



## STAFF REPORT

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**DATE:** March 23, 2020

**TO:** Sacramento Regional Transit Board of Directors

**FROM:** Brent Bernegger, VP, Finance/CFO

**SUBJ:** DECLARING AN EMERGENCY AND SUPENDING COMPETITIVE BIDDING FOR SUPPLY ACQUISITIONS TO COMBAT COVID-19 AND DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO APPROVE AND EXECUTE PROCUREMENT CONTRACTS IN EXCESS OF \$150,000 TO ADDRESS COVID-19

### RECOMMENDATION

Adopt the Attached Resolution.

### RESULT OF RECOMMENDED ACTION

Adopting the declaration of emergency and delegating contracting authority to the General Manager/CEO will temporarily allow for the expeditious acquisition of goods and services necessary to effectively combat the spread of COVID-19 and protect SacRT's systems, equipment and facilities.

### FISCAL IMPACT

The fiscal impact is unknown at this time, because it is unclear what supplies and services might be needed and how the pricing will be affected by the suspension of competitive bidding. Where possible, Staff will continue to obtain multiple quotes to compare pricing before entering into a contract.

### DISCUSSION

As a result of the rapidly-evolving pandemic of novel coronavirus (COVID-19), SacRT Staff may need to obtain goods and services without delay to prevent the spread of the outbreak and to protect SacRT's systems, equipment and facilities in the event of a COVID-19-related partial or complete shutdown of operations.

To that end, SacRT Staff is requesting that the Board suspend otherwise applicable competitive solicitation requirements to enable Staff to quickly obtain any needed goods and services. For the same reason, Staff is requesting that the Board delegate authority to General Manager/CEO to approve and execute contracts with a value above \$150,000 as needed to expeditiously address COVID-19 needs.

These may include, but not limited to, such goods as cleaning supplies or equipment and software licenses to enable employees to work from home.

RESOLUTION NO. 20-03-0022

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

March 23, 2020

**DECLARING AN EMERGENCY AND SUPENDING COMPETITIVE BIDDING FOR SUPPLY ACQUISITIONS TO COMBAT COVID-19 AND DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO APPROVE AND EXECUTE PROCUREMENT CONTRACTS IN EXCESS OF \$150,000 TO ADDRESS COVID-19**

**WHEREAS**, under Public Utilities Code Section 102222, contracts for the purchase of supplies, equipment, and materials in excess of one hundred thousand dollars (\$100,000) shall be by contract let to the lowest responsible bidder or, in the district's discretion, to the responsible bidder that submitted a proposal that provides the best value, except in the event of an emergency declared by a four-fifths vote of the Board of Directors; and

**WHEREAS**, under Public Contract Code Section 20321, contracts for the construction of transit works or transit facilities in excess of five thousand dollars (\$5,000) shall be awarded to the lowest responsible bidder after competitive bidding, except in emergency declared by four-fifths vote of the Board of Directors.

**WHEREAS**, the SacRT Procurement Ordinance (18-08-01) requires competitive solicitation of goods and services in most circumstances and generally requires Board approval of all procurement contracts over \$150,000; and

**WHEREAS**, on March 4, 2020, California Governor Gavin Newsom declared a state of emergency to help the state prepare for and contain the spread of novel coronavirus (COVID-19); and

**WHEREAS**, on March 13, 2020, the President declared the ongoing Coronavirus Disease 2019 (COVID-19) pandemic of sufficient severity and magnitude to warrant an emergency declaration for all states, tribes, territories, and the District of Columbia pursuant to section 501 (b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121-5207 (the "Stafford Act"). State, Territorial, Tribal, local government entities and certain private non-profit (PNP) organizations are eligible to apply for Public Assistance; and

**WHEREAS**, as of March 15, 2020, California state health officials are reporting a total of 335 positive cases of COVID-19 and six deaths, with an increase in confirmed cases occurring daily; and

**WHEREAS**, as a public transit provider, the Sacramento Regional Transit District may need to continue providing essential public services during the outbreak; and

**WHEREAS**, to provide services while protecting the public health and safety to the extent possible, it may be necessary for SacRT to acquire supplies and associated services designed to limit the spread of the outbreak, including cleaning supplies, janitorial services, and supplies and services to enable employees to work remotely; and

**WHEREAS**, in the event of a partial or complete system shutdown due to COVID-19, it may be necessary for SacRT acquire supplies and associated services to protect its light rail system and bus facilities and to construct or repair facilities to protect its equipment.

**WHEREAS**, due to the rapidly-evolving circumstances, compliance with the competitive bidding requirements set out in state law and SacRT Ordinance 18-08-01 will preclude SacRT from timely responding to the emergency conditions to (1) prevent the spread of COVID-19 as a threat to public health; and (2) protect its systems and facilities.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the Board of Directors hereby declares an emergency due to the rapid spread of COVID-19 and authorizes the suspension of competitive bidding, as set out in Public Utilities Code Section 102222, Public Contract Code Section 20321, and SacRT Ordinance 18-08-01 to the extent necessary to obtain supplies and services to respond to COVID-19, including measures to limit the spread of COVID-19 and to protect SacRT's systems and equipment in the event of a partial or total system shutdown.

THAT, the Board hereby delegates authority to the General Manager/CEO to approve and execute procurement contracts in excess of \$150,000 to the extent necessary to mitigate the impact of COVID-19 on the public health and SacRT's operations, equipment, facilities and systems.

Passed and adopted by a 4/5 vote of the Board Members of the Sacramento Regional Transit District Board of Directors at a Special Meeting on this 23 day of March, 2020 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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STEVE HANSEN, Chair

A T T E S T:

HENRY LI, Secretary

By: \_\_\_\_\_  
Cindy Brooks, Assistant Secretary