



RESOLUTION NO. _____

BOARD LETTER APPROVAL


David Hanson (Nov 22, 2024 12:28 PST)

DAVID W. HANSON
Senior Assistant General Manager
Power System



JANISSE QUIÑONES
Chief Executive Officer and Chief Engineer

DATE: November 22, 2024

SUBJECT: Agreement No. 47852 for Safety and Pressure Relief Valve Testing
and Repair Services with Basin Valve Company, LLC

SUMMARY

The proposed Agreement No. 47852 (Agreement) is to furnish and deliver safety and pressure relief valve (SPRV) testing and repair services for a term of five years and a not-to-exceed amount of \$5,000,000 (budgeted). The Agreement is the result of a competitive process under Request for Proposal No. 90752.

SPRV testing and repair services are needed for safety and pressure relief valves used within Los Angeles Department of Water and Power (LADWP) generating stations and other facilities. LADWP has various types of safety and pressure relief valves on boilers, pressure vessels, steam piping, natural gas, and compressed air systems. These devices need to be inspected and recertified annually as required by American Society of Mechanical Engineers Boiler and Pressure Vessel Code, National Board Inspection Code (NBIC), and State Boiler Operating Permit provisions.

City Council approval is not required.

RECOMMENDATION

It is recommended that the Board of Water and Power Commissioners adopt the attached Resolution authorizing approval of the Agreement with Basin Valve Company, LLC.

ALTERNATIVES CONSIDERED

An alternative to this Agreement is to issue one-time purchase orders for SPRV services on an as-needed basis. However, this alternative is not feasible and would leave LADWP vulnerable should SPRV services be required for emergency repairs. The services require a 48-hour response time, which would not be possible utilizing the one-time purchase order process. By maintaining an agreement readily available for SPRV services, critical repairs and inspections can be performed in a timely manner and the equipment returned to full operation, which is critical in the cases of forced outages. In addition, an active agreement saves the administrative cost and time associated with processing one-time purchase orders.

FINANCIAL INFORMATION

The Agreement is for a term of five years and a not-to-exceed amount of \$5,000,000 (budgeted).

SPRV services are paid for by individual projects and tasks budgeted from multiple LADWP divisions including the Power Engineering Division, Power Supply Operations Division, and other divisions as needed.

BACKGROUND

The Power System operates and maintains LADWP's gas and steam generating stations and hydroelectric power plants. SPRVs provide protection against over pressurization and increase the reliability and availability of power to LADWP customers. SPRVs are critically important to power generating facilities. Their failure can lead to catastrophic events if a boiler or steam line were to over pressurize.

Safety and pressure relief valve testing and repair services require the use of specialized testing equipment, trained technicians, and NBIC certification. LADWP currently does not have the qualified personnel nor the certified shop to handle the safety and pressure relief valve testing and repair work in-house.

Basin Valve Company, LLC has performed satisfactorily on previous agreements.

ENVIRONMENTAL DETERMINATION

Determine item is exempt pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15060(c)(3). In accordance with this section, an activity is not subject to CEQA if it does not meet the definition of a project. Section 15378(b)(4) states that government fiscal activities that do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment do not meet that definition. Therefore, the award of a contract for safety and pressure relief valve testing and repair services is not subject to CEQA.

CITY ATTORNEY

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

ATTACHMENTS

- Procurement Summary
- Resolution
- Agreement

PROCUREMENT SUMMARY

1.	Recommended Vendor(s): Basin Valve Company, LLC
2.	Procurement Type: Request for Proposal (RFP)
3.	Procurement Details: A. Contract Status: Replacement B. Bid Advertisement Date: March 11, 2024 C. Pre-Bid Conference Date: N/A D. Bid/Proposal Due Date: April 18, 2024 E. Number of Downloads of Solicitation: 8* F. Number of Bids/Proposals Received: 3 G. Protest Received: No
4.	Buyer Assigned: Jose Carlos
5.	Contract Administrator: Cameron Kennedy
6.	LADWP System/Division: Power / Power Engineering Division
7.	Contact Person for Item: Cameron Kennedy

*Note: eRSP requires vendors to express interest either as a prime contractor or subcontractor only in order to download solicitation documents. Downloads do not necessarily accurately reflect unique vendor interests as multiple individuals in an organization can download solicitations.

A. Evaluation Rating Summary of Proposals

Criteria	Maximum Score	Basin Valve Company, LLC	Birmingham Controls, Inc	Caltrol, Inc.
Financial Resources and Responsibility	Pass/Fail	Pass	Pass	Pass
Compliance with Minimum Requirements	Pass/Fail	Pass	Pass	Pass
Compliance with Mandatory Requirements	Pass/Fail	Pass	Pass	Pass
Proposer's Qualifications and Experience	20%	17.67	15.67	18.67
Proposer's Past Performance Questionnaire	4%	3.97	3.81	3.92
Organizational/Management Approach to Work	10%	8.67	6.67	8.33
Qualifications of Key Personnel / Key Personnel References	10%	7.33	4.67	7.33
Technical Approach	30%	26.00	21.00	26.00
Compliance Matrix to Technical Requirements	1%	0.97	0.07	0.43
Fee Schedule	25%	23.06	16.65	14.05
Application of Local Business Preference	12%	-	-	-
Total	112	87.67	68.54	78.73

B. Evaluation of Proposals

Three proposals were received in response to RFP No. 90752. The proposals were evaluated by a three-member proposal evaluation committee (PEC) consisting of engineering staff from the Power System. The PEC evaluated all criteria except for the pass/fail criteria and past performance questionnaire. Financial stability was evaluated by LADWP's Financial Services Organization. Compliance with mandatory and minimum requirements, past performance questionnaire, and fee schedule were evaluated by Supply Chain Services.

After a thorough evaluation, Basin Valve Company, LLC had the highest ranked proposal and was deemed to be most qualified to perform the services needed for this Agreement.

The recommended prices have been determined to be fair and reasonable based on a competitive RFP process.

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
47415	Basin Valve Company, LLC	5 Years with Two Optional One- Year Period	02/08/2017	02/07/2024	\$4,225,000
47009	Basin Valve Company, LLC	5 Years	10/13/2011	12/12/2016	\$1,500,000

Vendor Experience – Number of Contracts Vendor had with LADWP During the Past 10 Years					
Contract/ PO No.	Contract Description	Term of Contract	Start Date	Ending Date	Contract Amount
47415	Safety and Pressure Relief Valve Technical Consulting and Repair Services on an As- Needed Basis	5 Years with Two Optional One- Year Periods	02/28/2017	02/07/2024	\$4,225,000

D. Local Business Preference Program (LBPP)

The LBPP was included in the solicitation. However, LBPP was not a determining factor in the evaluation and recommendation of award for this Agreement.

E. Additional Outreach Efforts Taken

In addition to the original bid list, the following outreach effort was taken:

- The RFP was posted on the City of Los Angeles Regional Alliance Marketplace for Procurement (RAMPLA) website.

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

There were no meaningful subcontracting opportunities identified under this RFP due to the specialized nature of the work. However, proposers were encouraged to utilize SBE, DVBE, MBE, WBE, and other firms where feasible.