



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: JUNE 5, 2018**

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

SUBJECT: AWARD OF REQUEST FOR PROPOSAL NO. 1784 FOR ELECTRIC UTILITY WORK PROVIDING CONSTRUCTION, MAINTENANCE, AND REPAIR OF ELECTRICAL UTILITY DISTRIBUTION, TRANSMISSION, AND SUBSTATION FACILITIES INCLUDING COMMUNICATIONS AND THE CONTROL OF SYSTEMS FOR VARIOUS CITY LOCATIONS ON AN AS-NEEDED BASIS

ISSUE:

Approve Master Agreement for Electrical Utility Construction Work for Various City Locations on an As-needed Basis for Request for Proposal No. 1784.

RECOMMENDATIONS:

That the City Council:

1. Adopt a resolution, by at least five affirmative votes, waiving the formal competitive procurement requirements of Section 1109 of the City Charter for the bidding and award of utility construction projects under \$500,000 under the Master Agreements for Electrical Utility Construction Work for Various City Locations on an As-needed Basis and authorizing the City Manager, or his designee, to award such construction projects;
2. Approve a Master Agreement for Electrical Utility Construction Work for Various City Locations on an As-Needed Basis, for an initial term of five years and three optional one-year extensions;
3. Award Request for Proposals No. 1784 for Electric Utility Work Providing Construction, Maintenance and Repair of Electrical Utility Distribution, Transmission and Substation Facilities Including Communications and the Control of Systems for Various City Locations on an As-Needed Basis to the responsive and responsible contractors as noted in the staff report; and
4. Authorize the City Manager, or his designee, to execute the Master Agreement for Electrical Utility Construction Work for Various City Locations on an As-Needed Basis with responsive and responsible contractors as noted in the staff report, including making minor and non-substantive changes, and the three optional one-year extensions to the Master Agreement for Electrical Utility Construction Work for Various City Locations on an As-Needed Basis.

BOARD RECOMMENDATION:

On April 23, 2018, the Board of Public Utilities unanimously voted to recommend that the City Council approve the Master Agreement for Electrical Utility Construction Work for Various City Locations on an As-needed Basis, for an initial term of five years; and Authorize the City Manager, or his designee, to execute the Master Agreement for Electrical Utility Construction Work for Various City Locations on an As-needed Basis with responsive and responsible contractors as noted in the staff report, including making minor and non-substantive changes including the three optional one-year extensions to the Master Agreement for Electrical Utility Construction Work for Various City Locations on an As-Needed Basis.

BACKGROUND:

The Energy Delivery Contractors' Panel was first established in 1999 to streamline the bidding process for construction work to help staff address the increasing demand for such work. At that time, existing Energy Delivery resources had a difficult time meeting the customer's time frames for electrical service, constructing or relocating electrical facilities required by Public Works' projects, continuing the Capital Improvement Program and restoring service to electrical outages.

The firms on the panel are pre-qualified to bid on construction projects under a Master Agreement. The Master Agreement incorporates all contractual requirements including bonding and insurance. When Riverside Public Utilities (RPU) requires work by a contractor, request for bids are sent out to all panel members. Bids are generally returned and opened within 1 – 2 weeks. The City of Riverside's (City) Purchasing Division awards each bid to the lowest responsive and responsible bidder. RPU only uses the panel for projects that are less than \$500,000; projects in excess of this amount are bid through the City's formal competitive bidding process.

Any contractor can join the panel if they meet the requirements and execute the Master Agreement. RPU periodically circulates and advertises for requests for proposals to add additional members to the panel.

The Master Agreement was approved by the City Council, with prior Public Utilities Board concurrence, on March 23, 2004, for a duration of five years, with a clause allowing up to three one-year extensions. The City Council also adopted a resolution waiving formal bidding requirements of Section 1109 of the City Charter by at least five affirmative votes. The Master Agreement was extended, with Board approval, for a period of one year beginning March 31, 2009.

On March 10, 2010, the Board authorized the Amended and Restated Master Agreement for another five years, through March 31, 2015, with provisions for subsequent three one-year extensions. The Amended and Restated Master Agreement was updated to include standard provisions that have been adopted by the City since 2004, including updated requirements for insurance, payment and performance bonds, indemnification, bid protest and claim procedures, and certified payroll requirements. The Board authorized one-year extensions of the Amended and Restated Master Agreement in 2015, 2016 and 2017. The current Amended and Restated Master Agreement will expire on March 31, 2018.

City Charter section 1109 requires that public works construction projects be let to "the lowest responsible bidder after notice by publication in a newspaper of general circulation within the City by one or more insertions, the first of which shall be at least ten days before the time for opening

bids.” Section 1109 also provides that public utility projects may be exempted from such requirement, provided that the City Council so determines by at least five affirmative votes. Here, under the proposed panel, such projects will still be let to the lowest responsible bidder, but advertisements for such bids will not be published in a newspaper within the Charter specified time requirements. Instead, the advertisement will be made through the City’s website under a shortened time frame to only the prequalified contractors on the panel. Such shortened time frames and the prequalification of the contractors promotes expedient completion of these projects.

DISCUSSION:

On January 19, 2018, Request for Proposal No. 1784 for Electric Utility Work Providing Construction, Maintenance, and Repair of Electrical Utility Distribution, Transmission, and Substation Facilities Including Communications and the Control of Systems for Various City Locations on an As-Needed Basis was posted for bidding. Thirty-four vendors downloaded plans or attended pre-bid meetings. Twelve vendors returned complete bid packages and were determined to be responsive and responsible:

Contractor Name	Location
Asplundh Construction Corp.	Willow Grove, PA
Baker Electric, Inc.	Escondido, CA
Diversified Utility Services, Inc.	Bakersfield, CA
Doty Bros. Equipment Co.	Norwalk, CA
E.E. Electric, Inc.	Mira Loma, CA
Herman Weissker, Inc.	Riverside, CA
Hot Line Construction, Inc.	Brentwood, CA
PAR Electrical Contractors, Inc.	Rancho Cucamonga, CA
Southern Contracting Company	San Marcos, CA
Stronghold Engineering, Inc.	Riverside, CA
V.C.I. Construction, LLC	Upland, CA
W.A. Rasic Construction, Co. Inc.	Long Beach, CA

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

FISCAL IMPACT:

The total contract amounts are not-to-exceed \$500,000. Costs associated with the contractors’ panel will be on a project-by-project basis and funded through the Electric Capital Project accounts.

Prepared by: Todd L. Jorgenson, Interim Utilities General Manager
Certified as to
availability of funds: Adam Raymond, Chief Financial Officer/City Treasurer
Approved by: Marianna Marysheva, Assistant City Manager
Approved as to form: Gary G. Geuss, City Attorney

Attachments:

1. Master Agreement for Electric Utility Work Providing Construction, Maintenance, And Repair Of Electrical Utility Distribution, Transmission, and Substation Facilities Including Communications and the Control of Systems for Various City Locations on an As-Needed Basis
2. Bid Award Recommendation
3. Draft Utility Board Minutes
4. Resolution
5. Presentation