



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council

Item No. _____

FROM: City Administrator

SUBJECT: Amendment to Services Agreement with California Water Service Company and Release of a Request for Proposal for Lease of Real Property

MEETING DATE: September 5, 2017

RECOMMENDATION:

The City Council will consider for adoption an Amendment to extend the current Agreement term with California Water Service Company (Cal Water) to June 30, 2018 and a Resolution approving the release of a Request for Proposals for Lease of Real Property for the Commerce Water System.

BACKGROUND:

The Agreement between the City of Commerce and California Water Service Company (Cal Water) for Lease of Real Property (Commerce Water System) to operate and maintain the municipally-owned Commerce Water System is for a 15 year period from October 1, 2002 to October 1, 2017. The City also executed a separate agreement with Cal Water for design, permitting, and construction management services to construct a new well effective November 15, 2016. The new well construction will take approximately two to three years.

Due to Cal Water's agreement term nearing its expiration, staff recommends releasing a new Request for Proposals (RFP) for operation and maintenance and implementation of the Commerce Water System's Capital Improvement Program (CIP). The RFP process will extend beyond the current term of the agreement. As a result, staff also recommends amending the agreement to extend the term to the end of the current fiscal year (June 30, 2018) in order to have sufficient time to award a new agreement to the successful bidder. Staff will return to Council with the results of the RFP process and a recommendation.

ALTERNATIVES:

1. Approve staff recommendation
2. Disapprove staff recommendation
3. Provide further direction to staff

FISCAL IMPACT:

There is no fiscal impact at this time.

RELATIONSHIP TO STRATEGIC GOALS:

This item is related to a specific 2016 Strategic Goal to “develop and implement a sustainable Capital Improvement Program to ensure the quality of existing infrastructure and to support future plans for the City.”

Approved by: Maryam Babaki, Director of Public Works and Development Services

Prepared by: Gina Nila, Deputy Director of Public Works Operations

Reviewed by: Vilko Domic, Finance Director

Approved as to form: Eduardo Olivo, City Attorney

Respectfully submitted: Matt Rodriguez, Interim City Administrator

ATTACHMENTS: Amendment

Resolution

RFP, Agreement, Service Area Map, Standard Operating Procedures