

# RIVERSIDE PUBLIC UTILITIES

## Board Memorandum

**BOARD OF PUBLIC UTILITIES**

**DATE: DECEMBER 13, 2021**

**SUBJECT: PROFESSIONAL CONSULTANT SERVICES AGREEMENT WITH KANA SUBSURFACE ENGINEERING FOR LOCATING SUBSURFACE FACILITIES IN AN AMOUNT NOT TO EXCEED \$1,033,600, FOR THE TERM ENDING OCTOBER 3, 2022, IN ACCORDANCE WITH PURCHASING RESOLUTION 23256, SECTION 702 (G); AND ISSUANCE OF A PURCHASE ORDER NOT TO EXCEED \$50,000 TO MAINTAIN SERVICES VITAL TO THE CONSTRUCTION OPERATIONS THROUGHOUT THE CITY OF RIVERSIDE**

**ISSUES:**

Consider a recommendation to the City Council to approve a Professional Consultant Services Agreement with KANA Subsurface Engineering of Riverside, California for Underground Locating Subsurface Facilities in an amount not to exceed \$1,033,600 for the term ending October 3, 2022, in accordance with Purchasing Resolution 23256, Section 702 (g); and approve the issuance of a purchase order in an amount not to exceed \$50,000 to maintain services vital to construction operations throughout the City of Riverside.

**RECOMMENDATIONS:**

That the Board of Public Utilities:

1. Approve the Riverside Public Utilities share of the expenditure for the Professional Consultant Services Agreement with KANA Subsurface Engineering of Riverside, California for Locating Subsurface Facilities in the amount of \$983,600; and

Recommend that the City Council:

2. Approve the issuance of a purchase order in the amount of \$50,000 with KANA Subsurface Engineering, pursuant to section 702(g) of the Purchasing Resolution, to retain KANA Subsurface for the provision of services vital to the construction operations throughout the City of Riverside through December 14, 2021;
3. Approve the Professional Consultant Services Agreement with KANA Subsurface Engineering of Riverside, California for Locating Subsurface Facilities for Riverside Public Utilities Electric, Water, and Public Works Sewer in an amount not to exceed \$1,033,600, for the term ending October 3, 2022, unless otherwise terminated pursuant to the provisions of the agreement; and
4. Authorize the City Manager, or his designee, to execute the Professional Consultant Services Agreement with KANA Subsurface Engineering, including making minor and non-

substantive changes.

## **BACKGROUND:**

Underground facility locating is a vital function of the 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.

Underground facility location service is vital to capital improvement construction projects and development driven projects in the City. The City of Riverside averages approximately 4,500 monthly average requests combined for electric, water, and sewer facility locating. City crews and contractors utilized Utilquest LLC to locate underground facilities when responding to emergency call-out work involving outages associated with underground electric, water and sewer line failures, new installations and replacement of infrastructure and associated equipment that requires digging near existing facilities.

On August 3, 2021, the City Council approved a Third Amendment to the Agreement with Utilquest LLC., to extend the term of the Agreement by 120 days to October 30, 2021 for services to locate subsurface underground utilities required by California law. Although, the City Council also authorized the City Manager to execute any future amendments contingent on available funding, staff negotiated with Utilquest LLC., another amendment until a new vendor was selected while a current request for proposal (RFP) was finalized, but Utilquest LLC., opted to not extend the term due to new contract requirements.

When the existing contract with Utilquest expired on October 30, 2021, a purchase order for locating underground facilities service in the amount of \$50,000 was issued to KANA in order to continue providing underground utility locating services until the new Professional Service Agreement is approved and executed. This action was pursuant to section 702(g) of Purchasing Resolution 23256 which states that, “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.

*“Typical underground facility locating”*



## **DISCUSSION:**

On August 23, 2021, a new request for proposals (RFP) to provide subsurface locating services was posted on Planet Bids. However, questions from bidders regarding the scope of work, prevailing wage requirements, request for clarifications, addendum issuance timeframes, additional time requirements, and detailed responses in coordination with other City Departments and RPU's executive management team, resulted in the RFP cancellation. Staff was directed to draft a new RFP to address the new requirements of locating underground subsurface utilities.

On September 26, 2017 the City of Anaheim approved a Professional Service Agreement with KANA Subsurface Engineering, Inc., for locating underground utilities. The Professional Service Agreement was for a two-year term with three one-year extensions, ending on October 3, 2022.

RPU Staff is seeking Board approval of the subsurface locating services agreement as a piggy back to the City of Anaheim's contract with Kana Subsurface Engineering, Inc. to perform locating services in accordance with Purchasing Resolution 23256, Section 702(g) which states, "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."

Below is the cost breakdown per department for a contract term ending October 3, 2022:

<b>Dept.</b>	<b>Account No.</b>	<b>Cost</b>
RPU Electric	6105000-421000	\$433,600
RPU Water	6205000-421000	\$550,000
Public Works Sewer	4125100-421000	\$50,000
<b>Total</b>		<b>\$1,033,600</b>

On Tuesday, December 14, 2021, the City Council will have an opportunity to consider the approval of the Professional Service Agreement with KANA Subsurface Engineering, Inc.

The Interim Public Works Director concurs with this report. The Purchasing Manager concurs that the recommended actions comply with the City of Riverside's Purchasing Resolution No. 23256.

## **STRATEGIC PLAN ALIGNMENT:**

This item contributes to Strategic Priority No. 6 Infrastructure, Mobility & Connectivity Goal No. 6.2 to 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** – Underground facility locating is a vital function of the Riverside Public Utilities to maintain both the safety and reliability of the electric, water, and sewer systems which help build community trust and result in the greater public good.
2. **Equity** – The City endeavors to provide safe and reliable municipal utility services to all its

customers. Since electric, water, and sewer systems play a critical role in day to day living, investments made to identify and avoid subsurface utility conflicts improve the reliability of the overall systems, thereby providing an equitable benefit to all customers.

3. **Fiscal Responsibility** – The lowest price for the locating services and thereby the best value for RPU’s customers was ensured through a competitive RFP process utilized by another similar public agency.
4. **Innovation** – RPU will utilize available technology tools within City of Riverside for the billing system which should improve efficiency and reduce staff time to reconcile invoices, maintain complete and accurate electronic records of all facilities updated.
5. **Sustainability & Resiliency** – The Underground facility locating services will help identify and avoid utility conflict across the City of Riverside’s electric, water, and sewer systems and thereby will reduce possibility damage to systems by third party vendors and contractors.

### **FISCAL IMPACT:**

The fiscal impact to RPU Electric and Water for this Professional Service Agreement is a not-to-exceed amount of \$983,600. Sufficient funds are available in Public Utilities Professional Services Electric Account No. 6105000-421000 (\$433,600) and in Public Utilities Professional Services Water Account No. 6205000-421000 (\$550,000), and in the Public Works Force Sewer Collection Systems Maintenance Account No. 4125100-421000 (\$50,000).

Prepared by:	Daniel E. Garcia, Utilities Deputy General Manager
Approved by:	Todd M. Corbin, Utilities General Manager
Approved by:	Kris Martinez, Interim Assistant City Manager
Approved as to form:	Phaedra A. Norton, City Attorney

Certifies availability of funds:	Edward Enriquez, Chief Financial Officer/City Treasurer
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### **Attachments:**

1. KANA Subsurface Engineering, Inc., Agreement with City of Riverside
2. September 26, 2017 City of Anaheim Council – Staff Report for Agreement for Underground Utility Locating
3. September 26, 2017 City of Anaheim Council – Meeting Minutes
4. KANA Subsurface Engineering, Inc., Agreement with City of Anaheim
5. Presentation