



Agenda Report

File #: 20-0676

**AGENDA REPORT
REQUEST FOR CITY COUNCIL AND
CORONA UTILITY AUTHORITY ACTION**

DATE: 08/05/2020

TO: Honorable Mayor and City Council Members
Honorable President and Board Members

FROM: Department of Water and Power

SUBJECT:

City Council Corona Utility Authority consideration of the following items for Chemical and Bacteriological Laboratory Analysis by Eurofins Eaton Analytical: Fiscal Year 2020 change order and a Second Amendment to the Professional Services Agreement.

RECOMMENDED ACTION:

That the:

- a. City Council approve a change order for Chemical and Bacteriological Laboratory Analysis to Eurofins Eaton Analytical, Inc. of Monrovia, CA in the amount of \$12,758 for a total contract value of \$792,002.
- b. City Council authorize the Purchasing Manager to issue a change order to Eurofins Eaton Analytical, Inc. of Monrovia, CA in the amount of \$12,758 for Fiscal Year 2020.
- c. City Council authorize the General Manager to execute a Second Amendment to the Professional Services Agreement with Eurofins Eaton Analytical, Inc.
- d. City Council authorize the General Manager and City Attorney to negotiate and execute non-substantive extensions and/or amendment to this agreement.
- e. City Council approve and authorize the Purchasing Manager to issue a purchase order for Chemical and Bacteriological Laboratory Analysis to Eurofins Eaton Analytical, Inc. of Monrovia, CA in the amount of \$792,002 per fiscal years ending June 30, 2020 and June 30, 2021 and reduce the amount to \$755,000 for subsequent years 2022, 2023 and 2024.

- f. Corona Utility Authority (CUA) review, ratify and to the extent necessary direct that the City Council take the above actions.

ANALYSIS:

Background:

The Purchasing Division conducted Request for Proposals (RFP) 18-032JT Chemical and Bacteriological Laboratory Analysis in March 2018. The RFP was awarded by City Council on June 6, 2018, to Eurofins Eaton Analytical (Eurofins) of Monrovia, CA in the amount of \$623,395 with contract term extensions authorized through June 30, 2024. Since that time there have been several regulatory changes that have required the Department of Water and Power (DWP) to increase lab sampling for certain constituents. The existing purchase order (PO) with Eurofins can be increased by the allowed 25% change order authority up to \$779,243.75 as previously approved by Council at the time of the initial contract award. However, due to cost increases and additional samples, DWP requires an additional increase of \$12,758 for Fiscal Year (FY) 2020 and additional increases for Fiscal Year 2021 for a total contract amount of \$792,002.

Laboratory Analysis for Polyfluoroalkyl Substances (PFAS) and other constituents of concern:

DWP routinely collects water samples as required by federal and state laws and regulations for water, wastewater, and reclaimed water. These water samples are then analyzed by a certified State laboratory for chemical and bacteriological analysis. During the last several years, DWP has been required by the State Water Resources Control Board (SWRCB) to increase the total quantity of samples collected due to constituents of concern. These mandates are driven by the third Unregulated Contaminant Monitoring Rule (UCMR3). UCMR3 required the monitoring of 30 contaminants (28 chemicals and two viruses) between 2013 and 2015 using analytical methods developed by the United States Environmental Protection Agency (EPA), consensus organizations or both. Polyfluoroalkyl Substances are among the 30 chemicals on the list. This monitoring provides a basis for future regulatory actions to protect public health.

DWP conducted UCMR3 monitoring from 2013 to 2014 and detected specific PFAS compounds known as Polyfluorooctanoic acid (PFOA) and Polyfluorooctane Sulfonate (PFOS) in the City's groundwater. As a result, DWP was required to do multiple samples using various sampling methods over the last few years. Specifically during Fiscal Year 2020, DWP began a study with Montrose Environmental to determine the best treatment options for PFAS in the City. A brief timeline of the events leading to this council request are included below:

Timeline of PFAS Regulatory Impact:

- April 2016: DWP began collecting internal samples of PFOA & PFOS -47 sample locations which included wells, treatment plants, raw import, blends, and

miscellaneous sources and connections.

-23 sample locations for water reclamation locations to determine where PFOA and PFOS were detected.

- May 2016: EPA issued a lifetime health advisory for PFOA and PFOS combined
- October 2017: Additional sampling required on a quarterly basis of PFOA and PFOS to well and blend locations
- March 2018: RFP for Chemical and Bacteriological Lab Services
- May 2018: Completed evaluation of proposals
- June 2018: Contract approved for Eurofins at \$623,395 (which included PFOA/PFOS sampling using method 537 rev. 1.1)
- July 2018: California Division of Drinking Water established notification and response levels for PFOA and PFOS
- March 2019: SWRCB order issued to sample all water wells on a quarterly basis
 - Screen for 18 PFAS constituents
- June 2019: Updated sampling to method to 537.1 and full list of 18 analytes
 - Sampling required field duplicate sample, if there is a detection in the sample the duplicate is also analyzed at the same cost. If the sample is not analyzed, there is an extract and hold cost
- August 2019: SWRCB lowered notification levels for PFOA and PFOS
- February 2020: SWRCB lowered response levels for PFOA and PFOS
- February 2020: Conducted Montrose pilot study
- July 2020: SWRCB order issued to sample wastewater, biosolids, and wells for list of 31 PFAS analytes requiring use of multiple methods

Change Order for FY 2020

For Fiscal Year 2020, DWP budgeted for PFAS sampling using Method 537 rev. 1.1 at a per sample cost of \$250. Mid-year, the SWRCB updated the sampling method to Method 537.1. The samples increased in cost from \$250/sample up to \$800/sample because the new method requires two tests to be run for each sample collected. **As a result of new regulatory requirements, DWP had to do more tests at a higher per unit rate than was originally budgeted in Fiscal Year 2020.** In addition, DWP is working with Montrose Environmental to conduct a pilot study to determine the most effective media to treat for PFAS in drinking water and wastewater. This study required the sampling of water and wastewater sources that were analyzed for PFAS by Eurofins. The total laboratory cost for this project with Eurofins was over \$100,000. As a result of these expenditures, the FY 2020 Eurofins PO requires an additional appropriation of \$12,758.

Contract Amendment and PO for FY 2021:

RFP 18-032JT authorized an initial one-year contract followed by five optional one-year extensions. The extensions may be exercised through Fiscal Year 2024. Based on increased costs and sampling as noted above, DWP requests a contract amendment and purchase order for \$792,002 for Fiscal Year 2020 and 2021 and \$755,000 for Fiscal Years 2022, 2023, and 2024.

COMMITTEE ACTION:

Not applicable.

STRATEGIC PLAN:

Not applicable.

FISCAL IMPACT:

Funding for the recommended actions are included in the Department of Water and Power operating budget for FY 2020 and FY 2021.

ENVIRONMENTAL ANALYSIS:

No environmental review is required because the proposed action is not a project governed by the California Environmental Quality Act.

PREPARED BY: KRISTIAN ALFELOR, DWP OPERATIONS MANAGER

REVIEWED BY: SCOTT BRIGGS, PURCHASING SPECIALIST V

REVIEWED BY: TOM MOODY, GENERAL MANAGER

REVIEWED BY: KIM SITTON, ACTING ADMINISTRATIVE SERVICES DIRECTOR

REVIEWED BY: ROGER BRADLEY, ASSISTANT CITY MANAGER

SUBMITTED BY: JACOB ELLIS, CITY MANAGER & EXECUTIVE DIRECTOR

Attachments:

1. RFP 18-032JT
2. June 2018 Council Action
3. Professional Services Agreement
4. First Amendment to Professional Services Agreement
5. Second Amendment to Professional Services Agreement
6. Eurofins rate sheet