



Los Angeles  
Department of  
Water & Power

RESOLUTION NO. \_\_\_\_\_

BOARD LETTER APPROVAL

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**MICHAEL S. WEBSTER**  
Executive Director – Power System  
Engineering and Technical Services

A blue ink signature of Martin L. Adams is written over a horizontal line.

**MARTIN L. ADAMS**  
Chief Operating Officer

A black ink signature of David H. Wright is written over a horizontal line.

**DAVID H. WRIGHT**  
General Manager

**DATE:** November 3, 2016

**SUBJECT:** Haiwee Power Plant Penstock Replacement Project Requesting the  
Los Angeles City Council to Establish Design-Build Criteria  
Pursuant to Section 371(b) of the City Charter

**SUMMARY**

The proposed Resolution, approved as to form and legality by the City Attorney, transmits an Ordinance to the Los Angeles City Council to approve the advertisement of a Request for Proposal (RFP) for the design and construction of the Haiwee Power Plant Penstock Replacement Project (Project). The Project will replace the existing steel penstock with fiber reinforced polymer composite material. The penstock is a large diameter, pressurized pipe that conveys water from the South Haiwee Dam to the Haiwee Power Plant to generate renewable energy.

The Ordinance will authorize LADWP to let a design-build contract pursuant to a competitive sealed proposal method permitting negotiations relating to the engineering, procurement, and construction of the Project based on the criteria established by the Ordinance. The Ordinance will authorize a term not to exceed three years for the term of the contract.

Pursuant to a competitive sealed proposal method, design-build criteria adopted by the Ordinance will permit an award to a bidder specialized in the design, engineering, procurement, construction, and testing and commissioning of fiber reinforced polymer composite systems. The sealed proposal method, per Charter Section 371(b), permits

negotiations after proposals have been opened to allow clarifications and changes to the proposal. Per Charter Section 371(a) and Los Angeles Administrative Code Section 10.47, the Local Business Preference Program will apply.

The approach will be to advertise one RFP to obtain an agreement with one qualified and experienced contractor.

Per Charter Sections 371(b), 373, and 674, Los Angeles City Council approval is required.

### **RECOMMENDATION**

It is requested that your Honorable Board adopt the attached Resolution recommending the Los Angeles City Council's approval of an Ordinance to allow the use of competitive-sealed bid proposal method.

### **FINANCIAL INFORMATION**

The total estimated cost for the project is approximately \$21 million. The duration of the proposed contract will not exceed three years.

### **BACKGROUND**

The Haiwee Power Plant is located in Owens Valley, approximately 30 miles south of Lone Pine. The penstock serves the needs of both Power System and Water System by providing hydro power to Haiwee Power Plant for generation of renewable energy and water supply to the City of Los Angeles as part of Los Angeles Aqueduct 1. A large portion of the penstock from the base of the Haiwee reservoir dam to the powerhouse is in disrepair due to collapse and corrosion. In 2008, a comprehensive third-party study was performed, which reviewed multiple previous studies, inspection reports, and operation and maintenance records. It was determined that the penstock has exceeded its service life and has no remaining safety margin. The study's conclusion was that complete replacement of the penstock was needed. In 2010, a net present value study was conducted, comparing the use of steel versus composite pipe for penstock replacement. The study concluded that composite material was the more feasible option.

Approximately 10,000 feet of the Haiwee penstock will be replaced with composite pipe in the 84 inches to 102 inches outside diameter range. Some portions of the penstock will be repaired and refurbished rather than replaced. Installation will also include a vacuum/air release system.

Per Charter Sections 371(b), 373, and 674, Los Angeles City Council approval is required. Accordingly, attached is the approved City Administrative Officer Report dated July 27, 2016.

## **ENVIRONMENTAL DETERMINATION**

This proposed project is subject to the California Environmental Quality Act (CEQA), Public Resources Code §2100, et seq. As such, it is important to note that the LADWP Board of Commissioners (Board) has made no final determinations regarding the proposed Project. The Board retains its full discretion to make a determination regarding the proposed Project, including the selection of no project at all. The Board will review the CEQA analysis and make a determination pursuant to law. Bidders recognize and assume this risk. No contract shall be awarded prior to the completion of CEQA compliance.

## **CITY ATTORNEY**

The Office of the City Attorney reviewed and approved the Ordinance and Resolution as to form and legality.

## **ATTACHMENTS**

- Ordinance
- Resolution
- City Administrative Officer Report