

**CONTRACT LABORATORY ANALYTICAL SERVICES - EXECUTION OF A
CONTRACT WITH CALTEST ANALYTICAL LABORATORY FOR LABORATORY
ANALYTICAL SERVICES AND APPROVAL OF A BUDGET TRANSFER TO COVER
FY 2011-2012 CONTRACT LABORATORY COSTS**

BACKGROUND: At the September 6, 2011 regular Board of Directors meeting, staff presented a report on the District's resident operator program and staff's intention to solicit proposals to contract out additional laboratory analytical tests. Staff recommended that the Board consider contracting out the lab services to provide available work time for the Laboratory Director, Omar Arias-Montez, to fulfill his new role as the appointed resident operator. As the resident operator, Omar Arias-Montez will be responsible for responding to non-business hour operational alarms and emergencies involving the collection system, sewer pump stations and treatment facilities. It is important to note that should a contract be approved, staff will maintain the District's Laboratory ELAP certification and competent laboratory personnel to conduct sampling and analysis at any time should it become necessary.

Staff received proposals from the Central Marin Sanitation Agency (CMSA) and Caltest Analytical Laboratory (Caltest). Caltest is a private laboratory that already completes some analysis for the District. The Sewerage Agency of Southern Marin did not submit a proposal after it was determined they could not accommodate the additional workload. Both of the proposals received were responsive to the District's request for proposal requirements. The proposal annual costs are shown below:

Caltest Analytical Laboratory	\$50,388
Central Marin Sanitation Agency	\$75,743 plus courier service

Staff met with the Personnel Committee on September 28, 2011 to discuss changes in the job duties of the Laboratory Director to fill the role of the resident operator and the proposals for contract laboratory analytical services. Staff presented to the Personnel Committee that, with a laboratory analytical services contract in place, approximately twenty hours per week of Omar Arias-Montez time as the Laboratory Director can be dedicated to support his resident operator role and provide technical support for District programs. Staff anticipates that the twenty hours per week will be allocated for him to complete operational duties, including technical support for the Nexgen maintenance management system and enhanced source control, pollution prevention, and public outreach activities. Omar Arias-Montez will continue his other duties as Lab Director for the remaining twenty hours per week which includes; contract lab services management, maintaining the laboratory accreditation and quality

control programs, regulatory monitoring and reporting program, and laboratory and process data management.

Staff also discussed with the Personnel Committee each of the laboratory analytical service proposal qualifications and merits. The CMSA proposal is more expensive and did not include courier sample collection service which would be an additional charge. The Caltest proposal is more economical and includes courier sample collection service from the plant to their laboratory. In addition, Caltest will provide sample containers and labels. Another District benefit is that Caltest already completes some of the more complicated analytical test such as for metals and organic pollutants. Therefore, their current work can be combined into one contract so the District has one laboratory service provider.

The Personnel Committee provided direction to staff to proceed at the October 3, 2011 meeting with a recommendation to the Board of Directors to approve a laboratory analytical service contract with Caltest based on their submitted proposal; also to proceed with making the needed changes to Mr. Omar Arias-Montez work assignments to support his new role as the resident operator.

If approved, it is anticipated the laboratory service contract will start about November 1, 2011. The term of the contract would be through the remainder of Fiscal Year 2011-12, with the ability to extend the contract for the next fiscal year. Toward the end of the contract term the laboratory services contract will be evaluated to determine if the service is still required based on the District's organizational abilities and needs.

Staff is proposing to combine Caltest current laboratory services into the proposed contract. Their current contract lab cost of \$15,000 is included in the operations and maintenance monitoring budget. To fund the additional work as proposed through the remainder of Fiscal Year 2011-12 (about seven months), an additional \$30,000 is needed. To cover these costs, staff is proposing to transfer \$30,000 from the operations and maintenance repair budget to the monitoring budget. Staff will return to the Board as part of the budget preparation process with a Fiscal Year 2012-13 contract extension and funding recommendation.

RECOMMENDATION: Authorize execution of a Laboratory Analytical Service Contract with Caltest Analytical Laboratory for a total of \$45,000 for laboratory services and approve a budget transfer of \$30,000 from the Repair budget (6200) to the Monitoring budget (6140) to cover the FY 2011-12 contract costs.

Attachment: Proposal from Caltest Analytical Laboratory

NPDES PERMIT RENEWAL – EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH RMC WATER AND ENVIRONMENT TO ASSIST IN THE DEVELOPMENT AND NEGOTIATION OF THE DISTRICT NPDES PERMIT

BACKGROUND: The District's NPDES permit allows the District to discharge treated wastewater into the San Francisco Bay and sets water quality standards for such discharge. The District's permit is reissued every five years. The current NPDES permit expires on September 30, 2012. In preparation for reissuance, the District is required to file an application with the California Regional Water Quality Board, San Francisco Region (Regional Water Board) 180 days before its expiration or April 3, 2012.

The permit renew process is fairly complex and will take about one year to complete. Significant technical review, analysis and documentation are necessary to support the District's application. The Regional Water Board will issue a draft NPDES permit for District review and comment prior to scheduling a Regional Water Board public hearing to adopt the District's new permit. Currently, the Regional Water Board has the permit adoption tentatively scheduled for November of 2012.

Staff requested a proposal from RMC Water and Environment (RMC) to assist the District in the development and negotiation of the new NPDES permit. RMC acquired Oakley Water Strategies, the firm who previously assisted the District with the renewal of its 2007 NPDES permit renewal. Monica Oakley, P.E. is now a principle with RMC and will be the person in responsible charge of the District's permit renewal process. Monica Oakley is very familiar with the District, having assisted the District in the prior two permit renewal efforts.

Staff negotiated a scope of work and fee that will support the District through the permit process. Staff believes the RMC team should provide a superior work product based on their past District permit reissuance experience and work in the analysis and design of District sewer conveyance and treatment improvements.

The total proposal cost is \$80,047, which includes a base fee of \$62,866 with optional services totaling \$17,181 to be authorized by the District only if they are required to support permit reissuance. The FY 2011/2012 budget includes \$88,000 for the NPDES renewal process.

RECOMMENDATION: Authorize execution of a Professional Service Agreement with RMC for \$80,047, which includes a base fee of \$62,866 with optional services totaling \$17,181 to be authorized by the District only if they are required to support permit reissuance

ATTACHMENT: Proposal from RMC