riverside)
- 2 members from local non-profits with nexus to sustainable water policy
- 2 members from Greater Riverside Chambers of Commerce
- 3 members from local academic institutions
- 1 member from RPU Board of Public Utilities
- 7 members (Council Wards 1-7)

Staff will also be available during the presentation to the Board to describe the role of the new Office of Sustainability and its nexus to Public Utilities.

FISCAL IMPACT:

The total fiscal impact is \$87,300. Sufficient funds are available in the Public Utilities Water Engineering Professional Services Account No. 6210000-421000 for Fiscal Year 2020/21.

Prepared by: Todd L. Jorgenson, Utilities Assistant General Manager/Water
Approved by: Todd M. Corbin, Utilities General Manager
Approved by: Al Zelinka, FAICP, City Manager
Approved as to form: Kristi Smith, Chief Assistant City Attorney

Certifies availability of funds: Edward Enriquez, Chief Financial Officer/City Treasurer

Attachments:

1. RFP Award Recommendation
2. Master Agreement for Professional Consultant Services
3. Supplemental Agreement with Water System Consulting, Inc
4. Presentation