



Staff Report

City Council

Item No. {{section.number}}.{{item.number}}

Meeting Date: February 26, 2025

From: John A. Corella, Director of Public Works

Title: Award Professional Services Agreement to Ardurra Group Inc. for CWSRF Septic-to-Sewer Planning Project

RECOMMENDATION:

To award a professional services agreement to Ardurra Group Inc., in the amount of \$2,178,017.56 for professional engineering services to evaluate, design, and develop documents necessary for the Clean Water State Revolving Fund (CWSRF) Septic-to-Sewer Project (C01020), in accordance with the terms outlined in CWSRF Agreement No. D2401000 with California State Water Resources Control Board (SWRCB); and approve a ten percent (10%) contingency in the amount of \$217,801.76 for any unforeseeable design costs, thereby, bringing the total design budget for this project to \$2,395,819.32; and authorize the City Manager to execute all the necessary agreement documents.

BACKGROUND:

The Clean Water State Revolving Fund (CWSRF), administered by the California State Water Resources Control Board (SWRCB), offers low-cost financing for a wide variety of water quality projects, including septic-to-sewer conversion. In August 2024, Cathedral City successfully received \$2,474,070 in funding for the CWSRF Septic-to-Sewer Planning Project (SWRCB Project Number C-06-8696-110) to evaluate, design and develop documents necessary to connect six (6) residential areas currently utilizing septic tanks.

In the 1990s, SWRCB began discussing threats to drinking water quality with cities in the region. The SWRCB worked with the Coachella Valley Water District (CVWD) and the Desert Water Agency (DWA) to conduct studies of cities with high septic system use in residential areas. They found contaminants including nitrates, bacteria, and viruses from septic tank seepage in the upper levels of the underground aquifer serving Cathedral City and other desert cities. The study findings were significant and identified that the installation of sewers and elimination of septic tanks as a vital step to stop the further spread of contaminants and to protect the area's groundwater.

The municipal sewer systems in Cathedral City are owned, maintained, and operated by CVWD and DWA. The CWSRF Septic-to-Sewer Project proposes to connect six (6) residential areas to the sewer system based on the jurisdiction in which they are located.

Currently, there are five (5) residential unsewered areas that are proposed to be connected to the CVWD sewer system, and one (1) unsewered residential area that would be connected to the DWA sewer system through the CWSRF Septic-to-Sewer Planning Project. See Attachment 1 for a map of the unsewered areas.

CVWD Service Area

- Whispering Palms Neighborhood
- South City (Ocotillo Park area)
- Papaya/Pomegranate Lane
- Royal Palms Mobile Home Park
- Caliente Sands Mobile Home Park

DWA Service Area

- Lakeview Condos

During the CWSRF Septic-to-Sewer Planning Project, it will be necessary to prepare evaluations, designs, and documentation for both CVWD and DWA. CWSRB requires separate submittals of all required documentation for each water district agency. The scope of work is to include the following:

ITEM	DESCRIPTION
1	CWSRF Planning Application <i>NOTE: COMPLETED</i>
2	CVWD Sewer Consolidation Project <ul style="list-style-type: none">• CVWD Preliminary Engineering Report• CVWD Environmental Documentation• CVWD CWSRF Construction Application• CVWD Plans, Specifications, and Estimates (PS&E)
3	DWA Sewer Consolidation Project <ul style="list-style-type: none">• DWA Preliminary Engineering Report• DWA Environmental Documentation• DWA CWSRF Construction Application• DWA PS&E
4	Project Management

DISCUSSION:

Following the execution of Agreement Number D2401000 with SWRCB, city staff solicited a Request for Qualifications and Proposals (RFQ/P) for preparation of Preliminary Engineering Reports, Environmental Documentation, Construction Applications, and Plans, Specifications, and Estimates PS&E for both CVWD and DWA to fulfill the terms of the SWRCB Agreement.

Within the RFQ/P, engineering consultants specializing in this type of work were asked to provide their qualifications to perform the work. Additionally, cost proposals were required to be provided in a separate sealed envelope. The submittal deadline for proposals to be submitted to the city was November 12, 2024.

The RFQ/P for these services was advertised in The Desert Sun on October 23, 2024, and

October 31, 2024, and posted on the city's website from October 17, 2024, to November 12, 2024.

On November 12, 2024, the city had not received any proposals for this project and city staff contacted SWRCB updating the agency on the situation. SWRCB confirmed that an informal solicitation process, given the tight timeline, was acceptable. SWRCB recommended that the city secure at least three (3) proposals to maintain a competitive proposal process and to remain fully eligible for CWSRF funding.

On November 14, 2024, city staff requested proposals from four (4) consultants who specialize in this type of work. The deadline to submit proposals to the city was December 5, 2024. A separate cost proposal was required to be provided in a separate sealed envelope for each submitted qualification package. By November 25, 2024, city staff had received responses from three (3) of the four (4) consulting groups that they could not meet the proposal submittal deadline. Thus, on November 26, 2024, city staff issued Addendum #1 to extend the deadline to December 20, 2024.

By December 4, 2024, city staff received additional confirmation from three (3) out of four (4) of the consultant groups that they still would not be able to submit a proposal due to the holiday schedule. Thus, on December 4, 2024, Addendum #2 was issued to the four (4) consultant groups to extend the submittal deadline to January 16, 2025.

On December 5, 2024, to further the goal to receive at least two (2) to three (3) proposals, as recommended by SWRCB, the city solicited proposals from an additional five (5) consultant groups. The five (5) additional consultant groups were given the same submittal deadline of January 16, 2025.

Four (4) consultant groups responded to the RFQ/P on January 16, 2025, and are listed below:

Albert A Webb Associates	Riverside, CA
Ardurra	Temecula, CA
TKE Engineering, Inc.	Riverside, CA
Woodard & Curran	San Diego, CA

Proposals were reviewed, evaluated, and scored by engineering department staff and representatives from CVWD and DWA using state evaluation protocols. Based on the evaluations, Ardurra Group Inc. (Ardurra) was determined to be the most qualified consultant as shown in Attachment 2. Staff reviewed Ardurra's cost proposal and determined that the cost proposal is within the amount allocated by the CWSRF grant for the services to be provided and the valuation of the project.

Staff is requesting that City Council award a Professional Services Agreement to Ardurra Group Inc., in the amount of \$2,178,017.56 for professional engineering services to evaluate, design, and develop documents necessary for the CWSRF Septic-to-Sewer Project (C01020), in accordance with the terms outlined in CWSRF Agreement No. D2401000 with SWRCB; and approve a ten percent (10%) contingency in the amount of \$217,801.76 for any unforeseeable design costs, thereby, bringing the total design budget for this project to \$2,395,819.32; and authorize the City Manager to execute all the necessary Agreement documents.

FISCAL IMPACT:

The total funding from the CWSRF Septic-to-Sewer Planning Project includes funds for the CWSRF Planning Application, the CVWD Sewer Consolidation Planning Project, the DWA Sewer Consolidation Project, and Project Management. In total, the project funding amount is \$2,474,070.

The CWSRF funding is a reimbursement agreement. The city must pay all costs connected with the project. If CWSRF funds are not sufficient to pay the project costs in full, the city must still complete the project and pay that portion of the project costs more than available project funds. According to the executed agreement between the City and SWRCB, the loan component of the Agreement is forgiven. The estimated amount of principal that will be due to SWRCB from the city is \$0.00.

Upon the execution of the agreement, the city was eligible to submit reimbursement requests for any incurred costs after the stated eligible work start date of February 1, 2022. In October 2024, the city submitted a reimbursement request for costs incurred from Woodard & Curran during the CWSRF Planning Grant Application phase:

CWSRF Funds Septic-to Sewer Planning Project Funds Awarded	\$2,474,070.00
Woodard & Curran (CWSRF Planning Grant Application)	\$ (42,080.00)
CWSRF Funds Remaining	\$2,431,990.00

Ardurra's cost proposal was in the amount of \$2,178,017.56. City staff is proposing to include 10.44% contingency, in the amount of \$253,972.44, for an estimated cost of \$2,431,990.

Ardurra Cost Proposal	\$2,178,017.56
10.44% Contingency	\$ 253,972.44
Estimated Design/Planning Cost	\$2,431,990.00

The following table summarizes the budget allocations for the design of the project.

FISCAL YEAR	DESCRIPTION	GENERAL LEDGER ACCOUNT CODES	PROJECT CODE	AMOUNT	ONE TIME or ONGOING
2025-2026	CWSRF Funds Sewer Consolidation Project Planning	331-100-150-156-8600-8601	C01020	\$2,431,990.00	ONE TIME
2025-2026	Total			\$2,431,990.00	

FIVE-YEAR STRATEGIC PLAN:

Goal B: Community Investments

Objective: Cathedral City roads, gateways, public spaces, and other infrastructure are well planned, designed, constructed and maintained.

ATTACHMENTS:

1. Project Locations
2. RFQ/P Evaluations
3. Ardurra Design Professional Agreement
4. SWRCB Agreement No. D2401000