

**Meeting Date:** 8/12/2014

**Report Type:** Consent

**Report ID:** 2014-00552

**Title:** Request for Qualifications Process for Miscellaneous Sewer Repair and Rehabilitation On-Call Work (Two-Thirds Vote Required)

**Location:** Citywide

**Recommendation:** Pass a Resolution 1) suspending competitive bidding, in the best interests of the City; and 2) authorizing the use of a Request for Qualifications process to select a pool of contractors to perform sewer repair and rehabilitation work on an on-call basis.

**Contact:** Bill Busath, Engineering & Water Resources Manager, (916) 808-1434; Brett Grant, Supervising Engineer, (916) 808-1413, Department of Utilities

**Presenter:** None

**Department:** Department Of Utilities

**Division:** Cip Engineering

**Dept ID:** 14001321

**Attachments:**

1-Description/Analysis

2-Background

3-Resolution

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### **City Attorney Review**

Approved as to Form

Joe Robinson

7/29/2014 6:02:26 PM

### **Approvals/Acknowledgements**

Department Director or Designee: Dave Brent - 7/24/2014 4:43:26 PM

## Description/Analysis

**Issue Detail:** Staff recommends the suspension of competitive bidding to allow for the use of a request for qualifications (RFQ) process to select qualified contractors to perform varied and relatively small sanitary sewer repair and rehabilitation tasks on an on-call basis.

**Policy Considerations:** Issuance of a RFQ to select on-call contractors is a competitive process, but it is a different process than the standard competitive bidding process that awards one contract to the low bidder. City Code section 3.60.170 allows the City Council to suspend competitive bidding to authorize use of a different process, upon a  $\frac{2}{3}$  vote, if it is determined that it is in the best interests of the City to do so. Staff believes that suspending competitive bidding for various sewer repair and rehabilitation tasks throughout the City is in the City's best interests, because this will allow the City to use a more flexible RFQ process to select multiple qualified contractors that can be used to perform this recurring work, under master service contracts, on an on-call basis. Creating a pool of on-call contractors available to perform this work also saves the additional administrative time, effort, and expense that would be incurred if each task were individually bid and contracted for.

**Economic Impacts:** None

**Environmental Considerations:** The requested action is an administrative activity that does not constitute a "project" for which California Environmental Quality Act (CEQA) review is required, under Section 15378(b) of the CEQA Guidelines. In addition, sewer repair and rehabilitation work generally is exempt from CEQA review under Sections 15301 or 15302 of the CEQA Guidelines.

**Sustainability:** Not applicable

**Commission/Committee Action:** None

**Rationale for Recommendation:** The Department of General Services has for several years successfully used the RFQ process to establish a pool of contractors for on-call work, to respond in a timely manner in delivering public facility maintenance, capital improvement projects, and emergency response services, when the standard competitive bidding process would be less effective. The Department of Utilities is recommending a similar process to develop a pool of on-call contractors for sewer repair and rehabilitation work. The recommended RFQ process will be used to select qualified contractors, then the Department will request City Council approval of master service contracts with the selected contractors to create a pool of qualified firms to perform work on an as-needed basis. Contractors will be selected from the pool for individual tasks in accordance with the process and criteria defined in the RFQ.

**Financial Considerations:** There are adequate wastewater funds (Fund 6006) in the On-call Trenchless Sewer Repair Project (X14003501) and the Miscellaneous Sewer Repairs Project (X14120301) to pay for administrative costs that will be incurred to conduct the RFQ process and develop a list of on-call contractors for which master service contracts will be recommended. Approval of the master service contracts will be subject to funding availability when the Department returns to the City Council for this purpose.

**Local Business Enterprise (LBE):** Not applicable because no goods or services are being purchased at this time.

## **BACKGROUND**

The Department of Utilities often has small quantities of sewer facilities like manholes or short segments of pipe in need of repair and rehabilitation. Due to the daily workload demands, staff finds it difficult to repair such facilities in a timely manner.

The Department of General Services has used the request for qualifications (RFQ) process for the On-Call Master Contractor Services List for Public Facilities with great success. This list is developed through the RFQ process which establishes a list of qualified contractors to assist and supplement City staff.

Utilizing the RFQ process, the Department of Utilities (DOU) will establish a list of qualified contractors that will support staff and deliver repair work in a timely manner to repair and rehabilitate small and varied sewer infrastructure. After the list is developed, DOU will return to City Council for approval of the master service contracts with the selected contractors. DOU will then request bids on specific work from listed firms. This will allow the work be done in a timely manner while reducing the delivery cost and effort.

## **RESOLUTION NO. 2014-**

Adopted by the Sacramento City Council

### **SUSPENDING COMPETITIVE BIDDING AND AUTHORIZING THE USE OF A REQUEST FOR QUALIFICATIONS PROCESS TO ESTABLISH AN ON-CALL MASTER CONTRACTOR SERVICES LIST**

#### **BACKGROUND**

- A. The Department of Utilities often has small quantities of sewer facilities like manholes or short segments of pipe in need of repair and rehabilitation. Due to the daily workload demands, staff finds it difficult to repair such facilities in a timely manner.
- B. The Department of General Services has used the request for qualifications (RFQ) process for the On-Call Master Contractor Services List for Public Facilities with great success. This list is developed through the RFQ process which establishes a list of qualified contractors to assist and supplement City staff.
- C. The Department of Utilities staff recommends utilizing the RFQ process to establish On-Call Master Contractor Services List of qualified contractors that will support staff and deliver repair work in a timely manner repair and rehabilitate small and varied sewer infrastructure. This will allow the work be done in a timely manner while reducing the delivery cost and effort.
- D. Under the City Charter and City Code, the City Council can suspend competitive bidding for equipment, supplies, and nonprofessional and construction services when it determines, on a 2/3 vote, that it is in the City's best interests to do so.
- E. It is in the best interest of the City to suspend competitive bidding to supplement staff and allow a timely repair of sewer infrastructure.

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

Competitive bidding is suspended and DOU is to authorized to use an RFQ process to establish an On-Call Master Contractor Services List for repair and rehabilitation of various sewer infrastructure.