

Mayor and Council Communication

DATE: 01/26/21

M&C FILE NUMBER: M&C 21-0075

LOG NAME: 19ALLEYWAY MAINTENANCE PROGRAM CONTRACT AMENDMENT

SUBJECT

(ALL) Ratify Expenditures of \$78,131.19 and Authorize Amendments to the Services Agreements with Multiple Vendors for Alleyway Maintenance to Increase the Total Contract Authority by \$95,000.00 for the Neighborhood Services Department

RECOMMENDATION:

It is recommended that the City Council:

1. Ratify expenditures of \$78,131.19 incurred by the Neighborhood Services Department for its Alleyway Maintenance Program; and
 2. Authorize an amendment to the associated services agreements to increase the total contract authority by \$95,000.00 for multiple vendors affiliated with the Neighborhood Services Department's Alleyway Maintenance Program.
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DISCUSSION:

In the summer of 2017, the Neighborhood Services Department (NSD) requested that Purchasing issue a Request for Proposals (RFP) for agreements to procure alleyway maintenance services. NSD recommended contracts be awarded to three vendors based on their responses to the RFP. On March 27, 2018, the City Council approved Mayor and Council Communication (M&C) M&C P-12179 and authorized contracts with Lawn Patrol Service, Inc. for \$140,000.00 annually, MG Lawn & Landscape, LLC for \$130,000.00 annually, and H. Mike Lauderback d/b/a New Era Contract Services for \$110,000.00 annually for NSD's Alleyway Maintenance Program for a total annual amount of \$380,000.00. The agreements were authorized for an initial three-year term for a total combined amount of \$1,140,000.00 and two one-year renewal options at the same annual rate, respectively. Currently, the contracts are in the third year of the potential five-year contract term.

Due to misunderstanding of internal processes staff failed to complete the required steps to complete the amendments to the contracts and RFP. The contract and RFP amendments were necessary for program contractors to have authority to spend the incremental funds. Due to these reasons and in light of the mitigation strategy detailed below, staff requests that Council ratify expenditures in the amount of \$78,131.19 for payments made to the vendors listed above. Additionally, staff requests that Council authorize amendments to the existing contracts to increase the total authorized amount by \$95,000.00 for additional services needed within the current fiscal year. All previous payments authorized without proper authority will be counted against the additional funds requested by this M&C. Sufficient funding is available in the department's FY2021 General Fund budget to cover this additional allocation.

To ensure this oversight does not happen again moving forward, a NSD Neighborhood Program Coordinator will be assigned to the role of Contract Administrator for the Alleyway Maintenance Program to offer a direct point of contact and responsibility. The Contract Administrator will monitor the monthly progress of each contract through new Smartsheet dashboarding software now available to NSD staff, and will work with the Finance & Administration Division of the department to produce monthly reports for the NSD Assistant Directors & Director to review.

A new RFP process will be completed in the first quarter of 2021 for all program services affiliated with alleyway maintenance services. To ensure expenditure authority aligns closely with budget forecasting, all past program performance data will be reviewed in depth, prior to the award of new contracts as a part of the RFP process. After a successful RFP, expenditure authority will more closely match budgeted amounts that were increased in 2019, which facilitated additional alleyways (units) to be completed through the program.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are available in the current operating budget, as previously appropriated, in the General Fund to support the approval of the above recommendation and amendment to the services agreement. Prior to any expenditure being incurred, the Neighborhood Services Department has the responsibility to validate the availability of funds.

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