

City Council Report

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Sacramento, CA 95814

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File ID: 2019-00665

May 21, 2019

Consent Item 10

Title: Suspend Competitive Bidding and Authorize Request for Proposals Process (RFP) for the Purchase of Bicycle Racks (Two-Thirds Vote Required)

Location: Citywide

Recommendation: Adopt a Resolution: 1) suspending competitive bidding in the best interest of the City; and 2) authorizing issuance of a Request for Proposals (RFP) to solicit vendors for the purchase of bicycle racks.

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Presenter: None

Attachments:

1-Description/Analysis

2-Resolution

Description/Analysis

Issue Detail: On April 2, 2019, City Council adopted an ordinance amending Chapter 5.18 and Chapter 10.76 of the Sacramento City Code regulating the Shared-Rideable Businesses. The staff report articulated that an increase in Shared-Rideable devices would increase the demand on the City's limited bicycle parking. Therefore, included in the newly adopted fee structure is the parking and infrastructure fee which each vendor is required to pay in lieu of installing the bike parking themselves. The City will procure and install bike racks using these funds.

The standard City process for purchasing commodities, such as bike racks, is through a competitive bid process, awarding the purchase order to the lowest bidder. To ensure the procured bike racks will be of high quality, are cost effective, meet city standards, and provide flexibility in storing, transporting, and installing the racks, staff recommends using a Request for Proposals (RFP) process for selection of bike rack vendors. This will still be a competitive process. The RFP will be posted and advertised publicly on the City's procurement website. Staff plans to select multiple vendors for a not-to-exceed amount contingent upon receipt of revenue from the Shared-Rideable program. The purchases will take place over the course of no more than three years without returning to City Council for future approval. Staff will return to City Council for approval to award any resultant bike rack purchase of \$100,000 or more.

Policy Considerations: Using the RFP process instead of the City's standard low bid process requires a suspension of the standard bid process. City Code Section 3.56.230(c) authorizes the City Council to suspend competitive bidding for the purchase of supplies when, upon a two-thirds vote, the City Council determines it is in the best interests of the City to do so. City staff recommends it is in the City's best interest to suspend competitive bidding for the purchase of bike racks because it allows staff to select the most appropriate product to meet the City's varied bike rack needs. The product with the lowest cost may not best fit the needs and could result in greater expenses in maintenance over the expected life of the product.

Economic Impacts: None

Environmental Considerations:

California Environmental Quality Act (CEQA): Issuing an RFP is an administrative activity that does not constitute a "project" as defined by section 15378 of the California Environmental Quality Act (CEQA) Guidelines and is otherwise exempt pursuant to sections 15061(b)(3); 15378(b)(2).

Sustainability Considerations: This project is consistent with Sustainability Master Plan goals to help improve health of residents by promoting bicycling and scootering. This project will also reduce dependence on the private automobile, decrease the use of fossil fuels, and help meet air quality standards by providing an array of transportation choices near jobs for a balanced, healthy city.

Commission/Committee Action: None.

Rationale for Recommendation: In an effort to procure the best bike racks to meet the City's given needs, which can fluctuate based on location and setting, the RFP process will allow staff to select a bench of vendors who are able to provide high quality bike racks to meet the city's growing need for bicycle and scooter parking.

Staff recommends suspension of competitive bidding in the best interests of the City due to the RFP benefits mentioned above. Accordingly, staff is seeking City Council authorization for selection of a vendors through use of a Request for Proposals process instead of the low bidding process specified in City Code Chapter 3.56.

Financial Considerations: The recent updates to the Shared-Rideable program will provide a new funding stream for bike rack procurements to support the shared bikes and shared scooters operating in the City. Staff plans to select multiple vendors for a not-to-exceed amount contingent upon receipt of revenue from the Shared-Rideable program.

Local Business Enterprise (LBE): A five percent point advantage will be awarded to vendors who qualify as a Local Business Enterprise during the scoring process.

RESOLUTION NO.

Adopted by the Sacramento City Council

SUSPEND THE COMPETITIVE BIDDING PROCESS FOR A REQUEST FOR PROPOSALS (RFP) PROCESS FOR THE SHARED-RIDEABLES BIKE RACK PROCUREMENT (K15195100)

BACKGROUND

- A. On April 2, 2019, City Council adopted an ordinance amending Chapter 5.18 and Chapter 10.76 of the Sacramento City Code regulating the Shared-Rideable Businesses. The amendments place the responsibility of the installation of bike racks on the City using funds associated with the Shared-Rideable Business Permit.
- B. In a continuing effort to obtain the best and most appropriate bike racks for the needs of the City, staff recommends the City Council act to suspend the typical competitive bid process and instead use an RFP process. As with any other supply contract, staff will return to City Council for approval to award any resultant bike rack purchase of \$100,000 or more.
- C. City Code Section 3.56.230(c) authorizes the City Council to suspend competitive bidding for the purchase of supplies when, upon a two-thirds vote, the City Council determines it is in the best interests of the City to do so. It is in the City's best interest to suspend competitive bidding for the purchase of bike racks in order to select multiple vendors that offer bike racks which fit the varying needs of the City. The purchases will take place over the course of no more than three years without returning to the City Council for approval. Staff will return to City Council for approval to award any resultant bike rack purchase of \$100,000 or more.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. In the best interests of the City, competitive bidding is suspended for the purchase of bike racks used in the City's Shared-Rideable program and is replaced by the RFP process to identify vendors with bike racks that meet the varying needs of the City, for maximum period of three years.