



# CITY OF MORRO BAY CITY COUNCIL

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*The City of Morro Bay is dedicated to the preservation and enhancement of the quality of life. The City shall be committed to this purpose and will provide a level of municipal service and safety consistent with and responsive to the needs of the public.*

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## **Notice of Special Meeting City Council Work Session Tuesday, February 21, 2017 Community Center Multi-Purpose Room – 4:00 P.M. 1001 Kennedy Way, Morro Bay, CA**

### ESTABLISH QUORUM AND CALL TO ORDER

### PUBLIC COMMENT PERIOD FOR ITEMS ON THE AGENDA

### SPECIAL MEETING AGENDA ITEM:

- I. REVIEW OF AND DIRECTION REGARDING A PROPOSED AMENDMENT TO THE CURRENT CONTRACT FOR WATER RECLAMATION FACILITY (WRF) PROJECT PROGRAM MANAGEMENT SERVICES

**RECOMMENDATION: Council participate in work session, discuss and provide direction to staff regarding a contract amendment for WRF Project Program Management Services.**

### ADJOURNMENT

DATED: February 16, 2017

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Jamie L. Irons, Mayor

MATERIALS RELATED TO AN ITEM ON THIS AGENDA SUBMITTED TO THE CITY COUNCIL AFTER DISTRIBUTION OF THE AGENDA PACKET ARE AVAILABLE FOR PUBLIC INSPECTION AT CITY HALL LOCATED AT 595 HARBOR STREET; MORRO BAY LIBRARY LOCATED AT 625 HARBOR STREET; AND MILL'S COPY CENTER LOCATED AT 495 MORRO BAY BOULEVARD DURING NORMAL BUSINESS HOURS.

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN A CITY MEETING, PLEASE CONTACT THE CITY CLERK'S OFFICE AT LEAST 24 HOURS PRIOR TO THE MEETING TO INSURE THAT REASONABLE ARRANGEMENTS CAN BE MADE TO PROVIDE ACCESSIBILITY TO THE MEETING.

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AGENDA NO: I

MEETING DATE: February 21, 2017

# Staff Report

**TO:** Honorable Mayor and City Council **DATE:** February 16, 2017  
**FROM:** Rob Livick, PE/PLS – Public Works Director/City Engineer  
**SUBJECT:** Review of and Direction Regarding a Proposed Amendment to the Current Contract for Water Reclamation Facility (WRF) Project Program Management Services

## **RECOMMENDATION**

Council participate in work session, discuss and provide direction to staff regarding a contract amendment for WRF Project Program Management Services.

## **WORK SESSION DISCUSSION ITEMS**

1. Discussion of Program Management Services and Contracts.  
Discuss program management in general and for this particular project, including overall project management, (sub) consultant oversight, planning, assistance with consultant selection/procurement, quality control reviews, and outreach/communication to the Community, Council and various Boards. Discuss the normal differences between professional services contracts and other contracts.
2. Budgeting for Program Management Services.  
Discuss and compare examples of program management budgets for similar projects, including items typically included in all program management budgets, and why the program management cost as a percentage of construction costs can vary based on the scope of work specified by the City.
3. Discussion of Contract Tasks Included in the Proposed PM Contract Amendment.  
Discuss the clarity and specificity of the tasks included in the program management contract amendment, compare the specificity of tasks to those in typical program management contracts.
4. Capital Budgets and General Fund Budgets.  
Discuss typical differences in Capital Project Budgets and General Fund budgets, determine what aspects of the Capital Project Budget should be captured in the General Fund Budget, and address whether the Capital Project Budget must be managed on the same fiscal year cycle as the General Fund Budget.
5. Oversight of Program Management Services Agreement.  
Discuss project oversight and fiscal oversight of the project. Discuss appropriate Public Works and Finance Department review of consultant and sub-contractor invoices. Discuss existing Finance department staffing level and capacity and determine if additional capacity is required to provide sufficient fiscal oversight of the project.
6. Discussion of Additional Questions and Issues.  
Discuss additional specific questions and concerns raised by Council and the community about the Program Management contract, including acquisition and purpose of Procor software license.
7. Discuss Next Steps.  
Determine the next step in the process to approve the program management contract amendment. Discuss and affirm next steps in the WRF program. Affirm project goals.

There will be illustrative exhibits, along with a revised scope of work provided at the work session.

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