

RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: MAY 23, 2016

ITEM NO:
File 16-1580

SUBJECT: FIRST AMENDMENT TO THE PROFESSIONAL CONSULTANT SERVICES AGREEMENT FOR LOCATING SUBSURFACE FACILITIES WITH UTILIQUEST, L.L.C. – EXTENDING THE TERM TO JUNE 30, 2018 AND INCREASING THE COMPENSATION IN THE AMOUNT OF \$807,000

ISSUE:

The issue for Board of Public Utilities consideration is approval of the First Amendment to Professional Consultant Service Agreement with Utiliquest, L.L.C. for underground locating services, extending the term to June 30, 2018, and adding \$807,000 for the remaining two years of the agreement.

RECOMMENDATIONS:

That the Board of Public Utilities:

1. Approve the expenditure of \$784,060 for the Riverside Public Utilities' (RPU) portion of the First Amendment to Professional Consultant Services Agreement with Utiliquest, L.L.C., Alpharetta, Georgia for underground locating services; and
2. Recommend that the City Council approve the First Amendment to Professional Consultant Services Agreement with Utiliquest, L.L.C. for underground locating services for Riverside Public Utilities Electric, Water, and Public Works Sewer, in the amount of \$807,000, and extending the term by two years, ending June 20, 2018.

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. 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 facility location is vital to all construction and development activity.

Utiliquest, LLC (Utiliquest) has been competently providing this service for the City since 2001. To ensure the best possible services and price, the City issued a formal Request for Proposals for these services in April 2013. In May 2013, the proposal evaluation team, consisting of staff from RPU, Public Works, and the Finance Department, selected Utiliquest as the successful proposer based on their industry experience, lowest cost, and excellent past performance. The team negotiated a favorable agreement with Utiliquest to perform underground locating services for Electric, Water, and Sewer Force Main with an option to include Traffic Signals.

City Council approved a Professional Consultant Services Agreement (Agreement) with Utiliquest on August 27, 2013. The term of the Agreement was three years with an option for an additional two year extension based on acceptable performance by the contractor, acceptable fees, and the same terms and

conditions. Utiliquest has performed very well over the term of the existing Agreement that will expire on June 30, 2016. The original Agreement was budgeted in the amount of \$613,000; however, due to increased development activity in the City, an additional contract value of \$147,000 is required for additional services needed during the initial term of the Agreement.



Typical underground facility locating process

The term of the First Amendment (Amendment) is for July 1, 2016 through June 30, 2018, unless terminated earlier. For the term of the Amendment, Utiliquest agreed to maintain the original 2013 contract pricing for the first additional year, and a 2.5% CPI increase for the second year only. The value of the Amendment is \$807,000. Therefore, the new total contract value is not to exceed \$1,420,000.

Breakdown of Amendment value by fiscal year and function:

Period		Electric	Water	Sewer	Total
Current agreement term	July 2013-June 2016	\$66,150	\$77,910	\$2,940	\$147,000
First additional year	July 2016-June 2017	\$150,000	\$170,000	\$10,000	\$330,000
Second additional year	July 2017-June 2018	\$150,000	\$170,000	\$10,000	\$330,000
	Total	\$366,150	\$417,910	\$22,940	\$807,000

The Purchasing Services Manager concurs that the recommended actions comply with the City of Riverside's Purchasing Resolution No. 22576.

FISCAL IMPACT:

The value of the Amendment is not-to-exceed \$807,000. The Amendment value attributable to RPU Electric is \$366,150, and RPU Water is \$417,910. The total RPU Amendment value is therefore \$784,060. The Public Works Amendment value is \$22,940. The new total contract value, inclusive of the Amendment, is not to exceed \$1,420,000.

Sufficient funds for the current Agreement term are included in the current fiscal year budgets. Sufficient funds for the extended term are included in the fiscal 2016/2017 and 2017/2018 budgets, approved by the Board of Public Utilities on March 14, 2016, and pending City Council approval. The sources of funds as shown in the above table are Public Utilities Professional Services Electric account 6105000-421000, Public Utilities Professional Services Water account 6205000-421000, and in the Public Works Force Sewer Main account 4125100-421000.

Prepared by: Pat Hohl, Utilities Assistant General Manager/Energy Delivery
 Approved by: Girish Balachandran, Utilities General Manager
 Approved by: John A. Russo, City Manager
 Approved as to form: Gary G. Geuss, City Attorney

Certifies availability of funds: Laura Chavez-Nomura, Utilities Assistant General Manager/Finance

Attachment: Professional Consultant Services Agreement Amendment with Utiliquest, L.L.C.