STAFF REPORT

AGENDA NO: 9d

MEETING DATE: November 4, 2024

To: **Honorable Mayor and City Council**

Date: **November 4, 2024**

From: **Syed Murtuza, Director of Public Works – (650) 558-7230**
Mahesh Yedluri, Senior Civil Engineer – (650) 558-7230

Subject: **Adoption of a Resolution Approving a Professional Services Agreement with Water Resources Engineering, Inc., in the Amount of $860,910, for the Recycled Water and Treated Wastewater Discharge Reduction Project, City Project No. 87050, and Authorizing the City Manager to Execute the Agreement**

RECOMMENDATION

Staff recommends that the City Council adopt the attached resolution approving a professional services agreement with Water Resources Engineering, Inc. (WRE) in the amount of $860,910 for the Recycled Water and Treated Wastewater Discharge Reduction Project, City Project No. 87050, and authorizing the City Manager to execute the agreement.

BACKGROUND

The California State Budget Act of 2023 (Assembly Bill 179) made budget appropriations for the support of local governments in California for several public purposes. State funds were made available to each senatorial district, and State Senators developed their own competitive processes for the distribution of funds to local municipalities and others. The City of Burlingame submitted a request to Senator Josh Becker's office for funding for the Wastewater Discharge Reduction and Reclaimed Water Supply Program. Thanks to Senator Becker's hard work and efforts, the State approved $1,000,000 for this project as part of the FY 2023-24 State Budget.

As part of the City Council's goal-setting session in January 2023, the City Council established a City Council ad-hoc subcommittee (composed of former Mayor/Councilmember Ricardo Ortiz and current Vice Mayor Peter Stevenson) on water reuse and retention. In September 2024, the Mayor subsequently appointed Councilmembers Michael Brownrigg and Andrea Pappajohn to serve on the subcommittee. Staff held an initial meeting with the subcommittee to review the City's current programs and future recycled water opportunities. In addition to adopting increased water conservation measures, the City is exploring pathways for developing a reclaimed water (or recycled water) program to diversify the City's water portfolio and make the City more water

resilient. The purpose of this project is to perform a feasibility study and develop design documents for wastewater discharge reduction and a reclaimed water supply system. The scope of the wastewater discharge reduction program is to determine alternatives that will reduce the amount of treated wastewater effluent flowing into the San Francisco Bay. In addition, the City will perform a feasibility analysis of various demand and supply scenarios and infrastructure planning of the reclaimed water. A feasibility study will encompass economic, environmental, and implementation scenarios; an end-user benefit analysis; and analyses of potential regional and/or multi-jurisdictional collaborations.

This project will be implemented in different phases: a feasibility evaluation phase, an alternatives evaluation phase, and an implementation phase.

DISCUSSION

Staff issued a Request for Proposals (RFP) seeking professional services for this project on May 15, 2024, and received three proposals by the July 1, 2024, submission deadline. After reviewing the proposals, staff interviewed all three consultants. WRE submitted a thorough proposal and performed well during the interview. Based on the results of the interview and qualifications of the firms, WRE was selected as the top qualified firm for this project.

Staff negotiated the following scope of services with WRE in the amount of $860,910, which is described in detail in Exhibit A of the attached Professional Services Agreement:

Phase A: Alternatives Development and Screening
The authorization of this project allows the consultant to proceed with this phase.

- Collect and Review Data/Information
- Identify Potential Recycled Water Users: This will include identifying options to supply recycled water and reduction of nutrients in effluent discharge, including potential external partnerships.
- Develop and Screen Alternatives, Including Public Outreach: As part of this task, the consultant team will evaluate approximately 15 different alternatives that will include several variables. These variables are primarily categorized into reuse variables, regional partnerships, and other variables, such as, outfall alternatives and nutrient reduction alternatives. This effort includes performing preliminary outreach efforts to review the alternatives.

Phase B: Alternatives Evaluation
At the completion of Phase A, it is anticipated that there will be revisions to the scope of work due to the nature of selected alternatives. The City will issue notice to proceed on this phase after agreed upon scope revisions.

- Evaluate Treatment Needs and Alternatives: After Phase A, three alternatives will be evaluated further. If these alternatives require upgrades, additions, or changes to the

treatment, these will be evaluated as part of this task. At this point, staff envisions evaluating outfall alternatives and treatment systems that will reduce the nutrients in the effluent. As part of this task, the consultant team will provide planning level cost estimates for the evaluated alternatives.

- Evaluate Infrastructure Needs and Alternatives: After Phase A, three alternatives will be evaluated. If these alternatives require distribution infrastructure, such as new pipelines, storage tanks, and pump stations, these will be evaluated as part of this task. This evaluation includes, evaluating infrastructure needs for projects involving external agency partnerships.
- Identify the Most Cost-Effective and Feasible Option, Including Public Outreach: As part of this alternative, the environmental constraints and outreach requirements for all three selected alternatives will be evaluated. After understanding the feasibility of three selected alternatives, one alternative will be selected for further consideration. In addition, the consultant team will identify grant and funding alternatives that are available to implement a selected alternative.
- Develop Cost-Benefit Analysis: As part of this phase, the consultant team will perform cost-benefit analysis of each of the alternatives considered to assist the City in making decisions regarding preferred alternative and feasibility of options.

Phase C: Project Implementation
This phase is not funded at this time, and staff will seek funding opportunities during the development of Phases A and B. This phase will be carried out after staff has a thorough understanding of a cost-effective and feasible alternative along with adequate funding.

- Conduct Environmental Work
- Conduct Public Outreach
- Prepare Design Documents and Acquire Permits

The consultant fee to complete Phases A and B is $860,910. Phase C costs are provided to present an estimate to implement a selected alternative, and these costs are planning level estimates.

Phases A is tentatively scheduled to begin in December 2024. Phases A and B are anticipated to be completed by December 2025.

FISCAL IMPACT

The following are the estimated project expenditures:

Professional Services Agreement	$860,910
Project Contingency (10%)	$86,100
Staff Administration	$49,990
Total	**$997,000**

The Project is funded by State funds, and there are adequate funds available in the Capital Improvement Program to undertake the scope of the project for Phases A and B as discussed above.

Exhibits:

- Resolution
- Professional Services Agreement