AGENDA DATE:  February 26, 2019

TO:  Mayor and Councilmembers

FROM:  Water Resources Division, Public Works Department

SUBJECT:  Sole Source Purchase Order For Water Distribution And Wastewater Collections Utility Locating And Marking Services

RECOMMENDATION:  That Council:

A.  Waive the formal bid procedures as authorized by Santa Barbara Municipal Code 4.52.070(K); and

B.  Authorize the General Service Manager to issue annual purchase orders to UtiliQuest, LLC for underground utility locating and marking services for Water Distribution in a not-to-exceed amount of $220,000 and for Wastewater Collections in a not-to-exceed amount of $175,000 for February 8, 2019 through February 7, 2021, with four one-year renewal options at the City’s discretion ending February 7, 2024, in amounts not to exceed the amount set aside for this purpose in the budget adopted by Council in subsequent fiscal years.

DISCUSSION:

Underground utility locating and marking services are necessary for maintaining and repairing buried infrastructure such as water and wastewater mains. The City’s Water Resources Division has contracted with UtiliQuest, LLC (UtiliQuest) since 2005 to perform underground locating and marking services for Water Distribution and Wastewater Collections, including all City water and wastewater customers, at no cost to customers. UtiliQuest also performs such services for Southern California Edison and local cable companies. The Gas Company marks its own utilities.

In 2007, Water Resources competitively bid these services. Two bids were received, with UtiliQuest being the lowest responsive bidder. Traffic Signal Maintenance was the other bidder and is no longer in business in the Santa Barbara area. Having staff members perform water and wastewater utility locating and marking services was considered; however, the cost of the additional full-time staff members, along with associated vehicles and equipment, was not found to be more cost effective than contracting with UtiliQuest, which charges $44.77 per site visit for regular utility locating and marking services.
UtiliQuest is located in Ventura and is the only known company located close enough to provide a timely response to the City’s water and wastewater calls for locating and marking services, especially during emergencies. Over the last three fiscal years, UtiliQuest responded to approximately 3,500 to 3,750 water-related requests, and 3,000 to 3,250 wastewater-related requests.

Staff has received an acceptable proposal from UtiliQuest for two years of service at a 4 percent increase over its current prices for utility locating and marking services. Considering the annual volume of utility locating and marking requests, an annual amount of $220,000 for Water Distribution and $175,000 for Wastewater Collections should cover Water Resources’ utility locating and marking needs for one year.

Staff recommends that Council waive the formal bid procedures as authorized by Santa Barbara Municipal Code 4.52.070(K) and authorize the General Service Manager to issue annual purchase orders to UtiliQuest, LLC for underground utility locating and marking services for Water Distribution in a not-to-exceed amount of $220,000 and for Wastewater Collections in a not-to-exceed amount of $175,000 for February 8, 2019 through February 7, 2021, with four one-year renewal options at the City’s discretion ending February 7, 2024, in amounts not to exceed the amount set aside for this purpose in the budget adopted by Council in subsequent fiscal years.

**BUDGET/FINANCIAL INFORMATION:**

There are sufficient funds in the Water and Wastewater Funds to cover the annual $220,000 and $175,000 requested by Water Distribution and Wastewater Collections, respectively, for utility locating and marking services.

<table>
<thead>
<tr>
<th>Water Resources Section</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Water Distribution</td>
<td>$220,000</td>
</tr>
<tr>
<td>Wastewater Collections</td>
<td>$175,000</td>
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<tr>
<td>Total</td>
<td>$395,000</td>
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**SUSTAINABILITY IMPACT:**

Underground utility locating and marking services are necessary for maintaining and repairing the City’s water distribution and wastewater collection systems, ultimately aiding in water conservation efforts and pollution prevention in the City’s creeks, storm drains, and the ocean.

**Environmental Review**

This is a contract for services to mark the location of existing public utilities and is not a project subject to the California Environmental Quality Act.
PREPARED BY: Catherine Taylor, PE, Water System Manager/CT/js

SUBMITTED BY: Rebecca J. Bjork, Public Works Director

APPROVED BY: City Administrator's Office