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187103

IMPACT STATEMENT

Date: March 19, 2015

Council Date: April 22, 2015

Legislation title: Authorize a contract with Analytical Services, Inc. not to exceed \$1,200,000 for Intake Compliance Monitoring and a contract with Scientific Methods, Inc. not to exceed \$300,000 for Tributary Stream Monitoring in support of maintaining the Bull Run Treatment Variance Program (Ordinance)

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Presenter name: David Shaff

Purpose of proposed legislation and background information:

The purpose of this legislation is to authorize two laboratory services contracts for the analysis of *Cryptosporidium* and *Giardia* in Portland's raw drinking water source, in order to comply with the regulatory monitoring requirements of the Bull Run Treatment Variance.

In 2012, the Oregon Health Authority (OHA) granted the Portland Water Bureau a variance to the source water treatment requirements of the federal Long Term 2 Enhanced Surface Water Treatment Rule (LT2). One of the conditions of the Bull Run Treatment Variance is that Portland must analyze its raw source water for *Cryptosporidium* at least twice weekly. Failure to meet this condition would result in the Variance being revoked by OHA, and Portland would be required to build a costly treatment plant for *Cryptosporidium*.

In 2014, the contract laboratory that had been conducting the required *Cryptosporidium* analysis notified the Water Bureau that they could no longer provide these services. In order to avoid a disruption in service, the Water Bureau entered into an emergency contract with Analytical Services, Inc. The emergency contract was authorized by Council on August 27, 2014 (Ordinance 186774). The Water Bureau has since completed a formal solicitation process and the two highest scoring proposers were selected to complete the required services.

The laboratory services are divided into two Divisions of Work; both types of work are required for the Variance. Division of Work 1: Intake Compliance Monitoring (\$1,200,000) was awarded to the highest scoring proposer, Analytical Services, Inc. Division of Work 2: Tributary Stream Monitoring (\$300,000) was awarded to the second highest scoring proposer, Scientific Methods, Inc. Each laboratory is capable of performing both Divisions of Work and will serve as a back-

up for the other. Therefore, if at any time one of the laboratories cannot complete the required services (e.g. goes out of business or loses accreditation, etc.), the remaining laboratory will perform both Divisions of Work.

Financial and budgetary impacts:

The not-to-exceed value of the two contracts combined is \$1,500,000 and they are intended to last five years. The Water Bureau anticipates spending up to \$300,000 per year. This estimate is based on the maximum number of samples that PWB would be required to collect. Funding for the project is available in the FY 2014-15 Budget and will be requested in FY 2015-16 through FY 2019-20 Budgets.

Community impacts and community involvement:

Portland City Council directed the Water Bureau in 2008 to seek a LT2 treatment variance for the purpose of benefiting the community by avoiding the costs of building an expensive treatment plant that would have no measureable public health benefits. The Bull Run Treatment Variance was granted by OHA in 2012 and the Water Bureau has met all conditions of the Variance to date. The currently proposed legislation maintains the community interest of not building a treatment plant by enabling the Water Bureau to continue meeting the conditions of the Bull Run Treatment Variance.

This legislation is a continuation of the laboratory services that are necessary to support the Bull Run Treatment Variance. As such, no public involvement was included in the development of this Council item, however the Evaluation Committee for the proposals included one Minority Evaluator (ME) from the community.

Budgetary Impact Worksheet

Does this action change appropriations?

- YES: Please complete the information below.
- NO: Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount


 David G. Shaff, Administrator

03.26.2015
 Date