



REQUEST FOR COUNCIL ACTION

Title: Request for Proposal for City Engineer of Record Service

Preferred Agenda: May 26, 2020

Submitted By: T. Rice, Engineering Tech
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Reviewed By: Ray Towry, City Manager

Type of Action: Resolution ____ Motion X Roll Call ____ Other ____

Relevant Code/Policy: NA

Towards Council Goal: 2.5: Continue to implement best financial practices
2.6: Employ sound technology to maximize efficiency

Attachments: RFP for City Engineer of Record Service
RFP for City Engineer of Record Service– contract

Purpose of this RCA:

Staff is requesting authorization to post a Request for Proposals (RFP) to solicit a new City Engineer of Record.

Background/Context:

The City currently contracts City Engineer services to Murraysmith. The contract has an expiration date of July 23, 2020 with an option to extend it by up to 3 years. Due to staff turnover within Murraysmith, staff desires to re-evaluate the consultant market to provide this service by posting a new Request for Proposals. This will not affect Murraysmith’s contract for the Wastewater Treatment Plant design.

As City Engineer, Murraysmith has assisted the City with several projects in the last year, including Water Treatment Plant condition assessment, Water Treatment Plant disinfection system updates, modeling the water distribution system to identify deficiencies, street overlay project scoping, and initiating System Development Charge updates.

The City intends to undertake a number of special projects over the next few years including capital projects (water system, street, and I&I rehab); complete the system development charge updates; and update utility system master plans, Public Works ordinances, and construction specifications. The City does not have the staff resources to complete all of these projects in-house. By contracting out City Engineer services the City can increase its capacity for capital project design (thereby creating a project shelf of “shovel-ready” projects); resolve known water distribution system deficiencies; work on needed policy, code, and internal process reform; and gain expertise to work on upcoming projects. By soliciting a new City Engineer the City can select the consultant that is most qualified to help the City meet its goals.

The proposed duration of a new contract is 1 year with the option to extend another 3 years, for a total of 4 years possible.

The Challenge/Problem:

How do we work with stakeholders to maintain city operations at the voter's expected level of service within budget restraints and being fiscally responsible?

Stakeholders:

- City Residents. Residents are the customers who deserve good service with the highest return on their tax and fees investment we can provide, and who trust the City to maintain their infrastructure systems at a high level of service.
- Council Members. Council members are the voice of the citizens we serve. Each member of this group is interested in providing the best service possible at the lowest possible cost. They must balance leadership with representation.
- Public Works Department Staff. Capital projects reduce the quantity of ongoing repair work by replacing old, broken infrastructure that is beyond its serviceable lifespan. The lack of capacity to get capital projects designed and constructed leads to increased costs and staff time spent fixing leaks and fighting with system inefficiencies. Staff will also benefit from the expertise of a new City Engineer who can review our codes, construction standards, and policies and suggest improvements, and who can assist with day to day operations upon request to alleviate demands on staff time.
- Management Team. Comprised of five department heads, each with a responsibility to the citizens and Mayor to run their day-to-day operations as efficiently as possible.
- Development Community. Revising the City's system development charges will increase development costs. Developers will have the opportunity to participate in the public process required by ORS for system development charge revisions.

Issues and Financial Impacts:

Public Works Budget –The City is using a qualifications based selection (QBS) process as mandated for engineering contracts anticipated to exceed \$100,000 by ORS 279C.110. As a result, selection of the most qualified candidate will be made without regard to the price of the services. Only after selection of the most qualified candidate will the City and selected candidate enter into contract negotiations for the price of the services.

Contracts for City Engineer of Record are typically based on an hourly rate. There is money budgeted to pay for professional services, ample to cover miscellaneous day-to-day tasks which may be assigned to the City Engineer.

Most of the cost of the new contract will be associated with special projects which are likely to be assigned within the possible 4-year contract term. Engineering costs of each special project will be determined with individual quotes per project and will be funded by the corresponding project budget. The cumulative value of the contract may exceed \$100,000 depending on the quantity and type of special projects undertaken within the possible 4-year contract term.

Updating system development charges will result in increased revenues to fund capital projects for system capacity. Our current charges are out of date and extremely low compared to other cities. Revised charges will be based on up-to-date project lists and construction costs, which will more appropriately recover revenue for infrastructure improvement costs.

Elements of a Stable Solution:

Ability to provide engineering services and expand capacity in the Public Works Department to increase service, efficiently execute capital improvement projects, and update policy and procedure.

Options:

1. Do Nothing. This will delay the completion of needed infrastructure design work, code/policy/process reforms, and modernization of the City's master plans and system development charges. The existing contract with Murraysmith will expire on July 23, 2020, at which point the position of City Engineer will be vacant.
2. Authorize the solicitation of a new City Engineer by the posting of this RFP. Posting the solicitation through the City website, local media, and the Daily Journal of Commerce will provide the broadest possible reach for potential proposers. Staff will rank responses and conduct negotiations with the highest-ranked proposer, then return to Council to authorize the proposed contract.
3. Review the City Engineer of Record Service RFP and suggest revisions. Staff will revise the RFP to address Council's areas of concern and present a new draft to Council at a later date.
4. Extend the existing contract with Murraysmith. This option will continue our existing relationship with Murraysmith. The contract may be extended up to another 3 years.
5. Recruit for an in-house City Engineer. This option will require the creation of a new position and job description. Hiring an in-house City Engineer will be a long-term commitment to a single staff member and will not provide the same level of bench strength as a consultant.

Recommendation:

Staff recommends Option 2, Authorize the solicitation of a new City Engineer by the posting of this RFP. By soliciting a new City Engineer the City can select the consultant that is most qualified to help the City meet its goals and which will provide enough capacity and expertise to complete necessary projects.

Staff will direct Murraysmith to complete & close out open projects (water distribution system modeling and review for deficiencies; and system development charge updates) by the contract's July 23, 2020 expiration. Due to ORS-mandated public notice requirements on SDC updates, it is likely that the SDC update project will not be completed by July 23, however it is expected that enough progress will be made on it by then that staff could complete the remaining steps in-house or assign it to the prospective new consultant.