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METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Dawn Chen
for EXECUTIVE SECRETARY

February 27, 1996

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

From: General Manager

Submitted by: Gary M. Snyder, Chief Engineer

Timothy D. ...
Gary M. Snyder

Subject: Authorization No. 26 to Increase Appropriation No. 560 by \$3,523,000 from \$1,201,700,000 to \$1,205,223,000 to Expend Budgeted Funds to Amend Agreement No. 3925 with Raytheon Infrastructure Services Incorporated for Design Consulting Services for the Eastside Reservoir Project.

RECOMMENDATION(S)

It is recommended that your Board authorize an increase of \$3,523,000 from \$1,201,700,000 to a total of \$1,205,223,000 in Appropriation No. 560 from the 1995 Revenue Bond Construction Fund, to finance budgeted costs for design consulting services.

It is recommended that the General Manager be authorized to amend Agreement No. 3925 with Raytheon Infrastructure Services Incorporated to increase the maximum amount payable from \$56,277,000 to \$59,800,000, including expenses, to provide final engineering design services for the Eastside Reservoir Project

EXECUTIVE SUMMARY

The design of the Eastside Reservoir Project under Agreement No. 3925 covers a number of project features including dams and hydraulic structures. Extensive value engineering efforts have led to additional design changes to reduce construction costs and improved operations of the facilities. The appropriated amount for final design consulting services is \$46,300,000. An additional \$9,977,000 has been appropriated for post-design services for a total of \$56,277,000. Final design is ongoing and is 94 percent complete; \$45,466,626 has been expended to date. Post-design is ongoing and is 16 percent complete; \$1,398,483 has been expended to date. Value engineering will continue, as required, through the completion of the project.

BRIEF DESCRIPTION

Request for Proposal No. 053 was issued in July of 1992 which included preliminary, final and post-design services. In November 1992, an agreement was entered into for \$37,600,000 with Raytheon Infrastructure Services Incorporated, to provide the preliminary and final design services. Post-design services were budgeted, but deferred pending a more accurate understanding of the construction requirements for the Eastside Reservoir Project (ESRP).

In April 1995, the agreement was amended to reflect design changes, resulting from review by Metropolitan and the Independent Board of Consultants, focusing most specifically on value engineering efforts to reduce construction costs. The maximum amount payable under the amended agreement was \$46,300,000.

In May 1995, the agreement was amended to add post-design services in support of construction field requests and required changes during construction. The maximum amount payable under the amended agreement was \$56,277,000.

This agreement is being amended to provide more cost-effective design, and to support refined operational needs of this project. Review and improved definition of contract packages has resulted in additional design details, improved construction operations, and more integrated schedule control. Resulting design changes are being incorporated at this time.

A \$3,523,000 increase in Appropriation No. 560 is required to finance budgeted costs for final design requirements of the Eastside Reservoir Project. The maximum amount payable under the amended agreement is \$59,800,000. The total estimated cost of the (ESRP) is \$1,972,100,000 (see Attachment A).

<p>Contract Type</p> <p><input type="checkbox"/> New</p> <p><input checked="" type="checkbox"/> Amended</p> <p>Contract Form</p> <p><input type="checkbox"/> Lease</p> <p><input checked="" type="checkbox"/> Professional Services</p> <p><input type="checkbox"/> Construction</p>	<p>Funding</p> <p><input checked="" type="checkbox"/> Capital-Appropriation No. 560</p> <p><input type="checkbox"/> O & M</p> <p>Budget Status</p> <p><input checked="" type="checkbox"/> FY 95-96 Amount \$226,490,400</p> <p><input checked="" type="checkbox"/> Out-Year Amount \$1,273,592,900</p> <p><input type="checkbox"/> Non-Budget Amount</p>	<p>Type of Competition</p> <p><input checked="" type="checkbox"/> Amendment to Agreement No. 3925</p> <p><input type="checkbox"/> Negotiated Contract</p> <p><input type="checkbox"/> Sole Source</p>
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PURPOSE/BACKGROUND

This amendment covers several design efforts resulting in a more economical design and enhancement for the operation of the project. An extensive design review process has resulted in more defined construction packages leading to a reduction of construction cost.

For example, refined interfacing of the Tunnel and Inlet/Outlet Tower contracts has allowed the project construction schedule to remain on course without increasing construction cost. Design enhancements on the Inlet/Outlet Tower have included unique anchorage of the tower to the surrounding rock, operational considerations such as easier to maintain portal bulkheads, and hydraulic model testing to increase operational effectiveness of the tower and tunnel features of the project.

ACTION(S) AND MILESTONE(S)

The East Dam contract is scheduled to be awarded by your Board in July 1996. The P-1 Pumping Plant contract is scheduled to be awarded by your Board in October 1996.

MBE/WBE

Although no MBE or WBE goals were required in 1992 when the contract was initiated, the contractual goals were later established at 9 percent MBE and 3 percent WBE. The design consultant has accomplished a cumulative rate of 8.9 percent MBE and 1.4 percent WBE.

CEQA COMPLIANCE/ENVIRONMENTAL DOCUMENTATION

All California Environmental Quality Act (CEQA) requirements have been satisfied for the proposed action. In October 1991, your Board certified the Final Environmental Impact Report for ESRP. This action satisfied the provisions of CEQA, and no further environmental documentation or reviews are necessary for your Board to take action on this recommendation.

FISCAL STATEMENT
Eastside Reservoir and Related Facilities
(Program No.5-5600-11)

Project Summary:**Total Project**

	Former Budget	Proposed Current Budget	Total Appropriation
Planning	15,000,000	15,000,000	15,000,000
Land*	334,000,000	350,000,000	334,000,000
Mitigation*	32,681,000	32,681,000	32,681,000
Design	120,450,000	135,148,000	123,973,000
Construction	1,300,936,000	1,117,926,608	636,955,553
Recreation	33,000,000	33,000,000	
Contingency	136,033,000	288,344,392	62,613,447
TOTAL	\$ 1,972,100,000	\$ 1,972,100,000	\$ 1,205,223,000

* Land costs include \$28.3 million for land purchases at the Santa Rosa Plateau and Shipley Reserve which when added to non-real estate mitigation costs of \$32.7 million results in a total mitigation value of \$61million.

The total cost breakdowns for Authorization Nos. 25 and 26 to Appropriation No, 560 are shown below:

	AUTHORIZATION NO. 25	AUTHORIZATION NO. 26
Construction	508,004,874	508,004,874
Labor:		
Preliminary Engineering, Final Engineering, and Preparation of Specifications	26,878,000	26,878,000
Post Design	858,000	858,000
Contract Administration		
Inspection and Survey	18,658,000	18,658,000
Labor Subtotal	46,394,000	46,394,000
Materials and Supplies	38,427,000	38,427,000
Right of Way Acquisition	303,500,000	303,500,000
Incidental Expenses	17,467,000	17,467,000
Professional Services	204,312,000	207,835,000
Operating Equipment Use	1,480,000	1,480,000
Administrative Overhead	23,122,000	23,122,000
Contingencies	62,613,447	62,613,447
Reimbursable from Agencies	-3,620,321	-3,620,321
TOTAL	\$1,201,700,000	\$1,205,223,000

Fiscal Statement
 (Program No. 5-5600-11)
Estimated Funds Required:

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Attachment A

REVISION	DATE	AMOUNT
Initial	June 27, 1988	8,300,000
Revision No.1	November 1, 1989	5,000,000
Revision No.2	May 2, 1989	45,000,000
Revision No.3	November 27, 1990	20,000,000
Revision No.4	February 19, 1991	15,600,000
Revision No.5	March 26, 1991	12,000,000
Revision No.6	September 24, 1991	189,100,000
Revision No.7	January 22, 1993	12,300,000
Revision No.8	September 17, 1993	112,000,000
Revision No.9	October 21, 1993	1,670,000
Revision No.10	June 28, 1994	987,000
Revision No.11	July 18, 1994	952,000
Revision No.12	July 25, 1994	19,621,000
Revision No.13	November 29, 1994	94,100,000
Revision No.14	December 23, 1994	56,758,000
Revision No.15	December 23, 1994	22,331,000
Authorization No.16	February 7, 1995	59,500,000
Authorization No.17	February 7, 1995	23,319,000
Authorization No.18	May 8, 1995	9,977,000
Authorization No.19	November 14, 1995	540,000
Authorization No.20	December 26, 1995	4,500,000
Authorization No.21	December 26, 1995	440,945,000
Authorization No.22	December 26, 1995	29,400,000
Authorization No.23	December 26, 1995	15,250,000
Authorization No.24	January 30, 1996	2,160,000
Authorization No.25	February 27, 1996	390,000
Authorization No.26	February 27, 1996	3,523,000
Remaining		766,877,000
TOTAL		\$ 1,972,100,000

Source of Funds:

1995 Revenue Bond Construction Fund

Class One:

Projects directly related to delivery of water.

Fiscal Statement
(Program No. 5-5600-11)

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Attachment A

Projected Expenditures of Funds:

Through	Fiscal Year 1992/93	\$247,560,800
	Fiscal Year 1993/94	\$110,128,200
	Fiscal Year 1994/95	\$96,920,800
	Fiscal Year 1995/96	\$256,091,500
	Fiscal Year 1996/97	\$279,358,700
	Fiscal Year 1997/98	\$696,331,800
	Fiscal Year 1998/99	\$258,140,700
	Fiscal Year 1999/2000	\$25,784,500
	Fiscal Year 2000/2001	\$1,783,000
	TOTAL.....	<u>\$1,972,100,000</u>