

RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: AUGUST 27, 2018

ITEM NO: 17

SUBJECT: SECOND AMENDMENT TO THE PROFESSIONAL CONSULTANT SERVICES AGREEMENT FOR LOCATING SUBSURFACE FACILITIES WITH UTILIQUEST, LLC – EXTENDING THE TERM TO JUNE 30, 2021 AND INCREASING THE COMPENSATION IN THE AMOUNT OF \$1,052,472, FOR A TOTAL CONTRACT AMOUNT OF \$2,472,869

ISSUE:

Approve the Second Amendment to Professional Consultant Service Agreement with Utiliquest, LLC for underground locating services, extending the term to June 30, 2021, and adding \$1,052,472 for the remaining three years of the agreement, for a total contract amount of \$2,472,869.

RECOMMENDATIONS:

That the Board of Public Utilities:

1. Approve the expenditure of \$974,472 for the Riverside Public Utilities portion of the Second Amendment to Professional Consultant Services Agreement with Utiliquest, LLC, Alpharetta, Georgia for underground locating services; and
2. Recommend that the City Council approve the Second Amendment to Professional Consultant Services Agreement with Utiliquest, LLC for underground locating services for Riverside Public Utilities and Public Works, in the amount of \$1,052,472, and extending the term by three years, ending June 30, 2021, for a total contract amount of \$2,472,869.

BACKGROUND:

Underground facility locating is a vital function of the City, 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 averages 1,000 electric, 1,250 water, and 70 sewer locates per month. This facility location is vital to all construction and development activity.



Typical underground facility locating process

DISCUSSION:

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 Riverside Public Utilities (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.

On August 27, 2013, the City Council approved a Professional Consultant Services Agreement (Agreement) with Utiliquest in the amount of \$613,397. The term of the Agreement was three years with an option for an additional three-year extension based on acceptable performance by the contractor, acceptable fees, and the same terms and conditions.

On May 23, 2016, the Board of Public Utilities approved the First Amendment to Professional Consultant Services Agreement with Utiliquest through June 30, 2018 in the amount of \$807,000 (which includes \$147,000 due to increased development activities).

Purchasing Resolution 23256, Section 702 (g) authorizes the City to waive the formal bidding process when services are 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 Purchasing Manager, it is in the best interest of the City to do so. In this case, accurate underground facility locating services is a very important function to ensure safety to residents and customers. Utiliquest has provided outstanding services to the City and has the historical knowledge and familiarity of the City's infrastructure that would allow them to work efficiently and effectively to comply with state law. Therefore, staff has determined that negotiating favorable terms for an extension will save the City staff time required to conduct a formal solicitation of services on the open market.

RPU staff has negotiated with Utiliquest to extend the underground locating services for Electric, Water and Sewer Force Main with an option to include Traffic Signals for three more years through June 30, 2021. In return, Utiliquest agreed to maintain the current fiscal years' contract pricing for the first year and a 1.5% increase in pricing for the second and third years of the extended term of the agreement as summarized below:

	Year 1	Year 2	Year 3
Amount increase over prior year contract price	0%	1.5%	1.5%

The value of the Second Amendment is \$1,052,473, broken down by fiscal year and function:

Period		Electric	Water	Sewer	Total
First additional year	July 2018-June 2019	\$150,000	\$170,000	\$25,000	\$345,000
Second additional year	July 2019-June 2020	\$152,250	\$172,550	\$25,000	\$349,800
Third additional year	July 2020-June 2021	\$154,534	\$175,138	\$28,000	\$357,672
	Total	\$456,784	\$517,688	\$78,000	\$1,052,472

The Purchasing Manager concurs that the recommended actions are in compliance with Purchasing Resolution No. 23256.

The Public Works Director concurs with the recommended actions.

FISCAL IMPACT:

The total fiscal impact is \$1,052,472, for a total contract amount of \$2,472,869. Sufficient funds are available in Public Utilities Professional Services Electric Account No. 6105000-421000, Public Utilities Professional Services Water Account No. 6205000-421000, and in the Public Works Force Sewer Main Account No. 4125100-421000 for fiscal years 2018-19 and 2019-20. The third year will be included as part of the budget process.

Prepared by: George R. Hanson, Utilities Assistant General Manager/Energy Delivery
Approved by: Todd L. Jorgenson, Interim Utilities General Manager
Approved by: Al Zelinka, FAICP, City Manager
Approved as to form: Gary G. Geuss, City Attorney

Certifies availability
of funds: Laura M. Nomura, Utilities Assistant General Manager/Finance & Administration

Attachments:

1. Second Amendment to Professional Consultant Services Agreement
2. Presentation

**SECOND AMENDMENT TO
PROFESSIONAL CONSULTANT SERVICES AGREEMENT**

UTILIQUEST, LLC

Locating Subsurface Facilities

THIS SECOND AMENDMENT TO PROFESSIONAL CONSULTANT SERVICES AGREEMENT ("Second Amendment") is made and entered into this 30th day of June, 2018, by and between the CITY OF RIVERSIDE, a California charter city and municipal corporation ("City"), and UTILIQUEST, LLC, a Georgia limited liability company authorized to do business in California ("Consultant"), with respect to the following facts:

RECITALS

WHEREAS, on September 3, 2013, City and Consultant entered into a Professional Consultant Services Agreement for Locating Subsurface Facilities ("Agreement"), expiring on June 30, 2016; and

WHEREAS, on June 28, 2016, City and Contractor entered into a First Amendment to Professional Consultant Services Agreement for Locating Subsurface Facilities ("First Amendment"), expiring on June 30, 2018; and

WHEREAS, City is satisfied with the performance of Consultant; and

WHEREAS, City has requested that Consultant continue to provide the services under the Agreement for an additional three-year period, at the same pricing as set forth in the Agreement for the first year of the extended term of the Agreement (\$345,000) and with a 1.5% increase in pricing for the second and third years of the extended term of the Agreement (\$349,800 and \$357,672) in a total three-year amount not to exceed \$1,053,000.

NOW, THEREFORE, in consideration of the foregoing recitals which are incorporated herein by this reference, City and Consultant agree as follows:

1. The term of the Agreement is hereby extended by three years, to June 30, 2021. Consultant shall continue to provide the Services identified in the Agreement during the extended term of the Agreement.

2. Section 3, "Compensation/Payment" is hereby amended by replacing the existing Exhibit "A-1" with Exhibit "A-2." Compensation for such Services for the extended term of the Agreement (July 1, 2018 through June 30, 2021), shall be in accord with the Amended Compensation Schedule, attached hereto as Exhibit "A-2" and incorporated herein by reference.


3. All terms and conditions of the Agreement not inconsistent with this Second Amendment shall remain in full force and effect and are incorporated herein by this reference as if set forth in full.

IN WITNESS WHEREOF, City and Consultant have caused this Second Amendment to Professional Consultant Services Agreement for Locating Subsurface Facilities to be duly executed on the day and year first above written.

CITY OF RIVERSIDE, a California
charter city and municipal corporation

UTILIQUEST, LLC, a
Georgia limited liability company
authorized to do business in California

By: _____

By: 
Dennis Tarosky, President

Attest:

Attest

City Clerk

By:  _____

APPROVED AS TO FORM:

[Name and Title]

By: 
Assistant City Attorney

CERTIFIED AS TO FUNDS AVAILABILITY:

BY: 
Chief Financial Officer/ City Treasurer

EXHIBIT A-2
AMENDED COMPENSATION SCHEDULE

Year One (July 1, 2018 – June 30, 2019): Annual amount not to exceed \$345,000

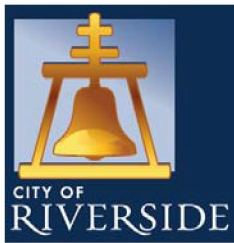
Electric:	\$10.71 / Unit
Water:	\$10.71 / Unit
Sewer:	\$12.50 / Unit
Traffic Signals:	\$10.71 / Unit
Standard Hourly:	\$53.81 / Per Hour
After-Hours Call Outs:	\$61.50 / Per Hour

Year Two (July 1, 2019 – June 30, 2020) 1.5% increase in Rates: Annual amount not to exceed \$349,800

Electric:	\$10.87 / Unit
Water:	\$10.87 / Unit
Sewer:	\$12.69 / Unit
Traffic Signals:	\$10.87 / Unit
Standard Hourly:	\$54.62 / Per Hour
After-Hours Call Outs:	\$62.42 / Per Hour

Year Three (July 1, 2020 – June 30, 2021) 1.5% increase in Rates: Annual amount not to exceed \$357,652.

Electric:	\$11.03 / Unit
Water:	\$11.03 / Unit
Sewer:	\$12.88 / Unit
Traffic Signals:	\$11.03 / Unit
Standard Hourly:	\$55.44 / Per Hour
After-Hours Call Outs:	\$63.36 / Per Hour



Second Amendment to the Professional Consultant Services Agreement for Locating Subsurface Facilities with Utilquest, LLC

Riverside Public Utilities – Energy Delivery

Board of Public Utilities
August 13, 2018

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BACKGROUND

1. Underground facility locating is not only vital to maintain the safety and reliability of underground utility systems but most importantly is required by California Government Code Section 4216.
2. Underground utilities planning to excavate are required by law to notify the California One Call 811 system, which informs all potentially affected utilities.
3. The City of Riverside averages 1,000 electric, 1,250 water, and 70 sewer locates per month.

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DISCUSSION

1. On August 27, 2013, City Council approved a Professional Consultant Services Agreement with Utilquest, LLC, for three years with an option for a three-year extension based on performance and same terms and conditions.
2. On May 23rd, 2016, Board of Public Utilities approved the First Amendment to the Agreement for the term of July 1, 2016 through June 30, 2018, in the amount of \$807,000 (including additional \$147,000 incurred during the original term).
3. RPU staff has negotiated a Second Amendment to the Agreement for the term of July 1, 2018 through June 30, 2021, in the amount of \$975,000.

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BACKGROUND (UTILIQUEST, LLC)

1. Utilquest has been providing underground utility locating services for the City since 2001.
2. After a competitive RFP process, Utilquest was selected as the successful proposer based on cost, experience and performance.
3. City Council approved a Professional Consultant Services Agreement with Utilquest on August 27, 2013.



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RECOMMENDATIONS

That the Board of Public Utilities:

1. Approve the expenditure of \$975,000 for the Public Utilities' portion of the Second Amendment to Professional Consultant Services Agreement with Utiliquest, LLC for underground locating services for Electric and Water Utilities and extending the term by three years, ending June 30, 2021; and
2. Recommend that the City Council approve the Second Amendment to Professional Consultant Services Agreement with Utiliquest, LLC as stated above, and to include Public Works Sewer, for a total amount of \$1,053,000.