THE CITY OF SAN DIEGO

REPORT TO THE CITY COUNCIL

DATE ISSUED: October 12, 2011 **REPORT NO:** 11-127

ATTENTION: Honorable Council President Tony Young and Council Members

SUBJECT: Preliminary Statement of Work for Street and Sidewalk Maintenance

REFERENCE: Adopted Managed Competition Guide

REQUESTED ACTION:

Approve the Preliminary Statement of Work for Street and Sidewalk Maintenance.

STAFF RECOMMENDATION:

Accept the Preliminary Statement of Work for Street and Sidewalk Maintenance to serve as the foundation of the Street and Sidewalk Maintenance Statement of Work.

SUMMARY:

The City of San Diego is committed to delivering quality services to taxpayers, residents, and visitors in the most economical and efficient means possible. This commitment can also be expressed as delivering services through "competitive government," defined as government with processes in place to validate that service quality and costs are comparable to those offered by any legitimate available provider.

Managed competition provides a structured, transparent process that allows an open and fair comparison of public sector employees and independent contractors in their ability to deliver services to our citizens. This strategy recognizes the high quality and potential of public sector employees and seeks to tap their creativity, experience and resourcefulness by giving them the opportunity to structure organizations and processes in ways similar to best practices in competitive businesses.

A Preliminary Statement of Work is the first step in the managed competition procurement process. The Preliminary Statement of Work documents service specifications and is presented to the City Council for consideration and public comment to assure all parties that no degradation of service levels will occur as a result of the competition. Once approved, the Preliminary Statement of Work forms the foundation for the complete Statement of Work which will be included in the solicitation. Attachment (A) provides the Preliminary Statement of Work for the Street and Sidewalk Maintenance function for consideration by the City Council.

FISCAL CONSIDERATIONS:
None.

PREVIOUS COUNCIL and/or COMMITTEE ACTION:
This item appeared before the Rules Committee on September 28, 2011. A motion was passed to continue the item to allow for additional review. A revised copy of the document was submitted on September 29, 2011.

ENVIONMENTAL REVIEW
Consistent with CEQA Guidelines section 15004, approval of the Preliminary Statement of Work (PSOW) is not the appropriate time to conduct environmental review. Approval of the PSOW does not commit the City to a particular outcome because before the City approves a particular contract, it would consider the environmental impacts. Approving the PSOW would not preclude consideration and adoption of later-identified mitigation measures and alternatives. The level of environmental review will depend on the details of the Statement of Work (SOW) and responses to the SOW.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:
The managed competition program was initiated with the citizens of the City voting to approve Proposition C in November 2006. Staff has spent considerable time working with the labor unions (AFSCME Local 127 and MEA) to receive input on program plans. In addition, we have established a Labor Advisory Committee to facilitate continued work with the unions.

With the passage of Proposition C and the amendment/addition of subsection (c) to City Charter section 117, the Managed Competition Independent Review Board was established to advise the Mayor on whether the proposal of City employees or that of an independent contractor will provide services more economically and efficiently while maintaining service quality and protecting the public interest.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:
Given that the competition has yet to take place, it is premature to speculate on precise impacts. However, key stakeholders in this process are City employees, the City's recognized labor unions and the residents and visitors of the City of San Diego.

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Preliminary Statement of Work
Street and Sidewalk Maintenance

Background

The Street Division maintains and repairs the City's street network including streets, alleys, bike paths, sidewalks, and bridges; maintains guardrails and fences; manages the street resurfacing program and administers annual resurfacing and slurry seal contracts; maintains and repairs street lights and traffic signals including signal interconnect systems and electrical underground circuits; performs traffic lane-line striping; installs and removes traffic markings and paints curb zones; maintains and manufactures traffic signs; trims trees and performs weed abatement within the public right-of-way.

The City of San Diego has over 3,000 miles of public streets, alleys, and bike paths. Work performed by the Roadway Section includes pothole patching, repairs to localized street failures, asphalt ramping of sidewalks, and entire block resurfacing of the asphalt and concrete surfaces ranging from 8,000 square feet to 20,000 square feet. Because of the similar staff classifications and equipment used, this Section also performs maintenance of dirt alleys.

To accomplish street repairs, a variety of minor patching and major asphalt maintenance techniques are used. In Fiscal Year 2011, asphalt crews repaired over 39,000 potholes with an average response time of eight days. The objective of the pothole repair work is to mitigate potential hazards within the public right-of-way. Depending on the priority, major pavement repairs are completed either with in-house crews or by private contractors. In-house crews are utilized to perform high priority isolated pavement repairs, while planned pavement maintenance such as overlays and slurry sealing are completed via contracts. Contractors repair damaged sections of pavement prior to overlay and slurry sealing of streets. In Fiscal Year 2011, the Roadway Section received 9,700 service requests. Of these requests, 6,117 were for pothole repairs, 690 for isolated pavement repairs, and nine for grading of alley dirt surfaces. These requests resulted in 13,120 different road repair activities. The remaining requests were for concrete work, storm related activities, overlay, and requests that were referred to other sections. Requests for pothole repairs or other street-related services can also be generated by the division's field crews and is included in the overall total. In many cases, crews address other issues while responding to specific requests.

During storm events, the Division field personnel shift to storm patrol activities which include inspection and cleaning of critical storm drain structures and the removal of debris and fallen trees and tree branches from streets to ensure safe traffic movement, proper drainage, and minimize the potential for flooding. Street Division also provides personnel and equipment in emergency situations to the Fire Department, Police Department, and Homeland Security, as part of the City's Search & Rescue Team.

In the City of San Diego, there are approximately 5,000 miles of sidewalks and 310 miles of dedicated concrete streets and alleys, in addition to approximately 22 miles of concrete bike paths. The most common sidewalk problems typically result from tree root damage,

old age, or deterioration. Sidewalk and concrete repairs include the repair of sidewalks, street panels, curbs and gutters, cross gutters, bus pads, retaining walls, alleys, bike paths, and other special projects. Examples of these special projects include the repair of stairs along beach bluffs and the repair of other concrete structures in the public right-of way. One important function of this group is to oversee and execute the 50/50 Sidewalk Cost Share Program. In this program, the City pays for half of the sidewalk replacement cost and the property owner pays for the other half. The fee is based on unit cost and is the same for all communities in the City.

For investigation of claims filed against the City the Street Division provides Risk Management's Public Liability division a point of contact to send requests to. The liaison provides high priority information, records, services requests, service history, and servicing schedule pertaining to any notice received by the City for a specific location or condition that is alleged to have caused injury or damage as outline in the Government Code. Any request will be responded to within five to 10 days of receipt.

Division representative may be asked to attend inspection meetings and or be available, for claims that are complex in nature, to produce specific site analysis or to further answer specific questions related to department operations and procedures. Liaison's presence may also be required at Small Claims Court hearings.

Code Compliance Officers issue Notices Of Violations (NOV) for vegetation encroachment onto the public right-of-way, notify property owners of their liability for the repair of sidewalks, issue tree trimming, removal, and planting permits, investigate illegal removal of trees, as well as conduct record research as well as provide documents to the City Attorney and Risk Management to assist in resolving litigation and liability claims against the City.

The concrete group of the Roadway section received 1,100 concrete related requests, including 460 requests for sidewalk repairs and 640 requests for other types of concrete repairs such as street panels, curbs and gutters cross gutters, bus pads, retaining walls, and alleys. Approximately 82,211 square feet of concrete repairs and 3,776 linear feet of curb and gutter repairs were completed during Fiscal Year 2011. Street Division also issues contracts to provide repairs to a large number of sidewalks and other concrete infrastructure in the public right-of-way. In Fiscal Year 2010, Street Division spent $9.5 million of bond funding to repair over 4,000 sidewalk and concrete locations utilizing private contractors.

During storm events, the Roadway section's field personnel also shift to storm patrol activities, which include the inspection and cleaning of critical storm drain structures and the removal of debris, fallen trees, and tree branches from streets to ensure public safety and proper drainage, and to reduce the potential for flooding.

Street Division has a Service Level Agreement (SLA) with the Public Utilities Department (PUD) for trench restoration work associated with water and sewer service repairs that damage roadway surfaces and sidewalks within the public right-of-way.

Crews perform permanent pavement repair after pipes repairs are completed by PUD staff. Per the SLA, work is generally completed within 30 days after it has been referred to Street Division by PUD.

A large component of street maintenance, known as the resurfacing program, is a contracted service. The division manages the City's Street Resurfacing Program, performs contract support, management, and administration, which includes pavement and sidewalk surveying, prioritizing and scheduling streets and sidewalks for proper maintenance activities, performing conflict checks with other right of way projects, coordinating projects with other City departments, and providing resurfacing information to Council offices to share with their constituents.

In Fiscal Year 2010, contractors overlayed 43 miles of streets and slurry sealed 66 miles as part of the resurfacing program. Overlay activities includes milling against gutter lines and adding asphalt over the existing pavement, and is considered a capital improvement function. Slurry seal improvements involve adding a thick rubberized emulsion mix over existing asphalt. In Fiscal Year 2011, 41 miles of streets received an overlay and 10 miles were slurry sealed. In Fiscal Year 2012, 148 miles of streets are scheduled for slurry sealing and 23 miles are planned for overlay. Funding levels and contracting processes have contributed to the year-to-year variation in data. A greater history will be provided in the Statement of Work phase.

The division is responsible for the installation and maintenance of traffic control devices and barriers including: lane-line striping, pavement legends, traffic signs, wooden barricades, guardrails, crash cushions, curb painting, and pavement markers along San Diego's 3,000 miles of improved streets and alleys. In Fiscal Year 2011, the division received approximately 11,504 service requests for maintenance of lane-line striping, pavement legends, traffic signs, wooden barricades, guardrails, crash cushions, curb painting, pavement markers, and bridge minor maintenance. Requests come mainly from private citizens, although City departments make requests including: Transportation, Engineering & Capital Projects, Development Services, Police, Fire-Rescue; and Council offices. Staff prioritizes the requests to ensure that resources are used most effectively. Crews also support other departments by installing and maintaining traffic control devices and fences on City property outside of the public right-of-way, and removing graffiti and stickers from traffic signs.

The City's Sign Shop is also part of Street Division. The Sign Shop supplies standard traffic control signs for the replacement of damaged and faded traffic signs. Traffic Control signs include regulatory, warning, construction, and guide signs used to regulate traffic movement and parking restrictions. This is accomplished through in-house sign making and the procurement of commercial traffic signs.

Additionally, the Sign Shop supplies custom made signs to other City departments (e.g., Park and Recreation, Fire-Rescue, Police, and Engineering & Capital Projects) that are non-standard traffic control signs as designated by the Manual on Uniform Traffic Control Devices (MUTCD).

Street Division includes all project specific pavement marking requirements in the scope of work for overlay and slurry sealing contracts. This work includes pavement legends, limit lines, crosswalks, lane-line striping, and the installation of raised pavement marker.

Street and park lights and traffic signals are also part of Street Division's functions but will not be included in the scope of this competition.

Legal Issues/Impacts

There are some legal issues that must be considered during the course of this competition.

City Charter Section 94 requires that the construction, reconstruction, or repair of public buildings, streets, utilities, and other public works be done by written contract awarded to the lowest responsible and reliable bidder. The City Charter exceptions to this low bid requirement are job order contracts, design-build contracts, and construction manager-at-risk contracts, found in Sections 94.1, 94.2, and 94.4, respectively. Section 94 of the Charter permits City forces to perform public works projects costing less than an amount set by ordinance without City Council approval, currently the projects limit is $100,000 pursuant to Municipal Code Section 22.3105. City forces can perform public works projects costing over $100,000 if City forces can complete the work more economically than by written contract, and if such use of City forces is approved by the City Council.

The Managed Competition program is guided by City Charter Section 117(c) which allows the City to hire independent contractors to perform City services when the services can be done more economically and efficiently than by City employees while maintaining service quality and protecting the public interest. Under Municipal Code Section 22.3003, "services" do not include public works projects. The City has traditionally considered maintenance of public facilities to be services rather than public works projects. Maintenance can be distinguished from repair work under Section 94 through the following definition of maintenance in the California Code of Regulations:

> Routine, recurring and usual work for the preservation, protection and keeping of any publicly owned or publicly operated facility (plant, building, structure, ground facility, utility system or any real property) for its intended purposes in a safe and continually usable condition for which it has been designed, improved, constructed, altered or repaired.

Streets Division performs both public works projects and maintenance services. Maintenance such as filling potholes, grinding and temporarily patching sidewalk defects, and the upkeep of existing traffic signs, roadway striping, and markings, may legally be subject to managed competition. Public works projects such as asphalt overlay, sidewalk panel replacement, and the installation of new traffic signs, roadway striping, and markings are not eligible for managed competition and must be awarded by contract pursuant to Section 94 if such work is not performed by City forces.

The following table highlights services that are considered ineligible for competition as they have been deemed Charter Section 94 functions by the City Attorney:

Functional Area	Charter Section 94 Eligible Function
Asphalt	
1.1	Major Asphalt Repair entire block or more
1.2	Grading of Dirt Alleys
1.3	Installation of Road Humps
Concrete	
2.1	Sidewalk Replacement
2.2	Alley Replacement/Repair
2.3	Road Replacement/Repair
2.4	Curb and Gutter Replacement/Repair
2.5	Curb Ramp Installation
2.6	Bus Pad Installation
2.7	Repair concrete spalling on bridges
Guard Rails, Fences, Pavement Markings, and Signs	
3.1	Curb Zone Painting – First Time Curb Painting or Change in Color
3.2	Fence/Guardrail/Bridge Repair
3.3	Traffic Markings Install (Painting New Legends/Markings)
3.4	Lane Lines Striping (Painting on New Pavement)/Installing RPMs
3.5	New Sign Installation and Replacing Damaged Signs
Bridge Repair	
1.1	Minor bridge rail repairs

The services the City intends to acquire have been adjusted due to this issue.

Services

The City of San Diego intends to acquire the services of a provider (City employees or outside vendor) for Street and Sidewalk Maintenance functions. These services will include:

1. Filling potholes within the public right of way to ensure public safety
2. Perform minor asphalt repair within the public right of way
3. Ramp sidewalk tripping hazards and refer permanent repairs to concrete crews
4. Trim trees within the public right of way
5. Perform weed abatement functions within public right of way, report, and document situations for the issuance of NOVs
6. Maintain traffic markings by repainting/remarking pre-existing road legends/markings
7. Perform lane-line re-striping existing traffic lanes, bike lanes, and shoulder stripes
8. Maintain signs by removing graffiti or stickers
9. Perform any curb zone repainting of existing color
10. Manufacture signs for Street Division and other City departments
11. Maintain raised pavement markers (RPMs) and delineators as necessary
12. Remove graffiti from bridge structures and other right of way structures such as street light and traffic signal poles, traffic signal controller cabinets, street pavement and sidewalks

13. Act as liaison to Risk Management's Public Liability division by providing high priority information, records, services requests, service history, and servicing schedule pertaining to any notice received by the City for a specific location or condition that is alleged to have caused injury or damage as outline in the Government Code.
14. Provide personnel and equipment in emergency situations to other City departments such as; the Fire-Rescue, Police, and Homeland Security departments, as part of the City's Search & Rescue Team
15. During storm events, provide emergency storm patrol activities including: the inspection and cleaning of critical storm drain structures and the removal of debris, fallen trees, and tree branches from the streets to ensure proper drainage and reduce the potential for flooding
16. Provide minor maintenance and repair to tools, small equipment used in the field, and striping equipment
17. Provide temporary traffic control for all of the above functions
18. Provide service to other City departments and agencies
19. Remove vehicular and pedestrian obstructions from the right of way

Workload Data

The Fiscal Year 2011 workload for this function included:

Workload Data Elements	FY11Actuals
Number of service requests for pothole repair	6,117
Number of service requests for isolated pavement repairs or overlay	690
Number of service requests for grading of dirt surfaces	9
Number of service requests for sidewalk repairs	460
Number of service requests for other types of concrete repairs such as street panels, curbs and gutters, cross gutters, bus pads, retaining walls, and alleys	650
Number of service requests for maintenance of lane line striping, pavement legends, traffic signs, wooden barricades, guardrails, crash cushions, curb painting, pavement markers, and bridge minor maintenance	11,504
Approximate number or potholes filled	39,000
Approximate square footage of concrete repaired	82,211
Curb repair (linear feet)	3,776

Locations and Operating Hours

The functions described above are currently provided from the location listed below during the noted regular hours of operation Monday thru Friday except for the emergency response which is provided 24 hours, seven days a week.

Service	Location	Hours of Operation
All services	2781 Caminito Chollas	7:00 am to 3:30 pm

Technical Delivery Standards

The City of San Diego expects that the service provider (City employees or outside vendor) will perform these services while adhering to all federal, State, and local laws, and to the technical standards from the following guides:

1. City of San Diego Standard Drawings
2. Standard Specifications for Public Works (Green Book)
3. Manual on Uniform Traffic Control Devices
4. City of San Diego Street Design Manual

Performance Standards

The City of San Diego expects the service provider (City employees or outside vendor) to maintain the following performance standards (please note that the following standards apply only to managed competition eligible items):

1. Respond to and repair 100 percent of sidewalk tripping hazards within 48 hours
2. Respond to and repair 100 percent of emergency tree trimming requests within 48 hours
3. Maintain an average time of eight days for all pothole repairs
4. Maintain an average time of 17 days for all minor asphalt repairs
5. Perform weed abatement services within two weeks of request
6. Perform existing lane-line re-striping every six months for major streets.
7. Maintain a five day average for manufacturing of signs
8. Respond to requests from Risk Management's Public Liability division within five to 10 working days of receipt
9. Provide personnel and equipment in emergency situations to other City departments such as; the Fire-Rescue, Police, and Homeland Security departments, as part of the City's Search & Rescue Team within two hours of request
10. Maintain a six day response time for all requests of graffiti removal

Service Provider Expectations

Specific methods to measure and monitor service provider expectations will be included in the Statement of Work. These measures will be stored and tracked electronically and data will be audited regularly. Customer satisfaction rates will be tracked via survey, or similar methods. The City currently has multiple surveys in place that can be used to track results. Expectations for the service provider include:

1. Tracking requests, complaints, other feedback and when this information will be transmitted to the City.
2. Providing a communication plan to the City about service mishaps or delays and related remedies. The Division currently addresses this via communicating any mishaps or delays through their chain-of-command.
3. Developing, implementing, and maintaining customer survey mechanisms to solicit customer feedback and satisfaction related to services provided and activities performed.
4. Maintaining all training and certification necessary to work with other agencies such as FEMA and the Airport Authority in order to receive NIMS reimbursements.
5. Providing for continuity of operations and assisting in recovery efforts when needed during emergency situations
6. Providing emergency services 24 hours a day, seven days a week.

Proposers will be provided existing Overall Condition Index information about the City's streets. They will be held accountable for the quality and responsiveness of the work they perform for the services that are subject to the competition. However, since Charter section 94 work also contributes to the condition of the streets and is excluded from the competition, it would not be feasible to require contractors to be fully accountable for maintaining a street's current condition.

To ensure proper coordination of services with other City departments and divisions, the Storm Water Division and the Public Utilities Department will be consulted during the preparation of the final Statement of Work for input on the services they provide in the City's rights-of-way and how best to maintain or improve coordination during the performance of the work subject to this competition. Those provisions will be included in the final Statement of Work. The City's Interactive Mapping Coordination Action Tool (IMCAT) will be used to coordinate any work within the public right-of-way. Monitoring by the designated Contract Manager(s), using the Quality Assurance Surveillance Plan, will help ensure compliance with these provisions.

To ensure proper coordination of providers of both maintenance and repair activities, the final Statement of Work will clearly delineate which activities are subject to Charter Section 117c and which are subject to Charter Section 94. The City will also describe the work assignment and communications protocols for those activities. The designated Contract Manager(s) will be responsible for ensuring that the chosen service provider follows those protocols.

Please note that more detailed performance data will be included in the Statement of Work that will be developed in preparation for issuing the Request for Proposals. We are describing all current functions, but judgments will be made in the final SOW as to what is "in-scope" vs. "out of scope", based on market assessments and legal analysis. Some data is not made available in this public Preliminary Statement of Work document so as to maintain a level playing field between City employees and potential contractors.