

**WHEREAS**, Scattergood Generating Station (SGS) Units 1 and 2 are natural gas-fired conventional steam turbine units; and

**WHEREAS**, SGS Units 1 and 2 currently utilizes a once-through cooling (OTC) system, drawing water from the Santa Monica Bay via a 12-foot conduit approximately 1640 feet offshore fitted with a velocity cap, to condense turbine exhaust steam and enable operation of the steam cycle and discharging into the Santa Monica Bay via a separate 12-foot diameter conduit approximately 3,927 feet offshore; and

**WHEREAS**, the California State Water Resource Control Board (SWRCB) implemented its statewide Water Quality Control Policy on the Use of Coastal and Estuarine Waters for Power Plant Cooling Policy (OTC Policy) governing the use of OTC systems and mandated coastal power generation plants minimize and or reduce adverse impacts from the use of OTC; and

**WHEREAS**, the retirement of SGS Units 1 and 2 will eliminate the use of OTC associated with the Units; and

**WHEREAS**, SGS Units 1 and 2 Green Hydrogen-Ready Modernization Project (Project) will provide firm, long-duration decarbonized capacity needed for LADWP to achieve 100 percent carbon-free by 2035; and

**WHEREAS**, LADWP intends to oversee the design, procurement, and construction, and commissioning of the Project; and

**WHEREAS**, LADWP desires to advertise one Request for Proposal using the competitive sealed proposal method that permits negotiations after proposals have been submitted to allow clarifications and changes to the proposal; and

**WHEREAS**, Section 371(b) of the Charter of the City of Los Angeles provides that as an alternative to an award pursuant to open and competitive bidding, a contract may be let pursuant to a competitive sealed proposal method, in accordance with criteria adopted by a two-thirds vote of the Council. The competitive sealed proposal method may permit negotiations in accordance with criteria as established by the Ordinance authorizing the use of such alternative method; and

**WHEREAS**, due to the complexity of the Project, the requirement to maintain the operations of other units during the Project, schedule uncertainties in the permitting process, and the challenges of construction in a facility with limited space and access and varying elevations, a contract term not to exceed five (5) years is requested.

**NOW, THEREFORE, BE IT RESOLVED** that the Board finds that adherence to the rule that the award be made to the lowest responsive and responsible bidder is not

practicable or advantageous and that the competitive sealed bid proposal method is in the best interest of the City due to the complexity of the Project and the large number of exceptions and clarifications that can reasonably be anticipated for this type of project.

**BE IT FURTHER RESOLVED** that pursuant to Charter Section 1022, the services advertised for in this Request for Proposal are for expert services which require knowledge and skills that are not available within LADWP, and can therefore be performed more economically and feasibly by independent contractors than by City employees.

**BE IT FURTHER RESOLVED** that the Board of Water and Power Commissioners approves and recommends to the Los Angeles City Council adoption by Ordinance of the proposed criteria to be used in the selection of the contractor(s) for the proposed SGS Units 1 and 2 Green Hydrogen-Ready Modernization Project pursuant to Section 371(b) of the Charter, and that the Board of Water and Power Commissioners be permitted to award the contract(s) for said equipment and construction for a term not to exceed five (5) years without further approval by the Los Angeles City Council pursuant to City Charter Sections 674 of the Charter.

**I HEREBY CERTIFY** that the foregoing is a full, true, and correct copy of a resolution adopted by the Board of Water and Power Commissioners of the City of Los Angeles at its meeting held.

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

NOV 10 2021

BY

  
MARK REUSCH  
DEPUTY CITY ATTORNEY

  
Secretary