

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Motion to Authorize the City Manager to Execute a Contract with Stantec Consulting Services Inc. for Development of the City's Wastewater Code, Engineering Development Manual Review and Related Financial Policy Review and Recommendations
DEPARTMENT:	Public Works
PRESENTED BY:	Lance Newkirk, Utility and Operations Manager
ACTION:	<input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Discussion <input type="checkbox"/> Public Hearing

PROBLEM / ISSUE STATEMENT:

In 2002, the City and Ronald Wastewater District (RWD), a special purpose district, entered into an Interlocal Operating Agreement to unify wastewater services with City operations. The Agreement and state law outline the assumption process between the City and RWD. In October 2017, the City will assume the wastewater utility on October 23, 2017, and the utility will then operate under the City's governance structure. The utility will continue to be responsible for the operation and maintenance of approximately 190 miles of pipeline, 17 pump stations, 22 grinder pumps, and over 16,000 side sewer connections.

As result of the assumption and change in governance, new municipal code language, financial policies and design and construction requirements related to the City's new wastewater utility need to be developed and incorporated into City forms and documents.

The City issued a request for qualifications (RFQ), and three submittals were received. Stantec Consulting Services Inc. (Stantec) was selected as the most qualified firm to perform the work. The majority of the work included in the contract is expected to be completed prior to the City assumption of RWD.

RESOURCE/FINANCIAL IMPACT:

The total cost of contract for services, based on a time and materials fee, is not to exceed \$94,268.00. There are sufficient monies in the City's General Fund to fully cover the proposed costs of the contract.

RECOMMENDATION

Staff recommends that the Council move to authorize the City Manager to execute a contract with Stantec for wastewater code, engineering development manual review and development and financial policy review and recommendations, for a total contract based on a time and materials fee not to exceed \$94,268.

Approved By: City Manager ***DT*** City Attorney ***JA-T***

DISCUSSION

In October 2017, the City will assume operation of the Ronald Wastewater District (RWD). As result of the assumption and change in governance, new municipal code language, financial policies and design and construction requirements related to the City's new wastewater utility need to be developed and incorporated into City forms and documents.

The new code will establish the City's Wastewater Utility and set forth the legal authority to set uniform requirements for wastewater discharges from residential, commercial, institutional and industrial users into the City's wastewater conveyance system. The new code will also promulgate regulations that conform to State and Federal wastewater requirements that protect the public's health, safety and welfare; revenue and financial considerations; as well as develop regulations that provide for equitable distribution of the cost of owning and operating the municipal wastewater conveyance system.

New wastewater design and development standards also need to be developed and added to the City's Engineering Development Manual (EDM). The updated document will need to set standards for the construction of public wastewater improvements to serve new and future developments and for the upgrade and reconstruction of existing facilities. These standards will apply to all improvements within the public right-of-way; to all improvements required within the proposed public right-of-way of new residential, commercial, and/or industrial developments; for all improvements requiring maintenance by the City; to all private connections that connect to the public wastewater conveyance system; and for all other improvements for which the City Code requires approval of the City Engineer.

The City needs to ensure that financial policies related to the Wastewater Utility are incorporated into the City's existing financial policies and procedures.

Through this contract, Staff is requesting assistance reviewing RWD and City policies, and utility best practices related to those policies, in order to identify any changes needed to City policies. The proposed contract requires Stantec to provide the above services and to efficiently manage the work to meet the negotiated milestones and timeline. The majority of the work included in the contract is expected to be completed by October 2017 when the City assumes the RWD. And, code revisions will be brought back to Council for final consideration before the assumption is complete.

FINANCIAL IMPACT

The total cost of contract for services, based on a time and materials fee, will not exceed \$94,268.00. There are sufficient monies in the City's General Fund to fully cover the proposed costs of the contract.

RECOMMENDATION

Staff recommends that the Council move to authorize the City Manager to execute a contract with Stantec for wastewater code, engineering development manual review and development and financial policy review and recommendations, for a total contract based on a time and materials fee not to exceed \$94,268.

ATTACHMENTS

Attachment A – Exhibit A – Scope and Compensation

CITY OF SHORELINE
WASTEWATER CODE AND ENGINEERING DEVELOPMENT
MANUAL (EDM) REVIEW AND DEVELOPMENT;
AND FINANCIAL POLICY REVIEW AND RECOMMENDATIONS

EXHIBIT A – SCOPE & COMPENSATION

Stantec Consulting Services Inc.
February 2017

PROJECT DESCRIPTION & PURPOSE

In October, 2017, the City will assume Ronald Wastewater District (RWD), a special purpose district. The City will then be responsible for the operation and maintenance of approximately 190 miles of pipeline, 17 pump stations, 22 grinder pumps, and over 16,000 side sewer connections transfers to the City.

As result of the assumption and change in governance, new municipal code language, financial policies and design and construction requirements related to the City's new wastewater utility need to be developed and incorporated into City forms and documents.

The new code will establish the City's Wastewater Utility and set forth the legal authority to set uniform requirements for wastewater discharges from residential, commercial, institutional and industrial users into the City's wastewater conveyance system. The new code will also promulgate regulations that conform to State and Federal wastewater requirements that protect the public's health, safety and welfare, revenue and financial considerations as well as develop regulations that provide for equitable distribution of the cost of owning and operating the municipal wastewater conveyance system.

New wastewater design and development standards will be developed and added to the City's Engineering Design Manual (EDM). The updated document will set standards for the construction of public wastewater improvements to serve new and future developments and for the upgrade and reconstruction of existing facilities.

SCOPE OF SERVICES

The Scope of Services to be provided by to the City in support of the assumption and operation of the sewer system is outlined below:

1. Project Management

- a. Prepare and Communicate Project Implementation Plan.
- b. Manage scope, budget, schedule and tasks, staff, and subconsultant.
- c. Communicate on a regular basis with City regarding progress, issues, costs, and schedule.

- d. Administer monthly Consultant invoicing to City for services provided.
- e. Project closeout and meet with City to discuss project performance.

2. Document Review

Stantec and FCSG will review relevant documents including:

- a. Ronald Wastewater District Governing Documents:
 - Ronald Wastewater District Board of Commissioners Bylaws, Rules, and Procedures
 - Ronald Wastewater District Resolution 13-24
 - Developer Extension Manual. REV:1/2014
 - Comprehensive Sewer Plan, 2010
 - Financial Policies
- b. Municipal Wastewater Code Review for the following selected Cities:
 - City of Bellevue Sewer Code
 - City of Mercer Island Sewer Code
 - City of Redmond Sewer Code
 - City of Carnation Sewer Code
- c. City of Shoreline Code Municipal Utilities Code Review
- d. Department of Ecology Regulation Review

3. Prepare Technical Memoranda (3)

- a. Municipal Code Technical Memorandum – Stantec Lead
 - Prepare a draft memorandum that summarizes the general findings of the documents outlined in Section 2 and recommends two City code options for use as the model Wastewater Utility Municipal Code of the documents identified in Section 2. The selected code from Section 2 shall then be the model for the development of the City's Wastewater Municipal Utility Code
 - Prepare a final memorandum that addresses the City's comments.
 - Assumption: The City of Shoreline will select the preferred option for use in developing the recommended Municipal Code prior to Stantec issuing the final draft of the memorandum.
- b. EDM Technical Memorandum – Stantec Lead
 - Prepare a draft memorandum that summarizes the RWD and two other potential model sewer development regulations and standards, recommends a model standard for Shoreline's wastewater standards, and identifies issues to be addressed and critical decisions to be made in preparation of the EDM standards and details.
 - Prepare a final memorandum that addresses the City's comments.

c. Financial Policies Technical Memorandum – FCSG lead

- Conduct phone interviews with one staff member each from the City and the District in order to learn how closely financial management practices fit the policy documents.
- Develop a comparative analysis of City and District financial policies.
- Identify areas where reconciliation is needed, and areas where there are potential improvements in financial management practices.
- Draft a technical memorandum (a.k.a. issue paper) discussing the differences in policies and practices between the City and District. The memorandum should recommend an approach to these policies for the City to follow after RWD's assumption.

Assumptions:

- All deliverables shall be electronic in the format requested by the City
- One draft and a final (if needed) version of each memorandum shall be provided.

4. Meetings

- a. Project kickoff meeting with City to include Stantec and FCSG representatives
- b. Meeting(s) to Review City Comments on Technical Memorandums
- c. One Project meeting is assumed to review each technical memorandum (total 3) after City Review.
- d. Attend up to six (6) additional project meetings to address comments on topics at City's discretion.

5. Prepare new Wastewater Utility Municipal Code and recommended updates to other code sections

- a. Prepare draft Wastewater Utility Municipal Code and section updates
- b. Stantec will prepare up to three versions of the Wastewater Utility Municipal Code consisting of up to two draft versions and one final version of the Code.
- c. FCSG will review and comment on Stantec prepared Wastewater Utility Municipal Code.
- d. Prepare final Wastewater Municipal Code and section updates that will address feedback/comments received from the City.

Deliverables: Two Drafts and a Final version of sections of the City's municipal code that have been modified.

6. Prepare new EDM Wastewater Division

- a. Discuss and agree on numbering system/format of new/added sections of EDM with the City's PM
- b. Work with City to select model documents for use in preparing EDM modifications.

- c. Prepare up to two drafts of revised EDM document to incorporate wastewater items and City input
- d. Prepare final EDM modifications/additions that address feedback/comments received from the City.

Deliverables:

- Two Drafts and a Final updated EDM in electronic format. Final version shall be provided electronically and four (4) hard copies will be provided including an unbound master copy.
- Sewer Standard Details (ACAD and pdf)

Assumptions:

- Shoreline's EDM structure will be reused, with new sections added and others modified as necessary to accomplish the City's wastewater system goals.
- An editable MSWord version of the EDM document and related electronic attachments will be provided to Consultant at the start of the project.
- Shoreline title blocks will be added to wastewater CAD standard details selected for inclusion in the EDM. City to provide electronic version of title blocks.
- Up to 25 standard details based on other municipalities' details will be included in the EDM, with minor CAD edits as required.
- This scope does not include developing Standard Details, drawings or specifications for applications not readily available from other public sources.
- Revised specifications for public bidding are not included in this effort.

7. Financial Polices (FCSG LEAD)

a. Draft Financial Policy

- Meet with City staff to review the approach recommended in the issue paper and receive feedback (budgeted in meetings item). Discuss with the staff any changes in financial practices that they would need to plan for, and how best to implement those changes.
- Based on that feedback, prepare a draft Financial Policy for the City to use after the assumption of the District is complete.
- If needed, provide code language describing the basis of the rates and charges, including the General Facilities Charge.
- If needed, review and comment on successive drafts of the Wastewater Code as the document goes through a careful review and revision process with the City's input.

b. Support for Assumption Process

- Provide additional analysis and consultation, as requested by the City and allowed by the project budget, related to the assumption process and financial integration of the City and District.

8. Additional Services

- a. Additional Services may be specified and authorized by the City. Additional services shall be identified and authorized by prior written approval of the Public Works Director or City Manager, dependent upon budget authority, as an amendment to this agreement. Compensation will be provided for at the negotiated rate of the requested additional services.
- b. Examples of additional services may include but are not limited to the following:
 - City Comprehensive Plan Utility Element Review and Update
 - Wastewater General Sewer Plan Review and Update
 - Wastewater Permit Process Review and Alignment
 - Wastewater Infrastructure – Condition Assessment/Financial Valuation

PROJECT SCHEDULE

Stantec proposes to accomplish this scope of services based on the following schedule milestones:

Draft Technical Memo – Financial Policies	March 24, 2017
Draft Technical Memo – Municipal Code	April 7, 2017
Draft Technical Memo – EDM	April 30, 2017
Initial Draft Municipal Code -	May 12, 2017
Final Municipal Code	July 31, 2017
Initial Draft Financial Policies	April 10, 2017
Final Financial Policies	May 15, 2017
Initial Draft EDM Modifications	June 20, 2017
Final EDM Modifications	July 31, 2017
Finalize all deliverables	July 31, 2017

COMPENSATION

Stantec proposes to complete the work described herein, based on a time and materials fee not to exceed \$94,268 without prior approval by the City. Stantec reserves the right to transfer budget between tasks, within the overall limit of the project, as the project evolves.