



RESOLUTION NO. 027 031

BOARD LETTER APPROVAL

ANSELMO G. COLLINS
Chief Operating Officer and
Senior Assistant General Manager
Water System

David Hanson (Aug 11, 2026 15:37:41 PDT)

DAVID W. HANSON
Interim General Manager

DATE: July 17, 2026

SUBJECT: Amendment No. 4 to Agreement No. 47525 for Progressive Design-Build Services for San Fernando Groundwater Basin Remediation - Kiewit Infrastructure West Company

SUMMARY

The proposed Amendment No. 4 (Amendment) to Agreement No. 47525 (Agreement) with Kiewit Infrastructure West Company (Kiewit) is to extend the term of the Agreement by one year for a total term of eight years ending September 8, 2027. There are no changes to the Agreement's budget, and all other terms and conditions remain unchanged.

The extension is required to retain Kiewit through final permitting, commissioning, and startup of the San Fernando Groundwater Basin Remediation Program's (Project) Tujunga Well Fields Response Action Treatment Facility (TJ Facility). The emergence of Per- and Polyfluoroalkyl Substances (PFAS) contaminants in the Tujunga Well Fields has affected the facility's permitting process. The California Division of Drinking Water (DDW) 97-005 permit to operate the TJ Facility has not been issued; therefore, commissioning activities and the transition to operations have not begun.

The Los Angeles Department of Water and Power (LADWP) continues to work with DDW to address the PFAS impacts in the Tujunga Well Fields and to secure the permit to operate the TJ Facility. Amendment No. 4 would allow Kiewit to continue supporting LADWP throughout the DDW's 97-005 permitting process and during commissioning once the permit is issued.

City Council approval is required in 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 Amendment to the Agreement with Kiewit as required in Charter Section 373.

ALTERNATIVES CONSIDERED

Alternatives considered include allowing the Agreement to expire. This alternative would result in a lapse in coverage by Kiewit while LADWP continues to pursue permit issuance and prepare for commissioning and startup of the TJ Facility.

Because the TJ Facility has not yet been fully commissioned or operated, issues may arise during startup that require troubleshooting or corrective work. Without Kiewit's support, LADWP would need to rely on internal forces or procure a separate contract to diagnose issues and obtain the necessary parts and materials. This would likely delay startup activities and reduce efficiency.

Therefore, the proposed Amendment provides the most effective approach by allowing LADWP to retain Kiewit through permit issuance, commissioning, and startup of the TJ Facility, ensuring continuity of technical support and expediting necessary work and procurement, as needed.

FINANCIAL INFORMATION

Amendment No. 4 does not request additional funding. The not-to-exceed amount will remain the same at \$495,000,000 (budgeted).

	Original Maximum Expenditure
Agreement Amount	\$408,000,000
Amendment No. 1	\$87,000,000
Amendment No. 2	Not applicable
Amendment No. 3	Not applicable
Amendment No. 4	Not applicable
Not-to-Exceed Amount	\$495,000,000

BACKGROUND

The San Fernando Basin (SFB) is a local water resource for the City of Los Angeles (City) and in recent years, has provided about 10 percent of LADWP's total water supply (5-year average) but has the potential to provide up to 21 percent in average year conditions. The SFB constitutes the City's primary local groundwater basin, representing over 80 percent of its annual adjudicated groundwater rights. Contamination resulting from past industrial activities, unrelated to LADWP, has severely compromised the groundwater's usability, affecting nearly half of LADWP's groundwater wells.

The Project's objective is to deliver two treatment facilities to address groundwater contamination in the Tujunga and Rinaldi-Toluca Well Fields and restore the beneficial use of the SFB. The Project includes the TJ Facility and the North Hollywood Central Response Action Treatment Facility (NHC Facility). On August 27, 2019, the Board adopted Resolution No. 020 028, awarding Agreement No. 47525 to Kiewit for a term of five years and for a not-to-exceed amount of \$408,000,000, to design and construct both facilities as part of this comprehensive groundwater remediation effort.

On January 26, 2021, the Board adopted Resolution No. 021 133, executing Amendment No. 1 to the Agreement which increased the budget to \$495,000,000 due to cost escalations during conceptual design, additional real estate requirements, facility relocations, and heightened regulatory compliance costs.

On August 27, 2024, the Board adopted Resolution No. 025 032, approving Amendment No. 2 to extend the Agreement by 12 months due to challenges experienced during the COVID-19 pandemic. On August 12, 2025, the Board adopted Resolution No. 026 013, approving Amendment No. 3 to extend the Agreement by 12 months to allow time to secure permits, commission both facilities, and to respond to the newly emerging PFAS contamination in the Tujunga Well Fields.

LADWP continues to work with DDW to address the impacts of PFAS and to obtain the permit to operate the TJ Facility. While commissioning of the NHC Facility is scheduled for completion this summer, Amendment 4 is needed to retain Kiewit through the remaining permitting and commissioning activities for the TJ Facility. The Amendment will help ensure efficient Project completion and compliance with regulatory requirements.

Throughout the Project's construction phase, LADWP has maintained ongoing communication with regulatory agencies, conducting quarterly meetings, site visits, document reviews, and has engaged with neighboring stakeholders. Upon completion, the Project will augment the City's water supply, particularly during crucial drought and emergency periods, while remediating SFB contamination, restoring the groundwater basin to its original state.

The Project has received California Proposition 1 Water Quality, Supply, and Infrastructure Improvement Act grant awards totaling \$257,817,737 for the remediation of the SFB groundwater.

Kiewit has performed satisfactorily under the current Agreement.

In accordance with the Mayor's Executive Directive No. 15, the City Administrative Officer's (CAO) Report was approved on July 15, 2026.

ENVIRONMENTAL DETERMINATION

Determine item is in compliance with California Environmental Quality Act (CEQA) Guidelines Sections 15070-15075. In accordance with CEQA, LADWP prepared a Mitigated Negative Declaration (MND) for the proposed response action for North Hollywood Central to analyze the impacts associated with the project. On December 11, 2018, the Board adopted the MND and Mitigation Monitoring and Reporting Program (MMRP) and approved the interim remedial action, in an Interim Remedial Action Decision (IRAD). LADWP also prepared a MND for the proposed response action for Tujunga Well Fields to analyze the impacts associated with the project. On January 22, 2019, the Board adopted the MND and MMRP and approved the interim remedial action for the Tujunga Well Fields in an IRAD. The IRADs contemplate the design and construction of groundwater treatment facilities that constitute the Project

CITY ATTORNEY

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

ATTACHMENTS

- Procurement Summary
- Resolution
- Amendment
- CAO Report

PROCUREMENT SUMMARY

1.	Recommended Vendor(s): Kiewit Infrastructure West Company
2.	Procurement Type: Amendment
3.	Procurement Details: A. Contract Status: Amendment No. 4 to Agreement No. 47525 B. RFP Advertisement Date: Not Applicable C. Pre-Proposal Conference Date: Not Applicable D. Proposal Due Date: Not Applicable E. Number of Downloads of Solicitation: Not Applicable F. Number of Proposals Received: Not Applicable G. Protest Received: Not Applicable
4.	Buyer Assigned: Douglas Vernon-Scott
5.	Contract Administrator: Louis G. Rubalcaba / Ofelia Rubio
6.	LADWP System/Division: Water System / Groundwater Project Management
7.	Contact Person for Item: Gregory R. Reed

A. Evaluation Rating Summary of Proposals

Not applicable to the Amendment.

B. Evaluation of Amendment

This Amendment requests a time extension only, with no changes to the contractor's rates, maximum compensation, or fee schedule. Price reasonableness is ensured, as work will continue under previously approved and competitively established rates deemed fair and reasonable by the Department.

C. Procurement History

Service/Item History – Number of Times Item or Service has been Procured					
Contract/ PO No.	Contractor	Term of Contract	Start Date	Ending Date	Contract Amount
47525	Kiewit Infrastructure West Company	7 Years	9/9/2019	9/8/2026	\$495,000,000

Vendor Experience – Number of Contracts Vendor had with LADWP During the Past 5 Years					
Contract/ PO No.	Contract Description	Term of Contract	Start Date	Ending Date	Contract Amount
47525	Progressive Design-Build Services for San Fernando Groundwater Basin Remediation	7 years	9/9/2019	9/8/2026	\$495,000,000

D. Local Business Preference Program (LBPP)

Not applicable to the Amendment.

E. Additional Outreach Efforts Taken

Not Applicable to the Amendment.

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 was 15 percent. Kiewit Infrastructure West Company committed to an overall SBE/DVBE participation of 15 percent which will continue to apply to the amended contract amount.

The SBE/DVBE total achievement to date is 17.6 percent.

PROGRESS OF ALL SUPPLIER COMMITMENTS AND ACHIEVEMENTS			
Name of Firm	Certification	Original Commitment	Achievement Thru April 2026
Geo-Advantec	SBE	0%	0.10%
Surveying & Drafting Services, Inc.	SBE	0%	0.07%
Paradyne Consulting Works, LLC	SBE	0%	0.02%
IBRA-RMAC Automation Systems, LLC	SBE	0%	0.04%
Civic CM	SBE	0%	0.01%
The Culver Group	SBE	0%	0.14%
Daniel Mechanical	SBE	0%	0.05%
DC Traffic Control	SBE	0%	0.18%
Global Transloading	SBE	0%	0.10%
G.T.E. Metal Erectors	SBE	0%	1.44%
H. Wayne Lewis Inc	SBE	0%	0.67%
Halco Service Corp	SBE	0%	0.01%
Hammer Down Transportation	SBE	0%	0.02%
Inplant Sales	SBE	0%	0.55%
Morgner Construction Management	SBE	0%	0.00%
Nor Cal Pipeline Services	SBE	0%	0.44%
Parada Painting Inc	SBE	0%	1.05%
SM Sales	SBE	0%	0.17%
Soffa Electric,	SBE	0%	1.22%
Steel West USA Inc	SBE	0%	0.82%
Triumph Geo-Synthetics Inc	SBE	0%	0.01%
Andessaw Consulting	SBE	0%	1.04%
Angelview LLC	SBE	0%	0.01%
Century Sweeping	SBE	0%	0.28%
Inline Concrete Cutting & Coring, Inc.	SBE	0%	0.07%
J & S Building Maintenance, Inc	SBE	0%	0.02%
Matrix Environmental, Inc.	SBE	0%	0.14%
Monzon & Son Enterprises, Inc	SBE	0%	0.25%
National EagleSecurity, Inc	SBE	0%	0.39%
Service Connected, Inc	SBE	0%	0.16%
Southern California Environmental, Inc.	SBE	0%	0.10%
West Coast Aerial Photography	SBE	0%	0.01%
Crump and Co. Inc	SBE	0%	0.04%
Link-Nilsen Corp	SBE	0%	0.07%

Janet Sullivan	SBE	0%	0.08%
Stanley Construction Supply	SBE	0%	0.15%
Western Industrial Supply Corp	SBE	0%	0.12%
Infinity Drywall Contracting	SBE	0%	0.11%
Charles P Crowley Company	SBE	0%	0.03%
Grupo Espinosa Sales and Marketing	SBE	0%	0.22%
GT Express	SBE	0%	0.05%
Parker Lighting Inc	SBE	0%	0.04%
Barney's Hole Drilling Service	SBE	0%	0.04%
Econo Fence	SBE	0%	0.01%
G&F Concrete Cutting	SBE	0%	0.01%
GMAT	SBE	0%	0.05%
Charter Industrial Supply	SBE	0%	0.38%
Red Hawk Services	SBE	0%	0.26%
MAD Transportation	SBE	0%	0.19%
Maxim Security Systems	SBE	0%	0.09%
Building Electronic Controls	SBE	0%	0.05%
Sierra Landscape Development, Inc.	SBE	0%	0.10%
Kana Subsurface Engineering	DVBE	0%	0.17%
Eberhard Energy Systems	DVBE	0%	0.93%
Aqueous Vets	SBE/DVBE	0%	3.30%
Big Bear Electric	SBE/DVBE	0%	0.01%
Marne Construction	SBE/DVBE	0%	1.27%
Trinity Equipment	SBE/DVBE	0%	0.03%
Floriani Engineering	SBE/WBE	0%	0.14%
SWPPQueen, Inc.	SBE/MBE/WBE	0%	0.02%
JML Staffing Solutions	SBE/MBE/WBE	0%	0.04%
Traffic Management	MBE	0%	0.04%
Pinnacle Petroleum, Inc	MBE/WBE	0%	0.14%
Keramida Environmental	WBE	0%	0.01%
Ground Penetrating Radar Systems	OBE	0%	0.01 %
Stantec	OBE	0%	6.37 %
Associated Tank Constructors	OBE	0%	0.55 %
Earthcam Inc.	OBE	0%	0.03 %
Jifco Inc.	OBE	0%	4.01 %
McGrath RentCorp	OBE	0%	0.16 %
RP Adams Company Inc.	OBE	0%	0.45 %
Trojan Technologies Group LLC	OBE	0%	4.56 %

G. Project Labor Agreement

PROJECT LABOR AGREEMENT HIRING CATEGORY	GOAL	ACTUAL
Construction work hours performed by local residents	30%	37%
Construction apprentice work hours performed by local residents	50%	51%
Project construction work hours performed by local resident transitional workers	10%	11%