

An ordinance authorizing the Board of Water and Power Commissioners to use the competitive sealed proposal selection process for award of contracts in conjunction with the use of alternative project delivery methods, and establishing criteria relating to such contracts for capital improvement projects related to the Mainline Replacement Program, Trunk Line Replacement Program, the Mid-Valley and Western District Operations and Maintenance Facilities, Water Quality Laboratory, and the Fairmont Reservoir Water Quality Treatment Facility (collectively, the Proposed Projects);

WHEREAS, Section 371(b) of the Los Angeles City Charter permits the letting of contracts pursuant to a competitive sealed proposal method, in accordance with criteria established by ordinance adopted by at least two-thirds of the City Council, and also allows for the use of design-build or other appropriate alternative project delivery systems when justified by the type of project and approved by the contracting authority; and

WHEREAS, the purpose of this ordinance is to establish criteria for the letting of contracts pursuant to a competitive sealed proposal method and to authorize the use of alternative project delivery methods for contracts between the Los Angeles Department of Water and Power (LADWP) and the successful proposers for design and construction services for capital improvement projects related to the Proposed Projects; and

WHEREAS, time is of the essence and it is in the best interest of the City of Los Angeles to expedite implementation of the Proposed Projects which will improve the aging Water System Infrastructure, meet water quality goals and regulatory requirements, increase system resiliency, increase service reliability, achieve improved customer service satisfaction, and provide for greater efficiency of critical LADWP Water System functions; and

WHEREAS, it is advisable for LADWP to use the competitive sealed proposal selection process and alternative project delivery methods pursuant to the terms of this ordinance because this type of work is highly specialized and regulated, making it critically important that the successful proposers have the experience and expertise to deliver the Proposed Projects in an accurate and timely manner; and

WHEREAS, the Los Angeles City Council desires to authorize LADWP to use the competitive sealed proposal selection process and alternative project delivery methods for the Proposed Projects; and

WHEREAS, for the proposed Mainline and Trunk Line Replacement projects, LADWP intends to establish a list of approved contractors through a Request for Qualifications (RFQ), which is the first step of the two-step Request for Proposal (RFP) process. Following the evaluation and selection of contractors from responses to the RFQ, a list of approved contractors, and the negotiated Agreements, will be submitted to City Council for approval of an initial five year term. LADWP will subsequently issue RFPs to

the approved contractors for each Mainline or Trunk Line project on a task order basis, with the option at LADWP's discretion to extend the contract period up to, but not exceeding, ten years without further approval by the Los Angeles City Council; and

WHEREAS, for each of the Operations and Maintenance and Water Quality Facilities Proposed Projects, the selected AD method and contractor will be submitted to City Council separately for approval of initial five year term. Selection of all qualified contractors for all categories of projects will be based on the contractor's ability to provide the best value to LADWP; and

WHEREAS, the Los Angeles City Council desires to establish the criteria for the letting of contracts by LADWP pursuant to such competitive sealed proposal selection process.

**NOW THEREFORE,
THE PEOPLE OF THE
CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. The Los Angeles Department of Water and Power (LADWP) may use the competitive sealed proposal selection process as provided herein and the Construction Manager at Risk, Design-Build or Progressive Design-Build and alternative project delivery methods for the following proposed projects, or any combination thereof: Water Mainlines and Trunk Lines located throughout the City of Los Angeles; the Mid-Valley and Western District Operations and Maintenance Facilities, Water Quality Laboratory, and the Fairmont Reservoir Water Quality Treatment Facility, including their components and integration into the operations of the Water Distribution System (collectively, the Proposed Projects).

Section 2. LADWP intends to establish a list of approved contractors through a Request for Qualifications (RFQ) which is the first step of the two-step Request for Proposal (RFP) process for projects that fall under the Mainline and Trunk line Replacement projects. Following the evaluation and selection of contractors from responses to the RFQ, a list of approved contractors and the negotiated Agreements will be submitted to City Council for approval of an initial five year term. LADWP will subsequently issue RFPs to the approved contractors for each Mainline or Trunk Line project. The selected AD method and contractor for each Operations and Maintenance and Water Quality Facilities Proposed Project will be submitted to City Council separately for approval of an initial five year term. Selection of all qualified contractors will be based on the contractor's ability to provide the best value to LADWP. At the discretion of the LADWP Board, the term of the agreements can be extended up to a period not to exceed a cumulative term of ten years, without further approval by City Council. In order to utilize these methods, the Board shall make a written finding supported by a written statement of facts that award to the lowest responsive and responsible bidder is not practicable or advantageous, and shall also state in writing the reason for the particular award. The total amount of the contracts to be awarded will not exceed \$2.575 Billion.

Section 3. Contract negotiations may be engaged in by LADWP after proposals have been opened to allow clarification and changes in the proposal. LADWP shall take adequate precaution to treat each proposer fairly.

Section 4. Proposals shall be solicited by issuing a RFP, which shall be subject to prior Board approval and reviewable by the City Council under Charter Section 245. Public notice of the RFP shall be given in writing or electronically to prospective proposers. The RFP shall state the time and place at which the proposals will be received by LADWP. Proposals received after the time and date specified shall be returned and shall not be considered.

Section 5. At a minimum, the RFP shall include: (a) description of the services and items desired or the scope of work to be performed; (b) a statement of the evaluation criteria that will be used in evaluating proposals; and (c) a statement as to when and in what form costs or prices are to be submitted. In addition, the RFP may require that proposers submit: (i) relevant experience; (ii) qualifications; (iii) approach; (iv) risk assessment; (v) schedule; (vi) evidence of bonding capability; (vii) a listing of subcontractors/subconsultants or a selection plan for subcontractors/subconsultants that meets specified requirements and which is sufficient to ensure that fair practices are used in such selection; (viii) updated financial and other relevant information sufficient to provide evidence of financial ability to complete the work; and (iv) such other information as LADWP deems relevant and appropriate.

Section 6. The evaluation criteria shall be described in the RFP in a plan of evaluation that identifies evaluation factors and their relative importance to the proposed work or project. The criteria shall include, but not be limited to, a means to measure how well a proposal meets desired performance requirements and how the lowest ultimate cost will be determined.

Section 7. Proposals shall be opened and their contents secured to prevent disclosure during the process of negotiating with competing proposers. Adequate precautions shall be taken to treat each proposer fairly and to insure that information gleaned from competing proposals is not disclosed to other proposers. Except for the names of the proposers, information contained in the proposals, including price, shall not be disclosed until a recommendation for award is made to the Board.

Section 8. Award shall only be made to the responsible and responsive proposers whose final proposals are most advantageous to the City, except that the Board may reject any or all offers if rejection is in the best interest of the City. No award may be made to a proposer whose final proposal is higher as to the ultimate cost to the City (as defined in Charter Section 371), than any responsive proposal submitted. The Board shall document its findings regarding this determination.

Section 9. The Proposed Projects are subject to the California Environmental Quality Act (CEQA), Public Resources Code § 2100, et seq. In accordance therewith,

LADWP, as lead agency, will conduct environmental reviews for all Proposed Projects and prepare the appropriate environmental documentation needed to evaluate and disclose the potential environmental impacts associated with the construction and operation of the Proposed Projects. It is important to note that the Board has made no final determinations regarding the Proposed Projects. The Board retains its full discretion to make a determination regarding the Proposed Projects, including the selection of no project at all. The Board will review the CEQA analysis and make a determination pursuant to law. Proposers recognize this and assume the risk. No Task Order Proposal for construction shall be awarded prior to the completion of CEQA compliance.

Section 10. Notwithstanding any other ordinance, rule or law of the City of Los Angeles to the contrary, the LADWP Board may award a contract or contracts using the aforementioned criteria pursuant to Section 371(a) and 371(b) of the Charter of the City of Los Angeles as to the equipment and services described in this ordinance for a fixed five year contract term, subject to City Council approval. At the discretion of the LADWP Board, the term of the agreements can be extended up to a period not to exceed a cumulative term of ten years, without further approval by the Los Angeles City Council.

Section 11. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located in the Main Street lobby to the City Hall; one copy on the bulletin board located at the Main Street entrance to City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that this ordinance was passed by the Council of the City of Los Angeles, **by a vote of not less than two-thirds** of all of its members, at its meeting of _____.

Holly Wolcott, City Clerk

By _____
Deputy

Approved _____

Mayor

Approved as to Form and Legality

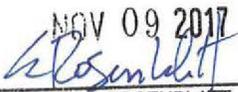
MICHAEL N. FEUER, City Attorney

By _____
ERIC ROSENBLATT
Deputy City Attorney

Date _____

File No. _____

APPROVED AS TO FORM AND LEGALITY
MICHAEL N. FEUER, CITY ATTORNEY

BY NGV 09 2017

ERIC ROSENBLATT
DEPUTY CITY ATTORNEY