




CITY COUNCIL ACTION REQUEST

Department(s): Finance Environmental Services	CEQA: Not a Project, File No. PP17- 003, Agreements/ Contracts (New or Amended) resulting	Coordination: City Attorney's Office and City Manager's Budget Office	Dept. Approval: /s/ Rick Bruneau /s/ Kerrie Romanow
Council District(s): Citywide	in no physical changes to the environment		CMO Approval:  5/9/23

SUBJECT: AMENDMENT TO THE AGREEMENT WITH ETHOSOFT, INC. FOR A LABORATORY INFORMATION MANAGEMENT SYSTEM

RECOMMENDATION:

Adopt a resolution authorizing the City Manager to negotiate and execute the First Amendment to the Agreement for a Laboratory Information Management System with Ethosoft, Inc. (Norcross, Georgia) to extend the initial term for an additional 12 months through June 14, 2024, under the same material terms and conditions as the original Agreement with no change in initial term compensation, and exercise up to nine one-year options to extend the Agreement through June 14, 2033, or as may be adjusted to align with the software renewal term, subject to the appropriation of funds.

Desired Outcome: Authorizing the City Manager to take this action provides the Environmental Services Department and vendor sufficient time to complete implementation of a modern laboratory information management system to manage the City wastewater data in compliance with applicable regulations.

BASIS FOR RECOMMENDATION:

The Environmental Services Department is responsible for monitoring and testing wastewater to ensure compliance with applicable regulations. In June 2022,¹ City Council authorized staff to negotiate and execute an agreement with Ethosoft, Inc. for a laboratory information management system, including associated professional services such as implementation, training, support, and maintenance. As City staff worked with the vendor to complete the project, they discovered the deployment will be more complicated and time-consuming than originally anticipated, requiring additional time to complete implementation of all system functionalities. Full system implementation and final acceptance must be completed during the initial term of the contract before options can be exercised for ongoing services.

Approval of this recommendation will authorize staff to negotiate and execute the First Amendment to the Agreement to extend the initial term through June 14, 2024 to allow sufficient time to complete implementation and final acceptance prior to the option terms.

Commission Recommendation/Input: The Treatment Plant Advisory Committee will consider this item at its May 18, 2023 meeting.

¹ June 2022 City Council memorandum:

<https://sanjose.legistar.com/View.ashx?M=F&ID=10944181&GUID=49185C2C-B544-4A17-92B6-E5AA593BC542>

COST AND FUNDING SOURCE:

The table below identifies the funds and appropriations for the contract recommendation. No changes are anticipated to the cost and funding sources, which maintain the original outlay encumbered.

Fund #	Appn. #	Appn. Name	Total Appn.	Amt. for Contract*	2022-2023 Adopted Operating Budget Page	Last Budget Action (Date, Ord. No.)
513	0762	ESD Non-Personal/Equipment	38,660,941	141,394	1040	10/18/2022, 30833
446	0762	ESD Non-Personal/Equipment	3,180,562	81,860	1048	6/21/2022, 30790
541	0762	ESD Non-Personal/Equipment	525,992	24,806	1043	6/21/2022, 30790

* Contingency of \$50,000 for the initial term, which was approved by City Council in the previous action in June 2022, is subject to the appropriation of funds and an executed change order or amendment. Funding for ongoing maintenance and support beyond FY 2023-2024 is subject to the appropriation of funds through the City's annual budgeting process.

FOR QUESTIONS CONTACT: For program-related questions, please contact Rajani Nair, Deputy Director, Environmental Services Department, at rajani.nair@sanjoseca.gov. For contracts- and procurement-related questions, please contact Albie Udom, Deputy Director of Finance – Purchasing and Risk Management, at albie.udom@sanjoseca.gov.