

RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: SEPTEMBER 12, 2022

SUBJECT: BID NO. RPU-7932 - SERVICES AGREEMENT FOR LOCATING SUBSURFACE FACILITIES FOR CITY OF RIVERSIDE UNDERGROUND UTILITIES WITH KANA SUBSURFACE ENGINEERING, INC., OF RIVERSIDE, CALIFORNIA FOR A THREE-YEAR TERM ENDING OCTOBER 4, 2025, AND TWO OPTIONAL ONE-YEAR TERM EXTENSIONS IN AN ANNUAL COST TO THE PUBLIC UTILITIES DEPARTMENT OF \$979,100, AND A TOTAL ANNUAL AMOUNT OF \$1,021,700

ISSUES:

Consider approving an annual expenditure of \$979,100 for locating subsurface facilities, and recommend that the City Council award Bid No. RPU-7932 for Locating Subsurface Facilities for City of Riverside Underground Utilities and approve a Services Agreement with KANA Subsurface Engineering, Inc., of Riverside, California, for a three-year term ending October 4, 2025, with two optional one-year extensions, in an annual amount of \$1,021,700 for use by the Public Utilities and Public Works Departments.

RECOMMENDATIONS:

That the Board of Public Utilities:

1. Approve an annual expenditure of \$979,100 for locating subsurface facilities from Bid No. RPU-7932 for Locating Subsurface Facilities for City of Riverside Underground Utilities; and

That the Board of Public Utilities recommend that City Council:

2. Award Bid No. RPU-7932 for Locating Subsurface Facilities for City of Riverside Underground Utilities to Kana Subsurface Engineering, Inc. of Riverside, California in the annual amount of \$1,021,700;
3. Approve the Services Agreement for Locating Subsurface Facilities for City of Riverside Underground Utilities with KANA Subsurface Engineering, Inc., of Riverside, California, for a three-year term ending October 4, 2025, with two optional one-year term extensions, in an annual amount of \$1,021,700; and
4. Authorize the City Manager, or designee, to execute the Services Agreement, including making minor and non-substantive changes, and with the option to extend for two additional one-year terms.

BACKGROUND:

Underground facility locating is a vital function of Riverside Public Utilities (RPU) and the Public Works Department, to maintain both the safety and reliability of the electric, water, and sewer systems. Underground facility locating is 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 1,000 electric, 1,300 water, and 100 sewer locates per month. City crews and contractors utilize KANA Subsurface Engineering, Inc., 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.

DISCUSSION:

Request for Bid No.RPU-7932 was posted on the City's Online Bid System (Planet Bids) on July 27, 2022, and closed August 9, 2022. Two vendors submitted bids. KANA Subsurface Engineering, Inc., of Riverside, California was deemed the lowest bidder. The bids are summarized in the table below:

Consultant	Bid Amount
KANA Subsurface Engineering, Inc.	\$1,021,700
Builder's Protection Group, LLC	\$7,482,350

Annual cost per Department:

Department/Division	Account No.	Annual Costs
RPU Electric	6105000-421000	\$425,700
RPU Water	6205000-421000	\$553,400
RPU Subtotal		\$979,100
Public Works Sewer	4125100-421000	\$42,600
Total		\$1,021,700

Based on direction from the City Council on May 17, 2022, regarding professional services agreements, this Board report is presented as an approval of the expenditure and recommendation to the City Council for approval of the execution of the professional services agreement. On Tuesday, September 20, 2022, the City Council will have an opportunity to consider the approval of the Services Agreement with KANA Subsurface Engineering, Inc.

The 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. 23812.

STRATEGIC PLAN ALIGNMENT:

This item contributes to **Strategic Priority 6 - Infrastructure, Mobility and Connectivity** and **Goal 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** – 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 annual fiscal impact to RPU Electric and Water for this item is \$979,100. Sufficient funds are available in FY 2022/23 and FY 2023/24 budget in Public Utilities Professional Services Electric Account No. 6105000-421000 (\$425,700) and in Public Utilities Professional Services Water Account No. 6205000-421000 (\$553,400). Future years’ funding of annual amounts will be included as a part of the biennial budget process.

Prepared by:	David A. Garcia, Assistant General Manager – Water
Approved by:	Todd M. Corbin, Utilities General Manager
Approved by:	Kris Martinez, Assistant City Manager
Approved as to form:	Phaedra A. Norton, City Attorney

Certifies availability of funds:	Edward Enriquez, Interim Assistant City Manager/Chief Financial Officer/City Treasurer
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Attachments:

1. Services Agreement
2. Bid Award Recommendation
3. Presentation