



RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: APRIL 28, 2025

SUBJECT: PROFESSIONAL CONSULTANT SERVICES AGREEMENT FROM RFP NO. 2415 FOR ENGINEERING DESIGN AND CONSTRUCTION MANAGEMENT SERVICES FOR SITE MODIFICATIONS AT THE PALMYRITA WATER TREATMENT PLANT FOR PFAS REMOVAL WITH TETRA TECH, INC. OF IRVINE, CALIFORNIA FOR A TERM UNTIL DECEMBER 31, 2029, IN A NOT-TO-EXCEED AMOUNT OF \$3,670,451 – SUPPLEMENTAL APPROPRIATION

ISSUES:

Consider a supplemental appropriation and recommending approval of a Professional Consultant Services Agreement from RFP No. 2415 for Engineering Design and Construction Management Services for Site Modifications at the Palmyrita Water Treatment Plant for PFAS Removal with Tetra Tech, Inc. of Irvine, California, for a term until December 31, 2029, in a not-to-exceed amount of \$3,670,451.

RECOMMENDATIONS:

That the Board of Public Utilities recommend that the City Council:

1. Approve a Professional Consultant Services Agreement from RFP No. 2415 for Engineering Design and Construction Management Services for Site Modifications at the Palmyrita Water Treatment Plant for PFAS Removal with Tetra Tech, Inc. of Irvine, California, for a term until December 31, 2029, in a not-to-exceed amount of \$3,670,451;
2. With at least five affirmative votes, authorize the Chief Financial Officer, or designee, to record a supplemental appropriation in the total amount of \$3,670,451 from the Water Fund Undesignated Reserves and appropriate expenditures to the PFAS Treatment Plant Account; and
3. Authorize the City Manager, or designee, to execute the Professional Consultant Services Agreement and any other documents necessary to effectuate the project described herein, as well as the ability to make minor non-substantive changes in accordance with all purchasing policies.

BACKGROUND:

In April 2024, the United States Environmental Protection Agency (USEPA) established the first-ever nationwide, legally enforceable drinking water standards to protect communities from Per- and Polyfluoroalkyl Substances (PFAS) in their drinking water. Public water systems have until April 2029 to implement solutions that reduce PFAS in drinking water below the standard. PFAS

has impacted several Riverside groundwater sources and will require treatment to meet the new standards.

In anticipation of the new PFAS drinking water standards, the Riverside Board of Public Utilities (Board) approved a professional consultant services agreement on November 9, 2020, with HDR Engineering, Inc. to assist in developing a long-term approach to treat and reduce the amount of PFAS found in Riverside's groundwater sources.

This study, in conjunction with input from staff, identified that constructing a new PFAS Treatment System at Riverside's existing Palmyrita Water Treatment Plant would result in the most beneficial and cost-effective solution to meet the new PFAS regulatory requirements.

On October 8, 2024, the City Council authorized the application to the U.S. Environmental Protection Agency's State and Tribal Assistance Grants Program for Riverside Public Utilities Department's PFAS Treatment Project, authorized the execution of all required documents by the City Manager or designee, and accepted a Congressional earmark in the amount of \$959,752. Staff has since been informed that the funding associated with this congressional earmark has been delayed. When and if the funding associated with this congressional earmark does become available, it will partially fund the new PFAS Treatment System.

DISCUSSION:

Staff is seeking the services of a qualified vendor to perform professional engineering and construction management services for the new PFAS Treatment System. The work will generally entail the design and construction management services for a new Ion Exchange (IX) Treatment System consisting of twenty-two (22) IX vessels along with the associated pumps, prefilters, piping, mechanical and electrical equipment, as well as all related incidental work.

Solicitation Process and Vendor Selection

On October 4, 2024, the City's Purchasing Division (Purchasing) issued Request for Proposals (RFP) No. 2415 for a qualified vendor to perform professional engineering and construction management services for the design and construction of site modifications at the Palmyrita Water Treatment Plant for PFAS removal.

The solicitation notification is summarized in the table below:

Action	Number of Vendors
External Vendors Notified	500
City of Riverside Vendors Notified	895
Vendors who downloaded the RFP	54
Proposals received	2

A non-mandatory pre-proposal meeting was held on October 17, 2024, with five (5) vendors in attendance. A total of thirteen (13) questions were received from prospective bidders, and one (1) addendum was posted. On November 19, 2024, two (2) proposals were received in response to RFP No. 2415. Under the guidance and oversight of the assigned representative from Purchasing, a four-member panel comprised of staff from RPU evaluated the proposals. Each of these four (4) individuals evaluated and ranked the proposals independently and input their scores into the online evaluation portal.

The evaluation criteria and respective weightings were established in collaboration with Purchasing using industry best practices and in consideration of the project needs. Because of the specialized nature of this work, it is essential that the selected vendor have the qualifications and experience needed to successfully complete the work along with a superb understanding of the work and a verified track record to back it up. Fair and reasonable pricing is a very important consideration as well to ensure overall good value for the City. The weightings were allocated according to the relative importance of each evaluation criterion based on the project needs.

The vendors who submitted proposals for RFP No. 2415, along with their respective proposal scores, are summarized in the table below:

Vendor Name	City Location	Proposed Fee	Weighted Score Evaluations						Rank
			Project Understanding (20%)	Approach and Methodology (20%)	Qualifications and Experience (30%)	Professional References (5%)	Pricing (25%)	Total Proposal Score	
Tetra Tech, Inc.	Irvine, California	\$3,698,000	197.50	190.00	288.75	41.88	250.00	968.13	1
HDR Engineering, Inc.	Riverside, California	\$4,105,880	192.50	190.00	273.75	40.00	225.16	921.41	2

Estimated Budget Range: \$3,500,000 – \$4,000,000

As part of the selection process outlined in the RFP, vendors could have been invited to participate in interviews to help gain greater insight into the experience and capabilities of their proposed personnel. Each of the two vendors were invited to participate in interviews held at RPU offices on January 8, 2025. The interview with each vendor provided an opportunity for them to make a presentation to the selection committee and included a question-and-answer session. Each interview was proctored by the assigned representative from Purchasing. Three of the four panel members participated in the interview evaluation since the fourth panel member was excused due to scheduling challenges.

The vendors, along with their respective proposal scores and interview scores, are summarized in the table below:

Vendor Name	City Location	Proposal Score	Interview Score	Overall Score	Overall Rank
Tetra Tech, Inc.	Irvine, California	968.13	980.84	1,948.97	1

HDR Engineering, Inc.	Riverside, California	921.41	934.16	1,855.57	2
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Upon review of the scores by the assigned representative from Purchasing, Tetra Tech, Inc. ranked highest based on their proposal submitted and interview performance. The assigned representative from Purchasing requested a Best and Final Offer (BAFO) from Tetra Tech, Inc. who responded with reduced pricing resulting in a new overall proposed fee of \$3,670,451, a \$27,549 or 0.7% reduction to the original fee submitted.

Once the design of the new PFAS treatment plant is complete, staff intend to seek construction bids followed by an award of a construction contract by the Board in accordance with the City's established formal procurement policy. A 30-inch water supply pipeline will be necessary to convey water from four (4) groundwater wells to the PFAS treatment plant site, which will be designed by RPU staff and constructed by an outside contractor. Staff intend to seek construction bids followed by an award of a construction contract by the Board in accordance with the City's established formal procurement process for the pipeline work, as well.

Purchasing Resolution 24101, Section 508 Awards states, "Contracts procured through Formal Procurement shall be awarded by the Awarding Entity to the Lowest Responsive and Responsible Bidder, except that... (c) Contracts procured through Formal Procurement for Services or Professional Services, where a Request for Proposals or Request for Qualifications was used to solicit Bids, shall be awarded by the Awarding Entity in accordance with the evaluation criteria set forth in the Request for Proposals or Request for Qualifications."

The Purchasing Manager concurs that the recommended actions comply with Purchasing Resolution No. 24101.

STRATEGIC PLAN ALIGNMENT:

This item contributes to the following Strategic Priorities and Goals:

Strategic Priority No. 4 – Environmental Stewardship: Champion proactive and equitable climate solutions based in science to ensure clean air, safe water, a vibrant natural world, and a resilient new green economy for current and future generations.

Goal 4.2 – Sustainably manage local water resources to maximize reliability and advance water reuse to ensure safe, reliable, and affordable water to our community.

Strategic Priority No. 6 – Infrastructure, Mobility and Connectivity: Ensure safe, reliable infrastructure that benefits the community and facilitates connection between people, place and information.

Goal No. 6.2 – Maintain, protect, and improve assets and infrastructure within the City's built environment to ensure and enhance reliability, resiliency, sustainability, and facilitate connectivity.

This item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – This project shows RPU's proactive commitment to protecting public health and thereby enhancing community trust.

2. **Equity** – RPU endeavors to provide high quality drinking water in its distribution system, thereby providing an equitable benefit to all customers.
3. **Fiscal Responsibility** – The lowest price for these services was ensured through a competitive procurement process.
4. **Innovation** – The latest technology and best practices for reducing the level of PFAS compounds will be employed, helping to ensure effective and efficient operation of the facilities.
5. **Sustainability & Resiliency** – This item will help ensure RPU can provide safe and reliable water service to its customers.

FISCAL IMPACT:

The total fiscal impact is \$3,670,451. Sufficient funds are available in the Water Fund Undesignated Reserves and upon City Council approval will be appropriated in the PFAS Treatment Plant Account No. 6230000-470841.

Prepared by:	Robin Glenney, Utilities Assistant General Manager/Water
Approved by:	David A. Garcia, Utilities General Manager
Certified as to availability of funds:	Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by:	Rafael Guzman, Assistant City Manager
Approved as to form:	Jack Liu, Interim City Attorney

Attachments:

1. Project Location Map
2. Award Recommendation – RFP No. 2415
3. Professional Consultant Services Agreement
4. Presentation