



*City of Arts & Innovation*

# City Council Memorandum

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**TO:** HONORABLE MAYOR AND CITY COUNCIL **DATE:** OCTOBER 12, 2021

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

**SUBJECT:** CALIFORNIA GOVERNOR'S OFFICE OF EMERGENCY SERVICES FISCAL YEAR 2020 COMMUNITY POWER RESILIENCY ALLOCATION TO CITIES PROGRAM – BY AT LEAST FIVE AFFIRMATIVE VOTES, WAIVE CITY CHARTER SECTION 1109 AND AUTHORIZE THE PURCHASING MANAGER TO AWARD A CONSTRUCTION CONTRACT FOR RPU BID NO. 7867 FOR THE RAUB 6 GROUNDWATER WELL SITE MODIFICATIONS IN AN AMOUNT NOT TO EXCEED \$200,000

## **ISSUE:**

With at least five affirmative votes, waive City Charter section 1109 and authorize the Purchasing Manager to award a construction contract for the Raub 6 Groundwater Well site modifications to the lowest responsive and responsible bidder for RPU Bid No. 7867, in an amount not to exceed \$200,000.

## **RECOMMENDATION:**

That the City Council, with at least five affirmative votes, waive City Charter Section 1109 and authorize the Purchasing Manager to award a construction contract for the Raub 6 Groundwater Well site modifications to the lowest responsive and responsible bidder for RPU Bid No. 7867, in an amount not to exceed \$200,000, which includes construction contingency.

## **BOARD RECOMMENDATION:**

On September 27, 2021, the Riverside Board of Public Utilities voted in favor of recommending that the City Council waive, by at least five affirmative votes, City Charter Section 1109 and authorize the Purchasing Manager to award a construction contract for the Raub 6 Groundwater Well site modifications to the lowest responsive and responsible bidder for RPU Bid No. 7867, in an amount not to exceed \$200,000, which includes construction contingency.

## **BACKGROUND:**

On October 20, 2020, staff learned of a grant opportunity offered to California cities by the California Governor's Office of Emergency Services (CalOES) to provide \$300,000 in funding for the procurement of backup equipment necessary to prepare for power outages. The deadline to apply for the grant was October 30, 2020.

As many of the Riverside Public Utilities Department's (RPU) water facilities are in areas that may be affected by Public Safety Power Shutoffs (PSPS), staff recognized the potential benefits of this opportunity and worked swiftly to apply for the grant. Given the imminent deadline, there was not enough time to obtain RPU Board (Board) and City Council (Council) approval prior to submitting the grant application. Staff would seek approval retroactively should the grant application be approved.

On March 30, 2021, staff was pleased to learn that their grant application to CalOES was approved for \$300,000 in grant funding. The notice required that the grant allocation be accepted within 20 calendar days upon receipt. However, in discussions with CalOES, they agreed to extend the acceptance deadline until the week of April 18, 2021, providing time for staff to seek approval by the Council to accept the grant award and appropriate grant funds.

The Council retroactively approved the submittal of the grant application and authorized the receipt of the grant award on April 20, 2021, and a check in the amount of \$300,000 has since been received.

## **DISCUSSION:**

The Raub 6 Groundwater Well site was selected as a good candidate to be equipped with a backup generator. The CalOES grant has a performance deadline of March 31, 2022. Since generators have a long lead time, staff sought approval from the Board on September 27, 2021 to purchase the generator and begin the procurement process so that it will be available in time to achieve the grant performance deadline.

Additional work is needed to retrofit the site with the necessary improvements to accommodate the new generator. Staff is in the process of finalizing the construction documents for this work. Staff will coordinate with the Purchasing Division to solicit construction bids for this work using the formal competitive bidding process. To streamline the process and help ensure the grant performance deadline is met, staff requests that the City Council authorize the Purchasing Manager to award a construction contract for the Raub 6 Groundwater Well site improvements to the lowest responsive bidder in an amount not to exceed \$200,000, which is based on the good faith estimate for this work.

Section 1109 of the Riverside City Charter provides that public works contracts shall be let by either the City Council or the Board of Public Utilities to the lowest responsible bidder. That section further provides that "Projects for the construction and/or improvement of any public utility operated by the City or for the purchase of supplies or equipment for any such utility may be excepted from the requirements of this section, provided the City Council so determines by at least five affirmative votes." Here, the City will follow all Charter and state law requirements regarding competitive bidding, except that the authority to let (award) the project to the lowest responsible bidder will be delegated to the City's Purchasing Manager. The reason for such exception is to streamline the process and help ensure the grant performance deadline is met, as further set forth herein.

The Purchasing Manager concurs that the recommended actions follow Purchasing Resolution No. 23256.

## **STRATEGIC PLAN ALIGNMENT:**

This item contributes to Strategic Priority No. 6 Infrastructure, Mobility and Connectivity and Goal No. 6.2 – Maintain, protect, and improve assets and infrastructure within the City's built environment to ensure and enhance reliability, resiliency, sustainability, and facilitate connectivity.

This item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – RPU took the initiative to seek this grant opportunity which provides an economical way to enhance the reliability of its water system, demonstrating RPU's commitment to the customers it serves and building community trust.
2. **Equity** – RPU endeavors to provide safe and reliable water service to all its customers. Since RPU's water system is an interconnected network, investments made to individual parts of the system improve the reliability of the overall system, thereby providing an equitable benefit to all customers.
3. **Fiscal Responsibility** – This project is funded primarily with outside grant proceeds, thereby providing great value to RPU customers. The lowest price for the construction services was ensured through a competitive bidding process.
4. **Innovation** – This project employs innovative equipment which provides a seamless transition from grid electrical power to backup generator power, helping to ensure uninterrupted operation of this groundwater well.
5. **Sustainability & Resiliency** – This project will help ensure RPU can provide reliable water service to its customers during periods of electrical power outages.

## **FISCAL IMPACT:**

The fiscal impact of this action is \$200,000. The total estimated project cost is not to exceed \$200,000. Sufficient funds are budgeted and available in the Water Fund, Machine and Equipment Account No. 6810200-462200.

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

Attachments:

1. Project Site Map
2. Presentation