

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: August 9, 2017

CAO File No. 0150-06947-0013

Council File No. 17-0801

Council District:

To: The Mayor
The City Council

From: Richard H. Llewellyn, Jr., Interim City Administrative Officer

Reference: Communication from the Department of Water and Power dated July 17, 2017 and July 19, 2017

Subject: **AMENDMENT 3 TO AGREEMENTS WITH TETRA TECH, CH2M HILL, AND CDM SMITH FOR ENGINEERING DESIGN SERVICES**

RECOMMENDATION

That the City Council:

1. Approve the proposed Resolution 018009 from the Department of Water and Power Board of Commissioners to authorize the execution of Amendment 3 to Agreements 47260A-5, 47260B-5, and 47260C-5 with Tetra Tech, Ch2m Hill, and CDM Smith for engineering design services in support of the Owens Lake Dust Mitigation Program to (i) extend the existing 36 month contractual term by an additional 12 months resulting in a total term of 48 months and (ii) increase the expenditure authority of \$20,420,000 by an additional \$3,000,000 resulting in a new total expenditure authority not to exceed \$23,420,000.

SUMMARY

Approval of the proposed resolution and related amendments will enable the Department of Water and Power (DWP) to continue with commissioning, startup, and design support services of the Owens Lake Dust Mitigation Program during construction close-out portion of the Phase 9/10 Project. Approval will also support the removal of emergency measures implemented to protect existing infrastructure from the anticipated runoff caused by winter rain storms earlier this year.

This proposed amendment to extend the contract term and to increase funding is necessary due to finding a significant number of unanticipated archeological, paleontological, biological, and tribal sensitive sites during construction. These discovered sites impacted the construction schedule and led to numerous design changes to civil, electrical, and/or mechanical components of the project. DWP asserts it managed the discovery of any sensitive sites in accordance with all applicable California and Federal laws. Furthermore, the DWP retained qualified archeological and Native American tribal monitors to actively work with construction teams to ensure (i) identified archaeological sites are avoided and (ii) newly identified and/or unevaluated resources located in the work area receive appropriate treatment.

DWP states the Phase 9/10 Project is approximately 81 percent complete, as of June 30, 2017. Total expenditures of the three contractors are approximately \$17.1 million resulting in approximately \$3.3 million remaining unspent. DWP asserts the three contractors have performed satisfactorily to date.

On July 17, 2017, DWP submitted to the Mayor a request for approval of the proposed resolution, in accordance with Executive Directive 4 (Villaraigosa series). Soon thereafter, on July 18, 2017, the DWP Board of Commissioners (Board) approved the proposed resolution. Subsequently, on July 19, 2017, DWP submitted to the City Council a request for approval of the proposed resolution pursuant to Charter Section 373. In accordance with the Los Angeles Administrative Code (LAAC) Section 10.5, the last day for City Council action on this proposed resolution is September 8, 2017. The City Attorney has approved the proposed resolution as to form and legality.

FISCAL IMPACT STATEMENT

Approval of the proposed resolution increases the expenditure authority by \$3,000,000 resulting in a total expenditure authority not to exceed \$23,420,000 impacting the Water Revenue Fund. There is no fiscal impact to the City General Fund. The proposed Agreement complies with the Department's adopted Financial Policies.

RHL:RR:10180001