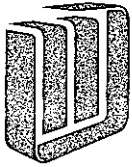


JUL 14 1992



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METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Karen E. Deff
EXECUTIVE SECRETARY

8-13

June 26, 1992

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

From: General Manager

Subject: Revision No. 3 to Appropriation No. 550 to Increase Funding from
\$17,700,000 to \$25,700,000 to Finance Additional Work Required
for Enlargement of the Washwater Reclamation Facility and Plant
Modifications at the Diemer Filtration Plant and Delegation of
Power to Award Contracts

Report

In June 1990, your Board approved Revision No. 2 to Appropriation No. 550 to increase funding to a total of \$17,700,000 to finance all estimated costs for modification work for the Diemer filtration plant; awarded a construction contract to the Kaweah Construction Company for construction of the Washwater Reclamation Facility (WWRF) enlargement; and approved amending an existing consultant agreement and entering into a new agreement to provide additional design work, contract administration, and construction inspection services.

Washwater Reclamation Facility

Contract No. 1375 for enlargement of the WWRF was awarded to Kaweah Construction Company in July 1990. Subsequently, your Board authorized the General Manager to issue extra work orders totalling approximately \$2,200,000. This work included construction of a new Westside Chemical Tank Farm, including a chemical feed system and related mechanical and electrical equipment; relocation of the washwater return pipeline; a new washwater tank interconnection line; and construction of chemical spill containment facilities. This added work increased the scope and duration of the project, which resulted in additional costs to the District's design consultant, Engineering Science, Inc., and the District's construction management consultant, Butier Engineering, Inc., to provide field administration and inspection services. The added work has substantially increased the District's internal labor costs to evaluate quotations for the extra work items and to conduct negotiations with the contractor for resolution of the claimed costs.

This recommended increase in the appropriation does not include funds for the evaluation and resolution of a potential claim by the contractor for indirect costs associated with the delay of work. Should the contractor submit a claim for delay and it is deemed to be valid, additional funding will be requested.

A breakdown of the total estimated costs for all work required for the WWRF is shown on Attachment A.

Plant Modifications

Flow tests representing the increased capacity of the plant caused the East Settling Basin launders to oscillate under certain flow conditions. Stabilizing the launders to convey increased plant flows resulted in additional design, construction, and testing costs. Also, it was necessary to install a 6,000-gallon dry polymer tank and feed system at the existing WWRF.

Additional items of work were also included with the plant modifications because they related closely to the work currently in progress, work could be coordinated with plant shutdowns, District personnel would be available for construction, and it was an efficient way to accomplish these projects. This extra work consisted of replacement of alum pumps and two caustic soda tanks, installation of three new alum tanks and connecting piping, and installation of redwood baffle boards in the filter basins.

Also, because staff did not have sufficient personnel, it was more efficient to have Engineering Science, Inc., consultant, accomplish design for the following work under an amendment to Agreement No. 2041: improvement of the existing washwater reclamation facilities; installation of a sandpan; and preparation of operations manuals for the washwater reclamation facilities. Construction would be accomplished by contract under competitive bidding procedures.

A breakdown of the total estimated costs for the plant modifications is shown on Attachment B.

In prior discussions, the Engineering and Operations and Finance and Insurance Committees have indicated a desire to streamline contract award procedures. Consistent with this approach, this letter recommends delegation of power to the General Manager to award contracts once a capital project has been approved. This method departs from previous contract approval procedure by minimizing the Board's need to approve individual contract awards and would implement the provision in the Administrative Code for the delegation to the General Manager of the authority to award specific classes of contracts.

An increase in Appropriation No. 550 of \$8,000,000 to a total of \$25,700,000 is now required to complete construction of the WWRF enlargement and the plant modifications. It is anticipated that all required work will be completed in mid-1993.

The proposed action is exempt from the provisions of the California Environmental Quality Act (CEQA) because it consists of modifications to existing facilities with negligible expansion of use beyond that previously existing.

Board Committee Assignments

This letter is referred for action to:

The Engineering and Operations Committee for consideration because of its jurisdiction over the initiation, scheduling, contracting, and performance of construction programs, pursuant to Administrative Code Section 2431(c); and

The Finance and Insurance Committee because of its jurisdiction over appropriations pursuant to Administrative Code 2441(d).

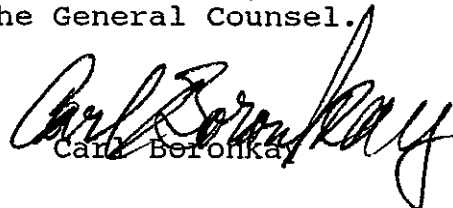
Recommendations

FINANCE AND INSURANCE COMMITTEE FOR ACTION.

It is recommended that your Board authorize an increase of \$8,000,000 in Appropriation No. 550 from the 1991 Revenue Bond Construction Fund, to a total of \$ 25,700,000, to finance additional work required for the enlargement of the Washwater Reclamation Facility and plant modifications at the Robert B. Diemer Filtration Plant.

ENGINEERING AND OPERATIONS COMMITTEE FOR ACTION.

It is recommended that your Board, consistent with the provisions of Administrative Code Section 8114, authorize the General Manager to have all additional work accomplished for enlargement of the Washwater Reclamation Facility and plant modifications at the Robert B. Diemer Filtration Plant and delegate to the General Manager the authority to award contracts in form approved by the General Counsel.


Carl Beronka

PWF:atr/ayb

(brdapr:apr550-6242)

Attachments

Attachment A

A breakdown of the estimated costs for the Washwater Reclamation Facility enlargement is as follows:

	Revision 2	Revision 3
Contract No. 1375 and E.W.O.s	\$ 6,715,000	\$ 9,100,000
Labor:		
Engineering	118,000	290,000
Concrete & Soils Inspection	35,000	138,000
Survey	37,000	45,000
Contract Administration	18,000	262,000
Water Quality Branch	10,000	10,000
Controls Group	15,000	20,000
Operations Field Forces	<u>0</u>	<u>275,000</u>
Total Labor	\$ 233,000	\$ 1,040,000
Materials and Supplies	0	228,000
Incidental Expenses	10,000	35,000
Professional and Technical Services		
Engineering-Science, Inc.	1,700,000	2,140,000
Butier Engineering, Inc.	550,000	1,500,000
Schaeffer Dixon Assoc.	50,000	50,000
Other Consulting Services	<u>0</u>	<u>20,000</u>
Total P&T Services	\$ 2,300,000	\$ 3,710,000
Operating Equipment Use	50,000	50,000
Administrative Overhead	112,000	527,000
Contingencies	1,080,000	410,000
Total WWRF	<u>\$ 10,500,000</u>	<u>\$ 15,100,000</u>

Attachment B

A breakdown of the estimated costs for the plant modifications is as follows:

	Revision 2	Revision 3
Labor:		
Engineering	\$ 915,000	\$ 1,147,000
Survey	3,000	18,000
Inspection	20,000	102,000
Contract Administration	14,000	65,000
Water Quality Branch	10,000	10,000
Controls Group	68,000	44,000
Installation/Construction	<u>1,130,000</u>	<u>2,418,000</u>
Total Labor	\$ 2,160,000	\$ 3,804,000
Materials and Supplies	2,590,000	2,715,000
Incidental Expenses	35,000	70,000
Professional and Technical Services		
Engineering Science, Inc.	0	360,000
CH2M Hill	225,000	225,000
Other Consulting Services	<u>40,000</u>	<u>220,000</u>
Total P&T Services	\$ 265,000	\$ 805,000
Operating Equipment Use	80,000	125,000
Administrative Overhead	1,275,000	1,907,000
Contracts	0	680,000
Contingencies	<u>795,000</u>	<u>494,000</u>
Total Plant Modifications	<u>\$ 7,200,000</u>	<u>\$ 10,600,000</u>

Attachment C

FISCAL STATEMENT
 (Proposed 1992-93 Capital Program)
 (Program No. 5-5500-31)

Estimated funds required:

Initial	\$ 4,100,000
Revision 1	1,500,000
Revision 2	12,100,000
Revision 3	<u>8,000,000</u>
Total	\$ 25,700,000

Source of Funds: 1991 Revenue Bond
 Construction Fund

Projected expenditure of funds:

Through Fiscal Year 1991-92	\$ 18,900,000
Fiscal Year 1992-93	\$ 6,800,000

Proposed Capital Projects Program for 1992-93:

Estimated Program Cost	\$ 24,900,000
Program Estimate Fiscal Year 1992-93	\$ 6,000,000

Estimated additional annual O&M funds required:

Additional labor, chemicals, and energy costs could result in an annual cost estimated to be \$950,000.

Project Class:

One--Projects directly related to the delivery of water which, if delayed, could adversely impact the reliability of service or quality of water.

Project Benefit:

The Diemer filtration plant modifications and washwater reclamation facilities enlargement are necessary to facilitate operation of the plant to meet the increased water demands in the central service area.