

# REPORT TO COUNCIL

## City of Sacramento

915 I Street, Sacramento, CA 95814-2604  
www. CityofSacramento.org



CONSENT  
March 4, 2008

Honorable Mayor and  
Members of the City Council

**Title: Supplemental Agreement - Professional Services Agreement for Labor Compliance Field Investigation & Administrative Services (JN: 3431/15001121)**

**Location/Council District:** Citywide

**Recommendation:** Adopt a **Resolution:** 1) authorizing the City Manager to approve and execute Supplement Agreement No. 1 to Agreement No. 2007-0228 with DCM Group, Inc. in the amount of \$119,999 for the services.

**Contact:** David Flores, Jr., Administrative Analyst, 808-8930; Nicholas Theocharides, Engineering Services Manager, 808-5065.

**Presenters:** None

**Department:** Transportation

**Division:** Engineering Services

**Organization No:** 3431/15001121

### Description/Analysis

**Issue:** This report requests approval of Supplemental Agreement Number 1 with DCM Group, Inc. in the amount of \$119,999 to continue labor compliance monitoring of City public works projects and provide technical support to the Engineering Services Division, Department of Transportation through March 12, 2009. These services are necessary to facilitate staff effort in meeting regulatory requirements of the City's approved Labor Compliance Program (8/95) and State of California Department of Transportation (Caltrans) policies and procedures relating to City public works projects.

**Policy Considerations:** The proposed action is consistent with the City's strategic goal to implement strategies to improve overall operational efficiency and customer service without expending additional City resources.

**Environmental Considerations:** The approval of professional service agreements is not considered a project as defined by Section 15378 of the California Environmental Quality Act guidelines. The recommended action involves no physical construction and has no potential to cause significant impact to the environment.

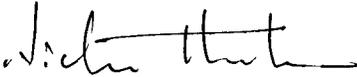
**Rationale for Recommendation:** In October 2006, a request for proposals (RFP) was advertised and DCM Group, Inc. was selected as the top-ranked consultant firm by a diverse review panel which consisted of Department staff, the City's Disadvantaged Business Enterprise (DBE) liaison and the Labor Compliance Officer from the County of Sacramento.

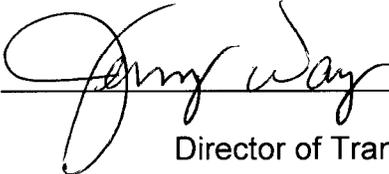
On March 13, 2007, Council approved the original agreement with DCM Group (CMA #2007-0228) to provide labor compliance field investigation and monitoring services for City construction projects. These services were necessary to facilitate staff effort in meeting regulatory requirements of the City's approved Labor Compliance Program (8/95) and State of California Department of Transportation (Caltrans) policies and procedures relating to City public works projects.

Supplemental Agreement Number 1 with DCM is required to continue labor compliance monitoring of City public works projects and provide technical support to the Engineering Services Division, Department of Transportation. The supplemental agreement adequately funds the amended scope of work reflecting additional compensation for the new duties assigned to DCM as well as maintains base level compensation for the duties under the original agreement for one final year.

**Financial Considerations:** Approving Supplemental Agreement Number 1 will increase the agreement amount from \$119,999 to \$239,998. The cost of the services to be performed by DCM will be fully funded through capital improvement projects, as services are needed.

**Emerging Small Business Development (ESBD):** Project assignments under the original Agreement and this supplement will be paid for through City and/or federal funds. As such, both Emerging and Small Business Enterprise (E/SBE) rules and federal Disadvantaged Business Enterprise (DBE) project participation requirements apply. The City assigned a 20% E/SBE participation requirement and requested voluntary compliance with federal DBE project participation requirements. DCM Group, Inc. is a City-certified SBE prime consultant and is also certified by Caltrans as a DBE prime. DBE and E/SBE project participation is 100%. Additionally, DCM Group, Inc. is a minority and women-owned firm.

Respectfully Submitted by:   
Nicholas Theocharides  
Engineering Services Manager

Approved by:   
Jerry Way  
Director of Transportation

Recommendation Approved:

  
RAY KERRIDGE  
City Manager

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**Attachment 1**

**Background Information:**

The City's approved Labor Compliance Program (8/95) and State of California Department of Transportation (Caltrans) policies and procedures require specific labor compliance field investigation, monitoring and administrative services for City construction projects subject to state or federal prevailing wage laws and apprenticeship standards. Activities include, but are not limited to: field interviews with employees at the project job site, review of certified payroll and apprenticeship documents, investigation of prevailing wage violation complaints, processing and reconciliation of contractor pay request applications, facilitating the project closeout process and provision of technical assistance and administrative support to staff, management and contractors related to labor compliance.

To facilitate staff effort in meeting these regulatory mandates, the Department of Transportation has procured these services under professional services agreement since its inception in April 2004. In October 2006, the Department of Transportation advertised a Request for Proposals for professional services to conduct labor compliance field investigation and administrative services. Three firms responded. A diverse panel which consisted of Department staff, the City's Disadvantaged Business Enterprise (DBE) liaison and the Labor Compliance Officer from the County of Sacramento reviewed and evaluated the firm's written proposals based on experience, qualifications, and proposed work plan for the project. Two firms demonstrated they were highly qualified for the project. Based on this, the panel held interviews with both firms to better define the top-ranked firm. Based on the selection process, DCM Group, Inc was ranked the top firm.

On March 13, 2007, Council approved the original agreement with DCM Group (CMA #2007-0228) to provide labor compliance field investigation and monitoring services for City public works projects. These services were necessary to facilitate staff effort in meeting regulatory requirements of the City's approved Labor Compliance Program (8/95) and State of California Department of Transportation (Caltrans) policies and procedures relating to City public works projects.

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## **RESOLUTION NO.**

Adopted by the Sacramento City Council

### **APPROVING SUPPLEMENTAL AGREEMENT #1 WITH DCM GROUP, INC. TO PROVIDE PROFESSIONAL SERVICES FOR LABOR COMPLIANCE FIELD INVESTIGATION & ADMINISTRATIVE SERVICES FOR VARIOUS CITY PUBLIC WORKS PROJECTS (JN: 3431/15001121)**

#### **BACKGROUND**

- A. The City's approved Labor Compliance Program (8/95) and State of California Department of Transportation (Caltrans) policies and procedures require specific labor compliance field investigation, monitoring and administrative services for City construction projects subject to state or federal prevailing wage laws and apprenticeship standards. Activities include, but are not limited to: field interviews with employees at the project job site, review of certified payroll and apprenticeship documents, investigation of prevailing wage violation complaints, processing and reconciliation of contractor pay request applications, facilitating the project closeout process and provision of technical assistance and administrative support to staff, management and contractors related to labor compliance.
- B. To facilitate staff effort in meeting these regulatory mandates, the Department of Transportation has procured these services under professional services agreement since its inception in April 2004. In October 2006, the Department of Transportation advertised a Request for Proposals for professional services to conduct labor compliance field investigation and administrative services. Three firms responded. A diverse panel which consisted of Department staff, the City's Disadvantaged Business Enterprise (DBE) liaison and the Labor Compliance Officer from the County of Sacramento reviewed and evaluated the firm's written proposals based on experience, qualifications, and proposed work plan for the project. Two firms demonstrated they were highly qualified for the project. Based on this, the panel held interviews with both firms to better define the top-ranked firm. Based on the selection process, DCM Group, Inc was ranked the top firm.

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**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

- Section 1. Approve Supplemental Agreement #1 with DCM Group, Inc. for Labor Compliance Field Investigation & Administrative Services (JN: 3431/15001121) in the amount of \$119,999 and extend the original agreement through March 12, 2009.
  
- Section 2 Authorize the City Manager to execute a first supplemental agreement in the amount of \$119,999 with DCM Group, Inc. for Labor Compliance Field Investigation & Administrative Services (JN: 3431/15001121).