



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: NOVEMBER 1, 2022

FROM: PUBLIC UTILITIES DEPARTMENT WARDS: ALL

SUBJECT: RFP 2159 - PROFESSIONAL CONSULTANT SERVICES AGREEMENT FOR WATER QUALITY LABORATORY TESTING AND ANALYTICAL SERVICES WITH BABCOCK LABORATORIES, INC. OF RIVERSIDE, CALIFORNIA FOR A THREE-YEAR TERM UNTIL JUNE 30, 2025, IN THE AMOUNT OF \$3,000,000 WITH TWO OPTIONAL ONE-YEAR EXTENSIONS IN THE ANNUAL AMOUNT OF \$1,000,000; RATIFICATION OF PURCHASE ORDER 232444; TERMINATION OF AGREEMENT FOR LABORATORY TESTING AND ANALYTICAL SERVICES WITH EUROFINS EATON ANALYTICAL, LLC

ISSUES:

Approve a Professional Consultant Services Agreement from RFP No. 2159 for water quality laboratory testing and analytical services with Babcock Laboratories, Inc. of Riverside, California, for a three-year contract term until June 30, 2025, in the amount of \$3,000,000, with two optional one-year extensions in the annual amount of \$1,000,000; and ratify emergency Purchase Order 232444 with Babcock Laboratories, Inc.; and terminate the current agreement with Eurofins Eaton Analytical LLC executed on June 30, 2022.

RECOMMENDATIONS:

That the City Council:

1. Approve a Professional Consultant Services Agreement with Babcock Laboratories, Inc. of Riverside, California from RFP No. 2159 for water quality laboratory testing and analytical services for a three-year term until June 30, 2025, in the amount of \$3,000,000 with two optional one-year extensions in an annual amount of \$1,000,000;
2. Authorize the City Manager, or designee, to execute the Agreement, including the two optional one-year extensions, and making minor and non-substantive changes;
3. Ratify emergency Purchase Order No. 232444 in the amount of \$49,500 with Babcock Laboratories, Inc.; and
4. Authorize the City Manager, or designee, to execute all documents related to the termination of the current Professional Consultant Services Agreement with Eurofins Eaton Analytical, LLC.

BOARD RECOMMENDATION:

On June 27, 2022, the Board of Public Utilities approved the expenditure of \$3,000,000 for RFP No. 2159 for water quality laboratory testing and analytical services, for a three-year term in the amount of \$3,000,000 plus two optional one-year extensions in an annual amount of \$1,000,000; and recommended the City Council approve a professional Consultant Services Agreement with Eurofins Eaton Analytical, LLC.

This report is published on October 20, 2022 for the November 1, 2022 City Council meeting.

On October 24, 2022, the Board of Public Utilities will hear this item for consideration to recommend to City Council to approve the Professional Consultant Services Agreement with Babcock Laboratories, Inc., and terminate the Professional Consultant Services Agreement with Eurofins Eaton Analytical, LLC., and ratify the emergency purchase order. If the Board approves to forward this to Council, we respectfully request the City Council consider these items at the November 1, 2022 meeting.

BACKGROUND:

The Public Utilities Department Water Division is required by the United States and California Environmental Protection Agencies to comply with both the Federal and State Safe Drinking Water Acts and environmental laws pertaining to drinking and environmental water quality. The Water Division collects over 29,000 water samples for laboratory testing from its drinking water sources, treatment plants, distribution system, and non-potable sources. These samples are required to be analyzed by a state certified laboratory. The sample results are reported to various regulatory agencies.

Request for Proposals No. 2159 was posted on the City's Online Bid System on January 28, 2022, and closed March 3, 2022. Four vendors submitted proposals. Five Water Operations and Engineering staff evaluated the proposals and deemed Eurofins Eaton Analytical LLC, Monrovia, California to be the top ranked proposer.

On June 28, 2022, the City Council approved a Professional Consultant Services Agreement, RFP-2159, with Eurofins Eaton Analytical, LLC. In the amount of \$3,000,000 for three years, with two optional one-year extensions in the annual amount of \$1,000,000.

DISCUSSION:

Eurofins Eaton Analytical, LLC. is contracted to ensure analytical results are reported accurately and on time, to meet regulatory reporting deadlines, however the services provided have been, and continue to be, unsatisfactory. The circumstances experienced have left the City vulnerable to monitoring violations, missed reporting deadlines for State and federal compliance, and blind to treatment performance monitoring, and any necessary blending adjustments that may be required of our Operators.

To meet the analytical needs required by State and Federal regulations, Water Division staff met with the City Attorney's Office and Purchasing Division to review vendor options. Babcock Laboratories, Inc. was ranked second in RFP No. 2159, and has extended their proposal pricing terms through November 2022. Due to the potential monitoring and reporting violations, Babcock Laboratories, Inc. was issued an emergency Purchase Order (PO) of \$49,500 on August 25, 2022

and started receiving samples on September 12, 2022. Babcock has served the City for the last four years and has delivered accurate results in a timely fashion.

The Purchasing Manager concurs that the recommended actions are in compliance with Purchasing Resolution No. 23812 Section 702(w) which states, “Competitive Procurement through the Informal Procurement and Formal Procurement process shall not be required in any of the following circumstances: ... (w) When approved by the Manager, Services not subject to the bidding requirements of Section 1109 of the City Charter, which are such a nature that suitable technical or performance specifications describing them are readily available and cannot be developed in a timely manner to meet the needs of the City, in which case the Manager shall be authorized to negotiate with any Person or Persons for the Procurement thereof upon the price, terms and conditions need by the Manager to be in the best interest of the City and in doing so utilize Informal Procurement or Negotiated Procurement process”.

STRATEGIC PLAN ALIGNMENT:

This item aligns with **Strategic Priority 4 - Environmental Stewardship** and **Goal 4.2 - Sustainably manage local water resources to maximize reliability and advance water reuse to ensure safe, reliable and affordable water to our community.**

The actions align with the five Cross-Cutting Threads as described below:

1. **Community Trust** – Riverside is transparent and produces a summary of the Water Quality Results, obtained from the laboratory services contract in the annual Water Quality Report.
2. **Equity** – Maintaining water quality that meets State and Federal drinking water standards benefits Riverside residents, businesses, and visitors.
3. **Fiscal Responsibility** – Riverside seeks to maintain compliance with all State and Federal Regulations and monitoring requirements thus avoiding any monetary violations.
4. **Innovation** – Riverside works collaboratively with their contract laboratory to come up with innovative solutions to data management, and deliverables.
5. **Sustainability & Resiliency** – Communities are reliant on their water resources to thrive, providing high quality water will ensure Riverside’s sustainability and resiliency.

FISCAL IMPACT:

The total fiscal impact of this agreement is \$3,000,000 over three years. The annual estimated cost is \$1,000,000, and only actual expenditures for services rendered will be incurred. Sufficient funds are budgeted and available in the Water Fund, Water-Production & Operations, Professional Services Account No. 6200000-421000.

Prepared by:	Todd M. Corbin, Utilities General Manager
Certified as to availability of funds:	Edward Enriquez, Interim Assistant City Manager/Chief Financial Officer/City Treasurer

Approved by: Kris Martinez, Assistant City Manager
Approved as to form: Phaedra A. Norton, City Attorney

Attachments:

1. Agreement with Babcock Laboratories, Inc.
2. RFP Award Recommendation
3. Purchase Order No. 232444
4. Agreement with Eurofins Eaton Analytical, LLC.
5. Presentation