



Legislation Details (With Text)

File #: ID 17-413 **Version:** 1 **Name:**

Type: Ordinance

File created: 3/20/2017 **In control:** City Council

On agenda: 4/4/2017 **Final action:**

Title: Consider adoption of an ordinance of the City of Denton, Texas authorizing the approval of a first amendment to a professional services agreement between the City of Denton and Teague Nall and Perkins, Inc. (TNP), amending the contract approved by City Council on August 6, 2013, in the not-to-exceed amount of \$4,160,000, to provide additional engineering and surveying services related to the Denton Municipal Electric Capital Improvement Plan; providing for the expenditure of funds therefor; and providing an effective date (File 5306-providing for an additional expenditure amount not-to-exceed \$4,360,000, with the total contract amount not-to-exceed \$8,520,000). The Public Utilities Board recommends approval (6-0).

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit 1-Original Agreement, 2. Exhibit 2-TNP Project List, 3. Exhibit 3-Projected CIP Expenditures, 4. Exhibit 4-PUB Draft Minutes, 5. Exhibit 5-Ordinance, 6. Exhibit 6-First Amendment

Date	Ver.	Action By	Action	Result
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AGENDA INFORMATION SHEET

DEPARTMENT: Materials Management

ACM: Bryan Langley

AGENDA DATE: April 4, 2017

SUBJECT

Consider adoption of an ordinance of the City of Denton, Texas authorizing the approval of a first amendment to a professional services agreement between the City of Denton and Teague Nall and Perkins, Inc. (TNP), amending the contract approved by City Council on August 6, 2013, in the not-to-exceed amount of \$4,160,000, to provide additional engineering and surveying services related to the Denton Municipal Electric Capital Improvement Plan; providing for the expenditure of funds therefor; and providing an effective date (File 5306-providing for an additional expenditure amount not-to-exceed \$4,360,000, with the total contract amount not-to-exceed \$8,520,000). The Public Utilities Board recommends approval (6-0).

FILE INFORMATION

A professional services agreement between the City of Denton and Teague Nall and Perkins, Inc. (TNP) for Engineering and Surveying Services for the Denton Municipal Electric (DME) Capital Improvement Plan Engineering and Surveying Support was originally approved by Council on August 6, 2013 in the amount of \$4,160,000 (Exhibit 1). This contract provides DME with engineering and surveying services to aid in the development, design, and field support for approved Capital Improvement Plan projects. Funds appropriated for

the current agreement have been expended in the amount of \$3,933,680.31.

The following is a summary of the types of project development, design, surveying, permitting, field support and other services that TNP has provided under the contract:

- Surveys for land and easement acquisitions
- Surveys to locate existing facilities where information is needed inside existing substations and particularly as it relates to development of designs for transmission lines
- Topographical surveys for substation sites and transmission line routes
- Site conceptual grading plans and cost estimates and final site grading plans and cost estimates
- Site survey monument installation
- Alta surveys for substation site purchases
- Deed sketches for transmission line routes
- Applications and required documentation for submission of all City of Denton permits,
- TxDOT crossing permits, railroad crossing permits, demolition permits, and any other permit or related documents that are required as parts of the approval processes
- Construction staking for certain substation facilities and for transmission line pole installation
- Grade staking and electronic files for up load into grading equipment GPS automated grading systems
- Subsurface utility locations or verifications including hydrovac excavations where utilities could not be otherwise safely located for pole installations
- Construction verification (primarily grade and foundation construction verifications)
- Feasibility studies for site selection efforts (what would be required to make a site work, including public improvements, and what would be the estimated cost)
- Represent DME in public and official meetings and during coordination with other agencies in support of permits, governmental requirements, and land and easement acquisitions
- Obtain asbestos surveys, related permits, and remediation (required for demolition permits)
- Flood plain studies
- Public improvement designs and construction procurement support
- Serve as DME's professional representative in any capacities needed for project development, design, or construction support

With a 2017 transmission and substation Capital Improvement Plan (CIP) budget of approximately \$272,000,000, it will be necessary for DME to continue to utilize consulting engineers extensively for project development activities, civil designs, assistance with procurement actions, and certain aspects of construction management, field support, and construction inspection. Almost all substation and transmission line projects in the CIP will require surveying. Procurement of land and easements and permitting have been major resource consumers under this contract. These efforts are a major reason that the funds have been expended sooner than originally projected. Substation projects that require land acquisition will require services for platting, permitting, civil site design and field support. It is not reasonable or practical for DME to have staff in the numbers required to perform the work and to cover the broad range of disciplines necessary to address all aspects of the CIP projects. Using outside engineering resources is an efficient and reasonable method for obtaining the temporary and wide range of specialized services needed.

Transmission line routing, site selection, and engineering design are the first activities that must be completed for any project. The surveys are the beginning points for the land and easement acquisition processes. Surveys are also necessary to finalize designs and to provide documentation for permitting and platting. Land or easement acquisition delays will extend project schedules. For substation site selection, three or four location options per project have normally been required. These options must be fully evaluated and proven to be viable. Cost estimates and analyses must be completed for each option to allow comparison. At this time, site selections have been completed for all but two substation projects. This could change with new requirements or with failure to reach agreement with land owners for sites that have been selected but not purchased. The status of current projects has been factored into estimated costs.

DME proposes to amend the contract with TNP to support the site identification, land and easement procurement, and project development and design processes for substations and transmission lines. The work required for transmission lines falls primarily in the surveying area. Extensive surveying is required for route selection, easement surveys, gathering topographic and obstruction information along the route, preparing a proposed centerline drawing, precisely determining the final centerline, providing survey data to the line designer, submitting crossing permits, for construction staking, and for post construction as-built documentation, this final item be required for NERC compliance.

TNP has extensive project experience in working with City of Denton planning and permitting departments. TNP's has been very successful all aspects of the work assigned to them, and their performance in these types of activities for CIP projects has been timely and has demonstrated the firm's professionalism and responsiveness for the needs of DME projects. They are local and possess almost all the needed resources and disciplines needed in-house. TNP can provide the experience and manpower to effectively accomplish the surveying and civil engineering requirements for DME's CIP projects.

TNP's work success is a major factor in proposing to continue working with them, but there are other compelling reasons as well. Exhibit 2 shows the extensive amount of work that TNP has begun under this contract for projects that are not complete. Exhibit 2 also includes a listing of projects that have been completed and, in which, TNP has had design participation. If the design responsibility for any project, or part of a project, that was started by TNP is assigned to another engineering or surveying group, every aspect of the surveys, designs, and preliminary information that has been gathered would have to be verified before any other engineering firm could professionally seal the designs. The TEXAS ENGINEERING PRACTICE ACT AND RULES CONCERNING THE PRACTICE OF ENGINEERING AND PROFESSIONAL ENGINEERING LICENSURE requirements state:

§137.33 Sealing Procedures

(a) The purpose of the engineer's seal is to assure the user of the engineering product that the work has been performed or directly supervised by the professional engineer named and to delineate the scope of the engineer's work.

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(b) License holders shall only seal work done by them, performed under their direct supervision as defined in §131.81 of this title, relating to Definitions, or shall be standards or general guideline specifications that they have reviewed and selected. Upon sealing, engineers take full professional responsibility for that work.

Changing engineering consultants after significant work on any project has been accomplished would add significant time and cost to the project. Because TNP has been successful in working on DME projects, DME recommends amending the contract to allow the contract to continue. **In accordance with Texas Local Government Code 252.022, the procurement of professional services is exempt from the requirement of competition based selection.**

The amount proposed for the increase in this contract was arrived at by estimating the work needed for completion of the CIP, as it is currently structured, taking into account the work that has already been provided for projects that are not complete. Hourly rates and historical experience for similar work have been used to arrive at credible estimates. The amount proposed for the amendment is the best estimate at this time and has been based on the projects and activities that DME believes will be undertaken in accordance with the CIP and also recognizes the status of projects for which engineering or surveying has already begun. As with any design effort, it is not possible to predict the exact need; therefore, a contingency amount has been included that is intended to cover needed design items that cannot be predicted at this point. Changes in priorities, unforeseen requirements, or changes in approved projects could alter the projects undertaken and engineering support required.

Exhibit 3 provides a visual representation of the work that TNP would be asked to undertake if the amendment is approved compared to that which has already been completed. Comparison of the colors indicates that roughly half the civil and survey work for the CIP is estimated to have been completed. This lends a measure of validation to the estimated cost for completion of the CIP.

The contract has been structured to be billed on an hourly basis for services rendered. The contract **does not** obligate DME to make **any** minimum expenditure and does not require DME to use the full amount of the contract. DME will only assign work that is actually necessary to complete approved projects.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On March 27, 2017, the Public Utilities Board recommended approval to forward this item to the City Council for consideration.

RECOMMENDATION

Approve the first amendment to a Professional Services Agreement between the City of Denton and between the City of Denton and Teague Nall and Perkins, Inc. (TNP) in the additional expenditure amount not-to-exceed \$4,360,000, for a total contract amount not-to-exceed \$8,520,000.

PRINCIPAL PLACE OF BUSINESS

Teague Nall and Perkins, Inc.
Denton, TX

ESTIMATED SCHEDULE OF PROJECT

Project efforts will begin immediately upon approval by the City Council and continue until funds have been expended.

FISCAL INFORMATION

The work performed under this contract will be funded out of amounts budgeted for specific Capital Improvement Plan projects as they are executed. A significant amount the work proposed will be in the transmission category. Transmission costs for projects will ultimately be recovered through the Public Utility Commission transmission cost of service program (TCOS).

STRATEGIC PLAN RELATIONSHIP

The City of Denton's Strategic Plan is an action-oriented road map that will help the City achieve its vision. The foundation for the plan is the five long-term Key Focus Areas (KFA): Organizational Excellence; Public Infrastructure; Economic Development; Safe, Livable, and Family-Friendly Community; and Sustainability and Environmental Stewardship. While individual items may support multiple KFAs, this specific City Council agenda item contributes most directly to the following KFA and goal:

Related Key Focus Area: **Public Infrastructure**
Related Goal: **2.3 Promote superior utility services and facilities**

EXHIBITS

- Exhibit 1: Original Contract
- Exhibit 2: TNP Project List
- Exhibit 3: Projected CIP Expenditures
- Exhibit 4: Public Utilities Board Draft Minutes
- Exhibit 5: Ordinance
- Exhibit 6: First Amendment

Respectfully submitted:
Ethan Cox, 349-7421
Customer Service Manager

For information concerning this acquisition, contact: William A. Bunselmeyer at 349-7328.