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April 11, 2025

BPW-2025-0223

The Honorable City Council
Room No. 395
City Hall

REQUEST FOR AUTHORITY – HYPERION PHASE 1A PROGRAM

As recommended in the accompanying report of the Director of the Bureau of Sanitation, which this Board has adopted, the Board of Public Works recommends that the City Council:

1. APPROVE Bureau of Sanitation to utilize Progressive-Design-Build contracts for the delivery of Hyperion Phase 1A Program, pursuant to a competitive, sealed-proposal method consistent with Section 371b of the City Charter; and
2. REQUEST the City Attorney to prepare and present an ordinance allowing the Board of Public Works to let PDB contracts for the delivery of Hyperion Phases 1A Program, pursuant to a competitive, sealed-proposal method consistent with Section 371b of the City Charter.

Fiscal Impact: There is no impact to the General Fund.

Sincerely,

TJ KNIGHT,
Asst. Executive Officer, Board of Public Works

TK:lc



ADOPTED BY THE BOARD
PUBLIC WORKS OF THE CITY
of Los Angeles California

APR 11 2025


Executive Officer
Board of Public Works

DEPARTMENT OF PUBLIC WORKS
BUREAU OF SANITATION
BOARD REPORT NO. 1
APRIL 9, 2025

CD: ALL

AUTHORITY FOR PROGRESSIVE-DESIGN-BUILD CONTRACTS FOR DELIVERY OF HYPERION PHASE 1A PROGRAM

RECOMMENDATIONS

1. Approve LA Sanitation and Environment (LASAN) to utilize Progressive-Design-Build contracts for the delivery of Hyperion Phase 1A Program, pursuant to a competitive, sealed-proposal method consistent with Section 371(b) of the City Charter.
2. Request the City Council to request the City Attorney to prepare and present an ordinance allowing the Board of Public Works to let Progressive-Design-Build (PDB) contracts for the delivery of Hyperion Phases 1A Program, pursuant to a competitive, sealed-proposal method consistent with Section 371(b) of the City Charter.

DISCUSSION

Background

As part of the City's long-term water management objectives of increasing local water supplies and resiliency, LA Sanitation and Environment (LASAN) and the Los Angeles Department of Water and Power (LADWP) are working collaboratively towards the development and implementation of the Pure Water Los Angeles Program (PWLA). The goal of this program is to maximize the reuse of wastewater effluent from the Hyperion Water Reclamation Plant (HWRP) as a new and sustainable source for local water supply. At full build-out, the program could potentially provide up to 230 million gallons per day (MGD) of new recycled water, or about 50% of the City's potable water demand, instead of discharging this water as secondary effluent into Santa Monica Bay. LADWP and LASAN are now focusing on implementing the first phase of the PWLA program to deliver 50 MGD of recycled water for potable reuse.

PWLA will use advanced water purification technologies including membrane bioreactors (MBR), reverse osmosis, ozonation, biologically activated carbon, and ultraviolet advanced oxidation to meet the State Regulations for potable reuse of recycled water. LASAN will lead the implementation of the PWLA components at the HWRP. The transformation of HWRP to advanced water purification for 100% water recycling is envisioned to be in three phases over the next 20 to 25 years.

The first phase goal is to produce up to 50 MGD of recycled water and consist of two main projects: Hyperion Phase 1A – Recycled Water Foundational Infrastructure Project and Hyperion Phase 1B – MBR conversion and production of 50 MGD of Indirect Potable Reuse.

Project Scope of Hyperion Phase 1A

The overall goal of the HWRP Phase 1A Recycled Water Foundational Infrastructure Project is to make the necessary infrastructure modifications and improvements that are needed to enable the

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transformation of HWRP from conventional wastewater treatment to future advanced water purification. Once Hyperion Phase 1A has been completed, the HWRP would be able to proceed with Hyperion Phase 1B for 50 MGD of recycled water and any additional future phases for more recycled water production.

The scope of Hyperion Phase 1A project is to provide improvements, rehabilitation and/or replacement of the existing Intermediate Pumping Station and the Primary Effluent Conveyance System and include the following components: (a) new primary effluent flow equalization basins; (b) new primary effluent intermediate pumping station; (c) associated structural demolition or subsurface realignments; (d) new associated odor control facility; (e) demolition of conventional digesters; (f) upgrades to the associated electric power distribution system; (g) new fine screen facility.

The Hyperion Phase 1A project is technically complex with design and construction activities at multiple locations at the HWRP, requiring a high level of coordination with operations and maintenance divisions to ensure continued plant operation and permit compliance during construction.

Justification for Progressive Design-Build

To implement Hyperion Phase 1A, LASAN is pursuing a turnkey project development model known as Progressive Design-Build (PDB) where much of the performance risk is shifted to the project developer who has the expertise and track record with delivery of such projects. The project development approach ensures that any potential short term corrections to the Project are addressed by the developer before turning it over to LASAN. PDB minimizes time, cost, and improves project delivery outcomes through the City's direct involvement in the design process.

The 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 (Section 371). This process also allows for the use of design-build or other appropriate project delivery systems when justified by the type of project and approved by the contracting authority.

In an effort to control costs, manage City-risk, and assure timely delivery of a high quality product, LASAN proposes to use the PDB project delivery method in-lieu of the conventional design-bid-build project delivery method for implementation of the Program components at HWRP. Time is of the essence and it is in the best interest of the City to expedite implementation of the Program in order to provide the City with a locally sourced sustainable, resilient, and reliable water supply.

PROJECT REVIEW BY COMMITTEE (PRC) APPROVAL

The project budget was approved by PRC on November 13, 2024 in the amount of \$953,100,000.

STATUS OF FINANCING

There is no impact to the General Fund. No funding is required at this time. Specific funding information will be provided at the time of approval of the project award. Funding sources may include, but are not limited to the Fund No. 761, Sewer Capital Fund.

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Respectfully submitted,



BARBARA ROMERO
Director and General Manager
Bureau of Sanitation

REVIEWED AND APPROVED BY:



Sarai Bhaga (Mar 10, 2025 17:30 PDT)

SARAI BHAGA, Chief Financial Officer
Bureau of Sanitation

Date: _____

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