

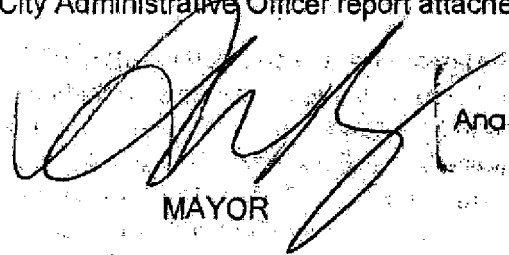
0150-09832-0001

TRANSMITTAL

TO David H. Wright, General Manager Department of Water and Power	DATE JAN 10 2016	COUNCIL FILE NO.
FROM The Mayor	COUNCIL DISTRICT Various	

AMENDMENT 1 TO CONTRACT 7422 WITH NORTHWEST EXCAVATING

Approved and transmitted for further processing including Council consideration.
See the City Administrative Officer report attached.


Ana Guerrero
MAYOR

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: January 6, 2017

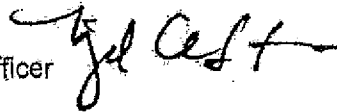
CAO File No. 0150-09832-0001

Council File No.

Council District: Various

To: The Mayor

From: Miguel A. Santana, City Administrative Officer



Reference: Communication from the Department of Water and Power dated November 30, 2016; referred by the Mayor for report on December 19, 2016

Subject: **AMENDMENT 1 TO CONTRACT 7422 WITH NORTHWEST EXCAVATING**

RECOMMENDATIONS

That the Mayor:

1. Approve the proposed resolution to authorize the execution of Amendment 1 to Contract 7422 with Northwest Excavating to (i) extend the contractual term by one year resulting in a total term of four years expiring in December 2017 and (ii) increase the expenditure authority by \$4,310,000 resulting in a not to exceed total of \$52,307,549; and,
2. Return the proposed resolution to the Department for further processing, including City Council consideration.

SUMMARY

Approval of the proposed resolution will authorize the DWP Board of Commissioners (Board) to amend the Department's agreement with Northwest Excavating (Contractor) in order to extend the current term by one year resulting in a total contractual term of four years beginning December 2013 and expiring in December 2017. Approval will also increase the current \$47,997,549 expenditure authority by \$4,310,000 resulting in a not to exceed total of \$52,307,549. This amendment is necessary for completing the Scattergood-Olympic Cable A transmission line which experienced unanticipated delays due to permitting difficulties, design changes, and additional environmental requirements.

DWP states the Contractor demonstrated a Good Faith Effort (GFE) to provide subcontracting participation with firms qualified under various programs including SBE/DVBE/MBE/WBE/OBE. Northwest proposed to subcontract 18.80-percent of the contract amount to the various qualified firms. However, it is noted that Northwest Excavating has a subcontracting participation record of less than one-percent through September 2016. The CAO encourages the DWP to monitor this contract to ensure the actual utilization of qualified subcontractors as proposed by Northwest Excavating.

City Council approval is required pursuant to Charter Section 373. In accordance with the Los Angeles Administrative Code Section 10.5, unless the Council takes action disapproving the proposed Agreement within 60 days after submission to the City Council, the Agreement will be deemed approved. The City Attorney has approved the proposed resolution as to form and legality.

FISCAL IMPACT STATEMENT

Approval of the proposed resolution will increase the existing expenditure authority by \$4.31 million affecting the DWP Power Revenue Fund. There is no fiscal impact to the City General Fund.

MAS:RR:10170066