



Los Angeles  
Department of  
Water & Power

RESOLUTION NO. 025 139

**BOARD LETTER APPROVAL**

**ANSELMO G. COLLINS**  
Senior Assistant General Manager  
Water System

**JANISSE QUIÑONES**  
Chief Executive Officer and Chief Engineer

**DATE:** December 11, 2024

**SUBJECT:** Agreement No. 47819 for Owner's Agent – Water Quality Laboratory Project with Jacobs Project Management Co.

**SUMMARY**

Proposed Agreement No. 47819 (Agreement) with Jacobs Project Management Co. (Jacobs) is to engage an experienced Owner's Agent to provide a full range of expert professional engineering and consulting services to assist LADWP with the design and construction of the Water Quality Laboratory Project (Project). The Owner's Agent will elicit, evaluate, ascertain, document, represent, and carry out LADWP's interests through consultation with LADWP staff for a term of six years for a total amount not to exceed \$7,500,000 with a 10 percent owner's contingency of \$750,000 (budgeted). The Agreement is the result of a competitive process under Request for Proposal (RFP) No. 90693R1.

The as-needed services may require, but are not limited to, assisting LADWP in overseeing and managing the design-build project, and providing engineering and construction support, such as planning, analysis, designing, permitting, engineering, procurement, cost estimating, scheduling, construction document review, Los Angeles City certified deputy inspection services, and post construction activities.

City Council approval is required pursuant to Charter Section 373.

**RECOMMENDATION**

It is requested that the Board of Water and Power Commissioners (Board) adopt the attached Resolution recommending City Council's approval of the execution of the Agreement with Jacobs as required in Charter Section 373.

## **ALTERNATIVES CONSIDERED**

The services to be performed under this Agreement require specialized knowledge in the design and construction of laboratory facilities. LADWP personnel do not currently possess this knowledge, and hiring in house expertise is not achievable in the time frame required to design and construct the Project. Training is not feasible since it requires multiple, advanced, university-level courses, and several years of experience designing and operating various types of laboratory facilities. Furthermore, the Project is the only opportunity to utilize the specialized knowledge for a laboratory facility, as there are no plans to build another laboratory in the future.

Failure to award the Agreement will delay the design and construction of the Project, which is needed to replace an existing and deteriorating laboratory.

## **FINANCIAL INFORMATION**

The Agreement is for a term of six years and for an amount not to exceed \$8,250,000, including contingency (budgeted).

Agreement Amount	\$7,500,000
Contingency (10 percent)	<u>\$ 750,000</u>
Total Not-to-Exceed Amount	\$8,250,000

## **BACKGROUND**

LADWP owns and operates a Water Quality Laboratory located in the city of Pasadena. The existing laboratory, an older two-story building constructed in the 1960s, was purchased by LADWP in 2003. Over time, the building continually experiences operational and maintenance issues. In addition, due to increased regulatory requirements and operational demands, the need for testing services has risen significantly. The increased workload and staffing have resulted in space constraints. The laboratory has also undergone multiple retrofits to support a continuous, 24 hours a day, seven days a week operation. Consequently, the diminished working space for staff is posing ongoing safety concerns. The Project will replace the existing laboratory with a new, state-of-the-art laboratory, providing sufficient capacity and space to ensure the safety and efficiency of personnel.

The Owner's Agent will provide LADWP with a full range of professional engineering and consulting services to assist in the planning, design, construction document review, alternative delivery evaluation and oversight, Los Angeles City certified deputy inspection services, commissioning, permitting, close out, and operations support of the Project. Deliverables will include, but are not limited to, evaluation of laboratory planning analysis, cost management, schedule management, and risk management.

RFP No. 90693R1 is a re-bid of RFP No. 90693. The original RFP was advertised on September 8, 2022, and one proposal was received. LADWP surveyed the vendors who

expressed interest but did not submit a proposal. Based on the feedback from the survey, the RFP's minimum requirements were revised to facilitate receipt of additional proposals from vendors.

The Project is targeted for completion in Summer 2030. However, it is anticipated the Owner's Agent may also provide guidance to LADWP during the startup, operation, and maintenance of the Project to address issues that may arise. Therefore, a six-year duration for the Agreement with the Owner's Agent is requested. The 10 percent Owner's contingency is included to ensure Owner's Agent is available to support in the event the Project encounters unforeseen conditions or changes during the various phases of the Project.

In accordance with the Mayor's Executive Directive No. 4, the City Administrative Officer's (CAO) Report was approved on November 18, 2024.

### **ENVIRONMENTAL DETERMINATION**

Determine item is exempt pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15060(c)(2). In accordance with this section, an activity is not subject to CEQA if it will not result in a direct or reasonably foreseeable indirect physical change in the environment. The approval of this Agreement with Jacobs for Owner's Agent services associated with the Water Quality Laboratory Project will not result in any physical change in the environment; therefore, the proposed action is not subject to CEQA.

However, the proposed Water Quality Laboratory Project is subject to CEQA per Public Resources Code S 21000, et seq. As such, it is important to note that the Board has made no final determinations regarding the proposed Project and the selection of the final action will be subject to adjustments necessary to comply with state and federal law, including CEQA. The Board will review the CEQA analysis and make a determination pursuant to law. Neither final design nor construction shall commence prior to full compliance with applicable CEQA requirements.

### **CITY ATTORNEY**

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

### **ATTACHMENTS**

- Procurement Summary
- Resolution
- Agreement
- CAO Report

## PROCUREMENT SUMMARY

1.	Recommended Vendor(s): Jacobs Project Management Co.
2.	Procurement Type: Request for Proposal (RFP) No. 90693R1
3.	Procurement Details: A. Contract Status: New B. Bid Advertisement Date: 12/21/2022 C. Pre-Bid Conference Date: 01/11/2023 D. Bid/Proposal Due Date: 03/01/23 E. Number of Downloads of Solicitation: (67)* F. Number of Bids/Proposals Received: 2 G. Protest Received: (Yes/No) No
4.	Buyer Assigned: LaTanya Hypolite
5.	Contract Administrator: Ofelia Rubio
6.	LADWP System/Division: Water System/Water Engineering & Technical Services
7.	Contact Person for Item: Todd Rother

\*Note: Downloads do not necessarily accurately reflect unique vendor interests as multiple individuals in an organization can download solicitations.

### A. Summary of Bids Received/Evaluation Rating Summary of Proposals

Criteria	Maximum Score	Jacobs Project Management Co.	Hazen & Sawyer
SBE/DVBE Participation	Pass/Fail	<b>Pass</b>	Pass
Financial Resources and Responsibility	Pass/Fail	<b>Pass</b>	Pass
Compliance with Minimum Requirements	Pass/Fail	<b>Pass</b>	Pass
Compliance with Mandatory Requirements	Pass/Fail	<b>Pass</b>	Pass
Proposer's Qualifications and Experience	20%	<b>17.20</b>	17.60
Past Performance Questionnaire	2%	<b>1.99</b>	1.95
Organizational/Management Approach to Work	7%	<b>6.16</b>	5.74
Qualifications of Key Personnel	20%	<b>17.60</b>	16.40
Technical Approach	25%	<b>22.00</b>	21.00
Compliance Matrix to Technical Requirements	1%	<b>0.98</b>	0.96
Fee Schedule	25%	<b>25.00</b>	18.98
Evaluation of Written Proposal Total	100%	<b>90.93</b>	82.63
Local Business Preference Program	Up to 12%	<b>9.00</b>	4.00
Total Evaluated Score	112%	<b>99.93</b>	86.63

### B. Evaluation of Proposals

Two proposals were received in response to RFP No. 90693R1. The proposals were evaluated by a diverse, five-member team which consisted of an Assistant Director, two Managers, an Engineer, and an Architect. The team evaluated all criteria except for SBE/DVBE participation, financial stability, mandatory requirements, minimum requirements, past performance questionnaires, and fee schedules.

SBE/DVBE participation was evaluated by the Supplier Relations Office, Financial stability was evaluated by LADWP's Financial Services Organization (FSO), and the other criteria were evaluated by Supply Chain Services. After a thorough evaluation of the proposals, Jacobs was determined to be most qualified to perform the work.

From the list of 26 potential bidders, only two proposals were received. A survey was sent to the other 24 vendors asking why they did not submit a proposal. The responses received are listed in the table below.

<b>VENDOR NAME</b>	<b>SURVEY RESPONSE</b>
Kiewit	Did not see/receive notification email
Carollo Engineers	Did not see/receive notification email
Clark Construction Group	Owner's Agent services is not their primary focus at this time.
Swinerton	Not interested in Owner's Agent services
Cannon Design	Not interested in Owner's Agent services

The recommended fee schedule was determined to be fair and reasonable based on a comparison of representative sample labor classifications' hourly rates; comparison to the cost estimate; and the competitive RFP process.

The Vendor Authentication Unit conducted a full vendor review on Jacobs and no issues were found.

### **C. Procurement History**

There is no contract history for these services.

Jacobs has no contract history with LADWP over the last ten years.

### **D. Local Business Preference Program (LBPP)**

The LBPP was included in this RFP. However, LBPP was not a determining factor in the evaluation and recommendation of award for this Agreement.

### **E. Additional Outreach Efforts Taken**

In addition to the original bid list, the following outreach efforts were taken:

- RFP No. 90693R1 was posted on the City of Los Angeles Regional Alliance Marketplace for Procurement (RAMP) website.
- Research was conducted for firms with expertise and emails were sent to inform them of the opportunity.

- A pre-proposal meeting was conducted virtually via WebEx on January 11, 2023. Representatives from 16 firms were in attendance.

**F. Small Business Enterprises (SBE)/Disabled Veterans Business Enterprises (DVBE)/Minority Business Enterprises (MBE)/Women Business Enterprises (WBE)/Other Business Enterprises (OBE) Participation**

The minimum mandatory SBE/DVBE participation requirement set for this contract is 15 percent. Jacobs committed to an overall SBE/DVBE participation of 21 percent.

<b>SBE PARTICIPATION</b>		
Name	Description of Work	%
Dakota Communications (MBE)	Strategic communication & community outreach	6%
Integrated Engineering Management dba IEM (WBE)	Construction management services	TBD
Paul Hansen Engineering. LLC	Scheduling and estimating	8%
RF10 Inspection, Inc. (MBE)	Building inspection services	4%
Solid Rock Structural Solutions, Inc.	Structural engineering consultant	2%
<b>SBE Total:</b>		<b>20%</b>

<b>DVBE PARTICIPATION</b>		
Name	Description of Work	%
GCC & Associates LLC (MBE)	Partnering facilitation	1%
<b>DVBE Total:</b>		<b>1%</b>