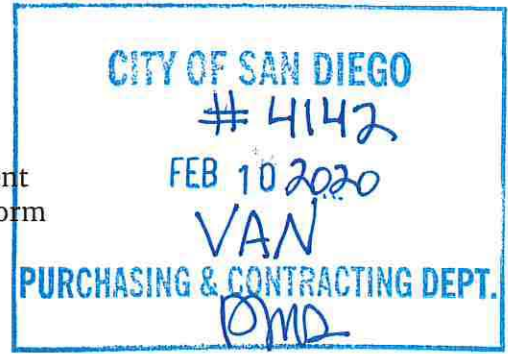


Purchasing and Contracting Department
Sole Source Request and Certification Form



To: Director of Purchasing and Contracting
Cc: Assistant Chief Operating Officer

From: Peter Vroom, Deputy Public Utilities Director

Date: February 3, 2020

In alignment with the guidance provided in the San Diego Municipal Code section 22.3016, the Purchasing Agent (Director of Purchasing and Contracting) must certify that the award of a sole source contract is necessary by memorializing in writing why strict compliance with a competitive process would be unavailing or would not produce an advantage, and why soliciting bids or proposals would therefore be undesirable, impractical, or impossible.

For consideration, this form must be completed and all required accompanying information must be submitted together, including any related contracts. Failure to do so will result in a delay of approval of the request.

Describe commodity or service(s) to be purchased. Include vendor contact information.

Sole source is requested with Ocean Imaging Corporation [Atoll Ventures Corporation] (Contact: Dr. Jan Svejksky; 858-792-8529) for satellite and aerial coastal water quality monitoring (Remote Sensing) services at a cost of \$804,586 for the fiscal years FY21-FY23 (July 1, 2020 - June 30, 2023). This request is due to the highly technical and uniquely tailored services that Ocean Imaging Corp. provides that are unavailable through any other single source. Ocean Imaging's existing remote sensing data archive, and customized analysis results linking historical remote sensing, field sampling, and environmental/oceanic parameters, are essential to the City's evaluation of trends in our region. No other organization has such a dataset, or comparable capabilities. Furthermore, under the San Diego Municipal Code sections 22.3212 and 22.3037, it states in part that "The contracts listed in Section 22.3212 (a)-(g) are not required to be competitively bid: (d) A contract that is available from a sole source only, if, in advance of the contract, the City Manager certifies in writing in accordance with Section 22.3037 the Sole Source status of the provider". This project represents a long-term collaboration between the City of San Diego (City), the International Boundary and Water Commission, U.S. Section (USIBWC), and Ocean Imaging that was initiated by the Regional Water Quality Control Board (RWQCB) in 2002.

The remote sensing services provided by Ocean Imaging are essential to the Public Utilities Department being able to meet its environmental monitoring objectives, commitments, and regulatory permit requirements associated with the discharge of wastewater to the Pacific Ocean via the Point Loma Ocean Outfall (PLOO) and South Bay Ocean Outfall (SBOO). This work is also part of a multi-year contractual agreement the City has with the USIBWC to provide ocean monitoring services for the SBOO region associated with operation of the South Bay International Wastewater Treatment Plant, for which the City is reimbursed by the USIBWC for approximately \$1M/year.

The monitoring conducted by Ocean Imaging utilizes various aerial and satellite sensors in the visible, near-infrared, and thermal infrared to detect patterns in natural oceanographic variables, point and non-point source terrestrial runoff, and anthropogenic sources such as San Diego's two large ocean outfalls. These image data and subsequent advanced analyses are utilized to spatially and temporally enhance regular field sampling surveys conducted by City marine biologists, and to help interpret the results from those surveys. In the early years of the project efforts were focused primarily on the detection and monitoring of the PLOO and SBOO wastewater plumes, and in tracking near-shore runoff plumes originating from historically high contamination sources such as the Tijuana River and Los Buenos Creek. The project's objectives later expanded to include a newer generation of multiple spatial data products on a larger, regional scale to provide information on oceanic variables affecting all of San Diego's coastal waters. Important results from the project include the determination of dispersal pattern trends of the SBOO plume when it reaches the ocean's surface waters, dispersal pattern trends of storm water runoff from multiple shoreline point sources and their relation to beach contamination potential along all of San Diego's coastline, as well as short term patterns and long-term trends of oceanic phenomena such as phytoplankton blooms and red tides, and growth cycles of the region's giant kelp forests.

Continuation of this long-term project to better understand coastal water quality conditions off San Diego is a critical component of the City's monitoring program included in the Point Loma NPDES Permit 301(h) Renewal Application. The project also exemplifies the commitment of Public Utilities to provide advanced, scientifically sound, and cost-effective services to protect the region's coastal marine ecosystem and natural resources.

Justification

1. This product or service is available from only one supplier and meets at least one of the following criteria (please check all that are applicable):

- One-of-a-kind/Compatibility*
- a. Required by Warranty: the product matches existing equipment, infrastructure and is required by warranty. **(A letter from the provider which supports this claim must be provided.)**
 - b. Goods and Services:
 - i. the good has no competitive product or alternative on the market.
 - ii. the service requires a special skill, ability, or expertise linked to the current project that cannot be provided by another supplier.

(Documentation in support of either of the above claims must be provided by the requesting department.)

City Standards The product or service complies with established, existing City standards.

Replacement The product or service is the only compatible replacement component that supports a larger system. Or, the services are the only ones that can replace the existing service requirements.

2. Do any of the following situations exist?

Limited Competition Department made an attempt to find a second or multiple sources to no avail.

Emergency There is an urgent need for the item or service and time does not permit the City to solicit for competitive bids, as in the cases of emergencies as defined under SDMC section 22.3208,. (Delays in solicitation do not satisfy this criteria)

Cost/Market Analysis

Purchasing and Contracting will perform due diligence on each request. If Purchasing and Contracting can find a suitable, cost effective alternative, this request will be denied and that alternative will be pursued after your department has been contacted to discuss the revised determination.

This form does not take the place of an agreement and all sole source requests for a period of one year or longer will require the **submission of an agreement**. The requesting department must submit a purchase requisition and a copy of this certification to Purchasing and Contracting for a Purchase Order to be issued.

PCO Due Diligence (PCO to initial all that apply)

____ Proof of warranty or maintenance requirement for standardized and replacement items confirmed.

____ Vendor/Supplier confirmed submission of justification letter.

AM Market test confirmed that there is no advantage to the City in competing this contracting opportunity to multiple vendors.

____ Emergency verified with the department.

AM Pricing agreement has been reviewed.

AM Purchasing and Contracting has reviewed this request and affirms that this request for a sole source justification is appropriate.

This sole source is approved for:

One (1) year from the signature date below.

For the entire length of the contract, but not more than five (5) years.

The length of the contract must be consistent with the sole source approval. A sole source request must be submitted and approved by the Purchasing and Contracting Director prior to the award of each new contract and prior to each extension of an existing contract that was not contemplated in the initial contract term.

____ After reviewing the provided information and due diligence, I cannot recommend the approval of this request.

Purchasing and Contracting Director Review

I certify that strict compliance with a competitive process would be unavailing or would not produce an advantage, and that soliciting bids or proposals would be therefore undesirable, impracticable or impossible. My approval is contingent on the information provided in this form.

In accordance with SDMC §22.3016, this request is approved.

Based on the information provided and due diligence recommendation of staff, this request is denied.

Kristina Peralta
Kristina Peralta, Director, Purchasing and Contracting

13 FEB 2020
Date

**FIRST AMENDMENT TO THE CONSULTANT SERVICES AGREEMENT FOR
COASTAL REMOTE SENSING OF THE SAN DIEGO/TIJUANA REGION**

This First Amendment to the Consultant Services Agreement (First Amendment) is made and entered into by and between the City of San Diego (City) and Ocean Imaging, Inc. (Contractor), also referred to individually as "Party" and collectively as the "Parties."

RECITALS

1. City approved Sole Source #3559, resulting in a contract between the City and Contractor (Contract) to provide coastal remote sensing services for the San Diego/Tijuana Region. The Contract is comprised of the Contract, Resolution 309928, and the City's General Contract Terms and Provisions.
2. The Contract may be amended by written agreement executed by duly authorized representatives of both Parties.
3. The Parties wish to amend the Contract to extend the contract as permitted in the Contract Terms by ordinance and add additional compensation as required for the duration of the contract.

TERMS

1. Section 1.2 of the Contract is hereby **DELETED** in its entirety and **REPLACED** with the following:

1.2. Contract Administrator. The Public Utilities Department (Department) is the Contract Administrator for this Agreement. Consultant shall provide the Services under the direction of a designated representative of the Department as follows:

Ami Latker, Marine Biologist III
2392 Kincaid Rd.
(619) 758-2324
ALatker@sandiego.gov

2. Section 2.1 of the Contract is hereby **DELETED** in its entirety and **REPLACED** with the following:

2.1 **Term.** The term of this Agreement shall be from July 1, 2015 through June 30, 2023. The term of this Agreement requires approval by the City Council by ordinance prior to extension award.

3. Section 3.1 of the Contract is hereby **DELETED** in its entirety and **REPLACED** with the following:

3.1 **Amount of Compensation.** City shall pay Consultant for performance of all Services rendered in accordance with this Agreement in an amount not to exceed \$1,970,586.00. The proposed annual budget for the three (3) year extension through this Amendment are:

- FY21 (7/1/2020 – 6/30/2021) = \$260,308.00
- FY22 (7/1/2021 – 6/30/2022) = \$268,117.00
- FY23 (7/1/2022 – 6/30/2023) = \$276,161.00

4. This First Amendment will be effective when signed by both parties and approved by the City Attorney in accordance with Charter section 40.

5. All provisions of the Agreement not addressed in this First Amendment remain in full force and effect.

IN WITNESS WHEREOF, this First Amendment is executed by City and Contractor acting by and through their authorized officers.

Ocean Imaging, Inc.

By: Jan Srejtkovsky
 Name: Jan Srejtkovsky
 Title: President
 Date: 3/11/2020

City of San Diego

By: Christiana Gauger
 Name: Interim Director
 Title: Purchasing and Contracting
 Date: 7/28/2020

Approved as to form this 29 day of July, 2020

MARA W. ELLIOTT, City Attorney

By: Christine Leone
 Deputy City Attorney
 Christine Leone
 Print Name