

# RIVERSIDE PUBLIC UTILITIES

## Board Memorandum

**BOARD OF PUBLIC UTILITIES**

**DATE: JULY 26, 2021**

**SUBJECT: UNDERGROUND SERVICE ALERT SOLE SOURCE PURCHASE FOR FIVE-YEARS IN AN AMOUNT NOT TO EXCEED \$500,000**

**ISSUE:**

Consider approving the expenditure with Underground Service Alert of Southern California, for five-years from July 1, 2021 to June 30, 2026, for a total amount not to exceed \$500,000.

**RECOMMENDATION:**

That the Board of Public Utilities approve the expenditure with Underground Service Alert of Southern California for five-years from July 1, 2021 to June 30, 2026, for a total amount not to exceed \$500,000.

**BACKGROUND:**

Since 1976, the State of California has utilized the DigAlert program to protect underground installations as well as public health and safety. California Government Code Section 4216 outlines the specific requirements for DigAlert. The code section requirements apply to both operators of underground installations as well as individuals or contractors who are digging or excavating with power equipment or when a permit is required. Underground installations include, among other things, cables, water and electric infrastructure and as such, Riverside Public Utilities (RPU) is required to comply with the Code's requirements as an operator.

The DigAlert program provides anyone who needs to dig or excavate, as specified, with a single call number to request that underground installations at their dig site be located and marked at no cost. Anyone performing digging or excavating is required to contact DigAlert and have underground installations identified at their site. DigAlert is administered by a non-profit mutual benefit corporation funded completely by utility members. In Southern California, DigAlert is administered by a sole program provider – Underground Service Alert.

As an operator of underground installations, RPU is required to support the costs associated with DigAlert. Specifically, RPU is required to be a member of, participate in, and share the costs of a regional notification center that supports the DigAlert program. Total annual costs for DigAlert vary annually because they are based on the number of calls for service. RPU provides payment for this service monthly.

Additionally, the California Underground Facilities Safe Excavation Board or Dig Safe Board, as part of Underground Service Alert, was created by the Dig Safe Act of 2016, following two deadly explosions in California’s Central Valley. The Dig Safe Board is responsible for coordinating the state’s education, developing safety standards, investigating dig-in accidents, enforcing violations of the Dig Safe Law, and making enforcement recommendations to the Contractors State License Board, the Public Utilities Commission, and the Office of the State Fire Marshall.

A new state regulator fee was established to fund the Dig Safe Board’s daily operations. Government Code 4216.16 (b) authorizes the Board to levy this fee on California’s DigAlert members. This fee is also variable and based on the number of calls DigAlert receives each year for the City of Riverside. RPU began being assessed this fee in 2019.

## **DISCUSSION:**

Historically, costs associated with the DigAlert program were under \$50,000 per year and were approved administratively per Purchasing Resolution 23256. As costs for the DigAlert program have increased over the years and, when combined with the annual fee assessment to support the Dig Safe Board and its activities, the total annual costs payable to Underground Service Alert now regularly exceed \$50,000 and require approval by RPU’s Board of Public Utilities.

### **Combined Total DigAlert Program Costs 2019 through 2021**

<b>Year</b>	<b>Dig Safe Board Fee</b>	<b>DigAlert Program Fees</b>	<b>Total Annual Expenditure</b>
<b>2021</b>	\$ 16,766.35	\$ 45,480.00	<b>\$ 62,246.35</b>
<b>2020</b>	\$ 13,358.91	\$ 35,327.80	<b>\$ 48,686.71</b>
<b>2019</b>	\$ 18,111.76	\$ 33,347.70	<b>\$ 51,459.46</b>

Because it is mandatory for RPU to participate in the DigAlert program and the fees that are associated with the program are routine, staff is requesting that the Board approve a total expenditure not to exceed \$500,000 over the next five years (beginning July 1, 2021 and ending June 30, 2026) which includes a sufficient contingency estimate. DigAlert program fees and the fees to support the Dig Safe Board will be paid to Underground Service Alert.

As noted above, Underground Service Alert is a Sole Source provider. Purchasing Resolution 23256, Section 702 (c) states that “Competitive Procurement through the Informal Procurement and Formal Procurement process shall not be required when the Procurement can only be obtained from a sole source or timely from a single source and the Manager is satisfied that the best price, terms and conditions for the Procurement thereof have been negotiated...”

The Purchasing Manager concurs that the recommended actions are in compliance with Purchasing Resolution 23256 Section 702 (c).

### **Alignment with Envision Riverside 2025 Strategic Plan:**

Ensuring that RPU meets its mandatory requirements as well as providing support to a public safety program aligns with the City’s Strategic Plan by ensuring both community trust by providing timely and reliable information that serves the public interest and supports fiscal responsibility by responsibly managing the City’s financial resources.

**FISCAL IMPACT:**

The total fiscal impact is not to exceed \$500,000 over the next five years - July 1, 2021 to June 30, 2026. Sufficient funds for Fiscal Year 2021/22 are available and will be spread evenly amongst the following accounts: Public Utilities Electric Field Professional Services Account No. 6105000-421000 and Public Utilities Water Field Professional Services Account No. 6205000-421000.

Future years' budget will be included as part of the biennial budget process

Prepared by: Daniel E. Garcia, Utilities Deputy General Manager  
Approved by: Todd M. Corbin, Utilities General Manager  
Approved by: Al Zelinka, FAICP, City Manager  
Approved as to form: Kristi J. Smith, Interim City Attorney

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

**Attachments:**

1. Underground Service Alert Sole Source Justification Form
2. Presentation