

APR 11 1995

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MWD

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

David E. Deff
EXECUTIVE SECRETARY

March 28, 1995

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

From: General Manager

Subject: Authorization No. 3 to Increase Appropriation No. 610 from \$34 million to \$44 million to Expend Budgeted Funds for Construction of Site Preparation for the Joseph Jensen Filtration Plant Oxidation Retrofit Program and to Finance All Costs in Advance of Construction for Oxidation Retrofit at the Henry J. Mills and Joseph Jensen Filtration Plants and to Award a Contract

RECOMMENDATION

It is recommended that your Board authorize an increase of \$10 million in Appropriation No. 610 from the 1992 Revenue Bond Construction Fund to a total of \$44 million to expend budgeted funds to finance all estimated costs for site preparation for the Joseph Jensen Filtration Plant Oxidation Retrofit Program and all costs in advance of construction for oxidation retrofit at the Henry J. Mills and Joseph Jensen filtration plants.

It is also recommended that a construction contract for the site preparation for the Joseph Jensen Filtration Plant Oxidation Retrofit Program in the amount of \$6,584,700 be awarded to Calx Engineering Company, in accordance with Specifications No. 1321, as amended, and that, conditioned upon execution of the contract, all other bids be rejected.

APPROVAL OF REQUEST

John R. Wodraska
General Manager

Submitted by:

Gary M. Snyder
Gary M. Snyder
Chief Engineer

Concur:

John R. Wodraska
John R. Wodraska
General Manager
JM:rs/aj (610-apr,au3/03155)

BRIEF DESCRIPTION:

Five bids have been received and opened under Specifications No. 1321, as amended, for the construction of the Site Preparation for the Joseph Jensen Filtration Plant Oxidation Retrofit Program (ORP). These bids are shown on the attached Abstract of Bids (see Attachment B). The low bid from Calex Engineering Company, in the amount of \$6,584,700, complies with the requirements of the specifications, is \$533,300 below the next lowest bid, and \$4,095,300 below the Engineer's Estimate. An increase in Appropriation No. 610 is required to finance all remaining costs of Site Preparation for the Jensen Filtration Plant ORP. A breakdown of this estimated cost is shown on the attached Financial Statement (see Attachment A). The estimated costs under Authorization No. 3 include all costs for the Site Preparation contract and all costs in advance of award of the remaining contracts for the ORP at the Jensen and Mills plants.

The preliminary estimate of the total capital costs, including escalation, is \$127 million for the Jensen ORP and \$73 million for the Mills ORP.

<p><u>CONTRACT TYPE</u></p> <p><input checked="" type="checkbox"/> NEW</p> <p><input type="checkbox"/> AMENDED</p> <p><u>CONTRACT FORM</u></p> <p><input type="checkbox"/> LEASE</p> <p><input type="checkbox"/> PROFESSIONAL SERVICES</p> <p><input checked="" type="checkbox"/> CONSTRUCTION</p>	<p><u>FUNDING</u></p> <p><input checked="" type="checkbox"/> CAPITAL</p> <p><input type="checkbox"/> O & M</p> <p><u>BUDGET STATUS</u></p> <p><input checked="" type="checkbox"/> FY 94/95 AMT PROJECTED AMT <u>\$6,860,000</u></p> <p><input checked="" type="checkbox"/> OUT-YEAR AMT <u>\$189,276,000</u></p> <p><input type="checkbox"/> NON-BUDGET AMT _____</p>	<p><u>TYPE OF COMPETITION</u></p> <p><input checked="" type="checkbox"/> COMPETITIVE BIDDING</p> <p><input type="checkbox"/> NEGOTIATED CONTRACT</p>
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PURPOSE/BACKGROUND

In August 1994, your Board approved Revision No. 2 to Appropriation No. 610 to increase funding to \$34 million to finance all costs in advance of award of construction contracts for the ORP at the Jensen and Mills plants. The ORP consists of retrofitting Metropolitan's filtration plants with an ozonation process to provide disinfection of the plants' influent raw water. This process will allow Metropolitan and its member agencies to comply with the proposed Disinfectant/Disinfection By-Products (D/DBP) regulations. In order to maintain Metropolitan's implementation schedule for these regulations, final design of the ORP at the Jensen and Mills plants is being accomplished concurrently. In March 1995, your Board authorized the General Manager to enter into an agreement with the Ralph M. Parsons Company to provide office space and design assistance for the ORP at the Jensen and Mills plants.

The Site Preparation work includes earthwork; offsite disposal of excess material; slope stabilization with hydroseeding and a temporary irrigation system; removal and replacement of an existing storm drain; construction of miscellaneous concrete drainage channels; and all other appurtenant work.

ACTIONS AND MILESTONE

Final design of the Site Preparation for the ORP at the Jensen plant was completed in February 1995. Construction is anticipated to begin in May 1995 and to be completed in December 1996.

MBE/WBE:

The specifications, as amended, established certified Minority-Owned Business Enterprise (MBE) and Women-Owned Business Enterprise (WBE) participation goals of 18 percent MBE and 6 percent WBE. The specifications also provide that a bidder which does not meet the indicated participation goals must submit documentation of its good faith efforts to meet such goals. Calnex Engineering Company has committed to achieve 18-percent certified MBE participation and 6-percent certified WBE participation. Therefore, Calnex Engineering Company is not required to submit good-faith-effort documentation. The MBE and WBE subcontractors are listed in Attachment C.

CEQA COMPLIANCE / ENVIRONMENTAL DOCUMENTATION

Under the requirements of the California Environmental Quality Act (CEQA), a Mitigated Negative Declaration (MND) and a Mitigation Monitoring Program were prepared for the Oxidation Retrofit at the Joseph Jensen Filtration Plant. In August 1994, your Board certified the MND and adopted the Mitigation Monitoring Program which accompanied the MND for Oxidation Retrofit at the Jensen plant.

On February 12, 1991, the Final Environmental Impact Report (FEIR) for the Henry J. Mills Filtration Plant Expansion No. 2 was certified by your Board, along with the Mitigation Monitoring Program, both of which are in effect with the ongoing expansion work. An addendum was considered by your Board on August 22, 1992. The facility plan and disclosure statements in the FEIR included the future ozone/PEROXONE facilities at the Mills plant.

These actions satisfied the provisions of CEQA in regard to these matters; and no further environmental review or documentation is necessary for your Board to act on this request.

PLAN & BID STATISTICS

36 CONTRACTORS
REQUESTED PLANS
5 BIDS SUBMITTED

EVALUATION CRITERIA

LOW BID THAT MEETS THE REQUIREMENTS OF THE SPECIFICATIONS. BIDDER'S QUALIFICATIONS AND MBE/WBE PARTICIPATION ARE ALSO CONSIDERED.

CONTRACTUAL DETAILS

- ANTICIPATED DURATION 378 WORKING DAYS
 HOURLY RATES _____
 PREVAILING WAGE RATES WILL APPLY

Attachment A

Financial Statement
(Program No. 5-6100-31)

The breakdown of the total estimated costs for Revision No. 2 and Authorization No. 3 for all costs in advance of construction contracts for Oxidation Retrofit at the Jensen and Mills filtration plants and all estimated costs of Site Preparation for the Jensen ORP is shown below:

	<u>Revision No. 2</u>	<u>Authorization No. 3</u>
Construction Specifications No. 1321	\$ 0	\$ 6,584,700
Labor:		
Study/Investigations	1,175,000	1,175,000
Preliminary Design	2,150,000	2,150,000
Final Design	6,070,000	6,070,000
Environmental Documentation	25,000	25,000
Operational Studies	520,000	520,000
Post Design (Incl. As-Built)		150,000
Construction Inspection	0	250,000
Contract Administration, Technical Support and Survey	<u>0</u>	<u>450,000</u>
Subtotal Labor	<u>\$ 9,940,000</u>	<u>\$10,790,000</u>
Materials and Supplies	412,000	450,000
Incidental Expenses	250,000	300,000
Professional/Technical Services:		
Camp Dresser & McKee Inc.	600,000	600,000
Black and Veatch	721,000	721,000
Montgomery/Watson	270,000	270,000
CH2M Hill	130,000	130,000
Process Applications, Inc.	150,000	150,000
Geotechnical Consultants	593,000	593,000
Environmental Consultants	150,000	150,000
LADWP	4,012,000	4,012,000
Ralph M. Parsons	7,000,000	7,000,000
Others	<u>700,000</u>	<u>700,000</u>
Subtotal P/T	<u>\$14,326,000</u>	<u>\$14,326,000</u>
Operating Equipment	50,000	100,000
Administrative Overhead	5,484,000	5,953,000
Contingencies	<u>3,538,000</u>	<u>5,496,300</u>
Total	<u>\$34,000,000</u>	<u>\$44,000,000</u>

Source of Funds:

1992 Revenue Bond Construction Fund

Class: One--Projects required for health and safety or governmental requirements.

Projected Expenditures of Funds:

Through Fiscal Year 1993/94	\$ 3,864,000
Fiscal Year 1994/95	6,860,000
Fiscal Year 1995/96	22,500,000
Fiscal Year 1996/97	55,200,000
Fiscal Year 1997/98	61,200,000
Fiscal Year 1998/99	<u>50,376,000</u>
Total	\$200,000,000

Project Benefit:

Compliance with proposed regulations regarding the control of Disinfection By-Products and pathogens in drinking water supplies. Flexibility in controlling taste-and-odor compounds and in meeting future and more stringent drinking water regulations.

Capital Program for Fiscal Year 1994/95:

Estimated Program Cost:

Jensen filtration plant	127,000,000
Mills filtration plant	<u>73,000,000</u>
Total Estimated Program Cost	\$200,000,000

Program Estimate Fiscal Year 1994/95 6,860,000

Estimated Additional Annual O&M Funds Required (1995 dollars) \$9,000,000 to \$11,300,000

Attachment B

The Metropolitan Water District of Southern California

Abstract of Bids Received March 14, 1995 at 2:00 p.m.
 Specifications No. 1321, as Amended
 Site Preparation for Joseph Jensen Filtration Plant
 Oxidation Retrofit Program

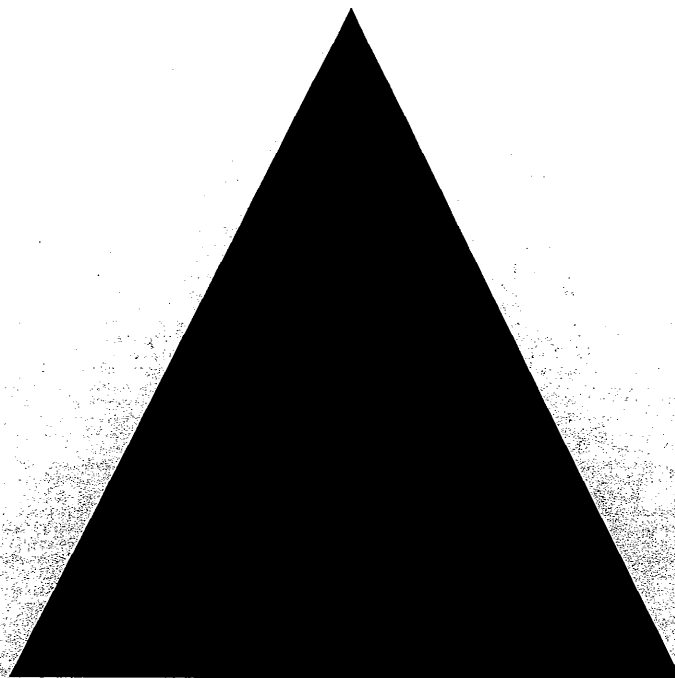
The work under the specifications includes earthwork; offsite disposal of excess material; slope stabilization with hydroseeding and temporary irrigation system; removal of existing chain-link fence and replacing with new chain-link fence; removal of existing storm drain and replacement with new 36-inch RCP and related appurtenances; construction of miscellaneous concrete drainage channels; and all other appurtenant work. The work is to be completed within 378 working days after the contractor receives the Notice to Proceed. Under this schedule, the work should be completed by December 1996.

Engineer's Estimate: \$10,680,000.00

Bidder & Location	Mobilization	Total
Calex Engineering Co. Newhall, California	\$250,000	\$6,584,700
Fleming Engineering Co. Cerritos, California	\$250,000	\$7,118,000
Tutor-Saliba Sylmar, California	\$250,000	\$7,757,000
CA Rasmussen, Inc. Simi Valley, California	\$250,000	\$7,776,941
Clarke Contracting Lawndale, California	\$250,000	\$9,974,000

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