



STAFF REPORT

Meeting Type: City Council Meeting
Meeting Date: December 18, 2023
From: Jeff Aprati, Deputy City Manager
Subject: Resolution 2024-26: Temporary Exception to the City Manager's Signing Authority to Administer On-Call Construction Contracts

DECISION TO BE MADE:

Whether to approve Resolution 2024-26, which would allow a temporary expansion of [the City Manager's signing authority](#) to administer on-call construction contracts for the Sandy Clean Waters Program and the Drinking Water System Reinvestment Program.

PURPOSE / OBJECTIVE:

To facilitate efficient and timely completion of the Sandy Clean Waters Program and the Drinking Water System Reinvestment Program minor facility upgrade projects; to maintain compliance with the NPDES permit and build additional wastewater treatment capacity per the terms of the Consent Decree with EPA and DEQ; and to meet our drinking water obligations with respect to the bilateral compliance agreement with OHA related to cryptosporidium.

BACKGROUND / CONTEXT:

Resolution No. 2017-28 establishes [the City's public contracting rules](#) and defines the signing authority of the City Manager, which is limited to purchases less than \$100,000.

Resolution 2024-26 would authorize a temporary exception to Resolution No. 2017-28, allowing the City Manager to sign for purchases exceeding \$100,000 provided the purchases are specifically for the Sandy Clean Waters Program and the Drinking Water System Reinvestment Program construction on-call contracts, [awarded by the Council](#) to James W. Fowler Co. and R.L. Reimers Company on November 4, 2024.

It should be noted that the City Council provided similar signing authority to the City Manager in [December 2023](#) to administer on-call [engineering](#) contracts for Sandy Clean Waters. This proposed action would extend similar authority; this time for [construction](#) contracts.

KEY CONSIDERATIONS / ANALYSIS:

On-Call construction contracts, with cumulative limits per contract, are a common tool used by utilities for ongoing bodies of work to maintain treatment plant assets. They allow cities to prioritize minor

upgrades as they arise based on need and condition. Implementing this approach in Sandy will result in the following benefits:

- **Efficiency and Deadline Management:** Formalizing the City Manager's temporary signing authority will streamline the procurement process, ensuring the rapid completion of minor upgrade projects necessary to meet the terms of the Consent Decree with EPA and DEQ, as well as our bilateral compliance agreement with OHA. This means that staff would not have to bring each individual contract back to the Council for approval, saving time and resources.
- **Maximizing Wastewater Grant Funds:** The \$14.7 million ARPA grant must have all wastewater construction contracts obligated by December 2025, and all projects completed by September 2026. With long lead item purchases and new immediate needs at the wastewater treatment plant, the on-call contracting tool and temporary expansion of City Manager's signing authority will allow the team to customize projects to spend the remaining grant funds and achieve construction completion by the grant deadline.
- **Consistency:** The proposed action aligns with both programs' goals of improving our infrastructure, maintaining compliance, and expanding system capacity. These projects, procurements, and professional service contracts were previously approved as part of the programs' budget allocations.

BUDGET IMPACT:

There is no direct budgetary impact associated with this codification, as the purchases in question are integral to the previously approved programs and BN 2023-25 budget, and the capital improvement program.

RECOMMENDATION:

Staff recommends adoption of Resolution 2024-26.

SUGGESTED MOTION LANGUAGE:

"I move to adopt Resolution 2024-26."

LIST OF ATTACHMENTS / EXHIBITS:

- Resolution 2024-26