

**Meeting Date:** 5/17/2016

**Report Type:** Consent

**Report ID:** 2016-00496

**Title: Establish On-Call Plumber List For Homeowner Leak Repairs In Disadvantaged Area Communities (Two-Thirds Vote Required)**

**Location:** Citywide

**Recommendation:** Pass a Resolution suspending competitive bidding in the best interests of the City, to use a Request for Qualifications process to select a pool of on-call plumbing contractors to provide leak detection and repair services for water service customers in disadvantaged area communities.

**Contact:** Michael Malone, Operations Manager, (916) 808-6226; Julie Friedman, Program Specialist, (916) 808-7898; Ken Swartz, Program Specialist, (916) 808-6276, Department of Utilities

**Presenter:** None

**Department:** Department Of Utilities

**Division:** Operations & Maintenance Admin

**Dept ID:** 14001211

**Attachments:**

1-Description/Analysis

2-Resolution

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### **City Attorney Review**

Approved as to Form

Joe Robinson

5/4/2016 9:59:34 AM

### **Approvals/Acknowledgements**

Department Director or Designee: Bill Busath - 4/29/2016 11:40:50 AM

## **Description/Analysis**

**Issue Detail:** The Department of Utilities (DOU) has established a leak detection and repair program to assist City water service customers in disadvantaged area communities by performing leak detection and repair on the customer's private plumbing, to be paid for with Department of Water Resources Water-Energy Grant funds. This report recommends the use of a Request for Qualifications (RFQ) process to establish a pool of pre-qualified on-call plumbers to perform this work.

**Policy Considerations:** The recommendation in this report is in accordance with City Code Section 3.56.230(C), which allows the City Council to suspend competitive bidding for service contracts, upon a two-thirds vote, if it is determined that it is in the best interests of the City to do so. Ordinarily, these plumbing services would have to be competitively bid, with a single contract awarded to the lowest responsive and responsible bidder. Staff believes that it is in the City's best interests to use a different process to establish a pool of pre-qualified on-call plumbers available to perform leak detection and repair work on customers' private plumbing in disadvantaged area communities, because: (1) As these contractors will be working on the customer's private property, it is very important to select contractors with a high degree of experience and good customer relations skills to minimize potential issues arising from contractor performance. Using an RFQ process will allow the City to evaluate and rate the plumbing contractors based on their experience, references, expertise, and qualifications, in addition to price; and (2) Having a pool of qualified and available contractors to perform this work, instead of only a single contractor, will provide better and more responsive services to customers in disadvantaged area communities.

**Economic Impacts:** None

### **Environmental Considerations:**

**California Environmental Quality Act (CEQA):** The Community Development Department, Environmental Services Manager has determined that the proposed activity is not a project pursuant to the California Environmental Quality Act (CEQA). CEQA Guidelines Section 15378(b). The activity is a continuing administrative or maintenance activity, and is not subject to CEQA. CEQA Guidelines Section 15060(c)(3). The leak detection and repair activities also were found to be exempt from CEQA review pursuant to CEQA Guidelines Section 15061(b)(3) because it can be seen with certainty that there is no possibility that the activity may have a significant effect on the environment.

**Sustainability:** Not Applicable

**Commission/Committee Action:** None

**Rationale for Recommendation:** Staff recommends the use an RFQ process that requires respondents to provide information that is critical in selecting a provider for plumbing services on customers' private plumbing, such as experience, references, training and certifications, screening requirements for testing of controlled substances, etc. This RFQ process will be used to establish a pool of pre-qualified contractors to whom contracts will be awarded based on qualifications as well as hourly rates. Suspending competitive bidding is required because using a RFQ process for these services is an alternative to the typical process of selecting a single contractor on the basis of lowest bid.

**Financial Considerations:** The recommended leak detection and repair program is funded by a Department of Water Resources Water Energy Grant and will not have any financial impact to the City.

**Local Business Enterprise (LBE):** At this time no goods or services are being purchased as a result of this report.

## **RESOLUTION NO. 2016-XXX**

Adopted by the Sacramento City Council

### **SUSPENDING COMPETITIVE BIDDING FOR ON-CALL PLUMBING SERVICES**

#### **BACKGROUND**

- A. The Department of Utilities (DOU) has established a leak detection and repair program to assist City water service customers in disadvantaged area communities by performing leak detection and repair on the customer's private plumbing, to be paid for with Department of Water Resources Water-Energy Grant funds. Staff recommends the use of a Request for Qualifications (RFQ) process to establish a pool of pre-qualified on-call plumbers to perform this work.
- B. Ordinarily, these plumbing services would have to be competitively bid with a single contract awarded to the lowest responsive and responsible bidder, but City Code Section 3.56.230(C) allows the City Council to suspend competitive bidding for service contracts, upon a two-thirds vote, if it is determined that it is in the best interests of the City to do so.
- C. It is in the City's best interests to suspend competitive bidding to use an RFQ process to establish a pool of pre-qualified on-call plumbers available to perform leak detection and repair work on customers' private plumbing in disadvantaged area communities, because: (1) As these contractors will be working on the customer's private property, it is very important to select contractors with a high degree of experience and good customer relations skills to minimize potential issues arising from contractor performance. Using an RFQ process will allow the City to evaluate and rate the plumbing contractors based on their experience, references, expertise, and qualifications, in addition to price; and (2) Having a pool of qualified and available contractors to perform this work, instead of only a single contractor, will provide better and more responsive services to customers in disadvantaged area communities.

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

- Section 1. In the best interests of the City, competitive bidding is suspended to use a Request for Qualifications process to select a pool of on-call plumbing contractors that will provide leak detection and repair services for water service customers in disadvantaged area communities.