

REVISED
AGENDA ITEM SUBMITTAL

Meeting Date: June 15, 2016

To: Board of Directors

From: Mike Markus

Staff Contact: W. Hunt/ R. Herndon

Budgeted: Yes

Budgeted Amount: \$700,000

Cost Estimate: \$806,341

Funding Source: General Fund

Program/ Line Item No.: 1075.53010

General Counsel Approval: Yes

Engineers/Feasibility Report: N/A

CEQA Compliance: N/A

**Subject: **AGREEMENTS WITH SENIOR ENVIRONMENTAL STRATEGISTS (SES)
AND BROWN & CALDWELL (B&C) TO PROVIDE REMEDIAL
INVESTIGATION AND FEASIBILITY STUDIES (RI/FS) AT THE NORTH
BASIN****

SUMMARY

District and Northrop Grumman staff members have agreed to cost share in the RI/FS work to be performed under EPA oversight at the North Basin. The cost share will initially be at a 50/50 ratio, however might be reduced in the future if additional PRPs can be recruited into the collaborative process initiated by the District and Northrop. In order to avoid the litigation history associated with the consulting firms already working on the sites, District and Northrop Staff have agreed to select a qualified consulting firm not associated with the North Basin VOC litigation to carry out the work called for in the EPA SOW and settlement agreement.

RECOMMENDATION

Authorize General Manager to negotiate and execute Agreements with Senior Environmental Strategists (SES) and Brown & Caldwell (B&C) for an amount not to exceed **\$806,341 (50% of \$1,612,683)** for the performance of a Remedial Investigation and Feasibility Study (RI/FS) at the North Basin, with the balance being paid by Northrop.

BACKGROUND/ANALYSIS

Discussions with Northrop Grumman have progressed to a point where an agreement has tentatively been reached to perform the North Basin RI/FS work under EPA oversight on a 50/50 cost sharing basis. Both the District and Northrop agreed to interview and select a consultant(s) new to the project without any litigation history or known bias. The group shared listings of qualified and acceptable consultants and short listed the group to five firms for in-person interviews.

EPA Experienced RI/FS Consulting Firms Interviewed
AECOM
Brown & Caldwell
Murex
Roux & Associates
SES

After meeting with the five firms, Northrop and District staff agreed that it would be advantageous to hire two firms to work in concert with one another rather than a single firm alone. Northrop and District Staff recommend hiring SES as the strategic planner to develop the site conceptual model and working hypothesis for the North Basin and recommend B&C to perform the field operations and to produce the many deliverables called for in the SOW. The reason for the dual roles is to separate the planning and scope development work from the company that actually does it, thus eliminating a potential conflict of interest. Their relative roles have been specifically broken out and each has its own scope of work and budget.

Initially, the Board authorized staff to hire Kennedy Jenks (KJ) on May 21, 2014 to perform a RI/FS at the North Basin. Since that time, Kennedy Jenks has billed 25% of their authorized amount and has completed a similar fraction of their assigned scope of work. At this time, the unfinished KJ scope of work will be transferred to the new consultants jointly hired by the Northrop and the District. KJ will remain under contract with the District for data transfer and for small tasks that are needed by the District and not applicable to Northrop.

A North Basin groundwater model has already been built and calibrated for the area by the District's consultant Interra. It is hoped that SES and B&C will accept that work in order to save time and costs associated with building a new computer model from scratch. Their cost for performing various model runs under the direction of SES and B&C is also shown on the budget estimate below.

Selected Consulting Firms	Budget
B&C	\$830,888
SES	\$631,795
Interra	\$150,000
Total	\$1,612,683

Because the drilling of monitoring wells requires public works contracting, it will be broken out and brought to the Board following its own OCWD competitive procurement. It is estimated that those additional costs to the District will be approximately \$750,000 (50% of \$1.5 million).

PRIOR RELEVANT BOARD ACTIONS

5/21/14, R14-5-73 Execute Agreement to Kennedy/Jenks Consultants for an amount not to exceed \$939,000 to provide consultation services, attend meetings, perform remedial evaluations, and prepare documents in support of the North Basin NCP process

4/2/14, M14-16 Direct staff to obtain a detailed scope of work and negotiate contracts for final approval by the Board as follows: 1) Consultation services and fate and transport modeling services in support of the NCP process regarding remedial evaluations of contamination in the North Basin area for a combined amount not to exceed \$1,600,000; and 2) Specialized legal services from Pillsbury Winthrop Shaw Pittman in support of the North Basin NCP process.

3/19/14, CS-14-3-1 Direct staff to agendize the consideration of initiating the NCP process on the North Basin Groundwater Protection Project.