



**Date: February 29, 2016**

**To: Thomas J. Bonfield, City Manager**  
**Through: Keith Chadwell, Deputy City Manager**  
**From: Mark D. Ahrendsen, Director of Transportation**  
**Subject: Follow Up to Agenda Item 3 – Master Agreements for Transportation and Engineering On-Call Services**

At the Council Work Session on February 18, 2016, Mayor Pro-Tem Cora Cole-McFadden and Council member Don Moffitt requested information regarding the On-Call Master Agreement agenda item. Below are the responses to the questions raised by the Council members:

1. Why do the On-Call Master Agreements not have MWBE goals?

Response: The On-Call Master Agreements represent the base agreements upon which supplemental contracts are negotiated for work to be performed during the 3-year term of the Master Agreement. The City's EBOP ordinance expressly provides for compliance with federal or state MWBE regulations when required by the granting authority. (Sec. 18-55(i)).

Furthermore, goals would otherwise not be set on the On-Call Master Agreement contracts because the scope of services to be performed are not known at this juncture. Although most supplemental contracts are estimated to fall below the \$100,000 threshold for setting goals, subcontracting opportunities are still encouraged for all supplemental contracts if available, even if goals cannot be considered

2. How do the contracts comply with the City's Small Local Business Ordinance?

Response: All contracts must first be considered for SLBE Program eligibility. There has to be at least three SLBE firms that can perform the work before a project can be accepted in the program. If there are insufficient SLBE firms, then the department may utilize its typical procurement process.

3. How many small local firms are qualified for these contracts?

Response: For this specific Master Agreement RFQ, one SLBE firm proposed and was selected – Stewart Engineering.

4. How do MWBE or SLBE firms obtain work through this process?

Response: For SLBE firms to get work through the On Call process as the primary contractor, they would need to be an approved provider on the list or, (if the federal requirements allow local preferences in contracting), be one of three certified firms who are qualified to perform the scope of work, making the project eligible for the SLBE Program. The firms have identified SDBE firms for possible subcontracting opportunities.

For SDBEs to obtain work through the On-Call process, they must also respond to the RFP and be an approved provider on the list. Two SDBE firms proposed and were selected for On-Call Services: John Davenport Engineering and Baseline Mobility Group. If a contract provides subcontracting opportunities, a SDBE firm may also be used for those opportunities. Firms will sometimes list SDBEs that may be used for subcontracting opportunities on their contracts.

5. “On the agenda for the City Council meeting on Mar 7 is item 3, "Master Agreements for Transportation and Engineering On-Call Services. "My concern is that the on-call list is for professional services under \$100,000, which is the sweet spot for the local business initiative. My understanding from Transportation is that federal contracting rules do not allow us to have an on-call list that is only local businesses. Is there any way to modify the list to favor MSDBE, WSDBE or locally owned businesses?”

Response: The Transportation and Engineering On Call Services process was open to all firms interested in providing the services in the request for proposals. There was only one response from a SLBE firm and two responses from SDBE firms.. However, for the SLBE and SDBE firms that submitted proposals, all proposals were accepted and included in this item. It is not clear as to what would be the expectation in terms of modifying the list to favor minority, women and local firms. The firms are selected based on ability to perform a particular scope of work. Due consideration is given when the work falls within the purview of a minority, woman or SLBE firm and they would be selected. We have the means to provide preferences to these firms though the Equal Business Opportunity Program and the Small Local Business Enterprise Program. There appears to be no means for providing a preference in the context of this case.

Cc: Deborah Giles, Director, Department of Equal Opportunity and Equity Assurance