



MWD

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

8-5

June 16, 1998

To: Board of Directors (Engineering and Operations Committee--Action)
(Budget and Finance Committee--Action)

From: General Manager 

Submitted by: Gary M. Snyder
jm Chief Engineer 

Subject: Appropriate \$4,000,000 to Finance Capital Projects Costing Less Than \$250,000
During Fiscal Year 1998/99

Reference: Appropriation No. 15327

RECOMMENDATION(S)

For the design, purchase of equipment, and construction of small capital projects costing less than \$250,000 during Fiscal Year 1998/99, it is recommended that your Board:

1. Authorize the General Manager to have all work performed including necessary environmental documentation; and
2. Appropriate \$4,000,000 of budgeted funds to finance all estimated costs.

EXECUTIVE SUMMARY

The Capital Program for Fiscal Year 1998/99 included a program for the purpose of completing capital projects costing less than \$250,000 that are identified during the fiscal year. Approval of these recommendations will allow the General Manager to undertake all work for the design, purchase of equipment, and construction for these small projects under this program, provided that the General Manager reports quarterly to the Engineering and Operations Committee on such projects.

JUSTIFICATION

These projects are necessary to ensure operating reliability, improve efficiency, and decrease maintenance costs. Some of these projects require immediate action to maintain operations. The consolidation of these projects into one program will save valuable time and reduce administrative costs, and enable the Board and its committees to devote time to more important issues.

ALTERNATIVE(S) TO PROPOSED ACTION

Approve each small capital project individually

Your Board could approve each small project individually. Since there are an average of 18 projects each year, this would increase the number of items brought before your Board.

Defer Projects

Your Board could decide not to fund this program at this time; however, not performing the work this year will impact operational performance and reliability.

FUNDING REQUEST

Program Name: Capital Program for Projects Costing Less than \$250,000 for Fiscal Year 1998/99	
Source of Funds: Pay-As-You-Go Fund	
Appropriation No.: 15327	Board Action No.: 1
FY 98/99 Budget: \$797,100	
Requested Amount: \$4,000,000	Capital Program No.: 98900-A
Total Appropriated Amount: \$4,000,000	Capital Program Page No.: E-16
Total Program Estimate: \$4,000,000	Program Category: Asset/System Integrity

ACTIONS AND MILESTONES

- Multiple projects are assigned to this program and each project has individual start and completion milestones

CEQA COMPLIANCE / ENVIRONMENTAL DOCUMENTATION

In accordance with the requirements of the California Environmental Quality Act (CEQA) and State CEQA Guidelines, the required CEQA documentation for each project funded through the small capital projects appropriation will be prepared prior to implementing the project. Part of the requested action is the authorization to have such documentation prepared.

DETAILED REPORT

In recent years, the Board has approved an annual appropriation to cover all costs of small capital projects occurring during the ensuing fiscal year and authorized the General Manager to have such projects accomplished without specific Board authorization, provided that the General Manager reports quarterly to the Engineering and Operations Committee on such projects. This procedure has saved valuable time and reduced administrative costs. It is therefore proposed that your Board approve an appropriation in the amount of \$4,000,000 for Fiscal Year 1998/99 for capital projects costing less than \$250,000 with reporting requirements for the General Manager as in the past years. The program is included in the Capital Program for Fiscal Year 1998/99. A breakdown of the estimated program costs is shown on Attachment A. Attachment B includes a list of projects identified to date.

JAJ/bm: rev5
(Appropriate \$4,000,000)
Attachment(s)

FINANACIAL STATEMENT
 (Program No. 98900-A)

The breakdown of the total estimated cost for design, purchase of equipment, and construction of capital projects costing less than \$250,000 during Fiscal Year 1998/99 is shown below:

	<u>Cost Estimate</u>
Labor:	
Engineering Design	\$ 381,000
Operation Studies and District Forces Construction	913,000
Environmental Compliance	<u>14,000</u>
Subtotal Labor	\$ 1,308,000
Material and Supplies	\$ 779,000
Incidental Expenses	28,000
Professional/Technical	59,000
Operating Equipment	33,000
Administrative Overhead	722,000
Contract	379,000
Contingencies	<u>692,000</u>
Total	\$ 4,000,000
Projected Expenditures of Funds:	
Through Fiscal Year 1998/99	\$ 740,000
Fiscal Year 1999/00	1,440,000
Fiscal Year 2000/01	1,128,000
Contingencies	<u>692,000</u>
Total	\$ 4,000,000
Source of Funds: Pay-As-You-Go Fund	
Capital Program For Fiscal Year 1998/99	
Total Program Estimate	\$ 4,000,000
Program Estimate for FY 1998/99	\$ 797,100

CAPITAL PROGRAM 1998/99
Projects Under \$250,000
Appropriation No. 15327

Description	Estimate
Scheduled	
La Verne Facilities - Energy Conservation Projects ECM 1 and 10	\$ 90,000
Skinner Filtration Plant - Replace Air Compressors	84,000
San Diego Canal Acoustic Meter	224,000
La Verne Facilities - Hazardous Waste Container Storage	100,000
Jensen Filtration Plant Taveling Bridge Retrofits for Modules 2 and 3	25,000
Sepulveda Canyon Water Tanks External Coating	200,000
Santiago Lateral - Install Regulating Valve	100,000
All Pumping Plants Replace Exciter Brush Systems	143,000
Jensen Filtration Plant - Hazardous Material Storage Module Inst.	100,000
Bar 97 - Enhanced Area Vehicle Testing	247,000
Design and Construction Anti-Entry Cabazon and Potrero Shaft Covers	160,000
Scheduled Subtotal \$ 1,473,000	
Unscheduled	
Unscheduled Subtotal \$ 2,527,000	
Total \$ 4,000,000	