



# Staff Report

## City of Manhattan Beach

**TO:** Honorable Mayor Montgomery and Members of the City Council

**THROUGH:**  David N. Carmany, City Manager

**FROM:** Bruce Moe, Finance Director   
Gwen Eng, General Services Manager

**DATE:** May 17, 2011

**SUBJECT:** Consideration of the Award of a One-Year Extension for Water Quality Testing Services to Clinical Lab of San Bernardino

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**RECOMMENDATION:**

Staff recommends that the City Council award a one-year extension for Water Quality Testing Services to Clinical Lab of San Bernardino.

**FISCAL IMPLICATION:**

The City spends approximately \$15,000 annually for on-going water quality testing. This 5% reduction is estimated to save the City \$750 annually.

**DISCUSSION:**

In March 2011, the City Manager sent letters to City suppliers to consider reducing contract fees by 5% while maintaining existing service levels. As an incentive, the City would consider extending their contracts.

The State and Federal Governments require the City to perform weekly tests of our drinking water system for bacteria as well as periodic testing for other contaminants such as lead, copper, etc. The testing requires the services of a certified laboratory. The City currently contracts with Clinical Lab of San Bernardino to provide such services. This vendor has consistently performed well, is responsive, and has provided excellent support during the past four years.

Clinical Lab of San Bernardino's contract will expire on June 3, 2011 with one option year remaining. As a result of the City Manager's letter, this vendor has agreed to the 5% reduction effective May 1, 2011, if the City will exercise the extension. The new contract expiration date will be June 2, 2012. Based on last fiscal year's costs, the effective date of the reduction, as well as the remaining contract period, this would equate to approximately \$800 in savings to the City.

Staff recommends that the City Council approve a one-year extension to Clinical Lab of San Bernardino for water quality testing services.

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