

San Geronio Pass Water Agency

DATE: July 17, 2023
TO: Board of Directors
FROM: Lance Eckhart, General Manager
BY: Tom Todd, Jr., Chief Financial Officer
SUBJECT: PROCUREMENT POLICY REQUIRED NOTIFICATION AND REQUEST FOR CONTRACT INCREASE APPROVAL

RECOMMENDATION

Approve contract increase of \$2,710.80 with Provost & Pritchard.

BACKGROUND

The Procurement Policy requires the General Manager to notify the Board concerning various contracts or changes in contracts.

Provost & Pritchard provided support for the SGMA Grant Application in December and January of this fiscal year. In addition, they recently provided support for the application that resulted in a preliminary award of a \$2 million grant for nested monitoring wells in the eastern part of the Agency's service area.

ANALYSIS

Staff was notified by P&P that some additional efforts beyond the original scope were needed to finalize the grant application and requested to invoice for the additional work. The General Manager negotiated with P&P that the additional work would be considered necessary and appropriate by Staff if the efforts resulted in a successful grant application. The grant application was successful, and Staff asked P&P to submit an invoice for the additional grant application efforts as a contract increase for the subject grant.

This contract increase request highlights an anomaly in the Procurement Policy, which is a good subject to address as we review Agency policies in the future. The total amount of the contract with the revision will be less than \$18,000, and is well within the General Manager's signing authority for Professional Services Contracts. Because the original contract was only \$15,000, the authorization limit to increase the contract is only \$1,500 (10%), and as this request exceeds that amount, it requires Board approval.

FISCAL IMPACT

Expenditures under this contract have been included in the Consulting and Engineering Services section of the budget, in the 'Grant Support Services' line item under the category 'General Engineering Services.' This item has a budgeted amount of \$75,000

for FY 2022-23. As of the June, 2023 Budget Report, about \$45,000 has been expended, leaving about \$30,000 for expenditures to be included in FY 2022-23.

ACTION

Approve contract increase of \$2,710.80 with Provost & Pritchard.