

# CITY OF LAGUNA NIGUEL

## AGENDA ITEM CITY COUNCIL

**SEPTEMBER 19, 2017**

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**TO:** Honorable Mayor and Council Members

**FROM:** Jarod Nozawa, Purchasing Manager

**SUBJECT:** New Contracts, Contract Amendments and Review of Existing Contracts

**SUMMARY:** The City's Municipal Code and Purchasing Policy require that the City Council approve all contracts or purchase orders with vendors exceeding \$25,000. To ensure compliance with the \$25,000 cumulative threshold in the Purchasing Policy, staff reviewed the City's annual contracts and contract amendments and developed a consolidated list of vendors that require new contracts, contract amendments and vendors that require updated compensation amounts. The recommended action is to authorize the Interim City Manager on behalf of the City Council to enter into new contracts, contract amendments and execute all necessary documents on behalf of the City and update the compensation amounts for existing contracts as described in this report.

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### **BACKGROUND**

The City's Municipal Code and Purchasing Policy require that the City Council approve all contracts or purchase orders with vendors exceeding \$25,000. To ensure compliance with the \$25,000 cumulative threshold in the Purchasing Policy, staff reviewed the City's annual contracts and amendments and developed a consolidated list of vendors that require new contracts, contract amendments and update compensation amounts for existing contracts. This is part of a continuous effort to improve the City's contract processes and enhance transparency.

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### **DISCUSSION**

The City's current Purchasing Ordinance requires that the City Council approve any professional services or maintenance contracts exceeding \$25,000. These vendors provide routine services and/or maintenance/repairs for City operations.

#### **New Contracts**

The following is a list of vendors that require new contracts:

NO.	VENDOR	TERM	AMOUNT
1.	<u>CHARLES ABBOTT AND ASSOCIATES</u> Provides hydrology and Water Quality Management Plan (WQMP) reviews. Contract administered by the Community Development Department.	11/1/2017- 6/30/2022	\$11,000 Annually
2.	<u>DISABILITY ACCESS CONSULTANTS</u> Provides American with Disabilities Act (ADA) Self-Evaluation and Transition Plan update services. Contract administered by the Management Services Department. Partially funded by the California Joint Powers Insurance Authority.	10/1/2017 – 6/30/2019	Not- to-Exceed \$68,840
3.	<u>HARTZOG AND CRABILL, INC.</u> Provides Traffic Signal Operations Management. Contract administered by the Public Works Department.	9/19/2017 – 6/30/2020	\$52,520 Annually
4.	<u>SOCTV PRODUCTIONS</u> Provides video production of summer concerts, special city events and ceremonies, City Council meetings and State of the City presentation. Contract administered by the City Manager’s Department.	9/19/2017 – 6/30/2020	Not-to- Exceed \$60,000
5.	<u>TELECOM LAW FIRM</u> Provides evaluations on wireless (cell sites) applications and advice on wireless matters. Contract administered by the Community Development Department.	11/1/2017 – 6/30/2022	\$25,000 Annually

**Contract Amendments**

The following is a list of vendors that require contract amendments to their existing agreements:

**CONTRACTS TO BE AMENDED**

NO.	VENDOR	CURRENT TERM	AMENDED TERM	CURRENT CONTRACT AMOUNT	AMOUNT TO BE AMENDED
1.	<u>PUN GROUP</u> Provides auditing consulting services on the City’s Financial Statements. Contract administered by the Finance Department.	5/7/2016 – 6/30/2018	Same	FY 15/16 \$45,000 FY 16/17 \$46,350 FY 17/18 \$47,740	FY 15/16 \$45,000 FY 16/17 \$59,044 FY 17/18 \$47,740

**Existing Contracts – Updated Compensation Amounts**

These vendors perform extra work, based on the approved hourly rate schedule, beyond the original base bid contract amount and current compensation amount that was previously approved by the City Council when the contract was originally executed. These existing contracts do not include an annual not-to-exceed amount and for that reason there is no need to amend the contract at this time. When a replacement or successor contract is executed, the new contract will line up with the City’s fiscal year. The contract with Nature’s Image to provide maintenance for wetland and habitat areas expired in December 2011. Since January 2012, services have been provided on a month to month basis. Staff has worked with regulating agencies in the past year and is currently preparing a Request for Proposal (RFP), which is expected to be issued in October 2017.

Based on maintenance and repairs needs, the compensation amounts for the following vendors are being updated to reflect current true costs. All updated amounts are within the approved City budget amounts. This information is being presented for transparency and clarity.

<b>NO.</b>	<b>VENDOR</b>	<b>TERM</b>	<b>CURRENT COMPENSATION AMOUNT</b>	<b>UPDATED COMPENSATION AMOUNT</b>
1.	<u>C&amp;D ELECTRIC, INC.</u> Provides electrical contract services. Contract administered by the Public Works Department.	9/1/2015 – 8/31/2018	\$56,400 Annually	\$101,000 Annually
2.	<u>CNC ENGINEERING, INC.</u> Provides design services for landscaping and design and sign monument. Contract administered by the Public Works Department.	5/1/2016 – 6/30/2018	\$239,847 Annually	\$290,000 Annually
3.	<u>DONALD HOLLY &amp; SON, INC. DBA FULLERTON ELECTRIC, COMPANY</u> Provides electrical contract services. Contract administered by the Public Works Department.	9/1/2015 – 8/31//2018	\$84,600 Annually	\$110,000 Annually
4.	<u>ECONOMICS, INC.</u> Provides consulting support for the City’s solid waste and recycling program. Contract administered by the Public Works Department.	7/9/2016 – Upon Completion	\$60,000 Annually	\$100,000 Annually

5.	<u>ED STEWART AND ASSOCIATES, INC.</u> Provides weed abatement services. Contract administered by the Public Works Department.	6/1/2016 – 5/31/2019	\$74,500 Annually	\$95,000 Annually
6.	<u>GOLDEN TOUCH CLEANING, INC.</u> Provides janitorial services at City Hall. Contract administered by the Public Works Department.	2/21/2017– 2/28/2020	\$42,000 Annually	\$50,000 Annually
7.	<u>HOFFMAN SOUTHWEST CORPORATON DBA ROTO ROOTER SERVICE AND PLUMBING</u> Provides plumbing maintenance services. Contract administered by the Public Works Department.	10/1/2015 – 9/30/2018	\$40,000 Annually	\$70,000 Annually
8.	<u>NATURE’S IMAGE</u> Provides maintenance for wetland and habitat areas. Purchase Order administered by the Public Works Department.	Month to Month till 4/30/2018	\$86,000 Annually	\$90,000 Annually
9.	<u>NIEVES LANDSCAPE, INC.</u> Provides median and landscape maintenance services. Contract administered by the Public Works Department.	2/1/2016 – 1/31/2019	\$343,804.56 Annually	\$602,000 Annually
10.	<u>NIEVES LANDSCAPE, INC.</u> Provides landscape maintenance for Sports Parks and Facilities. Contract administered by the Public Works Department.	10/1/2015 – 9/30/2018	\$466,288.44 Annually	\$1,016,000 Annually
11.	<u>PROFESSIONAL SPORTS FIELD MAINTENANCE</u> Provides and maintains the skinned brickdust and turf in field areas. Contract administered by the Public Works Department.	10/1/2015 – 9/30/2018	\$127,446 Annually	\$255,000 Annually

12.	<u>REAL GREEN, INC. DBA RGI LANDSCAPE</u> Provides landscape maintenance to the southern neighborhood Parks and Facilities. Contract administered by the Public Works Department.	10/1/2015 – 9/30/2018	\$229,267.60 Annually	\$410,000 Annually
13.	<u>REAL GREEN, INC. DBA RGI LANDSCAPE</u> Provides landscape maintenance to the northern neighborhood Parks and Facilities. Contract administered by the Public Works Department.	2/1/2016 – 9/30/2018	\$253,595.52 Annually	\$395,000 Annually
14.	<u>REAL GREEN, INC. DBA RGI LANDSCAPE</u> Provides landscape maintenance to the School Joint Use Sports Fields And Facilities. Contract administered by the Public Works Department.	1/23/2017 – 9/30/2018	\$273,390.60 Annually	\$626,000 Annually
15.	<u>RITE, INC. DBA THE PERFECT FIELD</u> Provides synthetic turf and facilities maintenance. Contract administered by the Public Works Department.	12/1/2015 – 11/30/2018	\$115,256.16 Annually	\$194,000 Annually
16.	<u>SAFE SIDEWALKS DBA PRECISION CONCRETE CUTTING</u> Provides sidewalk inspection and trip hazard removal services. Contract administered by the Public Works Department.	11/1/2016 – 12/1/2019	\$80,000 Annually	\$100,000 Annually
17.	<u>SIEMENS INDUSTRY</u> Provides traffic signal maintenance services. Contract administered by the Public Works Department.	11/5/2016 – 6/30/2021	\$5,211 Annually	\$245,000 Annually
18.	<u>XANADU SERVICE SYSTEM, INC.</u> Provides janitorial maintenance services for Crown Valley Community Park, Public Restrooms and Facilities. Contract administered by the Public Works Department.	1/2/2016 – 1/1/2019	\$101,640 Annually	\$112,000 Annually

In addition to the vendors listed above, annual expenditures for Friends of the Laguna Niguel Library and Laguna Niguel Chamber of Commerce exceed \$25,000. The approved 2018 Budget includes specific expenditures for Friends of the Laguna Niguel Library and Laguna Niguel Chamber of Commerce in the amount of \$30,000 and \$45,500, respectively. The approved expenditures are summarized below:

**Friends of the Laguna Niguel** **\$30,000**  
Provide new resources such as books and equipment to the Laguna Niguel Branch Library

**Laguna Niguel Chamber of Commerce** **\$45,500**  
Printing and Distributing the Business and Community Directory \$24,000  
Membership and dues \$10,000  
Business development \$11,000  
Miscellaneous \$ 500

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#### FISCAL IMPACT

Sufficient funds are included in the Fiscal Year 2017-18 budget to cover the costs of these new contracts, contract amendments and updated compensation amounts for existing contracts.

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#### RECOMMENDATION

That the City Council:

1. Approve the list of new contracts and contract amendments and authorize the Interim City Manager to execute all the contract documents on behalf of the City Council.
  2. Approve the updated compensation amounts for the above existing contracts.
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#### SUBMITTED

BY:

  
Jarod Nozawa  
Purchasing Manager


#### REVIEWED

BY:

  
Terry Dixon  
City Attorney

#### REVIEWED

BY:

  
Stephen Emlandson  
Interim City Manager