



## **AGENDA MEMORANDUM**

Future Item for the City Council Meeting of December 19, 2017  
Action Item for the City Council Meeting of January 9, 2018

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**DATE:** December 13, 2017

**TO:** Margie C. Rose, City Manager

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<p>Resolution authorizing the City Manager or designee to Issue a Request for Qualifications for an Owner's Representative Wastewater Management Plan Implementation</p>
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### **CAPTION:**

Resolution authorizing the City Manager or designee to proceed with the issuance of a Request for Qualifications (RFQ) for a Public-Private Partnership (P3) Program Manager to act as the City's Representative for the Wastewater Management Program Implementation.

### **PURPOSE:**

To approve a Resolution authorizing the City Manager or designee to issue a RFQ for a P3 Owner's Representative.

### **BACKGROUND AND FINDINGS:**

On June 13, 2017, City Council passed a resolution directing staff to implement a modified Option 1 from the Stantec Wastewater Management Plan. The resolution also directed the City Manager to procure future improvements through the most cost-effective financing and delivery plan including, but not limited to, a public private partnership (P3) approach.

On July 25<sup>th</sup>, City Council directed the City Manger to initiate a potential P3 procurement process by publishing a Request for Information (RFI) from potential P3 providers. The RFI would be the first step

in a multi-step P3 procurement process. The information received from the RFI was intended to help the City to determine a fit between P3 business offerings and the City's wastewater management needs and to structure the next steps of a P3 procurement. City Council, however, directed the City Manager to delay the procurement of an Owner's Representative until an unspecified future date.

On September 29, 2017, Engineering Services published a Request for Information (RFI) No. 2017-04 Wastewater Management Program Implementation. On November 10, 2017, the City received 14 responses to the RFI. A status update on the RFI was provided to Council in a memorandum dated November 16, 2017. It is not clear to staff how much further the P3 process can proceed without the procurement of an Owner's Representative.

P3 contracts can be large, complex and high-risk transactions. City Staff does not have the relevant experience to adequately protect the City's interest in such a procurement. Having an Owner's Representative with the relevant financial, legal and technical expertise to help structure a procurement and advise the City through the process is essential to completing a successful procurement and negotiating a fair contract. Staff believes that the procurement of the owner's representative is a necessary and logical next step if Council wishes to proceed with a P3 procurement for implementation of the Wastewater Management Plan.

This item is a Resolution authorizing the City Manager or designee to proceed with the issuance of a Request for Qualifications (RFQ) for a P3 Owner's Representative.

**ALTERNATIVES:**

Council may choose not to approve the resolution

**OTHER CONSIDERATIONS:**

None

**CONFORMITY TO CITY POLICY:**

This item conforms to City Policies.

**EMERGENCY / NON-EMERGENCY:**

Non-emergency

**DEPARTMENTAL CLEARANCES:**

Water Utilities

**FINANCIAL IMPACT:**

☐ Operating      ☐ Revenue      ☐ Capital      X Not applicable

<b>Fiscal Year: 2017-2018</b>	<b>Project to Date Expenditures (CIP only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Line Item Budget				
Encumbered Expended Amount				
This item				
BALANCE				

Fund(s): n/a

**Comments:**

None.

**RECOMMENDATION:**

Approval of Resolution as submitted.

**LIST OF SUPPORTING DOCUMENTS:**

Resolution