TO: HONORABLE CITY COUNCIL
FROM: CITY MANAGER DEPARTMENT: PUBLIC WORKS
DATE: AUGUST 2, 2004 CMR:376:04

SUBJECT: APPROVAL OF AMENDMENT NO. ONE TO CONTRACT NO. C3148873 WITH SCS FIELD SERVICES IN THE AMOUNT OF $21,054 PER YEAR FOR SERVICES ASSOCIATED WITH NEW REGULATORY REQUIREMENTS FOR LANDFILL FLARE STACK TESTING AND TITLE V MONITORING AND CERTIFICATION REPORTS

RECOMMENDATION
Staff recommends that Council:

1. Approve and authorize the Mayor or his designee to execute Amendment No. 1 to Contract C3148873 (Attachment A) with SCS Field Services (SCS) expanding the scope of work to cover new regulatory requirements and increasing maximum compensation by an amount of $21,054 for a total contract amount not to exceed $110,178.

2. Authorize the City Manager or his designee to negotiate and execute one or more change orders to the contract with SCS for related, additional but unforeseen work which may develop during the project, the total value of which shall not exceed $11,018.

3. Authorize the City Manager or his designee to exercise the option to renew the agreement for the third and final year (beginning March, 2005) provided that: 1) the proposed cost of the renewal agreement does not exceed $110,178 plus the Consumer Price Index for all urban consumers (San Francisco – Oakland – San Jose, CA); 2) the contractor is responsive to the City’s needs; 3) the quality of the contractor’s work is acceptable during the second year of the agreement and/or 4) any other conditions which will determine the City’s willingness to renew the agreement.

BACKGROUND
In March 2003, Council approved a three-year service agreement with SCS to provide routine and non-routine landfill gas and leachate system maintenance and monitoring. A selection advisory committee of four Public Works Operations staff selected SCS from three experienced proposers based on SCS’s: 1) experience and expertise of key staff; 2) understanding and technical approach to the work; and 3) the fee relative to the services to be provided. The first year’s contract price for basic services was $89,124. In December 2003, the City received a Title V Air Permit for the landfill from the Bay Area Air Quality Management District. As part of the new Title V permit as well as new regulatory requirements, SCS proposed that the City add $3,704 per year to fund
more experienced senior technician hours in place of technician hours to perform the work due to new regulatory requirements. Specifically, the major new compliance tasks include: 1) annual flare emissions testing/reporting ($4,850 per year); and 2) Title V/Rule 8/34 monitoring and certification reports ($12,500 per year). These new tasks were not included in the original agreement scope of work.

**DISCUSSION**
The additional tasks (annual flare emissions testing/reporting and Title V/Rule 8/34 monitoring and certification reports) should be completed by the City’s gas contractor SCS because these reports contain information, data and activity descriptions collected and conducted by SCS during the year. SCS should also coordinate with the flare emission tester because SCS “tunes” the wellfield extracting the methane gas at various rates (based on wellfield concentrations) in order to attain the optimum temperature for testing. SCS has maintained contract unit prices from the first year of the agreement.

**RESOURCE IMPACT**
Funding for this contract is available in the FY 2004-05 budget.

**POLICY IMPLICATIONS**
This project does not represent any change to existing City policies.

**ENVIRONMENTAL REVIEW**
This project is exempt for the California Environmental Quality Act (CEQA).

**ATTACHMENTS**
Attachment A: Contract

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