

Agenda Report

TO: CITY COUNCIL **DATE:** October 7, 2002

FROM: CITY MANAGER

SUBJECT: RESCISSION OF CONTRACT AWARD TO KENNEDY/JENKS CONSULTANTS AND AUTHORIZATION TO ENTER INTO A CONTRACT WITH PINKERTON CONSULTING & INVESTIGATIONS, INC. TO CONDUCT A VULNERABILITY ASSESSMENT, REVIEW AND UPDATE THE EMERGENCY RESPONSE PLANS, AND PREPARE PLANS AND DESIGNS FOR SECURITY IMPROVEMENTS FOR THE WATER DIVISION

RECOMMENDATION

It is recommended that the City Council:

1. Rescind the contract awarded to Kennedy/Jenks Consultants authorized by City Council on September 9, 2002.
2. Authorize the City Manager to enter into a contract with Pinkerton Consulting & Investigations, Inc., in an amount not to exceed \$138,000 to conduct a Vulnerability Assessment, review and update Emergency Response Plans, and prepare Plans and Designs for Security Improvements for the Water Division. Competitive Bidding is not required pursuant to City Charter Section 1002(H), Contracts with other Governmental entities or their contractors.
3. Grant the proposed contract an exemption from the competitive selection process of the Competitive Bidding and Purchasing Ordinance pursuant to Section 4.08.049(B), contracts for which the City's best interests are served.

BACKGROUND

On March 28, 2002, the U.S. Environmental Protection Agency (EPA) requested applications for federal grants to conduct vulnerability assessments, emergency response plans, and security enhancement plans and designs at large drinking water utilities. On April 22, 2002, the City Council authorized the General Manager to apply for the grant, and on July 3, 2002 PWP was approved for a \$115,000 grant. Similar grants were also approved for both Burbank Water and Power, and Glendale Water and Power.

On June 12, 2002, President Bush signed into law the Public Health Security and Bioterrorism Preparedness and Response Act of 2002 (H.R. 3448). The law requires that drinking water systems, serving populations of 100,000 or more, certify to the EPA that it has completed a vulnerability assessment and submit a written copy of its findings by March 31, 2003. In addition to conducting the vulnerability assessment, water systems serving a population of more than 3,300 must prepare an emergency response plan that reflects the results of the assessment. Within six months of completing its vulnerability assessment, each system must certify to the EPA that it has formulated an emergency response plan.

On July 30, 2002 in response to the new law and the recently approved federal grants that each of the three cities received, a tri-city request for proposal (RFP) was issued to consulting firms to conduct a vulnerability assessment, review and update the emergency response plans, and prepare plans and designs for security improvements for each of the cities' water departments. The City of Glendale was the administrator of the RFP and sixteen engineering and security-consulting firms were sent RFPs. Of those that received RFPs, eight responded. The proposals were evaluated using criteria set forth in the RFP by a review panel consisting of staff from each city and Kennedy/Jenks was unanimously selected.

On September 9, 2002, City Council authorized a contract with Kennedy/Jenks Consultants to perform these services. Kennedy/Jenks' proposal was for \$114,700. However, Kennedy/Jenks has declined to accept the terms and conditions of the City's Professional Services Agreement. Staff does not recommend accepting Kennedy/Jenks proposed terms as they are not in the best interests of the City and other equally qualified firms that accept the City's terms are available.

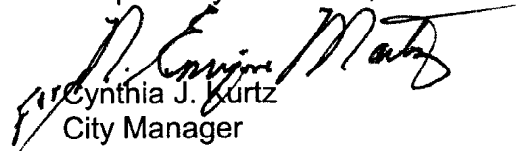
Pinkerton Consulting & Investigations, Inc. was rated second in the evaluation process and is recommended for award of this contract. The firm's proposal price is \$115,000, which includes the cost to conduct the vulnerability assessment, review and update the emergency response plans, and prepare plans and designs for security improvements for the Water Division.

The vulnerability assessment must be completed prior to the emergency response plans and security improvements because the findings and recommendations identified in the assessment serve as basic functions for the remaining two. In order for the consulting firms to submit cost proposals to review and update the emergency response plans, and prepare plans and designs for security improvements, they assumed certain conditions exist in the water system, which may later prove to be incorrect resulting in greater cost. Also, due to the uncertainty in the findings and recommendations that will be later identified in the vulnerability assessment, PWP is requesting a contingency of 20% to provide funding for any necessary change orders.


FISCAL IMPACT

With the approval of the \$115,000 EPA grant funding, the City's portion of the \$138,000 contract amount is \$23,000, which is budgeted in the Capital Improvement Program 1054, Facility Security System. The security grant issued by the EPA has no matching fund requirement.

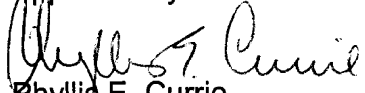
Respectfully submitted,


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