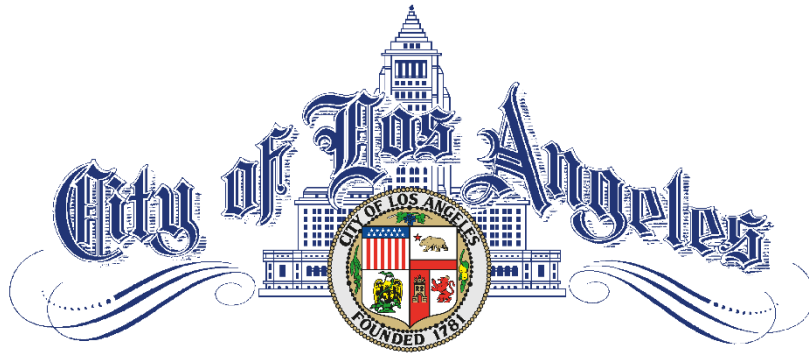




Office of the Los Angeles City Attorney
Hydee Feldstein Soto

REPORT NO. R26-0510
SEP 08 2026

REPORT RE:

**DRAFT ORDINANCE AUTHORIZING THE BOARD OF WATER AND POWER
COMMISSIONERS TO AWARD ONE AGREEMENT PURSUANT TO A
COMPETITIVE-SEALED PROPOSAL METHOD TO PERMIT NEGOTIATIONS
RELATING TO THE DESIGN AND CONSTRUCTION OF THE JOHN FERRARO
BUILDING RENOVATION AND MODERNIZATION PROJECT**

The Honorable City Council
of the City of Los Angeles
Room 395, City Hall
200 North Spring Street
Los Angeles, California 90012

Council File No. 26-0868

Honorable Members:

This Office has prepared and now transmits for your consideration the enclosed draft ordinance, approved as to form and legality. This draft ordinance will authorize the Los Angeles Department of Water and Power (LADWP) to let a contract pursuant to a competitive sealed request for proposal (RFP) method, which will authorize negotiations for the design, engineering, procurement and construction of the John Ferraro Building Renovation and Modernization Project (the Project), with a term not to exceed five years in accordance with criteria outlined in the draft ordinance.

Pursuant to a Competitive-Sealed Proposal Method, the Progressive Design Build criteria adopted by the draft ordinance will permit an award to a specialized proposer in the architectural design, engineering building systems, renovation, modernization, and historic preservation of an existing high-rise structure. The sealed proposal method, pursuant to Charter Section 371(b), permits negotiations after

proposals have been opened to allow clarifications and changes to the proposal. Pursuant to Charter Section 371(a) and Los Angeles Administrative Code (LAAC) Section 10.25, the Local Business Preference Program will apply. The term of the contract is necessary because of the complexity of the Project and the lengthy duration to fabricate major components

Background

The John Ferraro Building (JFB) is registered as City of Los Angeles Historic-Cultural Monument No. 1022 under LAAC Section 22.171.7. JFB is LADWP's headquarters and provides office space for approximately 3,500 employees. On November 25, 2020, LADWP's engineering consultant, Arup North America, Ltd. (Arup), completed an assessment of JFB and identified major building infrastructure deficiencies and concluded that JFB's original infrastructure was at its end-of-life cycle and required immediate replacement. The building systems replacement and upgrades are necessary to meet current sustainable energy code requirements and to ensure LADWP's workforce will be able to continue to perform essential daily work and operations without disruption.

Another major concern with JFB is the existence of known hazardous materials that are within the structure. On December 6, 2023, LADWP's consultant, Stantec Consulting Services, Inc. (Stantec), completed a comprehensive hazardous material survey and determined that JFB has asbestos containing materials (ACMs) throughout the fireproofing within the return air ceiling plenum, in which return air is cycled back into the office space air supply. Stantec recommended the removal of the asbestos based on: (1) the age of JFB and the potential risk of ACM exposure to its occupants; (2) the ongoing disturbance of ACMs during ceiling maintenance work; and (3) the disturbance of ACMs during structural seismic anchoring retrofit of the non-code compliant historic suspended ceiling grid. Additional hazardous materials abatement will include lead-containing paint and polychlorinated biphenyls.

In order to optimize the design and construction effort, the project will also include structural and seismic strengthening of the building's steel frame, Leadership in Energy and Environmental Design (LEED) Gold certification goals, modernization of the technological infrastructure, and security system, elevator, roof, and building envelope upgrades, and improvements to the auditorium, Board Meeting room, medical office, food services facilities, fitness center, training and conference rooms, and office spaces.

Charter Compliance

This draft ordinance establishing the criteria for awarding the contract using a competitive sealed proposal method is transmitted for your approval pursuant to Charter Sections 371(b). Los Angeles Charter Section 371(b) requires this ordinance to be adapted by a vote of at least two-thirds of the City Council.

CEQA Determination

It is recommended that the City Council review and determine the Project is exempt pursuant to Section 15301 of the California Environmental Quality Act (CEQA) Guidelines. Section 15301, Class 1, applies to the operation, repair, maintenance, or other minor alterations of existing public or private structures, facilities, mechanical equipment, or topographical features involving negligible or no expansion of existing or former use. Therefore, the planned renovation and modernization of JFB is categorically exempt from CEQA.

Council Rule 38 Referral

This draft ordinance has been presented to the Board of Water and Power Commissioners pursuant to Council Rule 38.

If you have any questions regarding this matter, please contact Deputy City Attorney Mark Reusch at (213) 367-4619. A member of this Office will be available when you consider this matter to answer questions you may have.

Sincerely,

HYDEE FELDSTEIN SOTO, City Attorney

By


MICHAEL J. DUNDAS
Chief Assistant City Attorney

MJD:MR:ld
Transmittal