



Los Angeles
Department of
Water & Power

RESOLUTION NO. **20301**

BOARD LETTER

A handwritten signature in black ink, appearing to read 'Anselmo G. Collins'.

ANSELMO G. COLLINS
Senior Assistant General Manager
Water System

A handwritten signature in black ink, appearing to read 'Janisse Quiñones'.

JANISSE QUIÑONES
Chief Executive Officer and Chief Engineer

DATE: April 24, 2025

SUBJECT: Authority to Extend Contract No. 7805 for North Haiwee Dam No. 2 Project with Road and Highway Builders, LLC

SUMMARY

The proposed resolution seeks authority to authorize LADWP to extend the term of Contract No. 7805 (Contract) with Road and Highway Builders, LLC (RHB) up to an additional three years or a maximum total Contract term of eight years for the North Haiwee Dam No. 2 Project (Project), ending on December 15, 2028.

LADWP has determined that, due to unexpected cultural, archaeological, and biological findings that caused significant delays on the Project, RHB will not be able to complete the Project within the time authorized and LADWP will need to negotiate contract extensions with RHB that will extend the Contract beyond the original term. At this time, LADWP does not know the full extent of the time extensions that RHB will be entitled to on the Project and has determined that any such time extensions should not exceed three years.

The significant delays included the discovery of over 175 Environmental Sensitive Areas including several sites requiring mitigation plans. The mitigation plans were also approved by the State Tribal Historic Preservation Officers. In addition, the Project was delayed due to the Joshua Tree species being designated as protected, on an interim basis, as a candidate species under the California Endangered Species Act. The Project's permit was amended to address the removal of Joshua Tree.

Extending the Contract will ensure adequate time is available for completion of the Project. The Contract was executed on December 16, 2020. With the authorized Contract term and time extensions, the maximum Contract term expiration date is December 15, 2025.

City Council approval is required pursuant to Los Angeles Administrative Code Section 10.5(e).

The current Contract expiration date with authorized time extensions is November 28, 2025.

RECOMMENDATION

It is recommended that the Board of Water and Power Commissioners (Board) adopt the attached Resolution recommending City Council's approval of the authority to extend the maximum term of the Contract with RHB from five years to a maximum of eight years, pursuant to Los Angeles Administrative Code Section 10.5(e).

ALTERNATIVES CONSIDERED

An alternative considered included using LADWP personnel, however, personnel does not currently possess the specialized knowledge required to complete the Project, and it is not feasible to train staff within the time frame LADWP has planned for the Project. Having LADWP personnel complete the work constructed by the contractor is not practical. Issuing a new contract would significantly delay Project completion. These alternatives could also affect the warranty.

The requested action is needed to continue RHB work as originally planned. Any alternatives to the current course of action at this time would significantly delay the Project delivery schedule and further increase costs.

FINANCIAL INFORMATION

This authority to extend the contract will not change the not-to-exceed total cost of \$185,505,555. The resolution will only authorize LADWP to extend the contract to a maximum of eight years. The Project funding is budgeted as shown below.

Original Contract Amendment No. 1

			Total
Contract	\$135,222,222		\$135,222,222
Contingency	\$20,283,333	\$22,000,000	\$42,283,333
Allowance (Los Angeles Aqueduct Bypass)		\$8,000,000	\$8,000,000
Total	<u>\$155,505,555</u>	<u>\$30,000,000</u>	<u>\$185,505,555</u>

BACKGROUND

The Contract was approved by the Board on September 22, 2020, for a one-time purchase and an amount not to exceed \$155,505,555. The Board approved Amendment No. 1 on September 12, 2023, for an additional \$30,000,000 for \$22,000,000 allocated for the depleted funds due to unexpected cultural, archeological, and biological findings encountered at the Project site, and the remaining \$8,000,000 was to provide a temporary bypass of the Los Angeles Aqueduct (LAA) due to record stormwater runoff and to allow water flow to continue while the Project completes the tie-in connections.

The Project is located in Olancho, California, approximately 182 miles north of Downtown Los Angeles. The existing North Haiwee Dam was determined to be seismically deficient when subjected to strong earthquake shaking. As a result, the California Department of Water Resources Division of Safety of Dams (DSOD) has mandated seismic remediation of the dam facility.

Project construction will fulfill DSOD requirements and keep water safely within North Haiwee Reservoir, which serves as a critical component in LADWP's water storage system and ensures public safety is maintained.

A new earth fill embankment dam is being constructed north of the existing dam to improve seismic reliability of the North Haiwee Reservoir. The Project includes realigning a portion of LAA Channel, realigning of a portion of Cactus Flat Road, and improvements of US-395 Highway (Highway) for construction vehicles to safely exit the highway and access the Project site.

Since construction started, the Project has encountered several significant delays. The authority to extend the contract is necessary to address the construction delays incurred, and other potential delays to complete the Project. Remaining construction includes constructing the diversion structure and the new dam and managing any unforeseen circumstances.

RHB has performed satisfactorily under the current Contract.

In accordance with the Mayor's Executive Directive No.4, the City Administrative Office (CAO) Report was approved on March 3, 2025.

ENVIRONMENTAL DETERMINATION

Determine item is in compliance with California Environmental Quality Act (CEQA) Guidelines Sections 15080-15097 (Environmental Impact Report previously adopted). In accordance with CEQA and the National Environmental Policy Act, LADWP along with its federal co-lead agency, the Bureau of Land Management, prepared a joint Environmental Impact Report/Environmental Assessment (EIR/EA) to evaluate and disclose the potential environmental impacts associated with the construction and operation of the Project. On July 24, 2018, the Board certified the EIR, adopted the Mitigation Measures and Reporting Program, Finding of Fact, and Statement of Overriding Considerations; and approved the Project.

CITY ATTORNEY

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

ATTACHMENTS

- Procurement Summary
- Resolution
- CAO Report

PROCUREMENT SUMMARY

1.	Recommended Vendor: Road and Highway Builders, LLC (RHB) .
2.	Procurement Type: Authority to Extend the Contract
3.	Procurement Details: A. Contract Status: Authority to Extend Contract No. 7805 B. Bid Advertisement Date: N/A C. Pre-Bid Conference Date: N/A D. Bid/Proposal Due Date: N/A E. Number of Downloads of Solicitation: N/A F. Number of Bids/Proposals Received: N/A G. Protest Received: N/A
4.	Buyer Assigned: Sandra Casillas
5.	Contract Administrator: Ofelia Rubio
6.	LADWP System/Division: Water/Water Engineering & Technical Services
7.	Contact Person for Item: Ofelia Rubio

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

Not applicable to the Authority to Extend the Contract.

B. Evaluation of Bid/Proposal/Cooperative Agreement

Not applicable to the Authority to Extend the Contract.

C. Procurement History

Service/Item History – Number of Times Item or Service has been Procured					
Contract/ PO No.	Contractor	Terms of Contract	Start Date	Ending Date	Contract Amount
7805	Road and Highway Builders, LLC	One - Time Purchase	12/16/2020		\$185,505,555

Vendor Experience – Number of Contracts Vendor had with LADWP During the Past 5 Years					
Contract/ PO No.	Contractor	Terms of Contract	Start Date	Ending Date	Contract Amount
7805	North Haiwee Dam No.2 Project	One - Time Purchase	12/16/2020		\$185,505,555

D. Local Business Preference Program (LBPP)

Not applicable to the Authority to Extend the Contract.

E. Additional Outreach Efforts Taken

Not applicable to the Authority to Extend the Contract.

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

A minimum SBE/DVBE participation percentage was not mandated for this contract as circumstances were not conducive for the establishment of such a requirement. Determining factors included the specialized nature of the work, remote geographical location of the project, the limited availability of certified SBE/DVBE in the work areas identified, and historical data that demonstrated difficulty in meeting minimum SBE/DVBE requirements for similar projects in the past.

Road and Highway Builders will continue to seek opportunities to increase utilization of SSE, DVBE, MBE, WBE, and other firms as subcontractors where feasible.

While there was no minimum mandatory SBE/DVBE subcontracting requirement, proposers were encouraged to utilize SBE, DVBE, MBE, WBE, and other firms where feasible. RHB was able to identify and utilize some certified subcontractors. Actual subcontractor usage is provided in the table below:

SBE Participation		
Name	Original Commitment	Achievement thru July 31, 2024 % based on expenditure amount
Aspha Dike Construction (APCO)	Not Required	0%
Eldridge Electric & Sons Inc	Not Required	0%
Force Traffic Control (DBE)	Not Required	0%
J&M Land Restoration (DBE, WBE)	Not Required	0%
SBE Totals		
DBE Participation		
Name	Original Commitment	Achievement thru July 31, 2024 % based on expenditure amount
MB Professional Services (DBE)	Not Required	0%
DBE Totals		
OBE Participation		
Name	Original Commitment % based on original contract amount	Achievement thru July 31, 2024 % based on expenditure amount
AECOM	Not Required	
Apex Fence	Not Required	
BAJA Exploration	Note Required	
B.J. Rees's Enterprise	4.2%	4.2%
BT Trucking (DBE, SBE, WBE)	Not Required	
Colombo Construction Company	Not Required	
Integrity Rebar Placers	Not Required	
JAFEC USA	20%	0.26%

JP Trucking (DBE,SBE)	Not Required	
Kuck Trucking (DBE)	Not Required	
Pavement Recycling Systems	Not Required	
RMA Group	Not Required	
Titan Electrical Contracting	3%	0.82%
ACCO	Not Required	
Associate Crane	Not Required	
Erosion Control Applications, Inc	Not Required	
Griffin Dewatering	3.8%	1.48%
PCI	Not Required	
PSOMAS Land Surveying	Not Required	
Q&D Construction	Not Required	
San Joaquin Fence	Not Required	
T&T Truck and Crane	Not Required	
OBE Totals		6.76%