



Staff Report

File #: 24-0401

**REQUEST FOR CITY COUNCIL AND
CORONA UTILITY AUTHORITY ACTION**

DATE: 05/15/2024

TO: Honorable Mayor and City Council Members
Honorable President and Board Members

FROM: Public Works Department & Utilities Department

SUBJECT:
SECOND AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH AKM CONSULTING ENGINEERS FOR THE WRCRWA RECLAIMED WATERLINE CAPITAL IMPROVEMENT PROJECT NO. UT-2023-01

EXECUTIVE SUMMARY:

This staff report asks the City Council to consider the approval of the Second Amendment to the Professional Services Agreement with AKM Consulting Engineers for the Western Riverside County Regional Wastewater Authority (WRCRWA) to continue to provide construction management and inspection services and increase the contract value from \$274,914 to \$349,914 for a total increase of \$75,000.

RECOMMENDED ACTION:

That the City Council :

- a. Approve the Second Amendment to the Professional Services Agreement with AKM Consulting Engineers, to increase the total compensation by \$75,000, and extend the contract term from April 30, 2024, to June 30, 2024.
- b. Authorize the City Manager, or his designee, to execute the Second Amendment to the Professional Services Agreement with AKM Consulting Engineers for a total contract amount of \$349,914.
- c. Authorize the City Manager, or his designee, to issue Change Order No. 2 to Purchase Order P22742 to AKM Consulting Engineers, in the amount of \$75,000.

That the Corona Utility Authority review, ratify, and to the extent necessary, direct the City Council to take the above actions

BACKGROUND & HISTORY:

On September 7, 2022, the City Council awarded Ferreira Coastal Construction Company a construction contract to install 3,900 linear feet of new 20-inch ductile iron reclaimed waterline and 100 linear feet of new 12-inch polyvinyl chloride reclaimed waterline. The project will allow the City to connect to the WRCRWA facility to benefit from the use of reclaimed water.

On October 19, 2022, the City Council authorized the City Manager to execute a Professional Services Agreement (PSA) with AKM Consulting Engineers, (AKM) to provide construction management and inspection services for the WRCRWA Reclaimed Waterline Project (Project). The total compensation included in the initial contract was \$249,922. The construction management and inspection services generally included construction management and inspection services through the anticipated completion of construction, estimated at that time as April 12, 2024.

ANALYSIS:

Throughout the delivery of the Project, City staff identified the need for AKM to provide additional construction management and inspection services while coordinating with the City of Eastvale, Riverside County Regional Park, and Open Space District. The project is taking more construction management effort than originally anticipated.

One of the contributing factors is a prolonged issue on the project originating from a demand made by the City of Eastvale to backfill all trenches with slurry within their right-of-way. This direction differed from the allowable backfill material in the original bid documents. The City of Eastvale's direction resulted in a change order demand from the Contractor, which has triggered multiple meetings, emails, correspondence and other coordination with the Contractor to attempt to resolve and negotiate an equitable cost. This change by the permitting agency, and the resulting effect is beyond what would normally be expected on a typical project and a scope change. As a result, the Contractor worked a significant amount of overtime while performing the work within the City of Eastvale's right-of-way. The original budget did not account for overtime work.

Unidentified utilities were also discovered while trenching, which required additional construction management coordination efforts with the Army Corps. of Engineers, Riverside County Regional Park, and Open Space District to address the conflict appropriately.

Due to the reasons above, AKM ran out of budget in February and requested to utilize the contingency funds as part of the first amendment to extend services for 3.5 weeks. The First Amendment only extended services to mid-March, thus requiring the Second Amendment request to continue services through the remainder of the project.

The First Amendment to the PSA was approved under the City Manager's Authority on March 27, 2024. The first amendment increased the approved contract from \$249,922 to \$274,914 for a total

increase of \$24,992.

As a result of the increase in the construction contract's duration, additional construction management and inspection services are required to close out the project, resulting in \$75,000 in additional costs.

FINANCIAL IMPACT:

Funding for the recommended actions is available in the WRCRWA Reclaimed Waterline Capital Improvement Project No. UT-2023-01 within the Reclaimed Water Utility Fund 567 and Water Utility Grant/Agreement Fund 571 for the second amendment cost increase of \$75,000 for additional construction management and inspection services for AKM's professional services agreement.

ENVIRONMENTAL ANALYSIS:

On September 7, 2016, City Council adopted Resolution No. 2016-091, included as Exhibit 5, approving an Initial Study and Mitigated Negative Declaration (IS & MND) for Proposition 1 - Reclaimed Water Distribution Facilities Project. Proposition 1 - Reclaimed Water Distribution Facilities Project is the expansion of the City's reclaimed water system, which includes the construction of two water storage tanks and the construction of 16 new pipeline projects, including the WRCRWA Reclaimed Waterline. These projects will enable the City to more efficiently operate the reclaimed water system by providing additional water storage capabilities and additional sources of reclaimed water to irrigate existing landscaping with reclaimed water offsetting the use of potable water.

On May 2, 2018, City Council adopted Resolution No. 2018-024, included as Exhibit 6, approving Addendums No. 1 and No. 2 to the 2016 IS & MND for Proposition 1 - Reclaimed Water Distribution Facilities Project and making environmental facts and findings pursuant to the CEQA. Addendum No. 1 addressed the change in waterline size from 16-inch to 20-inch diameter for the Project to meet the anticipated demand for reclaimed water. Addendum No. 2 proposed a new alignment of the waterline for the Project where 2,000 feet of waterline would be installed within the Riverview Recreation Park within an easement across the Department of Army Corps of Engineers federal lands. This change reduced the length of the proposed reclaimed waterline and thus reduced project cost. The Department of the Army Corps of Engineers granted the City an easement for a 25-year term, beginning February 9, 2018, and ending February 8, 2043. As part of being granted this easement, the NEPA required an Environmental Assessment (EA) to be prepared for the Project. The [EA](#) for the Project was completed in December 2017, satisfying the NEPA requirements. City staff reviewed the changes to the Project and determined that upsizing of the waterline and change of alignment did not require the preparation of a subsequent IS & MND. The two addenda were prepared in accordance with Section [15164](#) of the State CEQA Statute and Guidelines, and the City's Local CEQA Guidelines.

On May 5, 2021, City Council adopted Resolution No. 2021-005, included as Exhibit 7, certifying the Final Program Environmental Impact Report (PEIR) prepared for the 2018 Reclaimed Water Master Plan ([2018 RWMP](#)) and adopting Environmental Findings of Fact and a Mitigation Monitoring and Reporting Program (MMRP) pursuant to the CEQA. The City also adopted Resolution 2021-006, included as Exhibit 8, approving the 2018 RWMP. The 2018 RWMP identified the WRCRWA Wastewater Treatment Plant, in the City of Eastvale, as a future source of reclaimed water for the City. WRCRWA is a joint powers authority consisting of the City of Norco, City of Corona, Jurupa

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Community Services District, Home Gardens Sanitary District, and Western Municipal Water District. The WRCRWA Wastewater Treatment Plant, located at 14634 River Road in the City of Eastvale, provides wastewater treatment services to its member agencies and treats wastewater at a tertiary level improving the wastewater quality before it is discharged into the Santa Ana River. Per the 2018 RWMP, the Project is one of six projects to support and facilitate the transmission and distribution of reclaimed water from the WRCRWA Wastewater Treatment Plant to the City. The environmental documents concluded that all environmental impacts for the project are either insignificant or can be mitigated to a level of insignificance.

PREPARED BY: NATHAN ARMENDARIZ, ASSOCIATE ENGINEER

REVIEWED BY: SAVAT KHAMPHOU, PUBLIC WORKS DIRECTOR & TOM MOODY, DIRECTOR OF UTILITIES

Attachments:

1. Exhibit 1 - Second Amendment to the Professional Services Agreement
2. Exhibit 2 - Budget Amendment Requests