

Los Angeles  Department of Water & Power

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CITY OF LOS ANGELES
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February 10, 2015

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FEB 18 2015

ENGINEERING DIVISION
HARBOR DEPARTMENT

Ms. Mimi Gutierrez
Port of Los Angeles (POLA)
425 South Palos Verdes Street
San Pedro, California 90731

Dear Ms. Gutierrez:

Subject: Water Facility Charges
I-110 / C Street Access Improvement (POLA), Phase 2

Pursuant with the Los Angeles Department of Water and Power (LADWP) meeting on January 15, 2015, a revised breakdown of costs was prepared to complete the I-110/C Street Access Improvement Project. POLA will be responsible in paying 100 percent of the actual accumulated costs and as discussed, we are including a conservative 25 percent contingency to cover all appropriate costs for the above project. These charges have been calculated in accordance with present LADWP rules and charges. Our charges are as follows:

Additional fees for mainline installation under IDO No.14016014	\$ 744,754.84
Additional fees for engineering costs under IDO No. 14016014	102,282.81
Contingency costs (25%)	212,962.35
TOTAL FEES DUE:	\$ 1,060,000.00

A special cost estimate for the proposed work was developed by LADWP based on the assumption that new mainline will be installed after the proposed street alignment has been established with new curbs and gutters in place but prior to paving the street. To meet POLA's aggressive construction schedule, both parties (POLA and LADWP) agreed to start the first phase of the water mainline installation before construction of the street alignment project.

Due to this new schedule and undesirable field conditions encountered during construction, which slowed the progress of the mainline installation, a substantial increase of fees is needed and should be added to the existing Interdepartmental Order (IDO No. 14016014).

Los Angeles Aqueduct Centennial Celebrating 100 Years of Water 1913-2013

111 N. Hope Street, Los Angeles, California 90012-2607 Mailing address: Box 51111, Los Angeles, CA 90051-5700
Telephone: (213) 367-4211 www.LADWP.com

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The estimated unit cost of \$575 per linear foot of installed 20-inch pipe has increased to \$1,104 per linear foot. LADWP has currently installed 620 feet of 20-inch pipe in conjunction with this project. The field conditions and requirement changes that contributed to the increase of fees are as follows:

Coordination with several third party utilities and project contractor working in the same area and project.

- Communication and coordination with POLA Survey Group regarding survey stakes for the new pipe alignment. Proposed street realignment and street grade changes required.
- The use of survey stakes to determine location, cover of new waterline, and avoiding conflicts with the proposed storm drains and laterals.
- Meet and satisfy LADOT requirements for traffic control.
- Meet and satisfy CALTRANS requirements for freeway ramp closure.
- Unanticipated encounter of unstable soil and ground water line while trenching required the use of alternative trench stabilization to ensure pipe safety installations.
- Encounter of undocumented substructure requires conflict mitigation before the water line is installed.
- Special handling, removal and disposal of contaminated soil encountered were required during construction.

Your payment will be accepted as a non-interest bearing advance, subject to revision as a result of changes in your plans. Payments based on currently effective charges will be binding for a period of one (1) year. Non-standard installations may require an adjustment to normal charges, which could result in a significant increase to the amount quoted above. **New charges generally become effective on July 1 of each year.**

If any other street improvement work is required for your project, the location of the proposed water facilities may be impacted. You will be financially responsible for any water facility adjustments due to "B" Permit work or street improvements, including driveways. In order to avoid additional charges for relocation of your newly installed water facilities, please provide us with a set of approved Street Improvement Plans prior to or along with your water facility installation request.

This estimate is based on the design of the proposed street alignment that was provided to us, and is subject to substantial increase should the design or requirements change.

For the second phase of the water mainline installation, curbs must be installed in new streets and in existing streets subject to change of grade before we install our portion of the water facilities.

If any existing water services are no longer required, we will abandon them, at no charge, upon your written notification.

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Should you require additional information, please contact Ms. Flordeliza (Liz) Gonzalez at (213) 367-1312. Checks should be payable to LADWP and mailed to:

LADWP
Water New Business
Attention: Ms. Liz Gonzalez
111 North Hope Street, Room 1425
Los Angeles, California 90012

Sincerely,

A handwritten signature in black ink, appearing to read 'Hugo A. Torres', with a stylized flourish at the end.

Hugo A. Torres
Manager-Business Arrangements
Water Distribution Engineering

FG:rp

c: Ms. ^{FG}Flordeliza (Liz) Gonzalez