



Agenda Report

November 13, 2017

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH PSOMAS TO PROVIDE THE ARROYO SECO DIVERSION HABITAT MODELING STUDY FOR AN AMOUNT NOT TO EXCEED \$115,000

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is not a project subject to the California Environmental Quality Act ("CEQA") pursuant to Section 21065 of CEQA and Sections 15060 (c)(2), 15060 (c)(3), and 15378 of the State CEQA Guidelines and, as such, no environmental document pursuant to CEQA is required for the project;
2. Authorize the City Manager to enter into a contract, without competitive bidding pursuant to City Charter Section 1002 (F), Contracts for professional or unique services, with Psomas for the Arroyo Seco Diversion Habitat Modeling Study in an amount not to exceed \$115,000 over a period of two (2) years; and,
3. Grant the proposed contract an exemption from the Competitive Selection Process pursuant to Pasadena Municipal Code Section 4.08.049B, Contracts for which the City's best interests are served.

BACKGROUND:

As a result of a lawsuit filed against the City of Pasadena ("City") for the Arroyo Seco Canyon Project ("ASCP"), judgment was entered that invalidated environmental approvals for the project components that were found to have been inadequately analyzed under CEQA. Project elements that increase the City's ability to divert water from the Arroyo Seco for spreading are not allowed to proceed unless and until the City has prepared and certified an Environmental Impact Report ("EIR"). The EIR would analyze the potentially significant effect of such facilities and related potential for increased water diversion from the Arroyo Seco on biological resources from the diversion point downstream.

Before judgment was entered and while PWP was attempting to permit the ASCP, a streambed alteration notification was submitted to the California Department of Fish and Wildlife ("Fish and Wildlife") for work proposed within its jurisdiction. Over the course of its review, Fish and Wildlife issued several requests for detailed information to support

the design, additional analysis on the estimated increase in diversion, and assessment of project impacts on stream flow. PWP submitted new basis of design reports with expanded hydrology analysis to supplement the initial application. In May, Fish and Wildlife issued a draft Streambed Alteration Agreement ("SAA"), which typically signifies that no additional or revised information is required from the applicant. However, the project's draft SAA was issued conditional on the resolution of several items, most critically regarding sufficient stream flows and impacts to downstream habitat. Also, the agency advised PWP that an SAA could not be executed without an approved CEQA document that covered the project elements within its jurisdiction.

In order to respond to the project's environmental and regulatory challenges, it is necessary for PWP to address the critical issue of impacts to habitat. PWP's approach is to perform a technical study on the effect of increased flow diversion as a separate step preceding the required EIR. The work will link established hydrology and hydraulics with ecology to determine the ecosystem response to the change in flows. The results of the study will be used to refine the design and operation of the project's water supply components; address the concerns of the permitting agencies; and be used to support further CEQA documentation.

The work requires a consultant's expertise in hydraulic, sediment transport, and ecological modeling, as well as in biological resources for a comprehensive analysis. To carry out the work plan, PWP informally requested a proposal from Psomas, the environmental consultant that performed the Initial Study/Mitigated Negative Declaration ("IS/MND") for the ASCP. Psomas responded by submitting a proposal for the Arroyo Seco Diversion Habitat Modeling and Technical Memorandums dated October 23, 2017. Psomas' has assembled a highly qualified project team with key personnel located in the Psomas' Pasadena office. Their expertise in the specialized area of ecohydrology makes them well-positioned to provide the comprehensive analysis needed to address the critical issue of impacts to habitat in the Arroyo due to increased diversions from the ASCP.

Because of their previous work, including the Jurisdictional Delineation and Biological Technical Reports to support the IS/MND, Psomas is able to build on information that has already been collected. They are well-versed in the biological resources for this area and will narrow their focus to what is critical. Psomas' additional field research and data collection efforts will be minimal and are reflected in their fee. Psomas also prepared the applications for the ASCP's regulatory permits, including for the draft SAA from Fish and Wildlife. Their knowledge of discussions with regulatory staff, including from site visits and meetings, provides additional insight as to the issues that need to be addressed in order to successfully move the project forward.

The proposed fee of \$102,783 includes tasks for data collection, modeling, regulatory agency coordination, and report preparation. Psomas fee has been compared to the cost for similar environmental tasks performed by other consultants for PWP projects, and both the fee and the rates on which the fee is based are judged by staff to be fair and reasonable for the size and scope of this project. Psomas is currently under contract with Public Works for Biological Consulting Services and Regulatory Permitting

Assistance for the Low Flow Area of the Arroyo. They were competitively selected for this work through an open RFP process.

Psomas (formerly BonTerra until their merger with Psomas in 2014) is a subconsultant to one of the three General Engineering Services ("GES") consultants currently contracted with PWP. It is under Carollo Engineers, Inc. Contract No. 30354 that Psomas performed their previous work for the ASCP, and the proposed services would also fall within the scope of the competitively awarded GES contract. However, if PWP were to procure Psomas' services through a task order issued under the GES contract, the Psomas' fee would be subject to a 10% markup and additional hours by the GES consultant for contract administration.

From 2010 until its acquisition by Psomas, the City awarded BonTerra six purchase orders totaling \$71,738. In 2017, the City's Planning and Public Works Departments awarded a total of eight purchase orders and contracts to Psomas for a combined total of \$1,314,397, with expenditures to date totaling \$30,633.

It is in the City's best interest to contract with Psomas for this work, as Psomas has the desirable combination of technical expertise, local experience, and project familiarity that will be highly beneficial for the successful completion of this project. Staff recommends that the City Council award a contract, without competitive bidding, to Psomas for an amount not to exceed \$115,000. Furthermore, contracting directly with Psomas will save the City approximately \$15,000 versus continuing to use their services as a subcontractor of the GES consultant retained to perform the earlier study.

Alternatively, a contract could be awarded through a competitive selection process; however, this will not likely result in savings to the City since other consultants will not have the same benefit of project knowledge or of building on previously collected information as Psomas. Also, implementation of this process will delay the project outcome.

COUNCIL POLICY CONSIDERATION:

The proposed contract is consistent with the Public Facilities Element of the General Plan and supports the Council's goal to improve, maintain and enhance public facilities infrastructure and to implement capital improvements that will maintain and rehabilitate infrastructure.

ENVIRONMENTAL ANALYSIS:

Entering into contracts with an engineering firm for consulting services is an organizational and administrative action that would not cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment, and entering into such a contract would not commit the City to undertaking any improvement projects. Therefore, the proposed action is not a "project" subject to CEQA, as defined in Section 21065 of CEQA and Sections 15060 (c)(2), 15060 (c)(3), and 15378 of the State CEQA Guidelines. Since the action is not a project subject to CEQA, no environmental document is required.

FISCAL IMPACT:

The cost of this action will be \$115,000. Funding for this action will be addressed by the utilization of existing appropriations in the adopted FY 2018 Capital Improvement Program Budget Number 1040 – Arroyo Seco Canyon Project. It is anticipated that 100% of the cost will be spent during the current fiscal year 2018.

In addition, it is anticipated there will be \$25,000 in costs for contract administration and coordination to be performed by staff as a result of this action. The total fiscal impact will be \$140,000.

The following table present the fiscal impact summary:

Total Fee	\$102,783
Contingency (approximately 12%)	\$12,217
Total Contract Amount	\$115,000
Contract Administration	\$25,000
Total Fiscal Impact	\$140,000

Respectfully submitted,



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