

TO: JAMES L. APP, CITY MANAGER
FROM: MEG WILLIAMSON, ASSISTANT CITY MANAGER
SUBJECT: BOYLE CONTRACT AMENDMENT – BUDGET APPROPRIATION
DATE: OCTOBER 17, 2006

Needs: For the City Council to make the budget appropriation for a contract amendment approved on October 3, 2006 with Boyle Engineering.

Facts:

1. On October 3, 2006, the City Council adopted Resolution No. 06-195 authorizing the amendment of the existing contract with Boyle Engineering to include additional technical analysis required by the Federal environmental review process for the sulfur spring repair.
2. The cost of the additional work is \$18,500.
3. While the Council's action approved the additional expenditure, it did not include the appropriation of the general fund dollars to the project's repair account as required by the City's Fiscal policy.

Analysis
and

Conclusion: As a matter of proper accounting it is necessary for the Council to follow up their previous contract amendment authorization with an action to appropriate the general fund dollars to the proper spending account.

Policy

Reference: City's Fiscal policy.

Fiscal Impact: No change from the October 3, 2006 report (attached for reference).

Options:

1. Adopt the attached resolution 06-XXX to appropriate \$18,500 from General Fund reserves to account #100-820-5452-260 for an amendment to the contract with Boyle Engineering for the FEMA required hydro-geological modeling.
2. Amend, modify, or reject the above options.

Attachments:

1. Resolution appropriating funds for contract amendment with Boyle Engineering
2. October 3, 2006 City Council staff report

TO: JAMES L. APP, CITY MANAGER

FROM: MEG WILLIAMSON, ASSISTANT CITY MANAGER
DOUG MONN, PUBLIC WORKS DIRECTOR

SUBJECT: LIBRARY/CITY HALL SULFUR SPRING REPAIRS – CONTRACT AMENDMENT

DATE: OCTOBER 3, 2006

Needs: For the City Council to consider amending an existing contract with Boyle Engineering to conduct additional technical analysis required by the Federal environmental review process for the sulfur spring.

Facts:

1. On May 2004, City Council awarded a contract for \$118,270.00 to Boyle Engineering to assist the City in mitigating the flow of the geo-thermal spring at the Library/City Hall and to provide design drawings for the repair of the parking lot.
2. On December 7, 2004, the City Council amended the contract with Boyle Engineering to include additional services related to the State and Federal environmental review processes. The cost of the additional environmental and design alternative services was \$86,300 and included a subcontract with Padre Associates for portions of that work.
3. The City has obtained the support of the State Regional Water Quality Control Board for a disposal technique of the sulfur spring water to the Salinas River. The Percolation Disposal approach was submitted to FEMA and OES in May 2006 and described to Council in a status memo dated June 2, 2006.
4. FEMA has resumed the processing of the environmental documentation of the sulfur spring repair and has required that the City provide hydro-geologic modeling of potential impacts of percolating the sulfur water discharge adjacent to the river might have on the river's seasonal surface flow.
5. Boyle has provided a scope of work that has been approved by FEMA to accomplish this next step in the environmental review documentation. The cost of the additional work is \$18,500.
6. The estimated time for completion of the additional work scope is four to six weeks.
7. Once the modeling is complete, FEMA will use the results to initiate the consultation process with federal environmental agencies (such as Fish and Wildlife Service and NOAA Fisheries). While the outcome of those consultations will still take months to complete, both the State OES and FEMA environmental representatives believe this approach is the most expeditious in documenting a finding of no negative impact to the environment.
8. Environmental review and documentation is a necessary step if the City is to receive any federal reimbursement for the earthquake repairs. The cost of parking lot repair and disposal of the sulfur spring water to the river is estimated between \$1.5 and \$2 million.

Analysis
and

Conclusion: The City cannot complete the design for remediation of the sulfur spring and repair of the parking lot until the environmental review process has been completed. FEMA oversees the federal environmental review process (NEPA) and has determined that hydro-geological modeling of the river and spring water is necessary to complete that process. Because this modeling was not part of the original scope of work under the City's contract with Boyle Engineering, it is necessary to consider a contract amendment to cover the additional work.

The additional environmental documentation would provide empirical data necessary to demonstrate to State and Federal agencies that the repair project will not have significant impacts to the environment, thereby allowing the City to complete the project and FEMA to fully fund the cost of the remediation.

Policy

Reference: None

Fiscal Impact: Amendment of the contract to Boyle Engineering for the necessary hydro-geological modeling associated with environmental documentation of disposal of the flow from the sulfur spring would impact the General Fund in an amount of \$18,500. This will bring the total cost of the Boyle Engineering contract to \$223,000. While staff has filed for a Project Worksheet with FEMA to cover the cost of mitigating the sulfur spring and repair of the parking lot, there is no guarantee as to when or if the cost will be reimbursed. The process being followed has the highest level of assurance for reimbursement.

Options:

1. Adopt the attached resolution 06-XXX to amend the contract with Boyle Engineering in an amount of \$18,500 for the FEMA required hydro-geological modeling.
2. Amend, modify, or reject the above options.

Attachments:

1. Resolution amending the contract with Boyle Engineering
2. Boyle's amended scope of work proposal dated September 13, 2006

RESOLUTION NO. 06- _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES
APPROPRIATING GENERAL FUND RESERVES FOR THE CONTRACT AMENDMENT
WITH BOYLE ENGINEERING FOR HYDRO-GEOLOGIC MODELING ASSOCIATED WITH
THE SULFUR SPRING REMEDIATION AND PARKING LOT REPAIR

WHEREAS, on October 3, 2006 the City Council adopted Resolution No. 06-195 authorizing the amendment of the existing contract with Boyle Engineering to include additional technical analysis required by the Federal environmental review process for the sulfur spring remediation and parking lot repair; and

WHEREAS, the cost of the additional approved work scope is \$18,500; and

WHEREAS, while the City Council's October 3, 2006 action approved the additional expenditure, it did not include the appropriation of the general fund dollars to the project's repair account as required by the City's fiscal policy; and

THEREFORE BE IT RESOLVED by the City Council of the City of El Paso de Robles, that a one time budget appropriation from General Fund Reserves to budget account 100-820-5452-260 in the amount of \$18,500 is hereby approved.

PASSED AND ADOPTED this 17th day of October, 2006 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Frank R. Mecham, Mayor

ATTEST:

Deborah Robinson, Deputy City Clerk