



*City of Arts & Innovation*

# City Council Memorandum

**TO: HONORABLE MAYOR AND CITY COUNCIL      DATE: SEPTEMBER 6, 2022**

**FROM: PUBLIC WORKS DEPARTMENT      WARDS: ALL**

**SUBJECT: FIRST AMENDMENT TO SERVICES AGREEMENT FOR CITYWIDE BOTTLED DRINKING WATER AND RELATED SERVICES WITH DS SERVICES OF AMERICA, INC., DBA PRIMO WATER NORTH AMERICA OF ATLANTA, GEORGIA, EXTENDING THE TERM TO JUNE 30, 2023 AND INCREASING COMPENSATION BY \$35,000 FOR A TOTAL CONTRACT AMOUNT OF \$65,000**

## **ISSUE:**

Approve the First Amendment to Services Agreement for Citywide Bottled Drinking Water and Related Services with DS Services of America, Inc., dba Primo Water North America of Atlanta, Georgia, extending the term to June 30, 2023 and increasing compensation by \$35,000 for a total contract amount of \$65,000.

## **RECOMMENDATIONS:**

That the City Council:

1. Approve the First Amendment to Services Agreement for Citywide Bottled Drinking Water and Related Services with DS Services of America, Inc., dba Primo Water North America, extending the agreement for a one-year term to June 30, 2023 and increasing compensation in the amount of \$35,000 for a total contract amount of \$65,000; and
2. Authorize the City Manager, or designee, to execute the First Amendment to Services Agreement including making minor and non-substantive changes.

## **BACKGROUND:**

The City of Riverside has multiple Departments that require bottled drinking water and related services, including but not limited to Community & Economic Development; Finance; General Services; Innovation & Technology (IT); Parks, Recreation and Community Services (PRCS); Police; City Attorney's Office and Public Works. Historically, individual divisions within individual departments have requested their own purchase orders and agreements for bottled water with unique pricing based on their respective needs.

## **DISCUSSION:**

In 2019, the Finance Department's Purchasing Division began identifying services spread across multiple divisions/departments that could be combined into a single agreement for potential cost savings. In March of 2021, Invitation to Bid No. 7833 for Citywide Bottled Drinking Water and Related Services was posted by Purchasing. The bid opportunity was sent to a total of 523 registered users on Planet Bids, and all vendors providing bottled drinking water services to the City at that time were notified of the bid opportunity. Four bids were received when bidding closed on April 7, 2021, which included bids from companies providing bottled drinking water services to the City at that time. The bid was awarded to DS Services of America, Inc., dba Primo Water North America (DS Services) who was deemed the lowest responsive and responsible bidder.

On July 13, 2021, the City of Riverside entered into a Services Agreement for Citywide Bottled Drinking Water and Related Services with DS Services of America, Inc., dba Primo Water North America through June 30, 2022. Bid No. 7833 stated that the agreement could be extended for up to four additional one-year terms for a total of five years of service. The original agreement was set for a one-year duration to provide a testing period for the citywide service agreement rather than individual purchase orders by division within the City. That testing period was successful, with multiple divisions and departments switching to the agreement immediately and additional departments showing interest in switching due to decreased pricing rather than maintaining their own pricing and individual purchase orders.

DS Services has provided bottled drinking water services in an acceptable manner under the terms of the agreement for the General Services, Finance, IT, Police, PRCS, and Public Works Departments. The City would like to extend the agreement through Fiscal Year 2022/23 based on availability of budgeted funds within each requesting department for an amount not to exceed \$35,000.

The Purchasing Manager concurs that the recommendation to approve the amendment complies with Purchasing Resolution 23812.

## **STRATEGIC PLAN ALIGNMENT:**

This item contributes to **Strategic Priority 5 - High Performing Government** and **Goal 5.5** – Foster a culture of safety, well-being, resilience, sustainability, diversity, and inclusion across the city organization.

This item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – This item is being presented for City Council review for transparency to the community and in accordance with the City's purchasing policy.
2. **Equity** – This agreement provides bottled water services at multiple city-operated facilities located across the City.
3. **Fiscal Responsibility** – Combining bottled water services onto one purchase order improves pricing and supports the city's efforts to minimize inefficiencies and maximize reliability.
4. **Innovation** – The bottled water vendor upholds standards of quality, taste, purity, service, and value. All waters exceed all Federal, State and County water quality standards.

5. **Sustainability & Resiliency** – Ensuring drinking water is available to all city employees and visitors promotes sustainability.

**FISCAL IMPACT:**

The total fiscal impact of this action is \$35,000. Sufficient funds are budgeted and available in Fiscal Year 2022/23 in the following accounts:

<b>Fund</b>	<b>Department/Division</b>	<b>Account Number</b>
General Fund	General Services – Building Services	2210000-421000
	General Services – Building Services	2210000-424130
	Finance – Administration	2300000-425400
	Finance – Accounting	2305000-425400
	IT – Administration	2400000-426800
	Police – Support Services	3102000-426800
	Police – Administrative Services	3105000-426800
	Public Works – Streets Maintenance	4110100-425400
	Public Works – City Engineering	4115000-425400
	PRCS – Administration	5200000-426800
	PRCS – Parks	5215000-424130
	PRCS – Parks	5215000-426800
Sewer Fund	Public Works – Sewer Systems - Treatment	4125200-426800
	Public Works – SCADA & SPL	4125420-425400
	Public Works – Capital Engineering Services	4125900-425400
	Public Works – Plant Construction Support	4125910-425400
Refuse Fund	Public Works – Solid Waste Collection	4130100-425400

Prepared by: Gilbert Hernandez, Public Works Director  
 Certified as to availability of funds: Edward Enriquez, Interim Assistant City Manager/Chief Financial Officer/Treasurer  
 Approved by: Kris Martinez, Assistant City Manager  
 Approved as to form: Phaedra A. Norton, City Attorney

Attachment: First Amendment to Services Agreement