



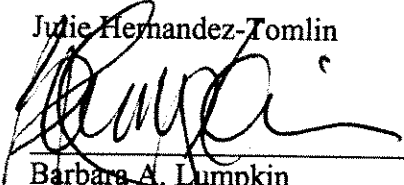
DEPARTMENT OF PROCUREMENT SERVICES

MEMORANDUM

Date: June 23, 2006

To: John F. Spatz, Acting Commissioner
Department of Water Management

Attn: Julie Hernandez-Tomlin

From: 
Barbara A. Lumpkin
Chief Procurement Officer

Re: Emergency Purchase Authorization

Pursuant to Section 2-92-644 of the Municipal Purchasing Act, I am authorizing you to make an Operational Emergency purchase for 'Cryptosporidium and Giardia Testing, Back-up Testing Facility' from University of Wisconsin. Based upon information received from members of your staff, I have determined that this procurement is necessary to meet a bona fide operating emergency.

You are hereby authorized to purchase 'Cryptosporidium and Giardia Testing, Back-up Testing Facility' in the amount of \$113,546.00 as requested in your letter dated June 22, 2006. Any amount in excess of the \$113,546.00 approved herein will be subject to additional authorization and will be limited so as not to exceed the \$250,000.00 limit established by statute.

cc: Barbara A. Lumpkin
Douglas Yerkes
Lourdes Nur
Claude Humphrey
Lorel Blameuser
Scan
File: (Specification Number: 48297)
RX 28360





City of Chicago
Richard M. Daley, Mayor

Department of Water Management

Brian S. Murphy
Commissioner

Bureau of Administrative Support

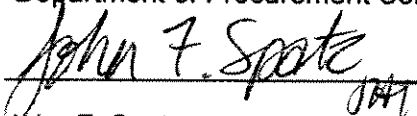
Julie Hernandez-Tomlin
Deputy Commissioner

DePaul Center, Suite 410
333 South State Street
Chicago, Illinois 60604
(312) 747-7089
(312) 747-7889 (FAX)

<http://www.cityofchicago.org/watermanagement>

Memorandum

TO: Barbara Lumpkin
Chief Procurement Officer
Department of Procurement Services

FROM: 
John F. Spatz
Acting Commissioner
Department of Water Management

SUBJECT: Request for Emergency Authorization for Cryptosporidium and Giardia Testing / Backup Testing Facility Req# 28360

Date: June 22, 2006

The Department of Water Management requires immediate authorization for service for Cryptosporidium and Giardia Testing. This testing is crucial and if not performed microorganisms can form in our water undetected that can cause illness if untested water is ingested.

This testing is mandatory by the EPA and approved laboratories were not made available until February 2006 which in-turn we did not receive quotes back until recently. As requested by the EPA the City of Chicago must also have a backup testing facility to collect field samples from our four different sources when the primary testing facilities is not available.

There is no current contract for this service. Under the direction from the EPA DWM is only allowed to have our testing done by laboratories approved by the EPA. The EPA has a Lab QA Program to identify laboratories that can reliably measure the occurrence of *Cryptosporidium* in surface water using EPA Method 1622 and/or EPA Method 1623. DWM was provided a list by the EPA of approved laboratories that we could solicit bids. Please see attached (3) quotes from the closest certified laboratories. We recommend award for the backup laboratory services to University of Wisconsin-Madison State Laboratory of Hygiene, because they will provide the needed filtration apparatus where as the third quote from City of Milwaukee health Department will not provide it in their services. They have a maximum price quote of \$113,546.00. (Please see attached for further clarification.)

I certify that this emergency poses a clear and imminent danger, requiring immediate procurement services, supplies or equipment to prevent or mitigate the loss or impairment of life, health, property or essential public services and would not have been avoided by due care and diligence.

Thank you for your assistance. If you have any questions, please call John F. Spatz 312-744-7001

cc: Julie Hernandez-Tomlin
Barrett Murphy





City of Chicago

Richard M. Daley, Mayor

Department of Water Management

Brian S. Murphy
Commissioner

Bureau of Administrative Support

Julie Hernandez-Tomlin
Deputy Commissioner

DePaul Center, Suite 410
333 South State Street
Chicago, Illinois 60604
(312) 747-7089
(312) 747-7889 (FAX)

<http://www.cityofchicago.org/watermanagement>

The explanation for the bid prices for Crypto & Giardia Testing:

The City of Chicago must collect 1 field sample from 4 different sources each month as part of the LT2. If any of these samples contains Cryptosporidium or Giardia, further sub-testing and a second filter must be done for verification per EPA Method 1623. This sub-testing costs extra (\$100 each, noted on the top of the second page of UL's quote, and in the Exhibit B 2006 price tables for Univ. of WI). Thus, the pricing for these contracts is calculated using the *maximum* possible cost for each field sample (involving all sub-tests necessary for verification).

The UL Field Sample price calculation goes as follows:

1 x Field Sample (\$350) = \$350

Max of 3 x Subsamples by IMS (\$100) = \$300

Max of 1 x Second Filter (free) = \$0

for a Maximum Total Sample cost of \$650

The Univ. of WI 2006 Field Sample price calculation goes as follows (2007 and 2008 are calculated in the same manner):

1 x Field Sample (\$350) = \$360

Max of 3 x Subsamples by IMS (\$100) = \$300

Max of 1 x Second Filter (free) = \$150

for a Maximum Total Sample cost of \$810

Furthermore, a matrix spike from each source will be collected with the first or second sample from each of the four sources and every 20 samples thereafter. The matrix spike is done to as a standard check of the testing procedure. Further sub-testing and a second filter must also be done for verification on matrix spikes, thus the pricing for matrix spikes is also based on a *maximum* possible cost.

The UL Matrix Spike price calculation goes as follows:

1 x Field Sample (\$350) = \$440

Max of 3 x Subsamples by IMS (\$100) = \$300

Max of 1 x Second Filter (free) = \$0

for a Maximum Total Sample cost of \$740

The Univ. of WI 2006 Matrix Spike price calculation goes as follows (2007 and 2008 are calculated in the same manner):

1 x Field Sample (\$350) = \$380

Max of 3 x Subsamples by IMS (\$100) = \$300

Max of 1 x Second Filter (free) = \$150

for a Maximum Total Sample cost of \$830





City of Chicago
Richard M. Daley, Mayor

Department of Water Management

Brian S. Murphy
Commissioner

Bureau of Water Supply

John F. Spatz Jr.
Deputy Commissioner

Jardine Water Purification Plant
1000 East Ohio Street
Chicago, Illinois 60611
(312) 744-3702
(312) 742-1092 (FAX)

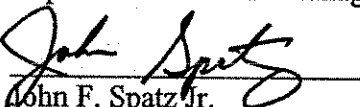
<http://www.cityofchicago.org/watermanagement>

Memorandum

To: Barrett Murphy
Deputy Commissioner
Bureau of Administrative Services

CC: Molly Longanecker
Supervisor of Contracts

Brian S. Murphy
Commissioner
Department of Water Management

From: 
John F. Spatz Jr.
Deputy Commissioner
Bureau of Water Supply

Subject: Request for Emergency Authorization for
Cryptosporidium and Giardia Testing

Date: June 2, 2006

The Department of Water Management requests emergency authorization for *Cryptosporidium* and *Giardia* Testing. This testing is required for compliance with the US EPA's Long Term 2 Enhanced Surface Water Treatment Rule (LT2). As part of this rule, which was promulgated in January 2006, a primary contract as well as a backup contract must be in place with a testing facility by June 30, 2006. A backup testing facility must be available for comparison sampling with the primary testing facility. A list of approved laboratories was not made available by the EPA until February 2006. An intergovernmental agreement was attempted to obtain these services, however the June 30th deadline made compliance impossible. Requests for quotes were sent to approved laboratories in March and only recently have quotes been returned.

Cryptosporidium parvum and *Giardia lamblia* are protozoan microorganisms that can cause illness if ingested and their removal from potable water supplies is required. The City of Chicago must collect a field sample from four different sources each month as part of the LT2. If any of these samples contains *Cryptosporidium* or *Giardia*, further sub-testing and a second filter must be done for verification per EPA Method 1623. This sub-testing costs extra. Thus, the pricing for these contracts is calculated using the maximum possible cost for each field sample (involving all sub-tests necessary for verification). Furthermore, a matrix

spike from each source will be collected with the first or second sample from each of the four sources and every 20 samples thereafter. The matrix spike is done to as a standard check of the testing procedure. Further sub-testing and a second filter must also be done for verification on matrix spikes, thus the pricing for matrix spikes is also based on a maximum possible cost.

Locations of both the primary and backup testing facilities are very important. Shipping the sample is very expensive and the sample must remain cold. Furthermore, if for some reason shipment of the sample is not possible, a driver needs to be able to deliver the sample directly to the lab.

Another important specification is that the testing facility must be willing to accept samples on the middle of each month. If a testing facility is unable to accommodate the Department of Water Management on the middle of the month, another facility must be awarded the contract.

Attached please find three (3) price quotations from the closest certified laboratories. We recommend awarding the primary laboratory services to Underwriters Laboratories Inc. (UL) because they are the low bidder, are willing to provide the needed field filtration apparatus, and are one of the closest facilities. They have a *maximum* price quote of \$86,880.00 for the next 132 field and matrix samples tested.

We further recommend awarding the backup laboratory services to the University of Wisconsin-Madison State Laboratory of Hygiene because they are willing to provide the needed field filtration apparatus. In addition, they are the most experienced with *Cryptosporidium* and *Giardia* testing. They have a *maximum* price quote of \$113,546.00 for the next 132 possible field samples tested for comparison. Testing by the backup facility for comparison to the primary facility is expected to occur quarterly.

Please contact John F. Spatz Jr., Deputy Commissioner, Bureau of Water Supply, at 312-744-3702 if you have any questions or concerns.

Thank you for your assistance.

Attachments
cc: A. Stark



OFFICE OF
RESEARCH AND SPONSORED PROGRAMS
UNIVERSITY OF WISCONSIN-MADISON

750 UNIVERSITY AVENUE, MADISON, WI 53706 Phone (608) 262-3822 Fax (608) 262-5111

May 18, 2006

Alan Stark
Dept of Water Management
City of Chicago
1000 E Ohio St
Chicago, IL 60611

Subject: Std. Service Agreement; UW Reference #29954

Dear Mr. Stark:

Enclosed, please find two (2) copies of the above referenced agreement executed on behalf of the University of Wisconsin - Madison. When all signatures have been gathered, please return one copy of the agreement to:

Aaron Crandall
Research & Sponsored Programs
University of Wisconsin-Madison
750 University Avenue, 4th Floor
Madison, WI 53706-1490

Should you have any questions or concerns on the agreement, please do not hesitate to contact me at either (608) 265-0560 or ascrandall@rsp.wisc.edu. Thank you.

Yours truly,

Aaron S.P. Crandall
Univ. Grants & Contracts Specialist

Enclosures

Cc: File

University of Wisconsin-Madison State Laboratory of Hygiene Standard Service Agreement

This agreement is entered into on (Date) 5/3/2006 between the Board of Regents of the University of Wisconsin System on behalf of the University of Wisconsin-Madison, State Laboratory of Hygiene, a public institution of the State of Wisconsin, hereinafter referred to as the "State Laboratory of Hygiene," and Chicago City Department of Water Management, an entity existing under the laws of the State of Illinois, hereinafter referred to as "the Purchaser."

Whereas the service contemplated by this agreement is of mutual interest and benefit to the State Laboratory of Hygiene and to the Purchaser, and will further the State Laboratory of Hygiene's instructional, research and public service objectives in a manner consistent with its status as a nonprofit, tax-exempt, educational institution.

Now therefore, the parties hereto agree as follows:

1. Statement of Work

The Purchaser desires to have the State Laboratory of Hygiene undertake a service project entitled "Cryptosporidium and Giardia Testing for LT2" in accordance with the scope of work described in Exhibit A. The State Laboratory of Hygiene agrees to perform the project described in Exhibit A.

2. Period of Performance

This project will be conducted during the period August 2006 through October 2008, and may be extended by mutual agreement of the parties.

3. Fee for Services

- Option a: This is a fixed-price agreement. The State Laboratory of Hygiene will submit invoices in accordance with exhibit B. Payments are due within thirty (30) days from receipt of the invoice.
- Option b: This is a cost per unit agreement. The State Laboratory of Hygiene shall be compensated by the Purchaser for the number of units produced according to the fee schedule in exhibit B.

Checks shall be made payable to the Wisconsin State Laboratory of Hygiene (ID #39-1805963) and sent to:

Accounts Receivable
465 Henry Mall
Madison, WI 53706-1578

For identification purposes, each payment shall include the invoice number and account number as referenced on the invoice.

4. Termination

Performance under this Agreement may be terminated by the Purchaser upon sixty (60) days written notice; performance may be terminated by the State Laboratory of Hygiene if circumstances beyond its control preclude continuation of the project. Upon termination, the State Laboratory of Hygiene will be reimbursed for all costs and non-cancelable commitments incurred in the performance of the project and not yet paid for.

In the event that either party hereto shall commit any breach of or default in any of the terms or conditions of this Agreement, and also shall fail to remedy such default or breach within thirty (30) days after receipt of written notice thereof from the other party hereto, the party giving notice may, at its option and in addition to any other remedies which it may have at law or in equity, terminate this Agreement by sending notice of termination in writing to the other party to such effect, and such termination shall be effective as of the date of the receipt of such notice.

5. Intellectual Property Rights

Unless otherwise specifically provided, the Purchaser does not obtain any rights in intellectual property created or developed under this Agreement.

6. Consultation

Selected personnel of the Purchaser, designated by the Purchaser to the State Laboratory of Hygiene, shall have the right to confer with the Investigator and his/her associates regarding the project for such reasonable periods and at such times as are mutually convenient.

7. Publicity

The Purchaser shall not use the name of the State Laboratory of Hygiene or the University of Wisconsin, nor of any member of the State Laboratory of Hygiene or the University of Wisconsin's staff in connection with any products, promotion, or advertising without the prior written approval of the State Laboratory of Hygiene.

8. Reports

The State Laboratory of Hygiene shall furnish to the Purchaser laboratory reports for work conducted under this agreement.

9. Proprietary Data

Unless otherwise required by law, the State Laboratory of Hygiene will exercise reasonable effort to maintain in confidence proprietary or trade-secret information disclosed or submitted to the State Laboratory of Hygiene by the Purchaser that is designated in writing as confidential information at the time of disclosure ("Confidential Information"). Confidential Information does not include information which:

- is generally available in the public domain or becomes available to the public through no act of the State Laboratory of Hygiene; or
- is independently known prior to receipt thereof or is discovered independently by an employee of the State Laboratory of Hygiene who had no access to the information supplied by the Purchaser under this Agreement; or
- is made available to the State Laboratory of Hygiene as a matter of lawful right by a third party.

The State Laboratory of Hygiene retains the right to refuse to accept any such information which is not considered to be essential to the completion of the contract work. The obligations of the State Laboratory of Hygiene under this paragraph shall survive and continue for one (1) year after this Agreement ends.

10. Liability

The Purchaser agrees to hold the State Laboratory of Hygiene, the University of Wisconsin, its officers, employees, or agents, harmless from any loss, claim, damage, or liability of any kind involving an officer, employee, or agent of the Purchaser arising out of or in connection with this Agreement, except to the extent that such loss, claim, damage, or liability is founded upon or grows out of the acts or omissions of any of the officers, employees, or agents of the State Laboratory of Hygiene or the University of Wisconsin while acting within the scope of their employment where protection is afforded by ss. 893.82 and 895.46(1), Wis. Stats.

11. Equipment

Title to any equipment or supplies purchased or manufactured in the performance of the work funded under this Agreement shall vest in the State Laboratory of Hygiene upon acquisition.

12. Assignment

Neither party shall assign this Agreement to another without the prior written consent of the other party; however, the Purchaser may assign this Agreement to a successor in ownership of all or substantially all its business assets, provided that such successor shall expressly assume in writing the obligation to perform in accordance with the terms and conditions of this Agreement. Any other purported assignment shall be void.

13. Independent Inquiry

Nothing in this Agreement shall be construed to limit the freedom of the State Laboratory of Hygiene, or its employees who are participants in this Agreement, whether paid under this Agreement or not, from engaging in similar work under other grants, contracts, or agreements with parties other than the Purchaser.

14. Independent Contractor

In the performances of all services under this Agreement:

- Each party and its personnel shall be deemed to be and shall be an independent contractor and, as such, shall not be entitled to any benefits applicable to employees of the other party;
- Neither party is authorized or empowered to act as agent for the other for any purpose and shall not on behalf of the other enter into any contract, warranty, or representation as to any matter. Neither party shall be bound by the acts or conduct of the other.

15. Insurance

The State Laboratory of Hygiene warrants and represents that it has adequate liability coverage, such protection being applicable to officers, employees, and agents while acting within the scope of their employment by the University. The University has no liability insurance policy as such that can extend protection to any other person. Each party hereby assumes any and all risks of personal injury and property damage attributable to the negligent acts or omissions of that party and the officers, employees, and agents thereof.

16. Notices

Notices and communications hereunder shall be deemed made if given by registered or certified envelope, postage prepaid, and addressed to the party to receive such notice, invoice, or communication at the address given below, or such other addresses as may hereafter be designated by notice in writing.

If to the Purchaser:

Technical Matters:

Administrative Matters:

Alan E. Stark, Water Quality Manager Irene Camner

City of Chicago

Purchaser Name

1000 E. Ohio St.

Address

Chicago, IL 60611

City, State, Zip Code

City of Chicago

Purchaser Name

1000 E. Ohio St.

Address

Chicago, IL 60611

City, State, Zip Code

If to the State Laboratory of Hygiene:

Technical Matters:

Sharon Kluender
2601 Agriculture Dr
Madison WI 53718

Administrative Matters:

David A. Woldseth
465 Henry Mall
Madison WI 53706-1578

17. Governing Law

This Agreement shall be governed by the laws of the State of Wisconsin.

18. Entire Agreement

Unless otherwise specifically provided, this Agreement embodies the entire understanding between the State Laboratory of Hygiene and the Purchaser for this project, and any prior or contemporaneous representations, either oral or written, are superseded. No amendments or changes to this Agreement, including without limitation, changes in the statement of work, total estimated cost, and period of performance, shall be effective unless made in writing and signed by authorized representatives of the parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in duplicate by proper persons duly authorized.

Purchaser _____

By _____

Name _____

Title _____

Date _____

ON BEHALF OF THE

State Laboratory of Hygiene

By Stephanie Gray

Name Stephanie Gray, Admin. Officer

Title Research & Sponsored Programs

Date 5/17/06

Return to: Aaron Crandall
University of Wisconsin-Madison
Research & Sponsored Programs
750 University Avenue
Madison, WI 53706-1490

EXHIBIT A

In response to the United States Environmental Protection Agency's Long Term 2 Enhanced Surface Water Treatment Rule (LT2) the WI State Lab of Hygiene will provide testing service for *Cryptosporidium* and *Giardia* by United States Environmental Protection Agency Method 1623. This method is a performance based method for the determination of *Cryptosporidium* and *Giardia* in surface water. The method requires filtration, immunomagnetic separation of *Cryptosporidium* oocysts and *Giardia* cysts from the captured material on a Pall Gelman Envirochek™ HV filter or an IDEXX Filtamax® filter and the enumeration of target organism based on the results of immunofluorescence assay, 4',6-diamidino-2-phenylindole (DAPI) staining results, and differential interference contrast microscopy.

The City of Chicago will collect 1 field samples from 4 different sources each month starting August 2006. A matrix spike from each source will be collected with the first or second sample from each source and every 20 samples thereafter. A sampling schedule will be established that is mutually acceptable to the city of Chicago and the WI State Lab of Hygiene. Results will be reported electronically through the EPA's LT2/Stage Data Collection and Tracking System (DCTS) to the City of Chicago. The lab will keep the original bench records for 5 years unless the City of Chicago requests the original bench records.

The quoted prices include Pall Gelman Envirochek™ HV filters and shipping costs to the public water system. The public water system is responsible for the shipping costs to the WI State Laboratory of Hygiene. The total price quote for the analysis of subsamples and 2nd filter is based on every field and matrix spike requiring the maximum number of subsamples and the 2nd filter. Only work that is performed will be billed.

Exhibit B

Prices for 2006

Item	Quantity	U/M	Description	Unit Price	Totals
1-Field Sample	24	ea	Cryptosporidium and Giardia analysis – up to 0.5 mL packed pellet	\$360	\$8640
2	72	ea	Analysis of additional subsamples by immunomagnetic separation and immunofluorescence assay – maximum of 3 additional subsamples per sample	\$100	\$7200
3	24	ea	2 nd filter	\$150	\$3600
4 – Matrix spike	4	ea	Bulk sample of 10L	\$380	\$1520
5	12	ea	Analysis of additional subsamples by immunomagnetic separation and immunofluorescence assay – maximum of 3 additional subsamples per sample	\$100	\$1200
6	4	ea	2 nd filter	\$150	\$600
7	4	ea	Sample Train – includes tubing, flow totalizer, restrictor valve, connectors and shipping charges to public water system	\$135	\$540

* The maximum price for a field sample will be \$810 requiring all subsamples and 2nd filter and the maximum price for a matrix spike will be \$830 requiring all subsamples .

Prices 2007

This is the maximum price that will be charge. The actual price may be lower.

Item	Quantity	U/M	Description	Unit Price	Totals
1-Field Sample	48	ea	Cryptosporidium and Giardia analysis – up to 0.5 mL packed pellet	\$378	\$18144
2	144	ea	Analysis of additional subsamples by immunomagnetic separation and immunofluorescence assay – maximum of 3 additional subsamples per sample	\$105	\$15120
3	48	ea	2 nd filter	\$157.50	\$7560
4 – Matrix spike	4	ea	Bulk sample of 10L	\$399	\$1596
5	12	ea	Analysis of additional subsamples by immunomagnetic separation and immunofluorescence assay – maximum of 3 additional subsamples per sample	\$105	\$1260
6	4	ea	2 nd filter	\$157.50	\$630
7	4	ea	Sample Train – includes tubing, flow totalizer, restrictor valve, connectors and shipping charges to public water system	\$142	\$568

* The maximum price for a field sample will be \$850.50 and the maximum price for a matrix spike will be \$871.50.

*The maximum price for a field sample will be \$892 and the maximum price for a matrix spike will be \$915.