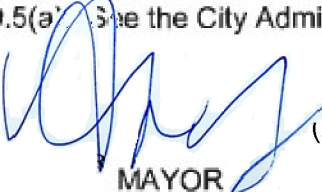


TRANSMITTAL		0150-09505-0004
TO The Council	DATE 8/21/18	COUNCIL FILE NO.
FROM The Mayor	COUNCIL DISTRICT	
Personal Services Contract with Ballard Marine Construction, Inc. For Annual and As-Needed Outfall Inspections at the Hyperion Water Reclamation Plant Approved and transmitted for your consideration. The Council has 60 days from the date of the receipt to act, otherwise the contracts will be deemed approved pursuant to Los Angeles Administrative Code Section 10.5(a). See the City Administrative Officer report attached.  (Ana Guerrero) for MAYOR		
RHL:WKP:10190008t		

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

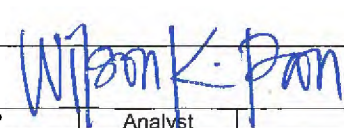
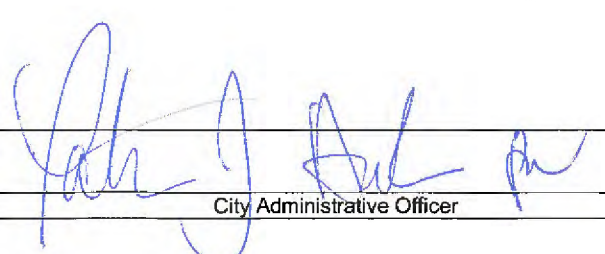
To: The Mayor	Date: 08-17-18	C.D. No.	CAO File No.: 0150-09505-0004
Contracting Department/Bureau: Public Works/Sanitation		Contact: Haul Wong, (213) 485-2490	
Reference: Transmittal from the Board of Public Works dated July 23, 2018; referred for report on August 2, 2018.			
Purpose of Contract: To provide annual and as-needed surveys and inspections of the 1-Mile, 5-Mile, and 7-Mile Outfalls at the Hyperion Water Reclamation Plant (HWRP).			
Type of Contract: (X) New contract () Amendment, Contract No. [C-XXXXXX]		Contract Term Dates: Five-years from date of execution with one two-year renewal option for a cumulative potential term of seven years.	
Contract/Amendment Amount: \$1,050,000			
Proposed amount \$1,050,000 + Prior award(s) \$0 = Total \$1,050,000 (or \$150,000 per year)			
Source of funds: Sewer Construction and Maintenance Fund			
Name of Contractor: Ballard Marine Construction, Inc.			
Address: 1525 NW Ballard Way, Seattle, WA 98107			
	Yes	No	N/A
1. Council has approved the purpose	X		
2. Appropriated funds are available	X		
3. Charter Section 1022 findings completed	X		
4. Proposals have been requested	X		
5. Risk Management review completed	X		
6. Standard Provisions for City Contracts included	X		
7. Workforce that resides in the City: 0%			
Contractor has complied with:		Yes	No
8. Business Inclusion Program			X
9. Equal Benefits & First Source Hiring Ordinances		X	
10. Contractor Responsibility Ordinance		X	
11. Slavery & Border Wall Disclosure Ordinances		X	X
12. Bidder Certification CEC Form 50		X	
13. Prohibited Contributors (Bidders) CEC Form 55		X	
14. California Iran Contracting Act of 2010		X	

RECOMMENDATION

That the Council authorize the Board of Public Works, on behalf of the Bureau of Sanitation, to execute a Personal Services Agreement with Ballard Marine Construction, Inc. to provide annual and as-needed outfall inspections for the Hyperion Water Reclamation Plant for a term of five years with one two-year renewal option at a cost not to exceed \$1,050,000.

SUMMARY

In accordance with Executive Directive No. 3, the Board of Public Works (Board), on behalf of the Bureau of Sanitation (Bureau), requests authority to execute a Personal Services Agreement with Ballard Marine Construction, Inc. (Ballard) to provide annual and as-needed inspections of the 1-Mile, 5-Mile, and 7-Mile Outfalls at the Hyperion Water Reclamation Plant (HWRP). The term of the contract is five years from the date of execution with one two-year renewal option at a cost not to exceed \$1,050,000 (or \$150,000 per year). In accordance with Los Angeles Administrative Code Section 10.5(a), Council approval is required as the term of the contract exceeds three years. The City Attorney has reviewed the contract as to form.

 WKP Analyst	10190008	 City Administrative Officer
--	----------	---

The HWRP treats an average of 275 million gallons per day of wastewater and discharges the treated effluent into the Santa Monica Bay through three submarine outfalls. The 1-Mile Outfall is used for emergency purposes in the event of power outages and the plant discharge flow exceeds the 5-Mile Outfall capacity. The 5-Mile Outfall is currently the primary means for discharging HWRP effluent. The 7-Mile Outfall ceased discharging digested sludge and became inactive in November 1987. Although currently not in use, the Bureau is still responsible for maintenance of the 7-Mile Outfall as required in the City's National Pollutant Discharge Elimination System (NPDES) permit, which is issued by the US Environmental Protection Agency (USEPA) and the California Regional Water Quality Control Board, Los Angeles Region (LARWQCB).

Annual surveys and inspections of the 1-Mile and 5-Mile Outfalls are also required under the City's NPDES permit. These inspections assist City staff in determining the structural integrity of the outfalls, flow distribution through the outfall diffuser ports, and the impact of treated effluent on marine life. The results of the inspections will determine the need for any repairs and/or cleanings of the outfalls. Annual inspections of the 7-Mile Outfall are not required under the City's NPDES permit since this is an inactive outfall. The Bureau reports that the City has been contracting out this work for approximately 30 years. The most recent contract with Ballard expired on June 12, 2018 and the Bureau is seeking to establish a new contract.

Contractor Selection Process

On January 25, 2017, the Board authorized the Bureau to advertise a Request for Proposals (RFP) to conduct annual outfall inspections. The Bureau received eight proposals and reviewed and scored each proposal based on the following criteria:

- Technical Qualifications and Past Experience (35 percent) – includes the proposer's background, practical experience, safety, record keeping, and familiarity with diving services for public works project, qualifications of staff personnel, and composition of team including Minority/Women/Small/Emerging/Disabled Veteran/Other Business Enterprise (MBE/WBE/SBE/EBE/DVBE/OBE) subcontractors.
- Cost Control (35 percent) – includes proposer's costs for services.
- Record of Past Performance (20 percent) – includes proposer's quality of work, record of completing assigned tasks on time, safety record, record keeping practice, and responses of references.
- Approach to Work (10 percent) – includes proposer's project management and coordination methodologies and approaches to the inspection of tasks.

Ballard's proposal received the highest score and on July 23, 2018, the Board approved the Bureau's request to award a contract to Ballard.

Scope of Work

In accordance with Article 4 of the contract, Ballard will provide the following services:

- Provide professional divers and/or a remotely operated vehicle (ROV) to perform annual inspections (both internal and external) and video recordings of the HWRP outfalls;
- Within three months after inspecting the outfall, provide a one-hour briefing and video presentation to HWRP staff on the highlights and key issues of the inspection;

- During the briefing, provide City staff with three copies of the Digital Video Disc (DVD) used in the briefing, six copies of the written report, and a flash drive containing the video presentation file and the inspection report, which includes Ballard's comprehensive findings and recommendations based upon visual inspections of various sections of the outfalls; and
- Retain all records, audits, and reports for a period of no less than three years after the expiration of the contract.

Compensation for Services

In accordance with Article 11 of the contract, Ballard will be compensated at the following rates for outfall inspection services:

Service Description	Rate
5-Mile Outfall – Annual Inspection	\$42,810
1-Mile Outfall – Annual Inspection	\$27,125
1-Mile Outfall – Internal Inspection	\$18,550
7-Mile Outfall – Inspection (As-Needed)	\$25,300

At the request of the Bureau, Ballard may also perform additional cleaning and diving services, which will be compensated at the following rates:

Service Description	Rate
1-Mile Outfall – Cleaning of all 10 diffuser ports	\$19,700
Mobilization and Demobilization to job site	\$1,800
Use of Support Vessel	\$1,050 per day
Use of ROV	\$1,150 per day
ROV Support Crew Member	\$950 per 8 hours
Dive Crew Member (working at 50 Feet of Sea Water (FSW))	\$1,425 per 8 hours
Dive Crew Member (working between 50 and 80 FSW)	\$1,515 per 8 hours
Dive Crew Member (working between 80 and 100 FSW)	\$1,575 per 8 hours
1-Mile Outfall Diversion Structure and Surge Chamber Inspection and Cleaning	\$6,900 per 8 hours

The above rates include the cost of project preparation, equipment set up, mobilization and demobilization, all staff salaries, fringe benefits, report and video report preparation, overhead, contractor profit, and all other expenses incurred by the contractor. The contract provides an annual three percent maximum rate adjustment based on changes in the Consumer Price Index.

Funding will be provided from the Sanitation Expense and Equipment Account, a special purpose fund appropriation within the Sewer Construction and Maintenance Fund. The 2018-19 Adopted Budget provides \$110,000 for this contract and subsequent year funding will be provided through the City's annual budget development process, which is subject to Mayor and Council approval. The contract includes a Financial Liability Clause which limits the City's annual financial obligation to the corresponding amount approved by the Mayor and Council in the Bureau's annual budget for this contract.

Compliance with City Contracting Requirements

On March 8, 2016, the Personnel Department determined that the proposed work cannot be performed by City classifications. To the best of our knowledge, Ballard has complied with all City contracting requirements. On November 3, 2014, the Mayor's Office approved an exemption from the Business Inclusion Program as the proposed work is expert and highly specialized in nature and there are no subcontracting opportunities. In addition, the Disclosure of Border Wall Ordinance went into effect on July 18, 2018 and was not incorporated into the standard provisions language for this contract. The Bureau requested Ballard to complete the affidavit and upload the signed document onto the City's Business Assistance Virtual Network (BAVN) as instructed in the memorandum dated July 16, 2018 from the Director of the Bureau of Contract Administration.

FISCAL IMPACT STATEMENT

There is no General Fund impact as sufficient funds are available within the Sewer Construction and Maintenance Fund to support the cost of this contract. The 2018-19 Adopted Budget provides \$110,000 in the Sanitation Expense and Equipment Account, a special purpose fund appropriation within the Sewer Construction and Maintenance Fund, to support the first year cost of this contract. Subsequent year funding will be provided through the City's annual budget development process, which is subject to Mayor and Council approval. Consistent with the City's Financial Policies, the contracts include a Financial Liability Clause which limits the City's annual financial obligation to the amount of funding provided in the corresponding year's annual budget.

RHL:WKP:10190008

**BOARD OF PUBLIC WORKS
MEMBERS**

KEVIN JAMES
PRESIDENT

HEATHER MARIE REPENNING
VICE PRESIDENT

MICHAEL R. DAVIS
PRESIDENT PRO TEMPORE

JOEL F. JACINTO
COMMISSIONER

AURA GARCIA
COMMISSIONER

CITY OF LOS ANGELES

CALIFORNIA



ERIC GARCETTI
MAYOR

**OFFICE OF THE
BOARD OF PUBLIC WORKS**

DR. FERNANDO CAMPOS
EXECUTIVE OFFICER

200 NORTH SPRING STREET
ROOM 361, CITY HALL
LOS ANGELES, CA 90012

TEL: (213) 978-0261
TDD: (213) 978-2310
FAX: (213) 978-0278

<http://bpw.lacity.org>

July 23, 2018

BPW-2018-0582

Mayor Eric Garcetti
Room No. 305
City Hall
Attn: Mandy Morales

SUBJECT: PERSONAL SERVICES CONTRACT – BALLARD MARINE CONSTRUCTION INC

As recommended in the accompanying report of the Directors of the Bureaus of Sanitation and Contract Administration, which this Board has adopted, the Board of Public Works recommends that the Mayor and City Council:

1. AUTHORIZE the Board of Public Works to execute a Personal Services Contract with Ballard Marine Construction Inc. for Hyperion Water Reclamation Plant Outfall Annual Inspections. The term of the proposed agreement shall be five (5) years, with one (1) two-year renewal option. The Contract Ceiling is \$1,050,000.

FISCAL IMPACT

The estimated cost of the contract for the Outfall Annual Inspections is not to exceed \$150,000 per year (or a total estimated cost not to exceed \$1,050,000 over the five-year term with one two-year renewal option) and is funded through the HWRP Operation and Maintenance Budget. There is no impact to the General Fund.

Sincerely,

DR. FERNANDO CAMPOS,
Executive Officer, Board of Public Works

FC:jc



BUREAU OF SANITATION
BUREAU OF CONTRACT ADMINISTRATION
JOINT BOARD REPORT NO.1
JULY 23, 2018

ADOPTED BY THE BOARD
PUBLIC WORKS OF THE CITY
of Los Angeles California
AND REFERRED TO THE CITY COUNCIL
JUL 23 2018

AND REFERRED TO THE MAYOR

CD: 11


Executive Officer
Board of Public Works

AUTHORITY TO EXECUTE A PERSONAL SERVICES CONTRACT WITH BALLARD MARINE CONSTRUCTION INC. FOR HYPERION TREATMENT WATER RECLAMATION PLANT (HWRP) OUTFALL ANNUAL INSPECTIONS (WORK ORDER #: SCHOOOOO-SECONDARY TREATMENT)

RECOMMENDATIONS

1. Approve and forward this report with transmittals to the Mayor and City Council with the request that the Board of Public Works (Board) be authorized to execute a Personal Services Contract with Ballard Marine Construction Inc. for HWRP Outfall Annual Inspections. The term of the proposed agreement shall be five (5) years, with one (1) two-year renewal option. The contract ceiling is \$1,050,000.
2. Upon authorization from the Mayor and City Council, the President or two (2) members of the Board will execute the contract.
3. Return the executed contract to the LA Sanitation (LASAN) for further processing. (Contact the Board Report Section at (213) 485-3697 for pick-up.)

FISCAL IMPACT STATEMENT

The estimated cost of the contract for the Outfall Annual Inspections is not to exceed \$150,000 per year (or a total estimated cost not to exceed \$1,050,000 over the five-year term with one two-year renewal option) and is funded through the HWRP Operation and Maintenance budget. There is no fiscal impact to the General Fund.

TRANSMITTALS

1. Copy of the adopted LASAN and Bureau of Contract Administration Joint Board Report No. 1, dated January 25, 2017, authorizing the distribution of the Request for Proposals (RFP) and negotiation of a contract(s) with the most qualified proposer(s) for HWRP Outfall Annual Inspections.
2. Copy of the proposed Contract with Ballard Marine Construction Inc. for HWRP Outfall Annual Inspections. Originals will be delivered to the Board Office when Mr. Haul Wong at (310) 648-5919 is notified that the contract is ready for execution.

PAGE 2

3. Copy of the Business Inclusion Program (BIP) Outreach requirement waiver issued by the Mayor's Office of Economic Development on November 3, 2014.

DISCUSSION

Background

LASAN operates and maintains three (3) submarine outfalls (1-Mile Outfall, 5-Mile Outfall, and 7-Mile Outfall) in Santa Monica Bay to dispose of treated wastewater at HWRP. The 1-Mile Outfall is only for plant effluent emergency discharge when the Hyperion Effluent Pumping Plant experiences power outages and discharge flow exceeds the 5-Mile Outfall gravity flow capacity. The 5-Mile Outfall is currently the principal disposal means for the HWRP effluent. The 7-Mile Outfall ceased discharging digested sludge and became inactive as of November, 1987. Although not currently used, the 7-Mile Outfall is listed in HWRP's existing Los Angeles Regional Water Quality Control Board (LARWQCB) NPDES Permit Number CA0109991, and is an irreplaceable asset for LASAN.

Annual surveys and inspections of the 1-Mile and 5-Mile Outfalls are required by the U.S. Environmental Protection Agency (USEPA), Region IX, and the California Regional Water Quality Control Board, Los Angeles Region (LARWQCB). These inspections and surveys will assist City staff in determining the structural integrity of the outfalls, flow distribution through the outfall diffuser ports, and the impact of treated plant effluent on marine life. Inspections will also determine the need for cleaning and repair of the outfalls.

The professional diving and undersea video recording services provided by the contractor are of an expert and technical nature. The current service contract (C-118946) with Ballard Marine Construction Inc. to perform annual Outfall Inspection will expire on June 30, 2018. LASAN desires to retain a contractor to not only provide the outfalls inspection services but also to remain in compliance with USEPA and LARWQCB.

Scope of Services

The contractor shall provide professional divers and/or a remote controlled vehicle to perform surveys and inspections of both the 1-Mile and the 5-Mile Outfalls annually, and any other diving devices or services requested by the City, including surveys and inspections of the 1-Mile Outfall Diversion Gate Structure and Surge Chamber, and the 7-Mile Outfall, on an as-needed basis and in accordance with the rate schedule set forth in the Contract.

PAGE 3

After completing the inspections, the contractor shall provide final inspection reports, presentations, and video documentation of the inspections to LASAN. The inspections and surveys of the outfalls will provide City staff with a comprehensive analysis of the current condition of each outfall, including all components and sections.

Selection of Proposal

On January 25, 2017, the Board authorized LASAN to release an RFP to solicit proposals from qualified firms to provide professional diving and undersea video recording services and conduct annual inspections of the HWRP's 1-Mile, 5-Mile and 7-Mile Outfalls. (Transmittal No. 1)

In response to the advertised RFP, the City received a total of eight (8) proposals from:

- 1) AECOM
- 2) American Marine Corporation
- 3) Aqueos Corporation
- 4) Ballard Marine Construction Inc.
- 5) Ecosystems Management Associates, Inc.
- 6) Global Diving & Salvage, Inc.
- 7) Undersea Graphics, Inc.
- 8) Subsea Global Solutions (SGS) US West Coast, LLC

RFP Evaluation Criteria

LASAN established a selection committee to rate each proposal and candidate respectively. As set forth in the RFP, each proposal was reviewed and ranked according to the following criteria:

- Technical Qualifications and Past Experience 35%

This includes the Proposer's background, practical experience, safety, record keeping and familiarity with diving services for public works projects and tasks, the qualifications of staff personnel, and the composition of the team including MBE/WBE/SBE/EBE/DVBE/OBE subcontractors, and local businesses.

- Cost Control 35%

This includes cost control procedures, preliminary cost estimates based on each task listed in the Scope of Work, and personnel utilization.

BUREAU OF SANITATION
BUREAU OF CONTRACT ADMINISTRATION
JOINT BOARD REPORT NO. 1
JULY 23, 2018

PAGE 4

- Record of Past Performance 20%
This includes quality of work, completion of assigned tasks on time, safety, record keeping, and the response of references
- Approach to Work 10%
This includes project management and coordination methodologies, and approaches to the inspection of tasks. In addition, the team composition will be considered.

RFP Evaluation Results

Firms	Final Scores (%)
Ballard Marine Construction Inc.	95
AECOM	88 (including 8 points added for LBE certification)
SGS US West Coast, LLC	86
American Marine Corporation	81 (including 8 points added for LBE certification)
Undersea Graphics, Inc.	81
Aqueos Corporation	78
Global Diving & Salvage, Inc.	72
EcoSystems Management Associates, Inc.	69

Ballard Marine Construction Inc. has demonstrated excellent knowledge and experience in providing the ocean diving and undersea video recording services for public works projects and has been deemed the most qualified respondent, as determined by the review committee. Ballard Marine Construction Inc., a certified Women Business Enterprise (WBE), also offers the most competitive service charge for the annual inspection of both 1-Mile and 5-Mile outfalls, plus other service needs. Therefore, Ballard Marine Construction Inc. received the highest total score of 95%.

Proposed Term of Agreement

The proposed agreement term will be five (5) years with one (1), two-year renewal option, which shall commence after contract negotiation and award. This agreement is subject to final approval of the Board, Mayor, and City Council. (Transmittal No. 2)

Cost Estimate of Contract

The estimated cost of the contract is not to exceed \$150,000 per year. The total estimated cost of the entire contract including the renewal option is not to exceed \$1,050,000.

Business Inclusion Program (BIP) Outreach Requirements

This agreement involves conducting underwater video recording and inspection of the outfalls by either commercial diver-team or remote control vehicles. The nature of these services is highly specialized, and there are no subcontracting opportunities. Consequently, the BIP requirements were waived by the Mayor's Office of Economic Development on November 3, 2014. (Transmittal No. 3)

Notification of Intent to Contract

The required Notification of Intent to Contract (NOI) was filed on October 7, 2013 with the CAO Clearinghouse and a revised NOI was filed on January 27, 2016.

Charter Section 1022

On March 8, 2016, the Personnel Department determined that City employees do not have the expertise to perform the work.

Other City Requirements

Ballard Marine Construction Inc. will comply with the following City requirements:

- Non-Discrimination/Equal Employment Practices/Affirmative Action Program
- Child Support Obligations Ordinance
- Americans with Disabilities Act
- Slavery Disclosure Ordinance
- Municipal Lobbying Ordinance
- Non-Collusion Affidavit
- City of Los Angeles Contract History
- Los Angeles Residence Information
- Insurance Requirements
- Prevailing Wage Requirements
- Equal Benefits Ordinance
- Business Tax Registration Certificate

PAGE 6

- First Source Hiring Ordinance
- Contract Bidder Campaign Contribution and Fundraising Restrictions
- Iran Contracting Act of 2010
- City Contractors' Use of Criminal History for Consideration of Employment Applications
- Living Wage Ordinance
- Worker Retention Ordinance

Contractor Responsibility Ordinance

The contractor, will be subject to compliance with the requirements specified in the City of Los Angeles' Contractor Responsibility Ordinance # 173677, [Article 14, Chapter 1, Division 10, L.A.A.C.]. Failure to comply with all requirements specified in the Ordinance will render the contract subject to termination pursuant to the conditions expressed therein.

Contractor Performance Evaluation

In accordance with Article 13, Chapter 1, Division 10 of the City of Los Angeles Administrative Code, the appropriate City personnel responsible for the quality control of this Personal Services Contract shall submit a Contractor Performance Evaluation Report to the Bureau of Contract Administration upon completion of this contract.

Contract Administration

Responsibility for the administration and management of this contract will be with the Hyperion Water Reclamation Plant, LASAN.

Headquarters and Workforce Information

The headquarters of Ballard Marine Construction Inc. is located at 1525 NW Ballard Way, Seattle, Washington 98107, and 0% of its workforce resides in the City of Los Angeles.

City Attorney Review

The City Attorney's Office has reviewed the attached contract and approved it as to form.

Status of Financing

There is no impact to the General Fund. The total funding for this project is not to exceed \$1,050,000. No funding is required for Fiscal Year 2017-18. Funding for the future fiscal years will be from Sewer Construction and Maintenance Fund. However, Funds and Appropriations for future fiscal years are not yet identified and existing appropriations may change based on available cash balances. Therefore, Funds and Appropriations will be determined by the Director of LASAN or designee.

BUREAU OF SANITATION
BUREAU OF CONTRACT ADMINISTRATION
JOINT BOARD REPORT NO. 1
JULY 23, 2018

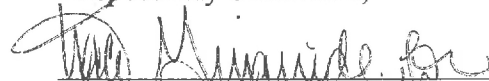
PAGE 7

Notwithstanding any other provision of this Contract, including any exhibits or attachments incorporated therein, and in order for the City to comply with its governing legal requirements, the City shall have no obligation to make any payments to the Contractor unless the City shall have first made an appropriation of funds equal to or in excess of its obligation to make any payments as provided in this Contract.

The Contractor agrees that any services provided by the Contractor, purchases made by the Contractor or expenses incurred by the Contractor in excess of the appropriation(s) shall be free and without charge to the City and the City shall have no obligation to pay for the services, purchases or expenses. The Contractor shall have no obligation to provide any services, provide any equipment, or incur any expense in excess, of the appropriation, amount(s) until the City, appropriates additional funds for this Contract.

(SHK HK TD TM)

Respectfully Submitted,

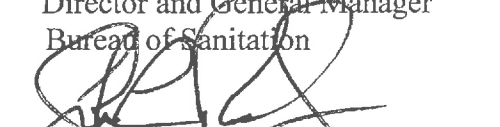

ENRIQUE C. ZALDIVAR,

Director and General Manager
Bureau of Sanitation

COMPLIANCE REVIEW PERFORMED
AND APPROVED BY:



HANNAH CHOI, Assistant Director
Bureau of Contract Administration


JOHN L. REAMER, JR., Director
Bureau of Contract Administration

Approved as to Funds:


VICTORIA A. SANTIAGO, Director
Office of Accounting

Date: _____


LISA B. MOWERY, Chief Financial Officer
Bureau of Sanitation

Date: 7-5-18

Prepared by: Haul Wong, HWRP

BPW-2018-0582

DEPARTMENT OF PUBLIC WORKS

BUREAU OF SANITATION
BUREAU OF CONTRACT ADMINISTRATION
JOINT BOARD REPORT NO. 1
January 25, 2017

CD: 11

AUTHORITY TO DISTRIBUTE A REQUEST FOR PROPOSALS (RFP) AND
NEGOTIATE A CONTRACT(S) FOR HYPERION WATER RECLAMATION
PLANT (HWRP) OUTFALL INSPECTIONS (WORK ORDER #: SCH00000-
SECONDARY TREATMENT)

RECOMMENDATIONS

Authorize the Director of the Bureau of Sanitation (LASAN) to:

1. Distribute and advertise the transmitted Request for Proposals (RFP) for HWRP Outfalls Inspection.
2. Evaluate the proposals and select the most qualified proposer(s) based on established rating criteria.
3. Negotiate a contract(s) with the most responsive proposer(s)
4. Return to the Board of Public Works (Board) for authority to award and execute any contract(s) to perform the work.

TRANSMITTALS

1. Copy of the RFP for HWRP Outfall Annual Inspections.
2. Copy of the Business Inclusion Program Outreach waiver issued by the Mayor's Office of Economic Development on November 3, 2014.

DISCUSSION**Project Background**

LASAN's HWRP has three (3) submarine outfalls (1-Mile Outfall, 5-Mile Outfall, and 7-Mile Outfall) in the Santa Monica Bay. However, only the 1-Mile and 5-Mile outfalls are authorized for effluent discharge into the Santa Monica Bay.

The 1-Mile Outfall is a 12-foot internal diameter reinforced concrete pipe (RCP) built in 1951. The 1-Mile Outfall is permitted for emergency discharge of chlorinated secondary treated effluent when flow exceeds the Effluent Pumping Plant discharge capacity, and during preventive maintenance such as the exercise of 1-Mile Diversion Gates.

BUREAU OF SANITATION
JOINT BOARD REPORT: NO. 1
January 25, 2017

Page 2

The other 12-foot internal diameter RCP effluent discharge outfall, the 5-Mile Outfall, built in 1960, is currently the principal means of disposal of HWRP's effluent. This outfall is located north of the 1-Mile Outfall and ends in a "Y" shaped diffuser consisting of two 3,840-foot legs.

The 20-inch diameter RCP, 7-Mile Outfall, previously used for discharging digested sludge became inactive as of November 1987. Although this outfall is not currently used, it is listed in HWRP's existing National Pollutant Discharge Elimination System (NPDES) Permit Number CA01909991, as issued by the Los Angeles Regional Water Quality Control Board, and it is an irreplaceable asset for LASAN.

Annual survey and inspections of the 1-Mile and 5-Mile outfalls are required per the HWRP NPDES Permit issued by the U.S. Environmental Protection Agency, Region IX, and California Regional Water Quality Control Board, Los Angeles Region. The inspections and surveys of the outfalls determine structural integrities, flow distributions through the outfall diffuser ports, and the effect on the marine life. The result of the inspections will determine the need for any repairs and/or cleaning.

The City's current contract (C-118946) and Amendments Nos. 1 and 2 with Ballard Marine Construction for HWRP outfall inspections will expire on June 12, 2018. This expiration date excludes the two, 1-year renewal options contained in Amendment No. 2. Therefore, LASAN is seeking authority to distribute an RFP to solicit responses from potential contractor(s) to provide HWRP annual outfall inspections, 1-Mile Outfall internal inspection and other related diving services on an as-needed basis (Transmittal No. 1).

Proposed Term of Contract:

The term of this proposed contract will be for five (5) years with one (1), two-year renewal option, totaling seven (7) years.

Cost Estimate of Contract:

The estimated cost of the proposed contract is \$150,000 per year. The total estimated cost of the seven-year contract is \$1,050,000. Funding for the contract will be made available in the HWRP Operation and Maintenance budget.

Request for Proposals (RFP):

This is a solicitation for proposals from experienced contractors to provide annual HWRP outfall inspections, outfall diffuser ports marine growth removal, necessary outfall repair and cleaning, plus other related diving services on an as-needed basis.

Rationale for using an RFP:

The RFP process is being used instead of the bid process to solicit the best available services at the most competitive prices. The proposal review committee of LASAN staff will evaluate all proposals in order to determine which proposal(s) will provide the greatest benefits to the City.

Selection Process and Evaluation Criteria:

The proposal committee, consisting of City staff, will evaluate and rate all proposals in accordance with the evaluation criteria listed below.

BUREAU OF SANITATION
JOINT BOARD REPORT: NO. 1
January 25, 2017

Page 3

EVALUATION CRITERIA	
Technical Qualification and Past Experience	35 %
Cost Control	35%
Record of Past Performance	20 %
Approach to work	10 %
Total	100%

Based upon the evaluation panel's rating, LASAN will negotiate with the top rated Proposer(s), and will return to the Board to request authority to award and execute a contract(s) to the top ranked Proposer(s).

World Wide Web:

The RFP will also be posted on the City Web Site, www.labavn.org in compliance with City Council Motion 95-1060-S2.

Business Inclusion Program

The service of the required contract involves mainly conducting inspection of the outfalls by using either a customer-built submarine or remotely operated vehicle, combined with divers. The nature of the service is highly specialized, which offers no subcontracting opportunities. Consequently, Business Inclusion Program outreach requirements were waived by the Mayor's Office of Economic Development on November 3, 2014 (Transmittal No. 2).

Local Business Preference (LBP) Program

City Ordinance No. 181910 adopted the LBP Program which is designed to increase employment and expenditures in the local private sector. Proposers that qualify as a Local Business Enterprise (LBE) will be granted an additional eight (8) percent preference to their score at the time the RFP responses are evaluated. The Preference allowed by the Ordinance for the utilization of LBE subconsultant utilization cannot be determined due to the waiver of the Business Inclusion Program (BIP) Outreach requirement.

Compliance with Board RFP Policy:

As per Board Policy, this RFP was delivered to the Secretary of the Board prior to Board consideration thereof.

Notification of Intent to Contract:

The required Notification of Intent to Contract (NOI) was filed on October 7, 2013 with the CAO Clearinghouse for this proposed RFP. Revised NOIs were subsequently submitted on November 19, 2015, December 22, 2015, and January 27, 2016.

Charter Section 1022:

On November 6, 2013, the Personnel Department determined that there are no City staff that can perform the work being proposed for contracting.

Page 4

Other City Requirements:

All qualified and interested parties submitting qualifications will be required to comply with the following City of Los Angeles requirements:

- Non-Discrimination/Equal Employment/Affirmative Action Program
- Child Support Obligations Ordinance
- Americans with Disabilities Act
- Slavery Disclosure Ordinance
- Municipal Lobbying Ordinance
- Non-Collusion Affidavit
- Contract History
- Los Angeles Residence
- Insurance Requirements
- Payment of Proper Prevailing Wages
- Equal Benefits Ordinance
- Business Tax Registration Certificate
- First Source Hiring Ordinance
- Contract Bidder Campaign Contribution and Fundraising Restrictions
- Iran Contracting Act of 2010 Compliance Affidavit

The necessary attachments and forms pertaining to these requirements are included with the RFP and on labavn.org.

Contractor Responsibility Ordinance:

The best qualified proposer, selected following the proposal selection criteria, will be subject to compliance with the requirements specified in the City of Los Angeles' Contractor Responsibility Ordinance # 173677, [Article 14, Chapter 1, Division 10, L.A.A.C.]. Failure to comply with all requirements specified in the Ordinance will render the proposal non-responsive pursuant to the conditions expressed therein.

Contractor Performance Evaluation

In accordance with Article 13, Chapter 1, Division 10 of the City of Los Angeles Administrative Code, the appropriate City personnel responsible for the quality control of this personal services contract shall submit Contractor Performance Evaluation Reports to the Bureau of Contract Administration (Department of Public Works) upon completion of this contract.

Contract Administration:

Responsibility for the administration and management of this Contract will rest with the Hyperion Water Reclamation Plant of LASAN.

Future Actions:

Upon authorization by the Board, the RFP and attachments will be advertised on the Los Angeles Business Assistance Virtual Network (LABAVN).

BUREAU OF SANITATION
JOINT BOARD REPORT: NO. 1
January 25, 2017

Page 5

A review committee will evaluate the proposals. The most qualified proposer(s), who submitted the best proposals in response to the proposed RFP, will be evaluated and ranked. LASAN will negotiate personal services contract(s) with the most qualified proposer(s) to provide the required services stated in the RFP. Subsequent to the negotiation of the contract(s), LASAN will return to the Board for authority to award and execute contract(s) negotiated with the highest rated proposer(s).

Status of Financing

There is no impact to the General Fund. The total funding for the new contract will not exceed \$1,050,000 for the length of the entire seven (7) year contract period. For fiscal year 2016-2017, the amount of \$110,000 is available for the existing contract in the Sewer Construction and Maintenance Fund, Fund No. 760, Appropriation Unit No. 50NX82, Object 304, Line Item No. 57.

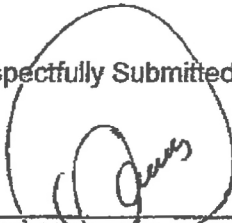
Funding for future fiscal years will be made available through the normal budgetary process.

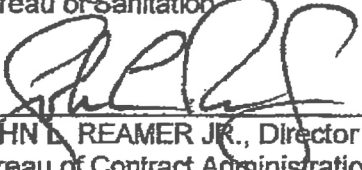
The contract includes a "Financial Liability Clause" which states that the City's liability under this contract shall only be to the extent of the present appropriation to fund the Contract. However, if the City shall appropriate funds for any succeeding years, the City's liability shall be extended to the extent of such appropriation, subject to the terms and conditions of the contract.

Respectfully Submitted,

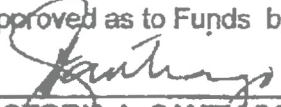
COMPLIANCE REVIEW PERFORMED
AND APPROVED BY:


HANNAH CHOI, Program Manager
Office of Contract Compliance
Bureau of Contract Administration


ENRIQUE C. ZALDIVAR, Director
Bureau of Sanitation


JOHN L. REAMER JR., Director
Bureau of Contract Administration

Approved as to Funds by:


VICTORIA A. SANTIAGO, Director
Office of Accounting
Date 1/18/2017

Prepared by:
Haul Wong, HWRP
(310) 648-5919

BPW-2018-0582

CONTRACT NO. C- _____

SERVICE AGREEMENT

BETWEEN

THE CITY OF LOS ANGELES

AND

BALLARD MARINE CONSTRUCTION

FOR

HYPERION WATER RECLAMATION PLANT (HWRP) OUTFALL ANNUAL
INSPECTIONS



City of Los Angeles
Department of Public Works
Bureau of Sanitation

Enrique C. Zaldivar, Director
Traci Minamide, Assistant Director

Hyperion Water Reclamation Plant Division
Timeyin Dafeta, Plant Manager

**AGREEMENT BETWEEN THE CITY OF LOS ANGELES AND BALLARD MARINE
CONSTRUCTION FOR HWRP ANNUAL OUTFALLS INSPECTIONS**

TABLE OF CONTENTS

ARTICLE 1 – SECTION HEADINGS AND CONSTRUCTION OF PROVISIONS AND TITLES HEREIN	6
ARTICLE 2 – DEFINITIONS	7
ARTICLE 3 – PROJECT DESCRIPTION	8
ARTICLE 4 – RESPONSIBILITIES OF AND SERVICES TO BE PERFORMED BY THE CONTRACTOR	9
ARTICLE 5 – KEY CONTRACTOR PERSONNEL	21
ARTICLE 6 – RESPONSIBILITIES OF AND TASKS TO BE PERFORMED BY CITY	22
ARTICLE 7 – TERM OF AGREEMENT AND TIME OF EFFECTIVENESS	22
ARTICLE 8 – INTEGRATED CONTRACT	23
ARTICLE 9 – TERMINATION	23
ARTICLE 10 - SUSPENSION	28
ARTICLE 11 - COMPENSATION, INVOICING, AND PAYMENT	28
ARTICLE 12 - AMENDMENT	34
ARTICLE 13 – INDEMNIFICATION	34
ARTICLE 14 - INSURANCE	34
ARTICLE 15 - BONDS	35
ARTICLE 16 – INDEPENDENT CONTRACTOR	35
ARTICLE 17 – OWNERSHIP AND LICENSE	35
ARTICLE 18 - DATA PROTECTION	37
ARTICLE 19 - INTELLECTUAL PROPERTY INDEMNIFICATION	38
ARTICLE 20 - INTELLECTUAL PROPERTY WARRANTY	39
ARTICLE 21 - WARRANTY AND RESPONSIBILITY OF CONTRACTOR	39
ARTICLE 22 – MANDATORY PROVISIONS PERTAINING TO NON-DISCRIMINATION IN EMPLOYMENT	40
ARTICLE 23 – BUSINESS INCLUSION PROGRAM (BIP)	41
ARTICLE 24 – SUCCESSORS AND ASSIGNS	41
ARTICLE 25 – CONTACT PERSONS - PROPER ADDRESSES - NOTIFICATION	41
ARTICLE 26 – EXCUSABLE DELAYS	42
ARTICLE 27 – BREACH	43
ARTICLE 28 - ASSIGNMENT AND DELEGATION	43
ARTICLE 29 – APPLICABLE LAW, INTERPRETATION AND ENFORCEMENT	44
ARTICLE 30 – CURRENT LOS ANGELES CITY BUSINESS TAX REGISTRATION CERTIFICATE REQUIRED	44
ARTICLE 31 – PREVAILING WAGE	45
ARTICLE 32 – ACCESS AND ACCOMMODATIONS	46
ARTICLE 33 – WAIVER	47
ARTICLE 34 – PERMITS	47
ARTICLE 35 - CLAIMS FOR LABOR AND MATERIALS	47
ARTICLE 36 – CONTRACTOR PERFORMANCE EVALUATION	47
ARTICLE 37 – CONTRACTOR RESPONSIBILITY ORDINANCE	48
ARTICLE 39 – MUNICIPAL LOBBYING ORDINANCE	48
ARTICLE 40 – BEST TERMS	49
ARTICLE 41 – CHILD SUPPORT ASSIGNMENT ORDERS	49
ARTICLE 42 - SEVERABILITY	49
ARTICLE 43 - DISPUTES	49
ARTICLE 44 - FIRST SOURCE HIRING ORDINANCE	50
ARTICLE 45 - RESTRICTIONS ON CAMPAIGN CONTRIBUTIONS AND FUNDRAISING IN CITY ELECTIONS	50

ARTICLE 46 – IRAN CONTRACTING ACT	51
ARTICLE 47 – CONTRACTORS' USE OF CRIMINAL HISTORY FOR CONSIDERATION OF EMPLOYMENT APPLICATIONS	51
ARTICLE 48 – LOCAL BUSINESS PREFERENCE ORDINANCE	52
ARTICLE 49 - COMPLIANCE WITH IDENTITY THEFT LAWS AND PAYMENT CARD DATA SECURITY STANDARDS	52
ARTICLE 50 - COMPLIANCE WITH CALIFORNIA PUBLIC RESOURCES CODE SECTION 5164	52
ARTICLE 51 - POSSESSORY INTERESTS TAX	53
ARTICLE 52 - CONFIDENTIALITY	53
ARTICLE 53 – LIVING WAGE ORDINANCE	54
ARTICLE 54 – WORKER RETENTION ORDINANCE	54

EXHIBITS

EXHIBIT A - PROJECT SERVICES COST ESTIMATE

EXHIBIT B - BUSINESS INCLUSION PROGRAM WAIVER

EXHIBIT C - INSURANCE REQUIREMENTS

EXHIBIT D - EQUAL BENEFITS ORDINANCE

EXHIBIT E - SLAVERY DISCLOSURE ORDINANCE

EXHIBIT F - LABOR COMPLIANCE MANUAL

EXHIBIT G - CONTRACTOR RESPONSIBILITY ORDINANCE

EXHIBIT H - BUSINESS TAX REGISTRATION CERTIFICATE

EXHIBIT I - LOS ANGELES RESIDENCE INFORMATION

EXHIBIT J - NON-COLLUSION AFFIDAVIT

EXHIBIT K - CONTRACT HISTORY

EXHIBIT L - MUNICIPAL LOBBYING ORDINANCE

EXHIBIT M - FIRST SOURCE HIRING ORDINANCE

EXHIBIT N - CONTRACTOR CAMPAIGN CONTRIBUTION AND FUNDRAISING

RESTRICTIONS

EXHIBIT O - IRAN CONTRACTING ACT AFFIDAVIT

EXHIBIT P - STANDARD PROVISIONS FOR CITY CONTRACTS

**AGREEMENT BETWEEN THE CITY OF LOS ANGELES AND BALLARD MARINE
CONSTRUCTION FOR HWRP ANNUAL OUTFALLS INSPECTIONS**

This AGREEMENT, made and entered into by and between the Bureau of Sanitation, Department of Public Works, a Municipal Corporation acting by order of and through its Board of Public Works, hereinafter called the "CITY", and BALLARD MARINE CONSTRUCTION INC, hereinafter referred to as the "CONTRACTOR"; is set forth as follows:

W I T N E S S E T H

WHEREAS, the CITY operates and maintains three (3) submarine outfalls, 1-Mile, 5-Mile and 7-Mile, in the Santa Monica Bay for the disposal of treated wastewater; and

WHEREAS, annual inspections and surveys of both the 1-Mile and 5-Mile outfalls are required under the NPDES permit, issued by the U.S. Environmental Protection Agency, Region IX, and California Regional Water Quality Control Board - Los Angeles Region; and

WHEREAS, inspections of the outfalls will assist CITY staff in determining the outfalls' structural integrities and monitoring flow distributions through the outfall diffuser ports and the long-term impact on marine life growth in the vicinities of the ports. The result of the inspections will determine the need for any repairs and/or cleaning; and

WHEREAS, on January 25, 2017, the Board of Public Works authorized the Bureau of Sanitation (LASAN) to distribute a Request for Proposals (RFP) to solicit proposals from qualified and experienced firms to provide professional diving and undersea video recording services to conduct the annual inspections of the Hyperion Water Reclamation Plant outfalls; and

WHEREAS, on March 22, 2017, a total of eight (8) proposals were received by the CITY in response to the RFP; and

WHEREAS, Ballard Marine Construction (CONTRACTOR) has demonstrated the necessary qualifications to perform said ocean outfall inspection services and underwater video recording; and

WHEREAS, CONTRACTOR was deemed to be the most qualified respondent as determined by CITY staff based on the evaluation criteria set forth in the RFP; and

WHEREAS, CONTRACTOR is in full compliance with applicable CalOSHA regulations, the USCG Regulations, USACE EM 385-1-1 and the ADCI Consensus for Commercial Diving and Underwater Operations; and

WHEREAS, the professional diving and undersea video recording services to be provided by the CONTRACTOR are of an expert and technical nature; and

WHEREAS, the CITY desires to retain CONTRACTOR for a period of five (5) years with one (1) two-year renewal option to provide the services as outlined herein;

NOW, THEREFORE, in consideration of the foregoing and of the benefits which will accrue to the parties hereto in carrying out the terms and conditions of this CONTRACT, it is understood and agreed by and between the parties hereto as follows:

ARTICLE 1 – SECTION HEADINGS AND CONSTRUCTION OF PROVISIONS AND TITLES HEREIN

All titles, subtitles, or headings in this CONTRACT have been inserted for convenience, and shall not be deemed to affect the meaning or construction of any of the terms or provisions hereof. The language of this CONTRACT shall be construed according to its fair meaning and not strictly for or against the CITY or the CONTRACTOR. The word "CONTRACTOR" herein in this CONTRACT includes the party or parties identified in the CONTRACT. The singular shall include the plural; if there is more than one CONTRACTOR herein, unless expressly stated

otherwise, their obligations and liabilities hereunder shall be joint and several. Use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used.

ARTICLE 2 – DEFINITIONS

It is understood that the following words and phrases are used herein; each shall have the meaning set forth opposite the same:

ADCI	Association of Diving Contractors International
AGREEMENT/ CONTRACT	This contractual agreement between the CITY and Ballard Marine Construction Inc.
BOARD	The Board of Public Works of the City of Los Angeles.
CITY	The City of Los Angeles, Board of Public Works or its subordinate Bureaus. The term CITY may also refer to the geographic area known as the City of Los Angeles, the City Council, other Departments of the City of Los Angeles, or any person employed by the City of Los Angeles who is authorized to represent the City of Los Angeles in manners concerning this document.
CONTRACTOR	Ballard Marine Construction Inc.
FSW	Feet of seawater (or equivalent static pressure head)
HWRP	Hyperion Water Reclamation Plant owned and operated by the City of Los Angeles.
LASAN	The Los Angeles City Bureau of Sanitation operating under the Board of Public Works
MBE/WBE/SBE/	Minority/Women/Small/Emerging/Disabled Veteran/Other Business
EBE/DVBE/OBE	Enterprise
NPDES	National Pollutant Discharge Elimination System

OSHA	Occupational Safety and Health Administration
PROJECT	Hyperion Outfalls Annual Inspection and Diving Services
PROJECT MANAGER	A CITY designated representative who is responsible for administering and monitoring the CONTRACT.
RCP	Reinforced Concrete Pipe.
USACE EM	US Army Corps of Engineers, Engineering Manual
USCG	United States Coast Guard
U.S. EPA	United States Environmental Protection Agency

ARTICLE 3 – PROJECT DESCRIPTION

The Bureau of Sanitation (LASAN), HWRP operates and maintains three (3) submarine outfalls in Santa Monica Bay for the disposal of treated wastewater: 1-Mile Outfall, 5-Mile Outfall, and 7-Mile Outfall.

The 1-Mile Outfall, twelve-foot internal diameter RCP, built in 1951, is currently only used for emergency discharge of treated wastewater in case of power failure and the plant discharge flow exceeds the 5-Mile Outfall gravity discharge capacity. The 5-Mile Outfall, which is also a twelve-foot internal diameter RCP, was constructed and put into operation in 1960, and is currently the principal means of disposal for the HWRP effluent.

Annual inspections of both the 1-Mile and 5-Mile Outfalls, including the 1-Mile Diversion Structure and the Surge Chamber, are required under the HWRP NPDES permit, issued by the U.S. EPA, Region IX, and California Regional Water Quality Control Board – Los Angeles Region.

The 7-Mile Outfall, a 20-inch diameter steel pipe, ceased discharging digested sludge and became inactive as of November 1987. Although the 7-Mile Outfall is not currently active and not required to be inspected annually per the NPDES permit, it is still listed in the Permit and is

an irreplaceable asset for LASAN. LASAN shall reserve the option under this CONTRACT to have the CONTRACTOR inspect this outfall, should LASAN decide to put this outfall into operation in future years.

The CONTRACTOR shall provide professional divers and/or a remote vehicle to perform surveys and inspections of both the 1-Mile and the 5-Mile Outfalls annually, described in Article 4.4, and any other diving services requested by the CITY, including surveys and inspection of the 7-Mile outfall, on an as-needed basis in accordance with the rate schedule set in this CONTRACT, such as ensuring: (1) the structural integrities of the outfalls, (2) the treated wastewater flow distributions through the outfall diffuser ports, and (3) vent ports are not compromised by marine growth. These inspections and surveys of the outfalls will assist CITY engineering staff to determine structural integrities and/or flaws of the outfalls, flow distributions through the outfall diffuser ports, and plant discharge impact on marine life growth in the vicinities of the ports. These inspections will provide CITY staff with a comprehensive analysis of the current condition of each outfall, including all components and sections.

ARTICLE 4 – RESPONSIBILITIES OF AND SERVICES TO BE PERFORMED BY THE CONTRACTOR

4.1 CONTRACTOR shall perform annual inspections and video recordings for both the 5-Mile outfall and 1-Mile Outfall described in Article 4.4, “Scope of Work” and shall perform other additional services if requested by the CITY. CONTRACTOR shall perform such work with a degree of skill and diligence normally employed by professional diver performing the same or similar services.

4.2 CONTRACTOR shall provide corrective services without any charges to the CITY for services which fail to meet the above standards and which are reported to CONTRACTOR in writing within sixty (60) days of discovering unsatisfactory service. Should the CONTRACTOR

fail or refuse to perform promptly its obligations under this CONTRACT, the CITY may render or undertake the performance thereof and the CONTRACTOR shall be liable for any expenses thereby incurred.

4.3 Retention of Records, Audit and Reports

CONTRACTOR shall maintain all records, including records of financial transactions, pertaining to the performance of this CONTRACT, in their original form or as otherwise approved by the CITY. These records shall be retained for a period of no less than three years from the later of the following: (1) final payment made by the CITY, (2) the expiration of this CONTRACT or (3) termination of this CONTRACT. The records will be subject to examination and audit by authorized CITY personnel or the CITY'S representatives at any time. CONTRACTOR shall provide any reports requested by the CITY regarding performance of this CONTRACT. Any subcontract entered into by CONTRACTOR for work to be performed under this CONTRACT must include an identical provision.

In lieu of retaining the records for the term as prescribed in this provision, CONTRACTOR may, upon the CITY'S written approval, submit the required information to the CITY in an electronic format, e.g. USB flash drive, at the expiration or termination of this CONTRACT.

4.4 Scope of Work

The scope of work required for annual outfall inspections and diving services includes, but is not limited to the following:

4.4.1 5-Mile Outfall Annual Inspection

The HWRP 5-Mile Outfall was constructed and put in operation in 1961. It is currently the principal means of discharging treated HWRP effluent to the ocean. This outfall discharges effluent through a 12-foot diameter, 5-mile reinforced concrete pipe (RCP) with either the gravity-feed system or the pump-flow system. Tide level, total plant flow, and other factors of the 5-Mile Outfall dictate which one of these two systems HWRP will employ. The 5-Mile Outfall has a peak pumping capacity of 900 Million Gallons per

Day (MGD), but the normal discharge flow rate is approximately 160 to 360 MGD. The main outfall section was constructed of a 144-inch diameter RCP ending at a depth of 190 feet. The 144-inch-diameter outfall begins at the junction of the gravity flow line and the effluent pump discharge line at the northwest corner of the HWRP Effluent Pumping Plant building. The inshore portion of the 5-Mile Outfall is covered with sand, rocks and ballast. The midshore and offshore sections of this outfall are covered with underwater growth such as algae and hydroids. The main pipe ends at the WYE, where it splits into two diffuser legs that extend in a Y-pattern from the end.

The three (3) main components of the HWRP 5-Mile Outfall are as follows:

- *Main Barrel.* The main barrel is 144-inch RCP which is approximately five (5) miles long with one gas release vent port at the end. The wall thickness ranges from ten (10) to fifteen (15) inches, with two (2) layers of circumferential reinforcing steel.
- *WYE Structure.* The WYE structure with steel plates and cement lining and coating connects the main barrel with the two (2) diffuser legs. This structure has an access opening and a bulkhead gate.
- *Diffuser Legs.* Two (2) diffuser legs are approximately 4,000 ft. in length at a depth of approximately 200 feet. Approximately 2,400 ft. of the diffuser legs were constructed of the 102-inch inside diameter RCP. The remaining 1,600 ft. of diffuser legs were constructed of the 72-inch inside diameter RCP. Each diffuser contains 83 small ports to optimize the mixing of the treated effluent with the seawater and two (2) gas release vent ports. One is near the transition structure from 102-inch I.D. to 72-inch I.D. and other is near the end of the leg.

CONTRACTOR shall be responsible for performing the following tasks relative to the annual 5-Mile Outfall Inspection:

4.4.1.1 The Northern Leg of the 4,000-foot diffuser of the 5-Mile outfall contains the 83 effluent ports. In the vicinity of the mid-point of this leg (station Z-1 in the NPDES Permit, 33 54'53"N, 118 31'30"W), the CONTRACTOR shall perform a visual inspection of the surrounding area to determine the thickness of any "cloud" of unsettled solids, and ocean bottom flora and fauna. These inspections shall include general observation and digital and/or film documentation of the outfall pipelines and surrounding ocean bottom. CONTRACTOR shall use either remote control vehicle, or submersible submarine or team of scuba divers for this task.

4.4.1.2 CONTRACTOR shall perform visual examination of all 166 diffuser ports

(83 ports on each leg) on both the Northern and Southern Legs to detect any obstructions, leaks, and/or inadequate flow distribution. This examination, which includes inspecting both onshore and offshore sides of each diffuser leg, shall include digital and/or film documentation of each outfall effluent port. Each leg begins at the WYE connection. The depth of the WYE and legs vary from 195 to 200 feet below the surface. CONTRACTOR shall use a remote control vehicle, submersible, submarine, or team of scuba divers for

this task.

4.4.1.3 CONTRACTOR shall examine each of the diffuser legs, WYE, and main barrel sections denoted as the Offshore, Mid-Section and Inshore Sections. CONTRACTOR shall examine, photograph, and report on the marine growth, structural integrity of the pipeline, supports, ballast, re-ballasting, bulkhead ports, five (5) gas vents, manholes, four (4) special effluent ports, bell joint repairs, separations, and undercutting of the ballast and supports. CONTRACTOR shall use a remote control vehicle, submersible, submarine, or team of scuba divers for this task.

4.4.1.4 Deliverables – Within three (3) months after inspecting the outfall, CONTRACTOR shall provide a one-hour briefing and video presentation to HWRP staff at HWRP facility. The briefing shall include twenty (20) to forty (40) minutes digital video presentation with narrative, showing highlights and key issues of the inspection. CONTRACTOR should also deliver the following items to the CITY during the briefing and discussion: 1) three (3) copies of the Digital Video Disc (DVD) which is used in the briefing; 2) six (6) copies of the written report; and 3) a flash drive, containing the Video presentation file and the inspection report file in Portable Document Format (PDF.) The inspection report shall include the CONTRACTOR's comprehensive findings, recommendations, and timelines, based upon their visual inspections of the following sections:

1. Major Findings
2. 5-Mile Outfall Characteristics
3. Port Identification and Location
4. Plugged and/or Puffing Ports
5. Typical Diffuser Effluent Ports
6. Status of Four (4) Special Effluent Ports
7. South Diffuser End Structure Area
8. North Diffuser End Structure Area
9. South Transition Structure
10. North Transition Structure
11. WYE Structure
12. Main Barrel
13. Offshore Bell Joint Repairs
14. Epoxy Bumper Joint Separation
15. Main Barrel Re-ballasting
16. Inshore Bell Joint Repairs

In addition, CONTRACTOR shall retain copies of all the video records taken on this project that are not contained in the above three (3) DVDs or flush drive for ten (10) years in the event the CITY requests such records in the future

4.4.2 1-Mile Outfall Inspection

4.4.2.1 Annual 1-Mile Outfall Inspection

The 1-Mile Outfall structure was built in 1951 and is currently only used during emergency conditions such as Effluent Pumping Plant power failure or HWRP plant discharge flow over the 5-Mile Outfall discharge capacity during peak wet weather season. The 1-Mile Outfall, a 144-inch internal diameter (ID) reinforced concrete pipe (RCP), is approximately 5,280 Ft. long. The first section of the 2,080-ft long conduit is encased in concrete with an overall width of twenty (20) ft. The remaining 3,000-ft RCP is constructed in 100-ft long sections of RCP supported by reinforced concrete pylons. The wall thickness is fourteen (14)-inches with two (2) layers of circumferential reinforcing steel. The 1-Mile Outfall diffuser consists of four (4) bulkhead ports, and six (6) side-ports.

CONTRACTOR shall be responsible for performing the following tasks relative to the 1-Mile Outfall Inspection:

4.4.2.1.1 CONTRACTOR shall inspect the four (4) bulkhead end-ports and six (6) side-ports. These inspections shall include general visual observation and digital and/or film documentation of the outfall pipelines and the surrounding ocean bottom. CONTRACTOR shall use a remote controlled vehicle, submersible vehicle, submarine, or team of scuba divers for this task.

4.4.2.1.2 CONTRACTOR shall inspect, examine, photograph, and report on the marine growth, structural integrity of the pipeline, its supports, ballast, re-ballasting, bulkhead ports, gas vents, manholes, bell joint repairs, separations, and undercutting of the ballast and supports. CONTRACTOR shall use a remote controlled vehicle; submersible vehicle, submarine, or team of scuba divers may be used for this

task.

4.4.2.1.3 Deliverables – Within three (3) months after inspecting the outfall, CONTRACTOR shall provide a one- hour briefing to HWRP staff at HWRP facility. The briefing shall include twenty (20) to forty (40) minutes digital video presentation with narrative, showing highlights and key issues of the inspection.

CONTRACTOR should also deliver the following items to the CITY during the briefing and discussion: 1) three (3) copies of the Digital Video Disc (DVD) which is used in the briefing; 2) six (6) copies of the written report; and 3) a flash drive containing the briefing video file and the inspection report in Portable Document Format (PDF.) The report shall include the following sections:

1. Major Findings
2. 1-Mile Outfall Characteristics
3. Diffuser End Structure Area
4. End Ports
5. Side Ports
6. Typical Pylon Support
7. Typical Manhole Cover
8. Encased Pipeline Section
9. Re-ballasted Area of the Pipeline Encasement
10. Undercut repaired area in the Pipe Encasement

In addition, the CONTRACTOR shall retain copies of all the video records taken on the project that are not contained in the above three (3) discs for ten (10) years in the event the CITY requests such records in the future.

4.4.2.2 Internal 1-Mile Outfall Inspection and Other Related Services

4.4.2.2.1 The CONTRACTOR shall perform the 1-Mile Outfall Internal Inspection as requested by the CITY by using ROV equipped with both video and sonar device to inspect the entire length of the 12-ft diameter concrete reinforced 1-Mile Outfall, from the opening surge chamber hatch, which is located inside HWRP to the end of the 1-Mile Outfall. The CONTRACTOR shall check for marine growth, sand or sludge settlement, and any floatable or non-floatable debris.

4.4.2.2.2 The CONTRACTOR shall perform other diving related services as requested by the CITY. Such services include, but are not limited to, the removal of marine growth on the four end ports and the marine growth on the six side ports, which can be removed from the outside of the 1-Mile Outfall without entering into the Outfall itself.

4.4.2.2.3 Provide Deliverables. Within two (2) months after inspecting the internal structure of the 1-Mile Outfall, the CONTRACTOR shall provide a forty (40) minute briefing with a video and photo image presentation to the Engineering Staff at HWRP. The briefing shall include ten (10) to twenty (20) minutes of digital video and/or sonar image recording presentation with narrative, showing highlights and key issues of the inspection. At the same time, the CONTRACTOR shall also deliver the following items:

1. Three (3) copies of the Digital Video Disc (DVD)
2. Six (6) hardcopies of the written report
3. One (1) fresh drive that contain the video file and the written report in Portable Document Format (PDF)

The inspection report shall incorporate clear, high quality pictures (minimum image

resolution of 1920x1080i) and shall include the CONTRACTOR'S comprehensive findings.

In addition, the CONTRACTOR shall retain copies of all the video records taken on the project that are not contained in the above three (3) discs or in the flash driver for ten (10) years in the event the CITY requests such records in the future.

4.4.2.3 1-Mile Outfall Diversion Gate Structure and Surge Chamber Inspection

4.4.2.3.1 Each year between September 15 to October 15, CONTRACTOR shall use an ADCI certified 3-man dive crew and Surface Supplied Dive System, equipped with an Underwater Camera or video recorder, to inspect and remove (if any) visible and floating materials inside the 1-Mile Outfall Diversion Gate Structure and 1-Mile Surge Chamber. Still photos or video recording that cover the entire water surface areas shall be taken throughout the inspection and provided along with an inspection report. The CONTRACTOR shall provide its own Confined Space safety equipment, such as a Miller DuraHoist safety system, to lower and retrieve the diver into the chambers without the needs of using HWRP's crane and man-basket.

4.4.2.3.2 In addition to the prior wet-season cleaning and inspection of the 1-Mile Outfall Diversion Gate Structure and Surge Chamber, at the request of the Project Manager for HWRP, CONTRACTOR shall also perform the cleaning and inspection of the 1-Mile Outfall Diversion Gate Structure and Surge Chamber prior to any planed discharge, including 1-Mile Diversion Gates exercise.

4.4.2.3.3 Provide Deliverables. Within 60 days after inspecting the 1-Mile Outfall, Diversion Gate Structure and the Surge Chamber, the CONTRACTOR shall provide a written report, along with still photos that covered the entire surface area or

video record, send to the Engineering Staff at HWRP.

4.4.3 7-Mile Outfall Inspection

Although the 20-inch diameter 7-Mile Outfall is not currently in use and was not required to be inspected annually per NPDES permit, it is listed in HWRP's existing NPDES Permit. The CITY would like to maintain the condition of this outfall should the CITY decide to use it in future years. Therefore, upon direction by the CITY, CONTRACTOR shall perform the following tasks based on the rate schedule set forth in this CONTRACT:

4.4.3.1 In the vicinity of the end-point of the 7-Mile Outfall (point E-6 as referenced in the NPDES permit, 33° 55'33"N, 118° 33'27"W), CONTRACTOR shall inspect this area to determine the thickness of any "cloud" of unsettled solids, and ocean bottom flora and fauna. These inspections include general observation and digital and/or film documentation of the outfall pipelines and the surrounding ocean bottom. CONTRACTOR shall use a remote control vehicle, submersible, submarine, or team of scuba divers for this task.

4.4.3.2 CONTRACTOR shall inspect all the discharge port. These inspections shall include general observation and digital and/or film documentation of the outfall port and the surrounding ocean bottom. CONTRACTOR shall use a remote controlled vehicle, submersible, submarine, or team of scuba divers for this task.

4.4.3.3 CONTRACTOR shall inspect, exam, photograph, and report on the marine growth, structural integrity of the pipeline, its supports, ballast, re-ballasting, bulkhead ports, manholes, joint repairs, separations, and undercutting of the ballast and supports. CONTRACTOR shall use a remote controlled vehicle, submersible, submarine, or team of scuba divers for this task.

4.4.3.4 Deliverables – Within three (3) months after inspecting the outfall, CONTRACTOR shall provide a one- hour briefing to the HWRP staff at HWRP facility. The briefing shall include twenty (20) to forty (40) minutes digital video presentation with narrative, showing highlights and key issues of the inspection. CONTRACTOR should also deliver the following items to the CITY during the briefing and discussion: 1) three (3) copies of the Digital Video Disc (DVD) which is used in the briefing; 2) six (6) copies of the written report; and 3) a flash drive containing the video file used in the briefing and the written report in PDF format. The report shall include the following sections:

1. Major Findings

2. 7-Mile Outfall Characteristics
3. The End Opening Area
4. The Bio-Marine Layer on the outfall pipe
5. The sediment around the outfall pipe
6. Heavy can deposits area between 200' to 150'
7. Pipe undercutting at anchor block area (145' to 125')
8. Inshore pipe repair collar (95')
9. Inshore anchor blocks (95' to 60")

In addition, the CONTRACTOR shall retain copies of all the video records taken on the project that are not contained in the above three (3) discs for a period of at least ten (10) years in the event the CITY requests such records in the future.

4.5 Schedule of Services

When CITY desires CONTRACT services, the PROJECT MANAGER or his authorized representative shall issue task orders to the CONTRACTOR detailing the tasks and deliverables. Task Orders for 1-Mile and 5-Mile Outfall annual inspections shall be issued each year before the end of May. Once the task order is issued, within two (2) months, the CONTRACTOR shall provide the PROJECT MANAGER, at the PROJECT MANAGER's discretion, a statement of services specifying details of the work to be performed, and time schedule for the completion of each task, based on favorable weather conditions as determined by the CONTRACTOR (normally during summer). CONTRACTOR shall schedule annual outfall inspections at least ten (10) months after the preceding annual inspections were conducted. Within three (3) months after the inspections, CONTRACTOR shall complete, deliver and present the final inspection reports and the video recording, specified in Article 4.4 to the CITY.

If work in addition to the annual 1-Mile and 5-Mile Outfall inspections is required by the CITY, the CONTRACTOR shall provide cost estimates for the completion of each task, which shall be included in the statement of services.

Once the statement of services is approved, the PROJECT MANAGER shall issue a written notice to proceed. If it appears that the actual cost or schedule will exceed the estimate on the statement of services, the CONTRACTOR shall revise the statement of services, subject to

approval of the PROJECT MANAGER and the CONTRACTOR will be reissued a notice to proceed by the PROJECT MANAGER. No work shall be performed under this AGREEMENT without a written notice to proceed.

ARTICLE 5 – KEY CONTRACTOR PERSONNEL

5.1 CONTRACTOR designates the following persons to represent CONTRACTOR in all matters pertaining to this CONTRACT:

BALLARD MARINE CONSTRUCTION, INC.

727 S 27th St. Washougal, WA 98671

(360) 695-5163

Jesse Hutton, President

Office Phone: (360) 695-5163 Ext. 103, Cell Phone: (360) 518-3641

Jesse.Hutton@ballardmc.com

Chris Bauer, Sr. Project Manager

Office Phone: (360) 695-5163 Ext. 400, Cell Phone: (920) 257-9938

Chris.Bauer@ballardmc.com

Melanie Culp, Contract and Risk Manager

Office Phone: (360) 695-5163 Ext. 106, Cell Phone: (360) 852-6919

Melanie.Culp@ballardmc.com

5.2 Unless otherwise approved by the CITY, CONTRACTOR shall use its own employees to perform the services described in this CONTRACT. The CITY shall have the right to review and approve any personnel who are assigned to work under this CONTRACT. CONTRACTOR shall remove personnel from performing work under this Contract if requested to do so by the CITY.

CONTRACTOR shall not use subcontractors to assist in performance of this CONTRACT without the prior written approval of the CITY. If the CITY permits the use of subcontractors, CONTRACTOR shall remain responsible for performing all aspects of this CONTRACT and paying all subcontractors. The CITY has the right to approve CONTRACTOR'S subcontractors, and the CITY reserves the right to request replacement of any subcontractor. The CITY does not have any obligation to pay CONTRACTOR'S subcontractors, and nothing herein creates any privity between the CITY and any subcontractor.

ARTICLE 6 – RESPONSIBILITIES OF AND TASKS TO BE PERFORMED BY CITY

CITY designates Haul Wong, as its PROJECT MANAGER to represent the CITY in all matters within the scope of the AGREEMENT relating to the conduct and approval of the work to be performed. Whenever the term "approval of CITY," "consult with CITY," "confer with CITY," or similar terms are used, they shall refer to the PROJECT MANAGER. The PROJECT MANAGER may designate an assistant to act in his/her stead. The CITY may designate another CITY employee to succeed Haul Wong as PROJECT MANAGER. The CONTRACTOR will be notified in writing in such event.

The CITY shall furnish, without charge, all standard plans and specifications and any other information that the CITY now has in its files that may be of use to the CONTRACTOR.

ARTICLE 7 – TERM OF AGREEMENT AND TIME OF EFFECTIVENESS

The term of this CONTRACT shall be for five (5) years with one (1) two-year renewal option which the CITY may exercise in its sole discretion unless terminated as provided under Article 9 or extended by an amendment to this CONTRACT and signed by both parties.

Unless otherwise provided, this CONTRACT shall take effect when all of the following events have occurred:

A. This CONTRACT has been signed on behalf of CONTRACTOR by the person or persons authorized to bind CONTRACTOR hereto;

B. This CONTRACT has been approved by the City Council or by the BOARD officer or employee authorized to give such approval;

C. The Office of the City Attorney has indicated in writing its approval of this CONTRACT as to form; and

D. This CONTRACT has been signed on behalf of the CITY by the person designated by the City Council, or by the BOARD officer or employee authorized to enter into this CONTRACT.

ARTICLE 8 – INTEGRATED CONTRACT

This CONTRACT sets forth all of the rights and duties of the parties with respect to the subject matter of this CONTRACT, and replaces any and all previous Contracts or understandings, whether written or oral, relating thereto. This CONTRACT may be amended only as provided for in the provisions of Article 12 hereof.

ARTICLE 9 – TERMINATION

A. Termination for Convenience

The CITY may terminate this CONTRACT for the CITY'S convenience at any time by providing CONTRACTOR thirty (30) days written notice. Upon receipt of the notice of termination, CONTRACTOR shall immediately take action not to incur any additional obligations, costs or expenses, except as may be necessary to terminate its activities. The

CITY shall pay CONTRACTOR its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by CONTRACTOR to affect the termination. Thereafter, CONTRACTOR shall have no further claims against the CITY under this CONTRACT. All finished and unfinished documents and materials procured for or produced under this CONTRACT, including all intellectual property rights the CITY is entitled to, shall become CITY property upon the date of the termination. CONTRACTOR agrees to execute any documents necessary for the CITY to perfect, memorialize, or record CITY'S ownership of rights provided herein.

B. Termination for Breach of Contract

1. Except as provided in Article 26, if CONTRACTOR fails to perform any of the provisions of this CONTRACT or so fails to make progress as to endanger timely performance of this CONTRACT, the CITY may give CONTRACTOR written notice of the default. The CITY'S default notice will indicate whether the default may be cured and the time period to cure the default to the sole satisfaction of CITY. Additionally, the CITY'S default notice may offer CONTRACTOR an opportunity to provide the CITY with a plan to cure the default, which shall be submitted to the CITY within the time period allowed by the CITY. At the CITY'S sole discretion, the CITY may accept or reject CONTRACTOR'S plan. If the default cannot be cured or if CONTRACTOR fails to cure within the period allowed by the CITY, then the CITY may terminate this CONTRACT due to CONTRACTOR'S breach of this CONTRACT.
2. If the default under this CONTRACT is due to CONTRACTOR'S failure to maintain the insurance required under this CONTRACT, CONTRACTOR shall

immediately: (1) suspend performance of any services under this CONTRACT for which insurance was required; and (2) notify its employees and Subcontractors of the loss of insurance coverage and CONTRACTOR'S obligation to suspend performance of services. CONTRACTOR shall not recommence performance until CONTRACTOR is fully insured and in compliance with the CITY'S requirements.

3. If a federal or state proceeding for relief of debtors is undertaken by or against CONTRACTOR, or if CONTRACTOR makes an assignment for the benefit of creditors, then the CITY may immediately terminate this CONTRACT.
4. If CONTRACTOR engages in any dishonest conduct related to the performance or administration of this CONTRACT or violates the CITY'S laws, regulations or policies relating to lobbying, then the CITY may immediately terminate this CONTRACT.
5. Acts of Moral Turpitude
 - a. CONTRACTOR shall immediately notify the CITY if CONTRACTOR or any Key Person, as defined below, is charged with, indicted for, convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, any act which constitutes an offense involving moral turpitude under federal, state, or local laws ("Act of Moral Turpitude").
 - b. If CONTRACTOR or a Key Person is convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing

related to, an Act of Moral Turpitude, the CITY may immediately terminate this CONTRACT.

- c. If CONTRACTOR or a Key Person is charged with or indicted for an Act of Moral Turpitude, the CITY may terminate this CONTRACT after providing CONTRACTOR an opportunity to present evidence of CONTRACTOR'S ability to perform under the terms of this CONTRACT.
- d. Acts of Moral Turpitude include, but are not limited to: violent felonies as defined by Penal Code Section 667.5, crimes involving weapons, crimes resulting in serious bodily injury or death, serious felonies as defined by Penal Code Section 1192.7, and those crimes referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2); in addition to and including acts of murder, rape, sexual assault, robbery, kidnapping, human trafficking, pimping, voluntary manslaughter, aggravated assault, assault on a peace officer, mayhem, fraud, domestic abuse, elderly abuse, and child abuse, regardless of whether such acts are punishable by felony or misdemeanor conviction.
- e. For the purposes of this provision, a Key Person is a principal, officer, or employee assigned to this CONTRACT, or owner (directly or indirectly, through one or more intermediaries) of ten percent or more of the voting power or equity interests of CONTRACTOR.

6. In the event the CITY terminates this CONTRACT as provided in this section, the CITY may procure, upon such terms and in the manner as the CITY may deem appropriate, services similar in scope and level of effort to those so terminated, and CONTRACTOR shall be liable to the CITY for all of its costs and damages, including, but not limited to, any excess costs for such services.
 7. If, after notice of termination of this CONTRACT under the provisions of this section, it is determined for any reason that CONTRACTOR was not in default under the provisions of this section, or that the default was excusable under the terms of this CONTRACT, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Article 9.A Termination for Convenience.
 8. The rights and remedies of the CITY provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this CONTRACT.
- C. In the event that this CONTRACT is terminated, CONTRACTOR shall immediately notify all employees and Subcontractors, and shall notify in writing all other parties contracted with under the terms of this CONTRACT within five (5) working days of the termination.

ARTICLE 10 - SUSPENSION

At the CITY'S sole discretion, the CITY may suspend any or all services provided under this CONTRACT by providing CONTRACTOR with written notice of suspension. Upon receipt of the notice of suspension, CONTRACTOR shall immediately cease the services suspended and

shall not incur any additional obligations, costs or expenses to the CITY until the CITY gives written notice to recommence the services.

ARTICLE 11 - COMPENSATION, INVOICING, AND PAYMENT

10.1 Compensation

CONTRACTOR agrees to perform the work specified in Article 4.4 and the CITY shall compensate the CONTRACTOR based on the rate schedule below. Compensation shall be subject to the satisfactory completion of the tasks and documentation submitted by CONTRACTOR for invoiced work.

The CITY shall compensate CONTRACTOR based on the following:

Rate Schedules for Annual Outfall Inspection:

<i>Outfall Inspection Rate Schedule (as outlined in RFP)</i>				
Item	Description	Unit Cost	Units	Total
1	5-Mile Outfall, Annual Inspection (as outlined in Article 4.4.1)	\$ 42,810.00	Each	\$ 42,810.00
2		\$ 27,125.00	Each	\$ 27,125.00
3		\$ 18,550.00	Each	\$ 18,550.00
4	7-Mile Outfall, Inspection (as outlined in Article 4.4.3)	\$ 25,300.00	Each	\$ 25,300.00

Pricing Clarifications (Above items 1-4)

Pricing based on inspections performed concurrently (one mobilization/Demobilization)

<i>Additional Cleaning, Diving and ROV Rate Schedule (as outlined in RFP)</i>				
Item	Description	Unit Cost	Units	Total
5	Cleaning of all ten (10) 1-Mile Outfall diffuser ports	\$ 19,700.00	Each	\$ 19,700.00
6	Mobilization & Demobilization to Job Site	\$ 1,800.00	Each	\$ 1,800.00

7	Support Vessel	\$ 1,050.00	Day	\$ 1,050.00
8	ROV System	\$ 1,150.00	Day	\$ 1,150.00
9	ROV Support Crew Member	\$ 950.00	8 hrs.	\$ 950.00
10	Dive Crew Member (less than 50 FSW)	\$ 1,425.00	8 hrs.	\$ 1,425.00
11	Dive Crew Member (Between 50 to 80 FSW)	\$ 1,515.00	8 hrs.	\$ 1,515.00
12	Dive Crew Member (greater than 80 FSW but less than 100 FSW)	\$ 1,575.00	8 hrs.	\$ 1,575.00
13	1-Mile Outfall Diversion Structure and Surge Chamber Inspection and Cleaning	\$6,900.00	8 hrs.	\$6,900.00

Pricing Clarifications (Above items 5-12)

- Item 6 pertains to dive crew and equipment only. Additional cost for ROV mobilization outside of the Items 1-4 listed above may apply.
- Item 7 includes shallow water dive package
- Item 12 may require additional dive equipment above and beyond a standard shallow water dive package including decompression equipment.
- Item 13 includes Mobilization and Demobilization cost and necessary equipment to comply with Confined Space Safety equipment, such as a Miller DuraHoist safety system, to enter and retrieve the diver into from the inspection area without the needs of using HWRP's crane and man-basket. However, if the project required consumables materials, these charges will be assessed for any consumable materials for the project outside the normal diving operations at a cost plus fifteen percent (15%). Materials remove from the inspection site, such as spoils, debris and trash disposal are not included in this schedule and are the responsibility of HWRP.

The rate for each annual outfall inspection stated above in Items 1 through 4 are the lump sum amounts for each outfall inspection, as specified in Article 4.4, and 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 by CONTRACTOR.

The CITY shall compensate CONTRACTOR for any additional diving service(s) requested by the CITY on as-needed basis, other than annual outfall inspections, such as environmental investigation, engineering studies, and diffuser ports cleaning. The compensation shall be based on the lump sum quotation submitted by CONTRACTOR and approved by the CITY based on the rate schedule stated in above table.

Each lump sum payment includes project preparation, equipment set up and mobilization and demobilization costs, staff salaries, fringe benefits, overhead, profit and all other expenses incurred by CONTRACTOR. Payments shall be made upon the satisfactory completion of the tasks as set forth in the task order.

The Rate Schedule set for the annual outfall inspection and for the As-Needed Diving Services in this Article shall be adjusted to include a maximum rate increase of 3% each year beginning on the date of execution of the two-year renewal option. Actual increases will be based on over-the-year average percent change in CPI-U, Los Angeles area, published by the U.S. Bureau of Labor Statistics, which includes food and energy.

The total cost ceiling for this CONTRACT is \$1,050, 000.

11.2 Invoice and Payment Procedure

The CONTRACTOR is responsible for the preparation of a complete and accurate invoice for work that has been completed to the CITY'S satisfaction. Invoices shall be prepared in such form and supported by such copies of invoices, certified payrolls, fringe benefits statements, time sheets and other documents of proof as may be reasonably required by the CITY to establish the monetary amount of such invoices as being allowed. Invoices and associated documentation shall be prepared at the sole expense and responsibility of the selected CONTRACTOR. The CITY will not compensate the CONTRACTOR for any costs incurred for invoice preparation.

Failure to submit said certified payrolls on time may result in the withholding of progress or retention payments to the Prime Contractor and the assessment of penalties as set forth in the California Labor Code.

11.2.1 Invoice Submittal

The CONTRACTOR shall submit all invoices with required support documents to:

Haul Wong, Project Manager

Hyperion Water Reclamation Plant

12000 Vista Del Mar

Playa Del Rey, CA 90293

11.2.2 Invoice Submittal Deadline

The CITY shall not be responsible for payment of invoices or supplemental invoices submitted to the CITY more than one year after the date of expiration of the AGREEMENT.

11.2.3 Discount

The CITY will consider a shorter payment schedule should the CONTRACTOR offer a discount for more immediate payment. However, such discount shall not be considered in the preparation or evaluation of the rate schedules included in the CONTRACT. CONTRACTOR agrees to offer the CITY any discount terms that are offered to its best customers for the goods and services to be provided herein, and apply such discount to payments made under the AGREEMENT, which meet the discount terms.

11.2.4 Late Charges

The CITY does not pay late penalties or interest on outstanding invoices. The CITY is not responsible for the payment of any interest, late charges or penalties incurred by the CONTRACTOR from any subcontractor or supplier for any time provided under the

CONTRACT.

11.2.5 Disputes

In the event that a dispute arises over an invoice, the CITY shall pay any undisputed portion of the amount due within the 30 business day's period required for such payment, and any required payment of the disputed amount in accordance with existing CITY practices.

11.2.6 Costs Incurred In Excess of Project Services Cost Estimate

The CITY shall not be obligated to reimburse CONTRACTOR for costs incurred in excess of the Project Services Cost Estimate set forth. CONTRACTOR shall not be obligated to continue performance (including actions under the temporary stop work or termination clauses) or otherwise incur costs in excess of the Project Services Cost Estimate unless and until CITY shall have notified CONTRACTOR in writing that such Project Services Cost Estimate has been increased and shall have specified in such notice an estimated Project Services Cost Estimate, which shall thereupon constitute the cost performance of this AGREEMENT. In the absence of the specified notice, CITY shall not be obligated to reimburse CONTRACTOR for any costs in excess of the Project Services Cost Estimate set forth, whether those costs were incurred during the course of the AGREEMENT or as a result of termination.

When and to the extent that the Project Services Cost Estimate has been increased, any costs incurred by CONTRACTOR in excess of the Project Services Cost Estimate, prior to such increase, shall be allowable to the same extent as if such costs had been incurred after the increase.

11.2.7 Limitation of City's Obligation to Make Payment to Contractor

Notwithstanding any other provision of this Contract, including any exhibits or attachments incorporated therein, and in order for CITY to comply with its governing legal requirements, CITY shall have no obligation to make any payments to CONTRACTOR unless CITY shall have first made an appropriation of funds equal to or in excess of its obligation to make any payments as provided in this Contract. CONTRACTOR agrees that any services provided by CONTRACTOR, purchases made by CONTRACTOR or expenses incurred by CONTRACTOR in excess of the appropriation(s) shall be free and without charge to CITY and CITY shall have no obligation to pay for the services, purchases or expenses. CONTRACTOR shall have no obligation to provide any services, provide any equipment or incur any expenses in excess of the appropriated amount(s) until CITY appropriates additional funds for this CONTRACT.

11.3 **False Claims Act**

CONTRACTOR acknowledges that it is aware of liabilities resulting from submitting a false claim for payment by the CITY under the False Claims Act (Cal. Gov. Code §§ 12650 *et seq.*), including treble damages, costs of legal actions to recover payments, and civil penalties of up to \$10,000 per false claim.

ARTICLE 12 - AMENDMENT

All amendments to this CONTRACT shall be in writing and signed and approved pursuant to the provisions of Article 7.

ARTICLE 13 – INDEMNIFICATION

Except for the active negligence or willful misconduct of the CITY, or any of its boards, officers, agents, employees, assigns and successors in interest, CONTRACTOR shall defend, indemnify and hold harmless the CITY and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the CITY, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including CONTRACTOR'S employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of an act, error, or omission by CONTRACTOR, subcontractors, or their boards, officers, agents, employees, assigns, and successors in interest. The rights and remedies of CITY provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this CONTRACT. This provision will survive expiration or termination of this CONTRACT.

ARTICLE 14 - INSURANCE

During the term of this CONTRACT and without limiting CONTRACTOR'S obligation to indemnify, hold harmless and defend the CITY, CONTRACTOR shall provide and maintain at its own expense a program of insurance having the coverages and limits not less than the required amounts and types as determined by the Office of the City Administrative Officer of Los Angeles, Risk Management (template Form General 146 in Exhibit C hereto). The insurance must: (1) conform to the CITY'S requirements; (2) comply with the Insurance Contractual Requirements (Form General 133 in Exhibit C hereto); and (3) otherwise be in a

form acceptable to the Office of the City Administrative Officer, Risk Management. CONTRACTOR shall comply with all Insurance Contractual Requirements shown on Exhibit C hereto. Exhibit C is hereby incorporated by reference and made a part of this CONTRACT.

ARTICLE 15 - BONDS

All bonds required by the CITY shall be filed with the Office of the City Administrative Officer, Risk Management for its review and acceptance in accordance with Los Angeles Administrative Code ("LAAC") Sections 11.47 *et seq.*, as amended from time to time.

ARTICLE 16 – INDEPENDENT CONTRACTOR

CONTRACTOR is an independent contractor and not an agent or employee of the CITY. CONTRACTOR shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of the CITY.

ARTICLE 17 – OWNERSHIP AND LICENSE

Unless otherwise provided for herein, all finished and unfinished works, tangible or not, created under this CONTRACT including, without limitation, documents, materials, data, reports, manuals, specifications, artwork, drawings, sketches, blueprints, studies, memoranda, computation sheets, computer programs and databases, schematics, photographs, video and audiovisual recordings, sound recordings, marks, logos, graphic designs, notes, websites, domain names, inventions, processes, formulas, matters and combinations thereof, and all forms of intellectual property originated and prepared by CONTRACTOR or its subcontractors under this CONTRACT (each a "Work Product"; collectively "Work Products") shall be and remain the exclusive property of the CITY for its use in any manner the CITY deems appropriate. CONTRACTOR hereby assigns to the CITY all goodwill, copyright, trademark, patent, trade secret and all other intellectual property rights worldwide in any Work Products originated and

prepared under this CONTRACT. CONTRACTOR further agrees to execute any documents necessary for the CITY to perfect, memorialize, or record the CITY'S ownership of rights provided herein.

CONTRACTOR agrees that a monetary remedy for breach of this CONTRACT may be inadequate, impracticable, or difficult to prove and that a breach may cause the CITY irreparable harm. The CITY may therefore enforce this requirement by seeking injunctive relief and specific performance, without any necessity of showing actual damage or irreparable harm. Seeking injunctive relief or specific performance does not preclude the CITY from seeking or obtaining any other relief to which the CITY may be entitled.

For all Work Products delivered to the CITY that are not originated or prepared by CONTRACTOR or its subcontractors under this CONTRACT, CONTRACTOR shall secure a grant, at no cost to the CITY, for a non-exclusive perpetual license to use such Work Products for any CITY purposes.

CONTRACTOR shall not provide or disclose any Work Product to any third party without prior written consent of the CITY. Any subcontract entered into by CONTRACTOR relating to this CONTRACT shall include this provision to contractually bind its Subcontractors performing work under this CONTRACT such that the CITY'S ownership and license rights of all Work Products are preserved and protected as intended herein.

ARTICLE 18 - DATA PROTECTION

- A. CONTRACTOR shall protect, using the most secure means and technology that is commercially available, CITY-provided data or consumer-provided data acquired in the course and scope of this CONTRACT, including but not limited to customer lists and

customer credit card or consumer data, (collectively, the "CITY Data"). CONTRACTOR shall notify the CITY in writing as soon as reasonably feasible, and in any event within twenty-four hours, of CONTRACTOR'S discovery or reasonable belief of any unauthorized access of CITY Data (a "Data Breach"), or of any incident affecting, or potentially affecting CITY Data related to cyber security (a "Security Incident"), including, but not limited to, denial of service attack, and system outage, instability or degradation due to computer malware or virus. CONTRACTOR shall begin remediation immediately. CONTRACTOR shall provide daily updates, or more frequently if required by the CITY, regarding findings and actions performed by CONTRACTOR until the Data Breach or Security Incident has been effectively resolved to the CITY'S satisfaction. CONTRACTOR shall conduct an investigation of the Data Breach or Security Incident and shall share the report of the investigation with the CITY. At the CITY'S sole discretion, the CITY and its authorized agents shall have the right to lead or participate in the investigation. CONTRACTOR shall cooperate fully with the CITY, its agents and law enforcement.

- B. If the CITY is subject to liability for any Data Breach or Security Incident, then CONTRACTOR shall fully indemnify and hold harmless the CITY and defend against any resulting actions.

ARTICLE 19 - INTELLECTUAL PROPERTY INDEMNIFICATION

CONTRACTOR, at its own expense, shall defend, indemnify, and hold harmless the CITY, and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including

all actual litigation costs incurred by the CITY, including but not limited to, costs of experts and consultants), damages or liability of any nature arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity, and proprietary information: (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by CONTRACTOR, or its subcontractors, in performing the work under this CONTRACT; or (2) as a result of the CITY'S actual or intended use of any Work Product (as defined in Article 17) furnished by CONTRACTOR, or its subcontractors, under this CONTRACT. The rights and remedies of the CITY provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this CONTRACT. This provision will survive expiration or termination of this CONTRACT.

ARTICLE 20 - INTELLECTUAL PROPERTY WARRANTY

CONTRACTOR represents and warrants that its performance of all obligations under this CONTRACT does not infringe in any way, directly or contributorily, upon any third party's intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity and proprietary information.

ARTICLE 21 - WARRANTY AND RESPONSIBILITY OF CONTRACTOR

21.1 CONTRACTOR warrants that the work performed hereunder shall be completed in a manner consistent with professional standards practiced among those firms within CONTRACTOR's profession, doing the same or similar work under the same or similar circumstances.

21.2 CONTRACTOR shall be responsible for the professional quality, technical

accuracy, timely completion, and the coordination of all designs, drawings, specifications, reports, and other services furnished by CONTRACTOR under this CONTRACT. CONTRACTOR shall, at no additional cost to CITY, correct or revise any errors, omissions, or other deficiencies in its designs, drawings, specifications, reports, calculations, and other services.

21.3 CONTRACTOR shall exhibit proper professional judgment in the use of information furnished by the CITY. In the event that said information is not delivered timely or that it is discovered to be incorrect or misleading, CONTRACTOR will notify the CITY in a reasonable manner after the discovery of such tardiness or incorrect or misleading information and promptly make a determination of its costs and schedule impact on this CONTRACT, as well as recommendations for the correction of such incorrect or misleading information.

21.4 CONTRACTOR shall perform such professional services as may be necessary to accomplish the work required to be performed under this CONTRACT in accordance with this CONTRACT.

21.5 Except as specified in Article 13 and as otherwise provided in this CONTRACT, the CONTRACTOR shall be and shall remain liable, in accordance with applicable law, for all damages to the CITY caused by CONTRACTOR's negligent performance of any of the services furnished under this CONTRACT, except for errors, omissions, or other deficiencies to the extent attributable to CITY, CITY-furnished data, or any third party.

ARTICLE 22 – MANDATORY PROVISIONS PERTAINING TO NON-DISCRIMINATION IN EMPLOYMENT

Unless otherwise exempt, this CONTRACT is subject to the applicable non-discrimination, equal benefits, equal employment practices, and affirmative action program provisions in LAAC Section 10.8 et seq., as amended from time to time.

A. CONTRACTOR shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the CITY. In performing this CONTRACT, CONTRACTOR shall not discriminate in any of its hiring or employment practices against any employee or applicant for employment because of such person's race, color, religion, national origin, ancestry, sex, sexual orientation, gender, gender identity, age, disability, domestic partner status, marital status or medical condition.

B. The requirements of Section 10.8.2.1 of the LAAC, the Equal Benefits Ordinance, and the provisions of Section 10.8.2.1(f) are incorporated and made a part of this CONTRACT by reference.

C. The provisions of Section 10.8.3 of the LAAC are incorporated and made a part of this CONTRACT by reference and will be known as the "Equal Employment Practices" provisions of this CONTRACT.

D. The provisions of Section 10.8.4 of the LAAC are incorporated and made a part of this CONTRACT by reference and will be known as the "Affirmative Action Program" provisions of this CONTRACT.

Any subcontract entered into by CONTRACTOR for work to be performed under this Contract must include an identical provision.

ARTICLE 23 – BUSINESS INCLUSION PROGRAM (BIP)

The policy of the City of Los Angeles is to provide Minority Business Enterprise (MBE), Women Business Enterprise (WBE), Small Business Enterprise (SBE), Emerging Business Enterprise (EBE), Disabled Veteran Business Enterprise (DVBE), and all Other Business Enterprise (OBE) firms an equal opportunity to participate in the performance of CITY contracts. Due to the scope of work involved for this CONTRACT, the CITY does not anticipate any subcontracting opportunities and consequently the BIP Outreach requirements were waived by

the Mayor's Office on November 3, 2014 However, CONTRACTOR is encouraged to solicit and utilize subcontractors in the event that any subcontracting opportunities do arise. (Exhibit B)

ARTICLE 24 – SUCCESSORS AND ASSIGNS

All of the terms, conditions, and provisions hereof shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns provided, however, that no assignment of the CONTRACT shall be made without written consent of the parties to this CONTRACT as required under the Article 28, "Assignment or Delegation."

ARTICLE 25 – CONTACT PERSONS - PROPER ADDRESSES - NOTIFICATION

All notices shall be made in writing and may be given by personal delivery, regular mail, or electronic mail. Notices sent by regular mail should be registered or certified and sent to the designated contact person for each party and addressed as follows:

To The CITY:

Hyperion Water Reclamation Plant

Attention: Haul Wong, Project Manager

Pregerson TSF Building, 3rd Floor

12000 Vista Del Mar

Playa Del Rey, CA 90293

Telephone: (310) 648-5919

Email: Haul.Wong@lacity.org

To CONTRACTOR:

BALLARD MARINE CONSTRUCTION

Attention: Jesse Hutton, President

727 S 27th Street

Washougal, WA 98671

Telephone: (360) 695-5163 Ext. 103

Email: Jesse.Hutton@ballardmc.com

ARTICLE 26 – EXCUSABLE DELAYS

Neither party shall be liable for its delay or failure to perform any obligation under and in accordance with this CONTRACT, if the delay or failure arises out of fires, floods, earthquakes, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by the party or any of the party's subcontractors), freight embargoes, terrorist acts, insurrections or other civil disturbances, or other similar events to those described above, but in each case the delay or failure to perform must be beyond the control and without any fault or negligence of the party delayed or failing to perform (these events are referred to in this provision as "Force Majeure Events").

Notwithstanding the foregoing, a delay or failure to perform by a Subcontractor of CONTRACTOR shall not constitute a Force Majeure Event, unless the delay or failure arises out of causes beyond the control of both CONTRACTOR and subcontractor, and without any fault or negligence of either of them. In such case, CONTRACTOR shall not be liable for the delay or failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit CONTRACTOR to perform timely. As used in this CONTRACT, the term "subcontractor" means a subcontractor at any tier.

In the event CONTRACTOR'S delay or failure to perform arises out of a Force Majeure Event, CONTRACTOR agrees to use commercially reasonable best efforts to obtain the goods or services from other sources, and to otherwise mitigate the damages and reduce the delay caused by the Force Majeure Event.

ARTICLE 27 – BREACH

Except for force majeure, if any party fails to perform, in whole or in part, any promise, covenant, or agreement set forth herein, or should any representation made by it be untrue, any aggrieved party may avail itself of all rights and remedies, at law or equity, in the courts of law. Said rights and remedies are cumulative of those provided for herein except that in no event shall any party recover more than once, suffer a penalty or forfeiture, or be unjustly compensated.

ARTICLE 28 - ASSIGNMENT AND DELEGATION

CONTRACTOR may not, unless it has first obtained the written permission of the CITY:

A. Assign or otherwise alienate any of its rights under this CONTRACT, including the right to payment; or

B. Delegate, subcontract, or otherwise transfer any of its duties under this CONTRACT.

ARTICLE 29 – APPLICABLE LAW, INTERPRETATION AND ENFORCEMENT

Each party's performance shall comply with all applicable laws of the United States of America, the State of California, and the CITY, including but not limited to, laws regarding health and safety, labor and employment, wage and hours and licensing. This CONTRACT shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. CONTRACTOR shall comply with new, amended, or revised laws, regulations, or procedures that apply to the performance of this CONTRACT with no additional compensation paid to CONTRACTOR.

In any action arising out of this CONTRACT, CONTRACTOR consents to personal jurisdiction, and agrees to bring all such actions, exclusively in state or federal courts located in Los Angeles County, California.

If any part, term or provision of this CONTRACT is held void, illegal, unenforceable, or in conflict with any federal, state or local law or regulation, the validity of the remaining parts, terms or provisions of this CONTRACT shall not be affected.

ARTICLE 30 – CURRENT LOS ANGELES CITY BUSINESS TAX REGISTRATION
CERTIFICATE REQUIRED

For the duration of this CONTRACT, CONTRACTOR shall maintain valid Business Tax Registration Certificate(s) as required by the CITY'S Business Tax Ordinance, Section 21.00 *et seq.* of the Los Angeles Municipal Code ("LAMC"), and shall not allow the Certificate to lapse or be revoked or suspended.

ARTICLE 31 – PREVAILING WAGE

The CONTRACTOR agrees to comply with applicable sections of the Labor Code of the State of California, pertaining to labor and prevailing wage scale for individuals involved in the construction, alteration, demolition, installation, or repair work done under this CONTRACT. CONTRACTOR may contact Chris Jenson at (213) 847-2662 for current prevailing wage rates information.

Payroll documentation and other related information pertaining to workers and wages shall be submitted upon request to the Office of Contract Compliance, according to Section 1776 of the California Labor Code. Failure to comply may result in wage restitution and/or State penalties in accordance with the California Labor Code that pertains to public works projects. A Labor Compliance Manual to aid in understanding the CONTRACTOR'S responsibilities under this section is included in the Exhibit. In addition, the CONTRACTOR is recommended to attend a

Prevailing Wage training workshop hosted by the Bureau of Contract Administration every second Monday of the month. Contact Chris Jenson at 213-847-2662 for more details on the workshop.

ARTICLE 32 – ACCESS AND ACCOMMODATIONS

CONTRACTOR represents and certifies that:

- A. CONTRACTOR shall comply with the Americans with Disabilities Act, as amended, 42 U.S.C. Section 12101 et seq., the Rehabilitation Act of 1973, as amended, 29 U.S.C. Section 701 et seq., the Fair Housing Act, and its implementing regulations and any subsequent amendments, and California Government Code Section 11135;
- B. CONTRACTOR shall not discriminate on the basis of disability or on the basis of a person's relationship to, or association with, a person who has a disability;
- C. CONTRACTOR shall provide reasonable accommodation upon request to ensure equal access to CITY-funded programs, services and activities;
- D. Construction will be performed in accordance with the Uniform Federal Accessibility Standards (UFAS), 24 C.F.R. Part 40; and
- E. The buildings and facilities used to provide services under this CONTRACT are in compliance with the federal and state standards for accessibility as set forth in the 2010 ADA Standards, California Title 24, Chapter 11, or other applicable federal and state law.

CONTRACTOR understands that the CITY is relying upon these certifications and representations as a condition to funding this CONTRACT. Any subcontract entered into by

CONTRACTOR for work to be performed under this CONTRACT must include an identical provision.

ARTICLE 33 – WAIVER

A waiver of a default of any part, term or provision of this CONTRACT shall not be construed as a waiver of any succeeding default or as a waiver of the part, term or provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

ARTICLE 34 – PERMITS

The CONTRACTOR and its directors, officers, partners, agents, and employees and subcontractors, shall obtain and maintain all licenses, permits, certifications, and other documents necessary for the CONTRACTOR'S performance of this CONTRACT. CONTRACTOR shall immediately notify the CITY of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents that relate to CONTRACTOR'S performance of this CONTRACT.

ARTICLE 35 - CLAIMS FOR LABOR AND MATERIALS

CONTRACTOR shall promptly pay all amounts owed for labor and materials furnished in the performance of this CONTRACT, with funds received from the CITY, so as to prevent any lien or other claim under any provision of law from arising against any CITY property (including reports, documents, and other tangible or intangible matter produced by CONTRACTOR hereunder), and shall pay all amounts due under the Unemployment Insurance Act or any other applicable law with respect to labor used to perform under this CONTRACT.

ARTICLE 36 – CONTRACTOR PERFORMANCE EVALUATION

At the end of this CONTRACT, the CITY will conduct an evaluation of the CONTRACTOR's performance. The CITY may also conduct evaluations of the CONTRACTOR's performance during the term of the CONTRACT. As required by Section 10.39.2 of the Los Angeles Administrative Code, evaluations will be based on a number of criteria, including the quality of the work product or service performed the timeliness of performance, financial issues, and the expertise of personnel that the CONTRACTOR assigns to the CONTRACT. A Contractor who receives a "Marginal" or "Unsatisfactory" rating will be provided with a copy of the final CITY evaluation and allowed 14 calendar days to respond. The CITY will use the final CITY evaluation, and any response from the CONTRACTOR, to evaluate proposals and to conduct reference checks when awarding other service contracts.

ARTICLE 37 – CONTRACTOR RESPONSIBILITY ORDINANCE

CONTRACTOR shall comply with the Contractor Responsibility Ordinance, LAAC Section 10.40 *et seq.*, as amended from time to time. (Exhibit G)

ARTICLE 38 – SLAVERY DISCLOSURE ORDINANCE

CONTRACTOR shall comply with the Slavery Disclosure Ordinance, LAAC Section 10.41 *et seq.*, as amended from time to time. Any subcontract entered into by CONTRACTOR for work to be performed under this CONTRACT must include an identical provision.

ARTICLE 39 – MUNICIPAL LOBBYING ORDINANCE

Any Contractor for the CITY shall submit a certification, on a form prescribed by the City Ethics Commission, that the CONTRACTOR acknowledges and agrees to comply with the disclosure requirements and prohibitions established in the Los Angeles Municipal Lobbying Ordinance,

Exhibit L, if the CONTRACTOR qualifies as a lobbying entity under the Ordinance. The exemptions contained in Los Angeles Administrative Code Section 10.40.4 shall not apply to this subsection.

ARTICLE 40 – BEST TERMS

Throughout the term of this CONTRACT, CONTRACTOR shall offer the CITY the best terms, prices, and discounts that are offered to any of CONTRACTOR'S customers for similar goods and services provided under this CONTRACT.

ARTICLE 41 – CHILD SUPPORT ASSIGNMENT ORDERS

CONTRACTOR shall comply with the Child Support Assignment Orders Ordinance, Section 10.10 of the LAAC, as amended from time to time. Pursuant to Section 10.10(b) of the LAAC, CONTRACTOR shall fully comply with all applicable State and Federal employment reporting requirements. Failure of CONTRACTOR to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment or Notices of Assignment, or the failure of any principal owner(s) of CONTRACTOR to comply with any Wage and Earnings Assignment or Notices of Assignment applicable to them personally, shall constitute a default by the CONTRACTOR under this CONTRACT. Failure of CONTRACTOR or principal owner to cure the default within ninety (90) days of the notice of default will subject this CONTRACT to termination for breach. Any subcontract entered into by CONTRACTOR for work to be performed under this CONTRACT must include an identical provision.

ARTICLE 42 - SEVERABILITY

Should any portion of this CONTRACT be determined to be void or unenforceable, such shall be severed from the whole and the CONTRACT will continue as modified.

ARTICLE 43 - DISPUTES

Should a dispute or controversy arise concerning provisions of this CONTRACT or the performance of work hereunder, the parties may elect to submit such to a court of competent jurisdiction.

ARTICLE 44 - FIRST SOURCE HIRING ORDINANCE

CONTRACTOR shall comply with the First Source Hiring Ordinance, LAAC Section 10.44 *et seq.*, as amended from time to time. Any subcontract entered into by CONTRACTOR for work to be performed under this CONTRACT must include an identical provision.

ARTICLE 45 - RESTRICTIONS ON CAMPAIGN CONTRIBUTIONS AND FUNDRAISING IN CITY ELECTIONS

Unless otherwise exempt, if this CONTRACT is valued at \$100,000 or more and requires approval by an elected CITY office, CONTRACTOR, CONTRACTOR'S principals, and CONTRACTOR'S subcontractors expected to receive at least \$100,000 for performance under the CONTRACT, and the principals of those subcontractors (the "Restricted Persons") shall comply with Charter Section 470(c)(12) and LAMC Section 49.7.35. Failure to comply entitles the CITY to terminate this CONTRACT and to pursue all available legal remedies. Charter Section 470(c)(12) and LAMC Section 49.7.35 limit the ability of the Restricted Persons to make campaign contributions to and engage in fundraising for certain elected CITY officials or candidates for elected CITY office for twelve (12) months after this CONTRACT is signed. Additionally, a CONTRACTOR subject to Charter Section 470(c)(12) is required to comply with disclosure requirements by submitting a completed and signed Ethics Commission Form 55 (Exhibit N) and to amend the information in that form as specified by law. Any contractor

subject to Charter Section 470(c)(12) shall include the following notice in any contract with any subcontractor expected to receive at least \$100,000 for performance under this CONTRACT:

“Notice Regarding Restrictions on Campaign Contributions and Fundraising in City Elections

You are a subcontractor on City of Los Angeles Contract #_____.

Pursuant to the City of Los Angeles Charter Section 470(c)(12) and related ordinances, you and your principals are prohibited from making campaign contributions to and fundraising for certain elected City of Los Angeles (“CITY”) officials and candidates for elected CITY office for twelve months after the CITY contract is signed. You are required to provide the names and contact information of your principals to the CONTRACTOR and to amend that information within ten business days if it changes during the twelve month time period. Failure to comply may result in termination of this Contract and any other available legal remedies. Information about the restrictions may be found online at ethics.lacity.org or by calling the Los Angeles City Ethics Commission at (213) 978-1960.

ARTICLE 46 – IRAN CONTRACTING ACT

In accordance with California Public Contract Code Sections 2200-2208, all contractors entering into, or renewing contracts with the CITY for goods and services estimated at \$1,000,000 or more are required to complete, sign, and submit the "Iran Contracting Act of 2010 Compliance Affidavit." (Exhibit O)

**ARTICLE 47 – CONTRACTORS’ USE OF CRIMINAL HISTORY FOR
CONSIDERATION OF EMPLOYMENT APPLICATIONS**

CONTRACTOR shall comply with the City Contractors' Use of Criminal History for Consideration of Employment Applications Ordinance, LAAC Section 10.48 *et seq.*, as amended from time to time. Any subcontract entered into by CONTRACTOR for work to be performed under this CONTRACT must include an identical provision.

ARTICLE 48 – LOCAL BUSINESS PREFERENCE ORDINANCE

CONTRACTOR shall comply with the Local Business Preference Ordinance, LAAC Section 10.47 *et seq.*, as amended from time to time. Any subcontract entered into by CONTRACTOR for work to be performed under this CONTRACT must include an identical provision.

ARTICLE 49 - COMPLIANCE WITH IDENTITY THEFT LAWS AND PAYMENT

CARD DATA SECURITY STANDARDS

CONTRACTOR shall comply with all identity theft laws including without limitation, laws related to: (1) payment devices; (2) credit and debit card fraud; and (3) the Fair and Accurate Credit Transactions Act ("FACTA"), including its requirement relating to the content of transaction receipts provided to Customers. CONTRACTOR also shall comply with all requirements related to maintaining compliance with Payment Card Industry Data Security Standards ("PCI DSS"). During the performance of any service to install, program or update payment devices equipped to conduct credit or debit card transactions, including PCI DSS services, CONTRACTOR shall verify proper truncation of receipts in compliance with FACTA.

ARTICLE 50 - COMPLIANCE WITH CALIFORNIA PUBLIC RESOURCES CODE

SECTION 5164

California Public Resources Code Section 5164 prohibits a public agency from hiring a person

for employment or as a volunteer to perform services at any park, playground, or community center used for recreational purposes in a position that has supervisory or disciplinary authority over any minor, if the person has been convicted of certain crimes as referenced in the Penal Code, and articulated in California Public Resources Code Section 5164(a)(2).

If applicable, CONTRACTOR shall comply with California Public Resources Code Section 5164, and shall additionally adhere to all rules and regulations that have been adopted or that may be adopted by the CITY. CONTRACTOR is required to have all employees, volunteers and subcontractors (including all employees and volunteers of any subcontractor) of CONTRACTOR working on premises to pass a fingerprint and background check through the California Department of Justice at CONTRACTOR'S sole expense, indicating that such individuals have never been convicted of certain crimes as referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2), if the individual will have supervisory or disciplinary authority over any minor.

ARTICLE 51 - POSSESSORY INTERESTS TAX

Rights granted to CONTRACTOR by the CITY may create a possessory interest. CONTRACTOR agrees that any possessory interest created may be subject to California Revenue and Taxation Code Section 107.6 and a property tax may be levied on that possessory interest. If applicable, CONTRACTOR shall pay the property tax. CONTRACTOR acknowledges that the notice required under California Revenue and Taxation Code Section 107.6 has been provided.

ARTICLE 52 - CONFIDENTIALITY

All documents, information and materials provided to CONTRACTOR by the CITY or

developed by CONTRACTOR pursuant to this CONTRACT (collectively “Confidential Information”) are confidential. CONTRACTOR shall not provide or disclose any Confidential Information or their contents or any information therein, either orally or in writing, to any person or entity, except as authorized by the CITY or as required by law. CONTRACTOR shall immediately notify the CITY of any attempt by a third party to obtain access to any Confidential Information. This provision will survive expiration or termination of this CONTRACT.

ARTICLE 53 – LIVING WAGE ORDINANCE

CONTRACTOR shall comply with the Living Wage Ordinance, LAAC Section 10.37 *et seq.*, as amended from time to time. CONTRACTOR further agrees that it shall comply with federal law proscribing retaliation for union organizing. Any subcontract entered into by CONTRACTOR for work to be performed under this CONTRACT must include an identical provision.

ARTICLE 54 – WORKER RETENTION ORDINANCE

CONTRACTOR shall comply with the Worker Retention Ordinance, LAAC Section 10.36 *et seq.*, as amended from time to time. Any subcontract entered into by CONTRACTOR for work to be performed under this CONTRACT must include an identical provision.

IN WITNESS WHEREOF, the parties hereto have executed this CONTRACT on the day and year written below.

CITY OF LOS ANGELES

By: _____

Title: President, Board of Public Works

Date: _____

**BALLARD MARINE CONSTRUCTION
INC.**

By: _____

SHILO HUTTON

Title: President, Ballard Marine
Construction Inc.

Date: _____

APPROVED AS TO FORM:

MICHAEL N. FEUER, City Attorney

By: _____

ADENA HOPENSTAND

Title: Deputy City Attorney

Date: _____

ATTEST:

HOLLY WOLCOTT, City Clerk

By: _____

Title: Deputy City Clerk

Date: _____

12/2/2015

City of Los Angeles Mail - Waiver Request for Hyperion Treatment Plant Annual Outfalls Inspection

BPW-2018-0582



Haul Wong <haul.wong@lacity.org>

Waiver Request for Hyperion Treatment Plant Annual Outfalls Inspection

9 messages

Shari Kuroki <shari.kuroki@lacity.org>
 To: Jill Scoggins <jill.scoggins@lacity.org>
 Cc: "Wong, Haul" <haul.wong@lacity.org>

Mon, Nov 3, 2014 at 9:16 AM

Hi Jill,

The Bureau of Sanitation is requesting a waiver from the Business Inclusion Program for services for which we are currently drafting a Request for Proposals.

Please see below for information pertaining to these services and justification for the waiver.

Background and Scope of Services

The Bureau of Sanitation (LA Sanitation), Hyperion Treatment Plant (HTP) operates and maintains two 12-ft diameter submarine outfalls (One-Mile outfall and Five-Mile outfall) in the Santa Monica Bay. The 5-mile outfall, at the maximum depth of 200 ft below the ocean surface with a total of 166 diffuser ports, is the principal means for the HTP's effluent discharge, while the 1-mile outfall is used for emergency discharge. Annual inspections and surveys of the 1-mile and 5-mile outfalls are required by the U.S. Environmental Protection Agency, Region IX, and California Regional Water Quality Control Board, Los Angeles Region NPDES Permit. These inspections and surveys assist City staff in determining the structural integrity of the outfalls, flow distribution through the outfall diffuser ports, and the impact of treated plant effluent on marine life, as well as the need for outfall cleaning and repair.

Since 2011, Ballard Marine Construction Inc., headquartered in Seattle, Washington, has provided such services to the City of Los Angeles through Contract C-118946. The contract is due to expire in June 2016 and LA Sanitation is currently preparing a Request for Proposals to obtain inspection services after the June 2016 expiration. In December 2008, the Mayor's Office approved a waiver from the MBE/WBE/OBE Subcontractor Outreach Program requirements for this contract and LA Sanitation is again requesting another waiver from the Mayor's Office for this new RFP for the same services.

Reason for the Waiver Request

These inspection services involve conducting underwater video recording and inspections of the 1-mile and 5-mile outfalls on an annual basis, utilizing scuba divers and/or custom-built, one-person or remote dive submarines. The nature of these services is highly specialized and does not lend itself to subcontracting opportunities.

Why is this a reasonable request?

Outfall inspection services are expert and specialized in nature and are conducted primarily by a one-man or remotely operated submarine. For this reason, there are no opportunities for subcontracting such work.

Please contact me or the Project Manager, Haul Wong, cc'd on this email should you have any questions.

12/2/2015

City of Los Angeles Mail - Waiver Request for Hyperion Treatment Plant Annual Outfalls Inspection

Thank you.

Shari Kuroki, Sr. Management Analyst II
Purchasing/Contracts Units
LA Sanitation
(310) 648-5186 phone
(310) 648-5612 fax

Jill Scoggins <jill.scoggins@lacity.org>

Mon, Nov 3, 2014 at 11:51 AM

To: Shari Kuroki <shari.kuroki@lacity.org>

Cc: "Wong, Haul" <haul.wong@lacity.org>, Hannah Choi <hannah.choi@lacity.org>, Lynda McGlinchey <lynda.mcglinchey@lacity.org>, Ron Lowe <ron.lowe@lacity.org>, Frank Aguirre <frank.j.aguirre@lacity.org>

Waiver granted. – please make sure to submit the google form as well so we have additional record of this request. Thanks.

[Quoted text hidden]



Jill Scoggins
Executive Officer/Director of Operations | Economic Development
Office of Los Angeles Mayor Eric Garcetti
213-978-6378



Shari Kuroki <shari.kuroki@lacity.org>

Thu, Nov 6, 2014 at 1:10 PM

To: Jill Scoggins <jill.scoggins@lacity.org>

Cc: "Wong, Haul" <haul.wong@lacity.org>, Hannah Choi <hannah.choi@lacity.org>, Lynda McGlinchey <lynda.mcglinchey@lacity.org>, Ron Lowe <ron.lowe@lacity.org>, Frank Aguirre <frank.j.aguirre@lacity.org>

Hi Jill,

Thanks for the quick response. Please see attached for pdf of the google form doc.

[Quoted text hidden]

 waiver form.pdf
240K

Shari Kuroki <shari.kuroki@lacity.org>

Tue, Jul 21, 2015 at 8:10 AM

To: "Wong, Haul" <haul.wong@lacity.org>

Cc: Qiang Yu <qiang.yu@lacity.org>

Hi Haul,

I found it. You were cc'd on this email.

[Quoted text hidden]

Haul Wong <haul.wong@lacity.org>

Tue, Jul 21, 2015 at 11:22 AM

To: Shari Kuroki <shari.kuroki@lacity.org>

Cc: Qiang Yu <qiang.yu@lacity.org>

Hello Shari,

Jill Noland's e-mail indicated that "Waiver granted". Do we need to have copy of the approved form or letter?

[Quoted text hidden]

Shari Kuroki <shari.kuroki@lacity.org>
To: Haul Wong <haul.wong@lacity.org>
Cc: Qiang Yu <qiang.yu@lacity.org>

Tue, Jul 21, 2015 at 12:21 PM

The email itself is the approval.

[Quoted text hidden]

Haul Wong <haul.wong@lacity.org>
To: Shari Kuroki <shari.kuroki@lacity.org>
Cc: Qiang Yu <qiang.yu@lacity.org>

Tue, Jul 21, 2015 at 12:43 PM

Ok, thanks for clarification

[Quoted text hidden]

Haul Wong <haul.wong@lacity.org>
To: "Kuroki, Shari" <Shari.Kuroki@lacity.org>

Wed, Dec 2, 2015 at 10:36 AM

[Quoted text hidden]

Haul Wong <haul.wong@lacity.org>
To: "Kuroki, Shari" <Shari.Kuroki@lacity.org>

Wed, Dec 2, 2015 at 10:36 AM

----- Forwarded message -----

From: **Jill Scoggins** <jill.scoggins@lacity.org>
Date: Mon, Nov 3, 2014 at 11:51 AM
Subject: Re: Waiver Request for Hyperion Treatment Plant Annual Outfalls Inspection
To: Shari Kuroki <shari.kuroki@lacity.org>
Cc: "Wong, Haul" <haul.wong@lacity.org>, Hannah Choi <hannah.choi@lacity.org>, Lynda McGlinchey <lynda.mcglinchey@lacity.org>, Ron Lowe <ron.lowe@lacity.org>, Frank Aguirre <frank.j.aguirre@lacity.org>

[Quoted text hidden]

The purpose of ED 14 is to ensure that all businesses have an equal opportunity to participate in City contracts as well as re-affirm the City's commitment to outreach and participation of minority and women owned businesses. Waivers to the outreach requirement by prime contractors should not be considered unless there are no opportunities for subcontracting. ED 14 outreach requirements do not apply to legitimate sole source opportunities. Additionally ED 14 may not apply if federal or grant funding require another method of outreach and inclusion.

- Required

Name *

Shari Kuroki

Email Address *

Shari.Kuroki@lacity.org

Department Name *

PW/Bureau of Sanitation

Type of Contract *

Request for Proposal

Approximate dollar value of opportunity *

\$450,000

Is this opportunity a sole source *

No

Source of funding *

Federal grant

State grant

Local grant (County or City)

General Fund

☒ Other: Sewer Operations & M

Please describe scope of work to be performed *

Hyperion Treatment P

Are there subcontracting opportunities? *

No

Anticipated advertising date *

Dec 2014

Is this a new opportunity *

yes

☒ no

Has the Department's General Manager approved this request? *

yes ▾

Submit

Never submit passwords through Google Forms.

Powered by [Google Docs](#)

[Report Abuse](#) - [Terms of Service](#) - [Additional Terms](#)

