City Council Meeting
11-28-11
Item
3.B.5.

Council Agenda Report

To: Mayor Zahn Rosenthal and the Honorable Members of the City Council

Prepared by: Robert Brager, PE, JD, Public Works Director/City Engineer

Approved by: Jim Thorsen, City Manager

Date prepared: November 15, 2011 Meeting date: November 28, 2011

Subject: Agreement with Ozone Water Systems, Inc. for Stormwater Treatment Facilties

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RECOMMENDED ACTION: Authorize the City Manager to execute Amendment No. 3 (Attachment No. 1) to the Professional Services Agreement with Ozone Water Systems, Inc. (OWS) for annual operations and maintenance of the City's Civic Center Stormwater Treatment Facility and the Paradise Cove Stormwater Treatment Facility.

FISCAL IMPACT: This Amendment will have an annual fiscal impact of $53,400 and has been included in the Adopted Budget for Fiscal Year 2011-2012 in Account No. 100-3001-5610 and 100-3001-5610.01.

DISCUSSION: In December 2008, RFP's were distributed to qualified firms that specialize in the operations and maintenance of stormwater treatment facilities of which only one firm responded, Ozone Water Systems, Inc. The proposal was evaluated by staff based on the following criteria:

- Understanding the scope or work
- Demonstrated skill and credentials of assigned staff
- Related experience and references
- Quality of proposal
- Approach to performing this type of service

Based on the aforementioned criteria, Ozone Water Systems, Inc. was determined to be qualified to perform the work, and as such, was invited to participate in an oral interview and to negotiate an amendment to the original agreement with the City.

Ozone Water System, Inc. has been performing operations and maintenance of the City's Civic Center Stormwater Treatment Facility since May 1, 2008. On February 9, 2009, the scope of work was revised to include the operations and maintenance of the City's new

Stormwater Treatment Facility at Paradise Cove. Having the same consultant perform these services at both stormwater treatment facilities has been efficient and cost effective for the City.

Prior to the current agreement expiring, staff contacted other agencies with similar facilities that utilize Ozone and UV treatment for disinfection. The majority of the agencies use in-house services for the maintenance and operation of facilities or contractually employ Ozone Water Systems, Inc.

Per Malibu Municipal Code Section 2.56.130, Competitive bidding—Exceptions, the City may contract for these services where the supply or services can only be obtained from a single source (sole source).

Ozone Water Systems, Inc. has performed exceptionally during its agreement. Staff recommends executing Amendment No. 3 to extend Ozone Water System, Inc. agreement for an additional 2 years at a negotiated lower cost of $53,400 for both facilities. By executing Amendment No. 3, the level of service to the City will continue uninterrupted and staff will be able to maintain the basic operations and maintenance services for the City's Civic Center Stormwater Treatment Facility and Paradise Cove Stormwater Treatment Facility.

ATTACHMENT: Amendment No. 3 to Agreement between the City and Ozone Water Systems, Inc.

AMENDMENT NO. 3 TO AGREEMENT

THIS AMENDMENT NO. 3 TO AGREEMENT is made and entered in the City of Malibu on this 1st day of November 2011, by and between the CITY OF MALIBU, herein after referred to as City, and Ozone Water Systems, Inc., hereinafter referred to as Contractor.

The City and the Contractor agree as follows:

RECITALS

A. On May 1, 2008, the City entered into an Agreement with Contractor for the operations and maintenance of the City's Civic Center Stormwater Treatment Facility (the "Agreement").

B. On February 9, 2009, the City executed Amendment No. 1 extending the term of the agreement to expire on November 1, 2010, with an option to extend the Term of the Agreement until November 1, 2011, and amend the schedule of fees.

C. On November 10, 2010, the City executed Amendment No. 2 extending the term of the agreement to expire November 1, 2011 and expand the scope of work to include the Paradise Cove Stormwater Treatment Facility, for a monthly fee of $450.

D. The City desires to amend the Agreement to extend the Term of the Agreement, such that the contract will remain in effect until November 28, 2013 and modify the schedule of fees for the Civic Center Stormwater Treatment Facility.

NOW THEREFORE, in consideration of their mutual promises, obligations and covenants hereinafter contained, the parties hereto agree as follows:

1. The Term of the Agreement is hereby amended to expire on November 28, 2013.

2. The compensation due to Contractor under the agreement is hereby amended as follows: The $4,500 monthly charge for the maintenance and operation of the Civic Center Stormwater Treatment Facility shall be reduced to $4,000 per month.

3. All terms and conditions of the May 1, 2008 Agreement and all related contract documents incorporated therein including Amendment Nos. 1 and 2 that have not been amended by this Amendment No. 3 remain in full force and effect.

This Agreement is executed on this ____ day of November, 2011, at Malibu, California, and effective as of November 1, 2011.

CITY OF MALIBU

JIM THORSEN, City Manager

ATTEST:

LISA POPE, City Clerk
(seal)

APPROVED AS TO FORM:

FOR CHRISTI HOGIN, City Attorney

CONTRACTOR

By: John Gandaur
Title: Principal
Ozone Water Systems, Inc.