



City of Sacramento City Council

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915 I Street, Sacramento, CA, 95814
www.CityofSacramento.org

Meeting Date: 9/27/2011

Report Type: Consent

Title: Supplemental Agreement: Drinking Water Quality Contract for Laboratory Services

Report ID: 2011-00797

Location: Citywide

Recommendation: Adopt a Resolution authorizing the City Manager or City Manager's designee to execute Supplemental Agreement No. 1 to City Contract 2009-0014 with TestAmerica Laboratories, Inc., to increase the not-to-exceed amount of the contract from \$102,173 to \$147,173 for the performance of additional laboratory testing through December 31, 2011.

Contact: Roland Pang, Water & Sewer Superintendent, (916) 808-1309; Mike Yee, Plant Services Division Manager, (916) 808-5670 - Plant Services, Department of Utilities

Presenter: None

Department: Department Of Utilities

Division: Plant Svcs Administration

Dept ID: 14001211

Attachments:

- 1-Description/Analysis
- 2-Background
- 3-Resolution
- 4-Exhibit A -Test America Laboratory Agreement

City Attorney Review

Approved as to Form
Joe Robinson
9/21/2011 6:16:28 PM

City Treasurer Review

Reviewed for Impact on Cash and Debt
Russell Fehr
9/14/2011 1:50:10 PM

Approvals/Acknowledgements

Department Director or Designee: Dave Brent - 9/21/2011 11:53:59 AM



Description/Analysis

Issue: The City and TestAmerica Laboratories, Inc. (TestAmerica), entered into a professional services agreement dated January 9, 2009, for TestAmerica to provide laboratory services to analyze water samples for the Department of Utilities (DOU) Plant Services through December 31, 2011. The not-to-exceed amount of the agreement was \$102,173. The DOU Solid Waste Division also has a need for water sample analysis, and DOU currently is preparing a request for proposals for laboratory services to analyze water samples for both the Plant Services Division and the Solid Waste Division. DOU anticipates that such an agreement will be in place early in 2012. Pending the approval of such new agreement, TestAmerica currently is providing laboratory services for water sample analysis under the existing agreement for both the Plant Services and Solid Waste Divisions. This has resulted in the need for more services than previously anticipated, and the proposed supplemental agreement increases the agreement's not-to-exceed amount by \$45,000, to pay for these services through the end of the agreement term.

Policy Considerations: The recommendation in this report is in accordance with City Code Chapter 3.64, pertaining to the approval of supplemental agreements.

Environmental Considerations: This activity is not subject to the CEQA because it is an administrative activity related to an ongoing regulatory procedure and does not constitute a "project" as defined under the California Environmental Quality Act (CEQA) Guidelines Section 15378(b)(2).

Sustainability: Not applicable.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: Additional laboratory services are needed to meet regulatory requirements for the Solid Waste Division, which necessitates an increase in the not-to-exceed amount of the agreement by \$45,000 to pay for the additional services through December 31, 2011.

Financial Considerations: There are sufficient funds available in Plant Services' operating budget of the Water Quality Laboratory, which will be reimbursed by Solid Waste.

Emerging Small Business Development (ESBD): N/A



Background:

Within the City's Department of Utilities (DOU), the Solid Waste Division and Plant Services Division both require the use of commercial environmental laboratories to analyze water samples. Solid Waste is required by the Regional Water Quality Control Board to analyze ground water samples from the land fill and uses a commercial laboratory to run these analyses. Plant Services uses commercial laboratories to analyze regulatory required water samples for which the City laboratory lacks the equipment or certification. Typically, there have been multiple agreements with commercial laboratories for this work. Both Solid Waste and Plant Services believe that combining the analytical work into a single project will result in economic savings for the City because it has been observed that commercial laboratories increase their pricing discounts as the volume of work increases.

DOU is currently preparing a request for proposal for the combined Solid Waste Division and Plant Services Division work for commercial laboratories. It is anticipated that such an agreement will be approved by Council and in place early in 2012. In order to accomplish this collaborative work prior to approval of a new agreement, the current Solid Waste analytical work is being performed by TestAmerica Laboratories, under the City Council approved contract with DOU's Plant Services Division, through the end of 2011. This interim arrangement was put in place when Solid Waste's prior laboratory agreement ended on December 31, 2010. There has been more work needed from the contract laboratory than originally anticipated, which necessitates an increase in the contract's "not-to-exceed" amount for performance of the necessary services through the end of the year. After that time, it is anticipated that a new agreement will provide for future services, as noted above. Solid Waste Funds are reimbursing the Water Fund to pay for the land fill's analytical work.

It is requested that City Council approve the increase of the "not-to-exceed" amount of the TestAmerica Laboratories agreement and approve Supplemental Agreement #1 for \$45,000, to facilitate the collaborative effort by DOU's Solid Waste and Plant Services Divisions to minimize commercial laboratory expenditures.



RESOLUTION NO.

Adopted by the Sacramento City Council

September 27, 2011

APPROVING SUPPLEMENTAL AGREEMENT NO. 1 TO CITY AGREEMENT NO. 2009-14 FOR DRINKING WATER QUALITY CONTRACT LABORATORY SERVICES

BACKGROUND

- A.** On January 6, 2009, the City Council approved City Agreement No. 2009-14 in the amount of \$102,073 to TestAmerica Laboratories, Inc., for analytical contract laboratory services.
- B.** More laboratory services have been required than were anticipated when Agreement No. 2009-14 was approved. Approval of Supplemental Agreement No. 1 will increase the agreement amount to cover the anticipated costs to analyze regulatory-required groundwater samples for the Department of Utilities' Solid Waste Division through the end of 2011.

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

- Section 1. The City Manager, or the City Manager's designee, is authorized to execute Supplemental Agreement No. 1 to City Agreement No. 2009-14 with TestAmerica Laboratories, Inc., in an amount not to exceed \$45,000, for a revised total agreement amount not to exceed \$147,073.
- Section 2. Exhibit A is made a part of this Resolution.

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Exhibit A: Supplemental Agreement No. 1 to City Agreement No. 2009-14



SUPPLEMENTAL AGREEMENT

Project Title and Job Number: Drinking Wtr Qlty Contract Laboratory Svcs Z14001500/14001171 Date:8/22/11
Purchase Order #: _____ Supplemental Agreement No.: 1

The City of Sacramento ("City") and TestAmerica Laboratories, Inc. _____ ("Contractor"), as parties to that certain Contractor and Professional Services Agreement designated as Agreement Number 2009-0014, including any and all prior supplemental agreements modifying said agreement (said agreement and supplemental agreements are hereafter collectively referred to as the "Agreement"), hereby supplement and modify the Agreement as follows:

- 1. The scope of Services specified in Exhibit A of the Agreement is amended as follows:

Contractor shall provide additional laboratory services as directed by City for the monitoring support, analyses and reporting related to the City's ground water compliance monitoring, in accordance with the applicable requirements specified in Exhibit A.

- 2. In consideration of the additional and/or revised services described in section 1, above, the maximum not-to-exceed amount that is specified in Exhibit B of the Agreement for payment of Contractor's fees and expenses, is increased by \$45,000, and said maximum not-to-exceed amount is amended as follows:

| | |
|-----------------------------------------------------------------|---------------------|
| Agreement's original not-to-exceed amount : | <u>\$102,173.00</u> |
| Net change by previous supplemental agreements: | <u>0.00</u> |
| Not-to-exceed amount prior to this supplemental agreement: | <u>\$102,173.00</u> |
| Increase/decrease by this supplemental agreement: | <u>45,000.00</u> |
| New not-to exceed amount including all supplemental agreements: | <u>\$147,173.00</u> |

- 3. Contractor agrees that the amount of increase or decrease in the not-to-exceed amount specified in section 2, above, shall constitute full compensation for the additional and/or revised services specified in section 1, above, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Consultant in connection with such additional and/or revised services, including costs associated with any changes and/or delays in work schedules or in the performance of other services or work by Contractor.
- 4. Contractor warrants and represents that the person or persons executing this supplemental agreement on behalf of Consultant has or have been duly authorized by Contractor to sign this supplemental agreement and bind Contractor to the terms hereof.
- 5. Except as specifically revised herein, all terms and conditions of the Agreement shall remain in full force and effect, and Contractor shall perform all of the services, duties, obligations, and conditions required under the Agreement, as supplemented and modified by this supplemental agreement.

Approval Recommended By:

Approved As To Form By:

Project Manager
Approved By:

City Attorney



Contractor
Approved By:

Attested To By:

City of Sacramento

City Clerk