

ADOPTED BY THE BOARD
PUBLIC WORKS OF THE CITY
of Los Angeles California

MAY 24 2024


Executive Officer
Board of Public Works

DEPARTMENT OF PUBLIC WORKS

BUREAU OF SANITATION
BUREAU OF CONTRACT ADMINISTRATION
JOINT BOARD REPORT NO. 2
MAY 24, 2024

CD: ALL

AUTHORITY TO DISTRIBUTE A REQUEST FOR PROPOSALS AND NEGOTIATE
CONTRACT(S) FOR BIOSOLIDS MANAGEMENT FOR THE CITY OF LOS ANGELES
(WO# S10FPURC)

RECOMMENDATIONS

Authorize the Director and General Manager of LA Sanitation and Environment (LASAN) to:

1. Distribute and advertise the transmitted Request for Proposals (RFP) for the Biosolids Management of the City of Los Angeles (City).
2. Evaluate the proposals and select the most qualified proposer(s) based on established evaluation criteria as set forth in the RFP.
3. Negotiate a contract(s) with the selected proposer(s).
4. Return to the Board of Public Works (Board) for authority to award and execute the contract(s).

TRANSMITTALS

1. Copy of the RFP for the Management of City's Biosolids.

DISCUSSION

Request for Proposals

This Request for Proposals (RFP) is a solicitation for proposals from experienced contractors for the management of approximately 210 wet tons per day (wtpd) of City biosolids, distributed as follows: (1) loading and hauling, only, of 85 wtpd of biosolids from Hyperion Water Reclamation Plant (HWRP) to Terminal Island Water Reclamation Plant (TIWRP) and (2) loading, hauling, and beneficial use at other sites, not including City-owned Green Acres Farm (GAF) in Kern County, of 125 wtpd of biosolids from HWRP and/or TIWRP.

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Background

The City operates four (4) water reclamation plants which treat an average of 320 million gallons of wastewater per day. The treatment of wastewater generates an average of 750 wet tons of dewatered digested biosolids per day (approximately 715 wtpd at HWRP and 35 wtpd at TIWRP). Biosolids are the organic byproduct of wastewater treatment processes and can be beneficially used. Both HWRP and TIWRP treat their biosolids to conform to the U.S. Environmental Protection Agency's (EPA) Class A "Exceptional Quality" (EQ) biosolids standard as defined in Title 40, Part 503 of the Code of Federal Regulations (CFR). This high standard of biosolids treatment far exceeds the Class B standard typically met by the majority of wastewater treatment agencies. In very rare occasions, Class B Biosolids are also produced at the City's water reclamation plants.

The City is committed to maintaining 100 percent beneficial use of biosolids produced at its water reclamation plants, in compliance with all federal, state, and local regulations. To meet this commitment, LASAN has adopted a diversified beneficial use biosolids program that incorporates feasible, innovative and cost-effective resource recovery options for biosolids. Of the 715 wtpd produced at HWRP, approximately 495 wtpd is beneficially used through land application at GAF, 10 wtpd is beneficially used through composting at the Griffith Park Composting facility, and 85 wtpd is beneficially used through deep well injection at TIWRP. The remaining 125 wtpd is beneficially used (i.e., composting and/or land application) at alternative sites not owned or operated by the City.

The City's current contracts with Denali Water Solutions (Contract C-131727) and Nursery Products, LLC (Contract C-131728) for loading, transporting, and beneficial use of biosolids will expire on August 20, 2026. LASAN is requesting authority to release an RFP to solicit proposals to continue managing the City's biosolids in the most innovative and economical ways. Any contract(s) awarded pursuant to this proposal will be for loading, transporting, and beneficial use of biosolids from HWRP and TIWRP (with the City's approval) to sites other than the City-owned GAF. An estimate of approximately 210 wtpd is projected to be managed under this RFP as follows:

- 125 wtpd will require transportation from HWRP and/or TIWRP to another site for beneficial use.
- 85 wtpd will require transportation only from HWRP to the City's Terminal Island Renewable Energy (TIRE) facility at TIWRP.
- Emergencies as determined necessary by the City, additional tonnage may be requested to be hauled and beneficially used.

The City intends to select one or more qualified proposers, negotiate contract(s), and work cooperatively toward implementing a sound and diversified management plan for its biosolids.

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Proposed Term of Contract

The contract(s) will be for a term of five (5) years with one, three (3)-year renewal option.

Rationale for Using an RFP

The RFP process is being used instead of the bid process to solicit the best available services at the most competitive price. An evaluation panel of LASAN staff will evaluate all proposals in order to determine which proposal(s) will bring the greatest benefits to the City.

Selection Process and Evaluation Criteria

The evaluation panel will evaluate and rate all proposals. Based upon the evaluation panel's final report, the Bureau will engage in contract negotiations and then submit a report to the Board recommending contract award and execution with the selected Proposer(s). Contract(s) will then be submitted to the Board, the Mayor, and the City Council for approval.

The main criteria for the selection of the respondents are outlined in the RFP and are summarized as follows (See Article 5.8 in Transmittal 1 for more detail):

Evaluation Criteria	Percentage
☐ Technical Proposal & Schedule	20%
☐ Qualifications	20%
☐ Cost Control	40%
☐ Responsiveness	20%
Total	100%

RFP Posting Requirement

The RFP will be posted on the City's Regional Alliance Marketplace for Procurement (RAMP) website in compliance with City Council motion 95-1060S2. RAMP is the centralized portal to access the City's contracting opportunities. The RFP, addenda, and all other related documents will be available for download on <https://www.rampla.org>.

Notification of Intent to Contract

The original Notification of Intent (NOI) to Contract was filed with the CAO Clearinghouse on October 14, 2022.

Charter Section 1022

The Personnel Department made a Charter 1022 determination on December 7, 2022 and concluded that there was an insufficient number of City staff to perform these services.

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Business Inclusion Program (BIP) Outreach Requirements

On January 12, 2011, the Mayor issued Executive Directive No. 14 which created the BIP. The BIP provides Minority Business Enterprise (MBE), Woman Business Enterprise (WBE), Small Business Enterprise (SBE), Emerging Business Enterprise (EBE), Disabled Veteran Business Enterprise (DVBE), and Other Business Enterprise (OBE) firms an equal opportunity to compete for, and participate in, City contracts.

LASAN has established anticipated participation levels of eighteen percent (18%) MBE, four percent (4%) WBE, twenty-five percent (25%) SBE, eight percent (8%) EBE, and three percent (3%) DVBE.

Proposers submitting a proposal in response to this RFP are required to perform a BIP Outreach using the City's RAMP system. Failure to comply with the City's BIP Outreach requirements will render the proposal non-responsive.

In addition to BIP Outreach, Proposers are required to complete and submit the MBE/WBE/SBE/EBE/DVBE/OBE Subcontractors Information Form (Schedule A). Schedule A must be submitted with each Proposer's proposal. Additionally, during the term of the contract(s), the contractor(s) must submit the MBE/WBE/SBE/EBE/DVBE/OBE Utilization Profile (Schedule B) when submitting an invoice to the City.

Community-Level Contracting (CLC)

As part of the City's CLC initiative led by the Department of Public Works (DPW) as per the CLC Board Motion issued on May 19, 2021, LASAN seeks to help make City contracting more accessible and equitable by providing small contractors the opportunity to work directly with the City as Prime contractors on smaller, more manageable projects. LASAN staff evaluated the work to be performed under this opportunity and determined it would be most feasible and cost effective to work with a single Prime contractor.

Compliance with Board RFP Policy

As per Board policy, this RFP was delivered to the Secretary of the Board prior to Board consideration thereof.

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Other City Policies and Requirements

The proposers shall be required to comply with the City's requirements including the following:

- Nondiscrimination/Equal Employment Practices/Affirmative Action
- Equal Benefits Ordinance
- Living Wage and Worker Retention Ordinances
- Slavery Disclosure Ordinance
- Americans with Disabilities Act
- Child Support Obligations Policy
- Municipal Lobbying Ordinance
- Los Angeles Residence Information
- Non-Collusion Affidavit
- Performance Bond and Insurance requirements
- Business Tax Registration Certificate
- City of Los Angeles Contract History
- First Source Hiring Ordinance
- Contract Bidder Campaign Contribution and Fundraising Restrictions
- Iran Contracting Act of 2010 Compliance Affidavit
- City Contractor's Use of Criminal History for Consideration of Employment Applications
- Disclosure of Border Wall Contracting Ordinance
- COVID-19 Requirements
- Contractor Data Reporting

Attachments and forms pertaining to these requirements are included in the RFP and on rampla.org.

Local Business Preference (LBP) Program

Los Angeles Administrative Code Division 10, Chapter 1, Article 4, Section 10.25 adopted the Local Business Preference (LBP) Program which was designed to increase local employment and expenditures in the local private sector. All Proposers are eligible to participate in the LBP Program by qualifying as a Local Business Enterprise (LBE). The City shall grant a six percent (6%) of the total possible evaluation points added to their evaluation score to those Proposers who are certified as an LBE firm. If the LBE is also a Local Small Business (LSB) and/or Local Transitional Employer (LTE), they may be granted an additional two percent (2%) of the total possible evaluation points added to their evaluation score for each of those certifications, up to a total of ten percent (10%). The City shall grant a ten percent (10%) of the total possible evaluation points added to their evaluation score to those Proposers who are certified as a City Business Enterprise (CBE) firm. If the CBE is also a Local Small Business (LSB) and/or Local Transitional Employer (LTE), they may be granted an additional two percent (2%) of the total possible evaluation points added to their evaluation score for each of those certifications, up to a maximum of twelve percent (12%). Additionally, all non-LBE/CBE Proposers may be granted an additional

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percentage, up to a total of five percent (5%), of the total possible evaluations points added to their evaluation score for each of those certifications, for every ten percent (10%) of their proposal that is to be performed by a LBE, CBE, LSB, and/or LTE subcontractor.

Prevailing Wage

The California Labor Code requires that prevailing wages must be paid on all City of Los Angeles Public Works' Projects. All personnel employed in actual construction on this project must be paid at least the prevailing wage for the craft they are working in. Current prevailing wage rates may be obtained by contacting the Office of Contract Compliance at (213) 847-1922. Information on prevailing wages can also be obtained from the California Department of Industrial Relations' website at <http://www.dir.ca.gov/DLSR/PWD>.

Contractor Responsibility Ordinance

All contractors participating in this project are subject to compliance with the requirements specified in the City of Los Angeles' Contractor Responsibility Ordinance #173677, [City of Los Angeles Administrative Code Article 14, Chapter 1, Division 10]. Failure to comply with all requirements specified in this Ordinance will render the proposer's contract subject to termination pursuant to the conditions expressed therein.

Contractor Performance Evaluation

In accordance with Article 13, Chapter 1, Division 10 of the City of Los Angeles Administrative Code, the appropriate City personnel responsible for the quality control of this personal services contract shall submit Contractor Performance Evaluation Reports to the Department of Public Works, Bureau of Contract Administration upon completion of this contract.

Contract Administration

Responsibility for the administration and management of the contract will be with the HWRP Division, LASAN.

PROJECT REVIEW BY DIRECTOR (PRD) APPROVAL

The project budget was approved by PRD on April 5, 2023, in the amount of \$43,031,936.

STATUS OF FINANCING

There is no impact to the General Fund. No funding is required at this time. Specific funding information will be provided at the time of approval of the project award. Funding sources may include, but are not limited to the Fund No.760, Sewer Operations and Maintenance Fund.

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Existing appropriations may change based on available cash balances. Therefore, funds and appropriations will be determined by the Director and General Manager of LASAN.

The City's liability under this contract shall only be to the extent of the present City appropriation to fund the contract. However, if the City shall appropriate funds for any succeeding years, the City's liability shall be extended to the extent of such appropriation, subject to the terms and conditions of the contract.

FUTURE ACTIONS

Upon authorization by the Board, the RFP and attachments will be posted on www.rampla.org.

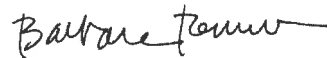
An evaluation panel will evaluate the proposals. The most qualified proposer(s), who submitted the best proposal(s) in response to the RFP, will be interviewed, ranked, and selected. The Bureau will then negotiate a personal services contract or contracts with the highest rated proposer(s) to provide the required services. Subsequent to the negotiation of the contract, the Bureau will request the Board for authority to award and execute a contract with the selected proposer.

(Signature page follows)

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Respectfully submitted,



BARBARA ROMERO
Director and General Manager
Bureau of Sanitation

COMPLIANCE REVIEW PERFORMED
AND APPROVED BY:



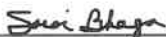
Lynda McGlinchey (May 16, 2024 10:47 PDT)

LYNDA McGLINCHEY, Program Manager II
Office of Contract Compliance
Bureau of Contract Administration



JOHN L. REAMER, JR.,
Inspector of Public Works
Bureau of Contract Administration

REVIEWED AND APPROVED BY:



Sarai Bhaga (May 6, 2024 14:03 PDT)

SARAI BHAGA, Chief Financial Officer
Bureau of Sanitation
Date: _____

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