



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Approve and Authorize the City Manager to Execute Amendment No. 2 to the Professional Services Agreement with Water Systems Optimization, Inc. for Water Loss Technical Assistance for a Total Amount Not to Exceed \$160,756.
Category:	Consent Calendar-Community Services and Sustainable Infrastructure
Meeting Date:	2/18/2020
Staff Contact:	Tony Ndah, 408-586-2602, Chris Schroeder 408-586-3161
Recommendation:	Approve and Authorize the City Manager to execute Amendment No. 2 to the professional services agreement with Water Systems Optimization, Inc. for water loss technical assistance, increasing the total not to exceed amount from \$99,490 to \$160,756.00.

Background:

The Water Leak Detection and Condition Assessment Program was approved by Council as part of the 2018-23 Capital Improvement Program, to provide funding for citywide leak detection and additional measures to reduce the volume of water loss in the distribution system.

On January 8, 2019 the City entered into a professional services agreement with Water Systems Optimization, Inc. (WSO), to assess and improve the City's water loss tracking efforts, identify and initiate water loss controls best practices, and outline a Water Loss Control Plan for the City. The term of the original agreement was from January 1, 2019 to December 31, 2019 and the initial not-to-exceed amount of the agreement was \$99,490. The original scope of work included support for the City's 2018 water audit and included the completion of leak detection on 50 miles of the City's water system.

On December 31, 2019, the City and Water Systems Optimization, Inc. entered into Amendment No. 1 which extended the term of the agreement to allow WSO to complete the leak detection tasks specified in the scope of work of the original agreement.

In an effort to better quantify water losses in the City's system, WSO recommended additional leak detection and pressure monitoring on the City's system, based on the results of the City's 2018 water audit. The proposed amendment would include additional tasks to allow the City to continue its efforts for limiting water loss in the distribution system.

Analysis:

In 2015, Senate Bill 555 was passed, which required all urban retail water suppliers to annually submit a water audit to assess water loss in the distribution system. The reports are due to the State on or by October 1 of each year and City staff worked with WSO to complete the 2018 Water Audit for submission, using the software provided by the American Water Works Association (AWWA). This top-down method takes into consideration many aspects of the system and provides a percentage of water loss for the system. The 2018 Water Audit also includes a data validity score for the City, which is used to guide decisions on the selection of water loss control planning measures recommended by the AWWA Water Loss Control Planning Guide. Based on the 2018 validity score for the City, AWWA guidelines recommend the City establish mechanisms for active leakage control and infrastructure monitoring.

The proposed contract amendment would expand the scope of the original contract to include the compilation and validation support for the City's 2019 Water Audit, which is due to the State by October 1, 2020. The Amendment also includes leak detection on an additional 50 miles of the water distribution system and active pressure monitoring of the distribution system to help monitor and reduce the occurrence of pressure surges in the water distribution system, which can compromise the physical integrity of pipes and lead to leaks.

Policy Alternative:

Alternative: Not approve and authorize the City Manager to execute Amendment No. 2 for water loss technical assistance.

Pros: The City would not spend \$61,266.00 for additional professional services related to the project.

Cons: The City would not be taking the additional steps needed to lower water loss in the distribution system, per the AWWA Water Loss Control Planning Guide, and potential leaks in the system would remain, leading to lost revenue to the City.

Reason not recommended: It is critical that the City have an understanding of system-wide water loss performance and implement a water loss control plan and to reduce the volume of water lost.

Fiscal Impact:

Cost of Amendment No. 2 of \$61,266 is available in Capital Improvement Project 7135 Water Leak Detection & Condition Assessment.

California Environmental Quality Act:

By the definition provided in the California Environmental Quality Act Guidelines Section 15378, this action does not qualify as a "project" for the purpose of CEQA as this action has no potential to result in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

Recommendation:

Approve and Authorize the City Manager to execute Amendment No. 2 to the professional services agreement with Water Systems Optimization, Inc. for water loss technical assistance, increasing the total not to exceed amount from \$99,490 to \$160,756.00.

Attachment:

Amendment No. 2 to Agreement with Water Systems Optimization, Inc.