

ENERGY AND ENVIRONMENT COMMITTEE REPORT relative to proposed First and Second Amendments to Contract No. C-118946 with Ballard Diving and Salvage (Ballard) for Hyperion Treatment Plant outfall inspections.

Recommendation for Council action:

AUTHORIZE the Board of Public Works to execute the First and Second Amendments to Contract No. C-118946 with Ballard to extend the term of the contract by two years from June 13, 2014 through June 12, 2016 for Hyperion Treatment Plant outfall inspections.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that there is no fiscal impact to the General Fund as the proposed First and Second Amendments will extend the term of the existing contract by two years. The cost of the contract is limited to \$425,000 over five years (approximately \$85,000 per year) and will be funded from the Sewer Construction and Maintenance Fund. City liability under this contract is limited to the current appropriation. The recommendation in the January 24, 2014 CAO report, attached to the Council file, complies with the City's Financial Policies in that funding from the Sewer Construction and Maintenance Fund is budgeted annually for outfall monitoring.

Community Impact Statement: None submitted.

**TIME LIMIT FILE - APRIL 14, 2014**

**(LAST DAY FOR COUNCIL ACTION - APRIL 11, 2014)**

Summary:

On March 5, 2014, your Committee considered a January 21, 2014 CAO report relative to proposed First and Second Amendments to Contract No. C-118946 with Ballard for Hyperion Treatment Plant outfall inspections. According to the CAO, the Board of Public Works, on behalf of the Bureau of Sanitation (BOS) is requesting authority to execute the First and Second Amendments to Contract No. C-118946 with Ballard for diving and video recording services associated with the inspection of the One-Mile, Five-Mile and Seven-Mile outfalls for the Hyperion Treatment Plant (HTP). 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 31, 2011, the City executed Contract No. C-118946 with Ballard for outfall inspection for a term of three years with two one-year renewal options for a total of five years, at a cost not to exceed \$425,000. Article 7 of the contract requires Board and Council approval to execute the renewal options. Therefore the proposed First and Second Amendments must be approved by the City Council in order to execute an extension. The initial three year term expires on June 12, 2014 and the BOS is requesting authority to exercise both one-year renewal options, which will extend the contract by an additional two years from June 13, 2014 to June 12, 2016.

After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the proposed First and Second Amendments to Contract C-118946. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

ENERGY AND ENVIRONMENT COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
FUENTES:	YES
BLUMENFIELD:	YES
LABONGE:	ABSENT
HUIZAR:	ABSENT
KORETZ:	YES

ARL  
3/19/14

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**