

ENERGY AND ENVIRONMENT COMMITTEE REPORT relative to the proposed Amendment No. 2 to Contract No. C-133194 with Walsh Construction Company II, for the design, construction, and operation of an Advanced Water Purification Facility at the Hyperion Water Reclamation Plant and related matters.

Recommendation for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

AUTHORIZE the President, Board of Public Works (Board), or two members, on behalf of the Bureau of Sanitation, to execute the proposed Amendment No. 2 to Contract No. C-133194 with Walsh Construction Company II, as approved by the Board on February 28, 2024, for the design, construction, and operation of a 1.5 million gallon per day Advanced Water Purification Facility at the Hyperion Water Reclamation Plant, to extend the term by two years, from May 29, 2024 to May 29, 2026, for a total term of seven years, subject to approval by the City Attorney as to form and compliance with the City's contracting requirements.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that there is no General Fund impact. A total of \$88,490,372 has been budgeted for this project. The remaining funding of \$5,339,191 will be provided in 2023-24 from available funds for this purpose within the Wastewater System Commercial Paper B Construction Fund No. 70X. Future funding is subject to the City's annual budget process. The proposed Amendment includes a Financial Liability Clause limiting the City's financial obligation to the extent of appropriations made for this purpose.

Financial Policies Statement: The CAO further reports that the recommendation complies with the City's Financial Policies in that expenditures of special funds are limited to the mandates of the funding source.

Community Impact Statement: None submitted.

**TIME LIMIT FILE – JUNE 10, 2024
(LAST DAY FOR COUNCIL ACTION – JUNE 7, 2024)**

Summary:

On April 26, 2024, your Committee considered the April 1, 2024, CAO report relative to authorizing the Board of Public Works to execute the proposed Amendment No. 2 to Contract No. C-133194 with Walsh Construction Company II, for the design, construction, and operation of an Advanced Water Purification Facility at the Hyperion Water Reclamation Plant and related matters. The report attached to the Council file includes some background on the matter.

After providing an opportunity for public comment, the Committee moved to approve the recommendation reflected above. This matter is now transmitted to the Council for its consideration.

Respectfully Submitted,

ENERGY AND ENVIRONMENT COMMITTEE

| <u>MEMBER</u> | <u>VOTE</u> |
|----------------------|--------------------|
| YAROSLAVSKY: | YES |
| MCOSKER: | ABSENT |
| RAMAN: | YES |
| BLUMENFIELD: | ABSENT |
| HERNANDEZ: | YES |

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-NOT OFFICIAL UNTIL COUNCIL ACTS-