

0150-09505-0003

**TRANSMITTAL**

TO  
The Council

DATE  
06/27/16

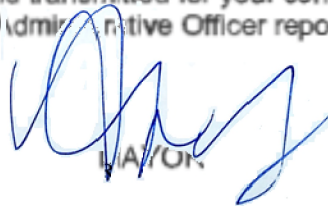
COUNCIL FILE NO.

FROM  
The Mayor

COUNCIL DISTRICT

**Second Amendment to Contract No. 118946 with  
Ballard Marine Construction, Incorporated  
To Provide Hyperion Water Reclamation Plant Outfall Inspections**

Approved and transmitted for your consideration.  
See the City Administrative Officer report attached.



(Ana Guerrero)

MAJOR

MAS:WKP:06160188t



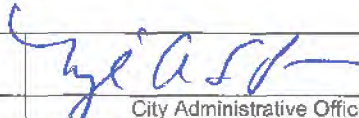
**Report From**  
**OFFICE OF THE CITY ADMINISTRATIVE OFFICER**  
**Analysis of Proposed Contract**  
(\$25,000 or Greater and Longer than Three Months)

To: The Mayor	Date: 06-27-16	C.D. No.	CAO File No.: 0150-09505-0003				
Contracting Department/Bureau: Public Works/Sanitation		Contact: Haul Wong, (310) 648-5919					
Reference: Transmittal from the Board of Public Works dated June 8, 2016; referred for report on June 9, 2016.							
Purpose of Contract: To provide professional diving and undersea video recording services associated with the inspection of the One-Mile, Five-Mile, and Seven-Mile Outfalls at the Hyperion Water Reclamation Plant.							
Type of Contract: ( ) New contract (X) Amendment		Contract Term Dates: Two years, from June 13, 2016 through June 12, 2018, with two one-year renewal options for a total of four years.					
Contract/Amendment Amount: \$600,000 over four years or \$150,000 per year.							
Proposed amount \$600,000 + Prior award(s) \$425,000 = Total \$1,025,000							
Source of funds: Sewer Construction and Maintenance Fund No. 760							
Name of Contractor: Ballard Marine Construction, Incorporated							
Address: 727 South 27 <sup>th</sup> Street, Washougal, WA 98761							
	Yes	No	N/A*	8. Contractor has complied with:	Yes	No	N/A*
1. Council has approved the purpose	X			a. Equal Employmt. Oppty./Affirm. Action	X		
2. Appropriated funds are available	X			b. Good Faith Effort Outreach**			X
3. Charter Section 1022 findings completed	X			c. Equal Benefits Ordinance	X		
4. Proposals have been requested	X			d. Contractor Responsibility Ordinance	X		
5. Risk Management review completed	X			e. Slavery Disclosure Ordinance	X		
6. Standard Provisions for City Contracts included	X			f. Bidder Certification CEC Form 50	X		
7. Workforce that resides in the City: 0%				*N/A = not applicable ** Contracts over \$100,000			

**COMMENTS**

The Board of Public Works (Board), on behalf of the Bureau of Sanitation (Bureau) requests authority to execute the Second Amendment to Contract No. 118946 with Ballard Marine Construction, Incorporated (Ballard) for diving and video recording services associated with the inspection of the One-Mile, Five-Mile, and Seven-Mile Outfalls for the Hyperion Water Reclamation Plant (HWRP). These inspections are required to comply with the City's National Pollutant Discharge Elimination System (NPDES) Permit and to monitor and assess the structural integrity of the outfalls and the impact of treated effluent on marine life.

On March 29, 2011, Council (C.F. 11-0167) authorized the Bureau to execute Contract No. 118946 with Ballard for outfall inspection for a term of three years with two one-year renewal options for a total term of five years, at a cost not to exceed \$425,000. This contract expired on June 12, 2016 and the Second Amendment is required to extend the term for an additional two years, from June 13, 2016 through June 12, 2018, with two one-year renewal options or until a new contract can be executed. The Second Amendment will also increase the maximum allowable compensation by \$600,000 (or \$150,000 per year), from \$425,000 to \$1,025,000. In accordance with Los Angeles Administrative Code Section 10.5(a), Council approval is required to execute the Second Amendment as the cumulative term of the contract exceeds three years.

 WWP	 Assistant CAO	 City Administrative Officer
Analyst	06160188	

## **Scope of Work**

Ballard will continue to provide professional divers and/or a remote vehicle to perform external inspections of both the One-Mile and Five-Mile Outfalls annually and the Seven-Mile Outfall on an as-needed basis. Upon inspection of an outfall, Ballard shall provide a one-hour briefing and video presentation to the Bureau staff. The briefing shall include digital video presentation with narrative that highlights key issues with the inspection. Ballard will provide digital and hard copies of their findings to the Bureau.

On September 15, 2015, a large number of plastic tampon applicators and other storm drain related debris were accidentally discharged from the HWRP storm drain system to the One-Mile Outfall system and washed ashore on local beaches, resulting in temporary beach closures. As a result of this incident, the Second Amendment will add internal inspections of the One-Mile Outfall on an as-needed basis to the scope of work.

## **Compensation, Invoicing and Payment**

In accordance with the schedule in Section 10.1 of the contract, the rate for each outfall annual inspection will be paid in a lump sum which includes the cost of project preparation, equipment set up, mobilization and demobilization, all staff salaries, fringe benefits, report and video report preparation, overhead, corporation profit and all other expenses incurred during the inspection process. Any additional as-needed diving services requested by the Bureau will be based on the as-needed rate schedule provided in Section 10.1 of the contract. Compensation shall be subject to the Bureau's satisfaction of the tasks completed and documentation submitted by Ballard.

The Second Amendment adjusts the annual outfall inspection rates and the as-needed diving services rates to reflect changes in the Consumer Price Index and adds a new rate of \$9,300 per day for internal inspections of the One-Mile Outfall as discussed earlier in this report.

## **Contracting Compliance Requirements**

Ballard has complied with all applicable City procedures, laws and policies. The City Attorney has reviewed and approved the proposed Second Amendment as to form.

This contract involves highly specialized services for which there are no subcontracting opportunities. Consequently, the Minority Business Enterprises, Women Business Enterprises, and all Other Business Enterprises (MBE/WBE/OBE) Subcontractor Outreach Program requirements were waived by the Mayor's Office on December 5, 2008.

To comply with Charter Section 1022, on March 8, 2016, the Personnel Department determined that it is more feasible to utilize contract staff because there are no City employees qualified to perform this type of specialized, intermittent work.

## **RECOMMENDATION**

That the Mayor and Council authorize the Board of Public Works to execute the proposed Second Amendment to Contract No. 118946 with Ballard Marine Construction, Incorporated to extend the term of the contract for two years, from June 13, 2016 through June 12, 2018 with two one-year renewal options and increase the maximum allowable compensation by \$600,000, from \$425,000 to \$1,025,000.

## **FISCAL IMPACT STATEMENT**

There is no fiscal impact to the General Fund as sufficient funds are available within the Sewer Construction and Maintenance Fund to support the first year costs of the Second Amendment. Funding for subsequent years of the Second Amendment will be provided through the City's annual budget process, which is subject to Mayor and Council approval. This contract includes a Financial Liability Clause which limits the City's annual financial obligation to the amount of funding that is provided in the corresponding City budget. Therefore, the recommendation in this report complies with the City's Financial Policies as ongoing revenues will support ongoing expenditures.

*MAS:WKP:06160188*