

0150-12204-0000

TRANSMITTAL

TO Martin L. Adams, General Manager Los Angeles Department of Water and Power	DATE 01/30/2023	COUNCIL FILE NO.
FROM The Mayor	COUNCIL DISTRICT All	

**AGREEMENT NO. 47729 - BETWEEN
ARCADIS U.S., INC, AND THE DEPARTMENT OF WATER AND POWER
FOR OWNER'S AGENT – FAIRMONT SEDIMENTATION PLANT PROJECT**

Approved and transmitted for further processing including Council consideration.
See the City Administrative Officer report attached.



MAYOR

(Chris Thompson for)

MWS:IR:10230061

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: December 15, 2022

CAO File No. 0150-12204-0000

Council File No.

Council District:

To: The Mayor

From:  Matthew W. Szabo, City Administrative Officer

Reference: Communication from the Department of Water and Power dated September 30, 2022; referred by the Mayor for report on October 12, 2022

Subject: **PROPOSED AGREEMENT (Agreement No. 47729) WITH ARCADIS U.S., INC, AND THE DEPARTMENT OF WATER AND POWER FOR THE OWNER'S AGENT – FAIRMONT SEDIMENTATION PLANT PROJECT**

RECOMMENDATION

That the Mayor:

1. Approve the proposed Resolution authorizing the execution of an Agreement between Arcadis U.S., Inc. (Arcadis) and the Los Angeles Department of Water and Power (LADWP) to provide engineering and consulting services for the Fairmont Sedimentation Plant Project for a not to exceed amount of \$20,000,000 for nine years, with an option to extend by one year; and,
2. Upon proper certification, the Chief Accounting Employee is authorized and directed to draw demands on the Water Revenue Fund over the term of the Agreement incurred by such agreement; and,
3. Return the proposed Resolution to the Department for further processing, including Council consideration.

SUMMARY

The LADWP requests authority to execute an Agreement with Arcadis to engage an experienced "Owner's Agent" to provide a full range of expert professional engineering and consulting services for the design and construction of the Fairmont Sedimentation Plant Project (Project). The Agreement is for an amount not to exceed \$20,000,000 for nine years with an option to extend by one year, for a total of ten years. The Project is intended to increase water quality reliability in Los Angeles through a lessening of sediment in the water delivered by the First and Second Los Angeles Aqueducts to the Los Angeles Aqueduct Filtration Plant (LAAFP), where the water receives additional treatment and disinfection before entering the City's potable water distribution system.

Pursuant to Charter Section 373, the City Council approval is required for contracts over three years. The City Attorney has approved the proposed Resolution and Agreement as to form and legality.

Background

The LADWP proposes to implement the Project to maintain the quality and reliability of the city of LA potable water supply. The Project is located within LADWP's Fairmont Reservoir Property in the City of Lancaster. The proposed Project would improve raw water quality through a reduction in sediment in the water delivered by the First and Second LA Aqueducts to the LAAFP, where the water receives additional treatment and disinfection before entering the city's potable water distribution system. Treatment of the Los Angeles Aqueduct water is currently being addressed in a two-step process: pretreatment at Cottonwood Treatment Plant (CTP) and final treatment at LAAFP. The current treatment strategy is approaching its operational limits. The proposed sedimentation plant would utilize plate settler technology to increase the efficiency and effectiveness of the sediment removal process and minimize the plant's required footprint. The construction of the Project will eliminate the need to operate the CTP and improve operational flexibility of the LAAFP by improving source water quality.

The Department proposes to hire Arcadis as an "Owner's Agent" as an industry expert hired by the Owner (LADWP) of the facility project to act as the Owner's advocate and represent their best interests. LADWP reports that having an Owner's Agent is beneficial for projects where the Owner has limited knowledge of the design and construction of the facility. Specifically for this Project, LADWP lacks the expertise in the design and construction of large-scale water treatment facility using plate settler technology and solids handling facility.

Proposed Agreement

The proposed Agreement is for a nine year term with the option to extend for one additional year, for a not-to-exceed amount of \$20,000,000. Arcadis shall provide professional engineering and consulting services on an as-needed basis to assist LADWP with the design and construction consultation associated with the Project. LADWP is currently in contract negotiations with the proposed Design-Build Team and "Owner's Agent" expertise will be needed in the next phase. Construction is anticipated to start in January 2025.

FISCAL IMPACT STATEMENT

There is no General Fund impact. Approval of the proposed Resolution and Agreement impacts the Water Revenue Fund by \$20,000,000 over the term of the Agreement. The proposed action complies with the LADWP Financial Policies in that funding is available to support this purpose.

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Attachments