

**CITY COUNCIL REGULAR SESSION**

Ordinance authorizing (1) execution of a second amendment to a professional services agreement with Carollo Engineers LLC (# 2050010), for Lake Washington Sewer Lake Line Management Plan (CIP Plan Nos. S-58 and S-71), to increase the contract value in an amount not to exceed \$1,338,456, plus all applicable taxes, and to extend the term of the agreement until January 22, 2024; (2) amendment of the 2021-2027 General Capital Investment Program (CIP) Plan to transfer \$890,000 of budget from the Sewer Renewal and Replacement Fund (CIP Plan No. S-96) to the Lake Line Management Plan (CIP Plan No. S-58); and (3) amendment of the 2021-2027 General Capital Investment Program (CIP) Plan to transfer remaining \$20,648 of budget from the Utilities Lakeline Sewer Replacement (CIP Plan No. S-71) to the Lake Line Management Plan (CIP Plan No. S-58).

Nav Ota, Director, 452-2041

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*Utilities Department*

**EXECUTIVE SUMMARY**

This Ordinance amends the City's professional services agreement with Carollo Engineers LLC for the Lake Washington Sewer Lake Line Management Plan to increase the contract value in an amount not to exceed \$1,338,456, plus all applicable taxes, and to extend the term of the agreement until January 22, 2024. The Ordinance also transfers available moneys within CIP funds to ensure sufficient funding for additional services needed for the Lake Washington Sewer Lake Line Management Plan, including a Program Wide Environmental Impact Statement and Integrated Public Outreach.

**RECOMMENDATION**

Move to adopt Ordinance No. 6639

**BACKGROUND/ANALYSIS**

The City's sewer lake lines (Lake Lines) are sewer pipes along the shorelines of Lake Washington and Lake Sammamish and are either underwater or are on land adjacent to the lakes. Approximately 14.6 miles of the Lake Lines run along the Lake Washington shoreline, through the waterfront of Bellevue, Medina, Hunts Point, Yarrow Point, Beaux Arts Village and a small portion of unincorporated King County. The majority of these sewer pipe lines were constructed in the 1950s-60s.

In 2016, a limited Condition Assessment was performed on the Lake Washington Lake Lines showing varying degrees of aging on the pipe and/or the pipe lining. A Lake Washington Lake Line Management Plan is needed to understand, identify, and prioritize key issues present in the system and phase future repair, replacement and continued condition assessment of the Lake Lines. This will, in turn, allow staff to develop short- and long-term financial strategies for funding the Lake Lines program for many decades to come, and will drive both operational strategies and capital improvement projects.

Council approved Resolution No. 9715, authorizing execution of a professional service agreement with Carollo Engineering on January 21, 2020. Revisions to the scope of services are necessary to add two important elements to the project: a program-wide Environmental Impact Statement (EIS) that will run

concurrently with the development of the Lake Washington Lake Line Management Plan and integrated public outreach. This EIS will consider the cumulative impacts of the future lake line work proposed in the management plan. The EIS process will include public involvement, integrated with the project's public engagement.

Additional funding in the amount of \$910,648 is needed for: (1) preparation of the EIS by an EIS Consultant, in collaboration with Development Services, (2) additional work performed by Carollo Engineering for additional studies and documentation in support of the EIS, (3) Integrated public outreach work, and (4) City staff time to manage and review the EIS.

## **POLICY & FISCAL IMPACTS**

### **Policy Impact**

Utilities Department policies: The Utility shall invest resources as necessary to construct, maintain and renew sewer system infrastructure and equipment such that Utility customers are provided consistent, reliable service.

Utilities Department practice: The City's practice is to conduct condition assessment to determine remaining life expectancies and maintenance recommendations, which include preliminary engineering planning studies to identify and evaluate replacement options.

The City's procurement policy supports open, fair, and transparent procurement of services in accordance with state law. Because of the amount of this amendment, Council approval is required. A competitive procurement process was followed in RFP 19036 for the initial contract award; this included a Request for Qualifications, review of submittals, consultant interviews and selection of the most qualified consultant team.

### **Fiscal Impact**

The estimated cost for Amendment 2 is \$575,999 for a contract total not to exceed amount of \$1,338,456 plus all applicable taxes. This cost increase is due to the change in scope for integrating the EIS and public engagement strategy into the original scope of work. In addition to the costs associated with Amendment 2, there is \$334,649 for preparation, review and management of the EIS, funded through existing Utilities On-Call Contract and Utility operating budget, as shown in the following table:

<b>Task</b>	<b>Amount</b>
Program-wide EIS preparation, review and management under existing contracts and Utilities operating budget.	\$334,649
Studies and public outreach for EIS for Carollo Engineering Amendment 2.	\$575,999
<b>TOTAL</b>	<b>\$910,648</b>

The authorized budget for CIP Plan No. S-58 is \$2,324,955, resulting in an estimated shortfall of \$910,648. To fill the project budget gap, Council authority enabling a budget transfer of \$890,000 is being requested from the Sewer Renewal and Replacement fund (CIP Plan No. S-96) to the Lake Line Management Plan (S-58) project and Council authority enabling remaining budget transfer totaling \$20,648 from the Utilities Lakeline Sewer Replacement (CIP Plan No. S-71) to the Lake Line Management Plan (S-58) is requested to increase the Fiscal Year 2022 budget for CIP Plan No. S-58.

This action will result in no net change to the total budget for the Sewer Utility CIP. Approval of this budget transfer will amend the project budgets for the CIP Plan as follows:

	<b>Total Program Budget</b>	<b>Total Projected Expenditures</b>	<b>Projected Balance</b>	<b>This Action</b>
S-58 Lake Line Management Plan	\$2,324,955	\$3,235,603	(\$910,648)	\$910,648
S-96 Sewer Renewal and Replacement	\$93,624,393	\$0	\$93,624,393	(\$890,000)
S-71 Utilities Lakeline Sewer Replacement	\$419,000	\$398,352	\$20,648	(\$20,648)

## **OPTIONS**

1. Adopt the Ordinance authorizing (1) execution of a second amendment to a professional services agreement with Carollo Engineers LLC (# 2050010), for Lake Washington Sewer Lake Line Management Plan (CIP Plan Nos. S-58 and S-71), to increase the contract value in an amount not to exceed \$1,338,456, plus all applicable taxes, and to extend the term of the agreement until January 22, 2024; (2) amendment of the 2021-2027 General Capital Investment Program (CIP) Plan to transfer \$890,000 of budget from the Sewer Renewal and Replacement Fund (CIP Plan No. S-96) to the Lake Line Management Plan (CIP Plan No. S-58); and (3) amendment of the 2021-2027 General Capital Investment Program (CIP) Plan to transfer remaining \$20,648 of budget from the Utilities Lakeline Sewer Replacement (CIP Plan No. S-71) to the Lake Line Management Plan (CIP Plan No. S-58).
2. Do not adopt the Ordinance and provide alternative direction to staff.

## **ATTACHMENTS & AVAILABLE DOCUMENTS**

A. CIP Project Description  
Proposed Ordinance No. 6639

## **AVAILABLE IN COUNCIL LIBRARY**

Professional Services Contract Amendment 2