

FINANCIAL IMPACT STATEMENT For Council Action Items

INITIATOR'S SUMMARY OF COUNCIL ACTION (Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator Yone Akagi	2. Telephone No. 503-823-7648	3. Bureau/Office/Dept. Water Bureau / Public Safety
5a. To be filed (date) January 12, 2011	5b. Calendar (Check One) Regular <input checked="" type="checkbox"/> Consent <input type="checkbox"/> 4/5ths <input type="checkbox"/>	5. Date Submitted to FPD Budget Analyst: January 12, 2011

1) Legislation Title: Amend contract with Analytical Services, Inc. to increase compensation for laboratory services for Cryptosporidium Analysis (Ordinance; amend Contract No. 30000364)

2) Purpose of the Proposed Legislation:

The purpose of this ordinance is to amend the contract with Analytical Services, Inc. to allow for further analysis of source water monitoring beyond the initial scope of the contract, as written for the LT2 variance sampling, to continue source water monitoring for pathogens while the Water Bureau prepares and submits a variance application.

3) Revenue:

Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If new revenue is generated, please identify the source.

No

4) Expense:

What are the costs to the City as a result of this legislation? (Please include costs in the current fiscal year as well as costs in future years.) (If the action is related to a grant or contract, please include the local contribution or match required.)

The contract will be amended to increase funding by \$800,000. The new contract total will be \$1,625,000. Funding will be requested in the Spring BuMP.

Staffing Requirements:

5) Will any positions be created, eliminated or re-classified in the current year as a result of this legislation? (If new positions are created, please include whether they will be part-time, full-time, limited-term or permanent positions. If the position is limited-term, please indicate the end of the term.)

No

6) Will position be created or eliminated in future years as a result of this legislation?

No

7) Change in Appropriations: (Please reflect the dollar amount to be appropriated by this legislation. Include the appropriate center codes and accounts that are to be loaded by accounting. Indicate "new" in Center Code column if new center needs to be created. Use additional space if needed.)

Fund	Center Code	Account	Amount	Project Fund	Project No.

David G. Shaff, Administrator

APPROPRIATION UNIT HEAD



Randy Leonard, Commissioner
David G. Shaff, Administrator
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Information: 503-823-7404
www.portlandonline.com/water

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DATE: December 27, 2010
TO: Commissioner Randy Leonard
FROM: David G. Shaff, Administrator
RE: Amend contract with Analytical Services, Inc. to increase compensation for laboratory services for Cryptosporidium Analysis (Ordinance; amend Contract No. 30000364)

1. **INTENDED THURSDAY FILING DATE:** January 12, 2011
2. **REQUESTED COUNCIL AGENDA DATE:** January 19, 2011
3. **CONTACT NAME AND NUMBER:** Yone Akagi, (503) 823-7648
4. **PLACE ON:** ☐ CONSENT ☒ REGULAR
5. **BUDGET IMPACT STATEMENT ATTACHED:** ☒ Y ☐ N ☐ N/A
6. **TWO (2) ORIGINAL COPIES OF CONTRACTS APPROVED AS TO FORM BY CITY ATTORNEY ATTACHED:** ☒ Yes ☐ No ☐ N/A

7. **BACKGROUND/ANALYSIS:**

The Portland Water Bureau entered into a contract with Analytical Services, Inc. (ASI) to work with City staff to design a sampling plan and perform the associated sample analysis in order to obtain a variance to the treatment requirements of the Long Term 2 Enhanced Surface Water Treatment Rule (LT2).

The Water Bureau completed the sample analysis and study and is preparing to submit a variance request. It is anticipated that this variance process could last as long as a year or more, during which time the Water Bureau intends to continue monitoring source water to meet what the Environmental Protection Agency (EPA) has outlined as the likely minimum conditions of a variance. As the contract amount was originally intended for the year-long sampling plan process, more funding is required to continue the monitoring program and carry out the same type of laboratory analysis that has been performed on source water and scat samples during the sampling plan.

As part of the year-long LT2 variance sampling program, a sampling method modification was researched to improve the effectiveness of analyses. The method modification has undergone a Tier 1 validation specifically for Portland's source water. As this validation is laboratory specific, it is important that the Water Bureau continues to work with ASI to avoid another lab needing to seek validation for the method modification. Funds in the current ASI contract are not sufficient to continue sampling beyond March 2011 and will result in a significant interruption in the Water Bureau's LT2 interim sampling.

8. FINANCIAL IMPACT:

The contract will be amended to increase the budget by \$800,000. The new contract total will be \$1,625,000. Funding will be requested in the Spring BuMP.

9. RECOMMENDATION/ACTION REQUESTED:

Amend contract 30000364 with Analytical Services, Inc. to increase compensation for laboratory services for Cryptosporidium Analysis.

Funds are available _____

Chris Wanner, Director of Operations

David G. Shaff, Administrator