



*City of Arts & Innovation*

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# City Council Memorandum

*City of Arts & Innovation*

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**TO: HONORABLE MAYOR AND CITY COUNCIL** **DATE: AUGUST 3, 2021**

**FROM: PUBLIC UTILITIES DEPARTMENT** **WARDS: ALL**

**SUBJECT: THIRD AMENDMENT TO THE AGREEMENT FOR LOCATING SUBSURFACE FACILITIES WITH UTILIQUEST LLC., TO EXTEND THE TERM BY 120 DAYS TO OCTOBER 30, 2021 AND INCREASE COMPENSATION IN AN AMOUNT NOT TO EXCEED \$235,000; AND APPROVE ISSUANCE OF A PURCHASE ORDER NOT TO EXCEED \$49,000 TO MAINTAIN SERVICES VITAL TO THE CONSTRUCTION OPERATIONS THROUGHOUT THE CITY OF RIVERSIDE**

**ISSUE:**

Approve the Third Amendment to the Agreement for Underground Locating Subsurface Facilities with Utiliquest LLC., of Alpharetta, Georgia, to extend the term by 120 days to October 30, 2021 and increase compensation in an amount not to exceed \$235,000, for a total contract amount of \$2,707,869; and approve issuance of a purchase order in an amount not to exceed \$49,000 to maintain services vital to construction operations throughout the City of Riverside.

**RECOMMENDATIONS:**

That the City Council:

1. Approve the issuance of a purchase order in the amount of \$49,000 with Utiliquest LLC, pursuant to section 702(a) of the Purchasing Resolution, emergency procurement, to retain Utiliquest LLC for the provision of services vital to the construction operations throughout the City of Riverside through August 3, 2021;
2. Approve a Third Amendment to the Agreement with Utiliquest LLC., of Alpharetta, Georgia for Locating Subsurface Facilities services for Riverside Public Utilities Electric, Water, and Public Works Sewer, in an amount not to exceed \$235,000 and to extend the term by 120 days to October 30, 2021, for a total contract amount of \$2,707,869; and
3. Authorize the City Manager, or his designee, to execute the Third Amendment to the Agreement for Locating Subsurface Facilities with Utiliquest, LLC., including making minor and non-substantive changes, and execute any future amendments contingent on available funding.

**BOARD RECOMMENDATION:**

This report publishes on July 22, 2021 for the August 3, 2021 City Council meeting.

On July 26, 2021, the Board of Public Utilities will hear this item for consideration to recommend to the City Council the approval of the Third Amendment to the Agreement for Underground Locating Subsurface Facilities with Utiliquest LLC., of Alpharetta, Georgia, to extend the term by 120 days to October 30, 2021 and increase compensation in an amount not to exceed \$235,000, for a total contract amount of \$2,707,869.

If the Board of Public Utilities approves to forward this item to the City Council, we respectfully request the City Council consider the item at the August 3, 2021 meeting.

**BACKGROUND:**

Underground facility locating is a vital function of the City of Riverside (City), including Riverside Public Utilities (RPU), to maintain both the safety and reliability of the electric, water, and sewer systems. Underground facility locating is also required by California Government Code Section 4216. All parties planning to excavate, for any reason, are required by law to notify the California One Call 811 system, which in turn informs all potentially affected utilities. Each utility must respond by physically marking the location of their facilities in the field.

The City of Riverside averages 1,000 electric, 1,250 water, and 70 sewer locates per month. This underground facility location service is vital to capital improvement construction projects and development driven projects in the City. Electric crews and Contractors rely on Utiliquest to locate underground facilities when responding to emergency call-out work involving outages associated with underground electric lines failures, installation and replacement of wooden electric poles and associated equipment that require digging near potential underground facilities.

On August 27, 2013, the City Council approved a Professional Consultant Services Agreement with Utiliquest LLC., in an amount not-to-exceed \$613,397. On June 21, 2016, the City Council approved the First Amendment to the Agreement with Utiliquest in a total contract amount not-to-exceed \$1,420,000. On August 27, 2018, the Board recommended that the City Council approve the Second Amendment to the Agreement. On September 11, 2018, the City Council approved the Second Amendment to the Agreement with Utiliquest for a total contract amount not-to-exceed \$2,472,869. The term of the Agreement is set to expire on June 30, 2021, and a Third Amendment to the Agreement is needed to continue providing underground locating facilities services.



*Typical underground facility locating*

## **DISCUSSION:**

On February 2, 2021, RPU, Public Works, and the Finance Department issued a Request for Proposal (RFP No. 2081) for Locating Subsurface Facilities and, after careful review, it was decided that it is in the best interest for the City to cancel the RFP on July 8, 2021 to further clarify the scope of work and reissue accordingly. With the current Agreement with Utiliquest LLC. expiring on June 30, 2021, staff determined that a Third Amendment to the Agreement is essential to providing subsurface locating services for Electric, Water and Sewer facilities. These services are a very important function to ensure the safety of residents and customers. The Third Amendment to the Agreement will allow staff additional time for review of proposals, determine the best overall proposal, and price for the City, and establish next steps in the proposal awarding process.

Utiliquest LLC., has agreed to provide the same high-quality service and extend the term by an additional 120 days to October 30, 2021 based on the same cost, terms, and conditions. The services will be honored at the same price, therefore, Purchasing Resolution 23265, Section 702 (g) applies which states, “Competitive procurement through the Informal Procurement and Formal Procurement process shall not be required...when Services can be Procured from a Contractor who offers the same or better price, terms and conditions as the Contractor previously offered as the Lowest Responsive Bidder under Competitive Procurement or negotiations conducted by the City or another public agency, provided that, in the opinion of the Manager, it is in the best interests of the City to do so.”

When the existing contract expired on June 30, 2021, a purchase order with Utiliquest for locating underground facilities services was issued in the amount of \$49,000, pursuant to section 702 (a) which states: “Competitive Procurement through the Informal Procurement and Formal Procurement process shall not be required...when an emergency arises and Emergency Procurement is undertaken pursuant to Article Three hereof”. The purchase order was issued in order to continue providing underground utility locating services until the proposed Amendment is approved and executed.

The Purchasing Manager concurs that the recommended actions comply with the City of Riverside's Purchasing Resolution No. 23256.

## **FISCAL IMPACT:**

The fiscal impact of this recommendation is \$235,000. Funds are budgeted and available in the Electric Fund, Field Operations – Professional Services; Water Fund, Field Operations – Professional Services; and in Sewer Fund, Collection System Maintenance – Professional Services, as per the table below.

Cost breakdown per account:

<b>Dept.</b>	<b>Account No.</b>	<b>Cost</b>
RPU Electric	6105000-421000	\$100,000
RPU Water	6205000-421000	\$125,000
Public Works Sewer	4125100-421000	\$10,000
<b>Total</b>		<b>\$235,000</b>

Prepared by: Todd M. Corbin, Utilities General Manager

Certified as to

availability of funds: Edward Enriquez, Chief Financial Officer/City Treasurer

Approved by: Al Zelinka, FAICP, City Manager

Approved as to form: Phaedra A. Norton, City Attorney

Concurs with: Gilbert Hernandez, Interim Public Works Director

Attachments:

1. Utiliquest LLC, Third Amendment to Agreement
2. August 27, 2018 Board Report for Second Amendment
3. September 11, 2018 City Council Report for Second Amendment
4. Utiliquest LLC, Second Amendment to Agreement
5. Utiliquest LLC, First Amendment to Agreement
6. Utiliquest LLC., Professional Consultant Service Agreement