

**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

APPROVED  
 By the Board of Directors of  
 The Metropolitan Water District  
 of Southern California  
 at its meeting held

JUL - 9 1996

8-3

*Dawn Chen*  
 for EXECUTIVE SECRETARY

June 18, 1996

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

**From:** General Manager *William Hone*

**Submitted by:** Gary M. Snyder  
 Chief Engineer *Gary M. Snyder*

**Subject:** Authorization No. 2 to Increase Appropriation No. 635 From \$1,840,000 to \$15,000,000 to Expend Budgeted Funds for the Construction of the Expansion of the Water Quality Laboratory at La Verne and to Award a Construction Contract.

## RECOMMENDATIONS

It is recommended that your Board award a contract in the amount of \$10,530,000, to the S. J. Amoroso Construction Company, Inc. (Amoroso), for construction of the expansion of the Water Quality Laboratory (WQL) at La Verne, in accordance with Specifications No. 1279A, as amended, and that all other bids be rejected, conditioned upon execution of the contract.

It is recommended that your Board authorize an increase of \$13,160,000 in Appropriation No. 635 from \$1,840,000 to a total of \$15,000,000 from the Pay-As-You-Go Fund to finance all costs of construction for the expansion of the WQL at La Verne.

## EXECUTIVE SUMMARY

Approval of the recommendations will authorize the award of a fixed price contract in the amount of \$10,530,000 to Amoroso, the low bidder for Specifications No. 1279A, as amended, to expand the WQL at La Verne, and to authorize an increase of \$13,160,000 in the appropriation to a total of \$15,000,000 to cover all remaining costs, including construction, construction inspections, contract administration, engineering support, project management, contingencies, and administrative overhead.

**BRIEF DESCRIPTION**

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In September 1994, your Board approved Revision No. 1 to Appropriation No. 635, in the amount of \$1,840,000, to finance design and all estimated costs in advance of award of a construction contract for the expansion of the WQL at La Verne.

Five bids were received and opened under Specifications 1279A, as amended, for the construction of the WQL expansion. These bids are shown in the Abstract of Bids on Attachment B. The low bid of Amoroso, in the amount of \$10,530,000, complies with the requirements of the specifications, and is \$20,000 below the next lowest bid and \$730,000 above the engineer's estimate.

A \$13,160,000 increase in Appropriation No. 635 from the Pay-As-You-Go Fund is required to finance all remaining costs for the expansion of the WQL at La Verne. A breakdown of all program costs is contained in the Financial Statement on Attachment A. The approval of the recommendations herein will complete all Board action required under this program.

<p><b>Contract Type</b>  <input checked="" type="checkbox"/> New  <input type="checkbox"/> Amended</p> <p><b>Contract Form</b>  <input type="checkbox"/> Lease  <input type="checkbox"/> Professional Services  <input checked="" type="checkbox"/> Construction</p>	<p><b>Funding</b>  <input checked="" type="checkbox"/> Capital Appropriation No. 635  <input type="checkbox"/> O &amp; M</p> <p><b>Budget Status</b>  <input checked="" type="checkbox"/> Cost Thru 6/30/96 \$1,450,900  <input checked="" type="checkbox"/> FY 96-97 Amount \$5,564,400  <input checked="" type="checkbox"/> Out-Year Amount \$7,984,700</p>	<p><b>Type of Competition</b>  <input checked="" type="checkbox"/> Competitive Bidding Specification No. <u>1279A</u>  <input type="checkbox"/> Negotiated Contract  <input type="checkbox"/> Sole Source</p>
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**PURPOSE/BACKGROUND**

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Numerous new drinking water regulations have been imposed and others are being promulgated, which require additional testing and monitoring of water quality by Metropolitan to maintain compliance. To meet the increasing demands, the Water Quality Division has implemented new practices and procedures to improve productivity and quality. However, the WQL building is in need of expansion to relieve existing overcrowding. The improvement of working conditions is the largest single component of the laboratory expansion necessary to comply with new regulations. The laboratory expansion will also provide the flexibility to address emerging issues, including monitoring pathogens like Cryptosporidium, disinfection by-products, and arsenic, and improve member agency services through existing and new programs.

## **ACTIONS AND MILESTONES**

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In October 1991, your Board authorized funding to conduct environmental investigations and conceptual and preliminary designs by a consultant. Environmental documentation and preliminary designs were completed in late 1993. In September 1994, your Board authorized an increase in the appropriation to finance all costs for final design and preparation of specifications by a consultant for the expansion of the WQL building.

The construction drawings and specifications by consultant and reviews by Metropolitan were completed in October 1995. The Notice Inviting Bids was advertised under Specifications No. 1279A on March 26, 1996, and bids were received and opened on May 2, 1996. Construction is anticipated to start in August 1996 and to be completed in March 1998.

## **MBE/WBE**

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The specifications, as amended, requires the successful bidder to subcontract a minimum of 27 percent to qualified subcontractors. The anticipated levels of participation for Minority-owned Business Enterprise (MBE) and Women-owned Business Enterprise (WBE) were established at 15 percent and 5 percent, respectively. S. J. Amoroso Construction Company, Inc., is the low bidder and has committed to achieve a total of 79.82 percent subcontracting, including a certified 3.27 percent MBE and 0.12 percent certified WBE. The contractor's documentation of good-faith was reviewed by the Business Outreach Office and deemed acceptable in meeting the criteria set forth in the specifications.

## **CEQA COMPLIANCE/ENVIRONMENTAL DOCUMENTATION**

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Your Board adopted the Mitigated Negative Declaration and Mitigation Monitoring Plan for the WQL Building Expansion on September 12, 1994. Requirements of the California Environmental Quality Act have been satisfied for this project, and no further action is required.

<p><b>Plan and Bid Statistics</b> <u>53</u> Contractors Requested Plans <u>5</u> Bids Submitted</p>	<p><b>Evaluation Criteria</b> Low bid that meets requirements of the specifications. Bidders qualifications and MBE/WBE participation are also considered.</p> <p><b>Contractual Details</b> <input checked="" type="checkbox"/> Anticipated Duration: 378 Days <input type="checkbox"/> Hourly Rates <input checked="" type="checkbox"/> Prevailing Wage Rates Will Apply</p>
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## Attachment A

FINANCIAL STATEMENT

(FY 1996/97 Capital Program No. 5-6350-63)

The total estimated cost breakdown for Revision 1 funding and Authorization No. 2 to Appropriation No. 635 is as follows:

	<u>Revision No. 1</u>	<u>Authorization No. 2</u>
Construction Specifications No. 1279A Low Bid Received May 2, 1996	\$ 0	\$10,530,000
Labor:		
Engineering Design		
Specifications, and Project Management	\$ 200,000	\$ 354,000
Contract Administration	0	148,000
Field/Fabrication Inspection/Soils & Concrete	0	681,000
Survey and Corrosion Engineering	0	111,000
Information Systems	0	15,000
Water Quality/Environmental	<u>20,000</u>	<u>21,000</u>
Total Labor	\$ 220,000	\$ 1,330,000
Incidental Expenses	10,000	25,000
Professional/Technical	1,300,000	1,300,000
Equipment Use/Rental	0	50,000
Administrative Overhead	122,000	734,000
Contingency	<u>188,000</u>	<u>1,031,000</u>
Total	<u>\$1,840,000</u>	<u>\$15,000,000</u>
Source of Funds: Pay-As-You-Go Fund		
Summary of Authorized Funding		
Initial Funding		\$ 1,000,000
Revision No. 1		840,000
Authorization No. 2		13,160,000
Total		<u>\$15,000,000</u>

## Projected Expenditure of Funds:

Through Fiscal Year 1995/96	\$ 1,450,900
Fiscal Year 1996/97	5,564,400
Fiscal Year 1997/98	6,953,700
Contingency	1,031,000
Total	<u>\$15,000,000</u>
Capital Program Estimate For FY 1996/97	\$15,000,000

Class: One--Project directly related to the delivery of water which, if delayed, will adversely impact reliability of services and water quality.

Project Benefits: The Water Quality Division will have sufficient space to relieve existing overcrowding, and to establish specialized work areas to conduct the necessary laboratory analyses to meet Metropolitan's goals and objectives.

**The Metropolitan Water District of Southern California**

**ABSTRACT OF BIDS RECEIVED MAY 2, 1996 AT 2:00 P.M.  
Specifications No. 1279A, as Amended**

**Water Quality Laboratory Expansion**

This project consists of construction of an addition of approximately 30,000 square feet to the existing Water Quality Building; approximately 11,500 square feet of remodeling of the existing building; installation of laboratory furniture and equipment; installation of communication equipment, and all other appurtenances.

Engineer's Estimate: \$9,800,000

<b>Bidder &amp; Location</b>	<b>Item 1 Mobilization</b>	<b>Item 2 Construction</b>	<b>Total Items 1 &amp; 2</b>
S. J. Amoroso Construction Co., Inc. Irvine, California	\$50,000	\$10,480,000	\$10,530,000
H. A. Lewis, Inc. Los Angeles, California	\$50,000	\$10,500,000	\$10,550,000
Shirley Bros., Inc. Pasadena, California	\$50,000	\$10,609,000	\$10,659,000
FTR International, Inc. Irvine, California	\$50,000	\$10,949,000	\$10,999,000
Southwest Engineering, Inc., and Roman E. C. D., Inc., a Joint Venture Los Angeles, California	\$50,000	\$11,300,000	\$11,350,000

**MBE/WBE PARTICIPATION**

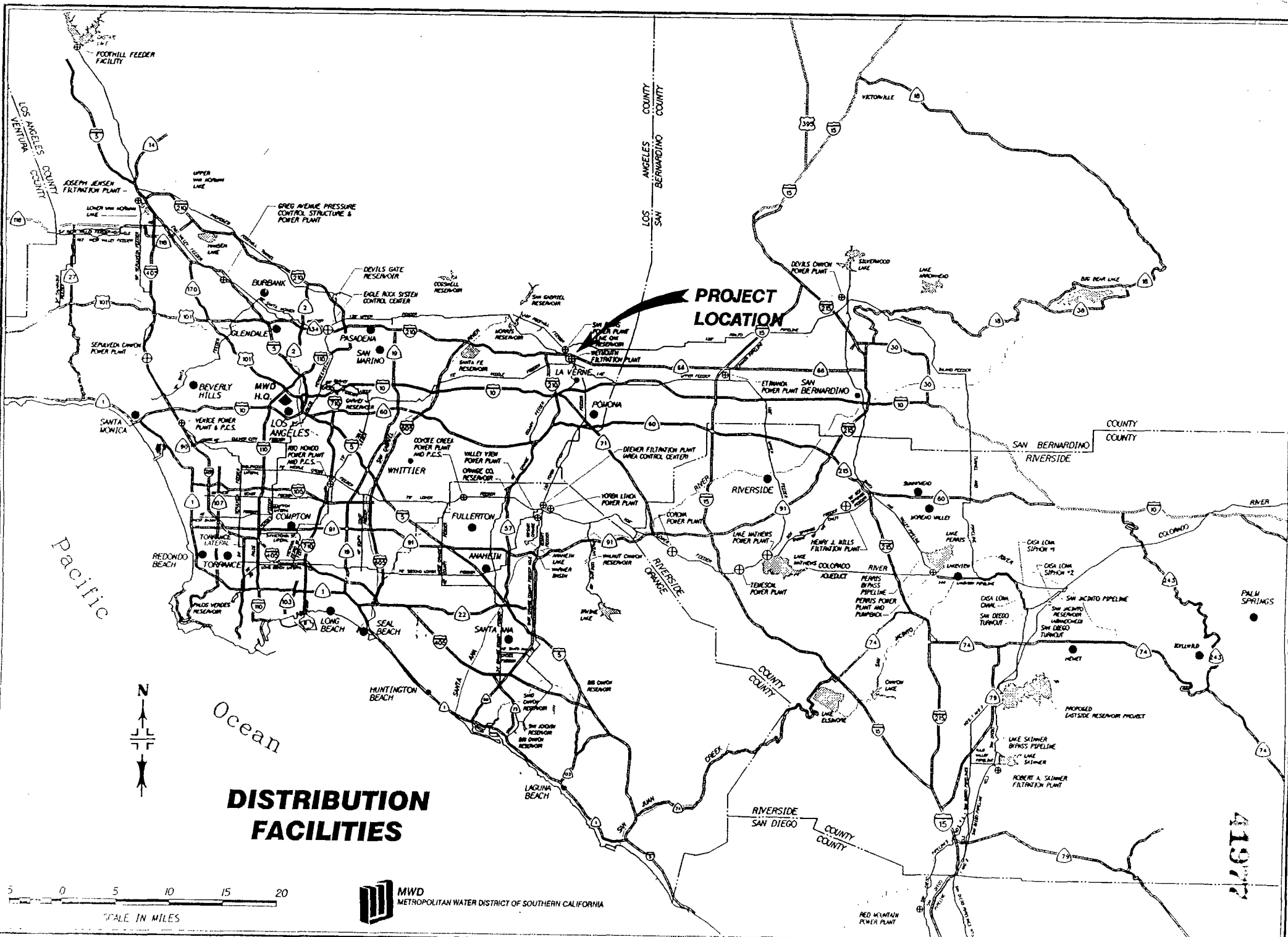
Spec. No. 1279A

**Name of Bidder:** S. J. Amoroso Construction Co., Inc.

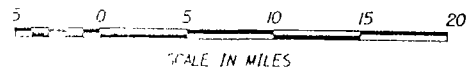
PARTICIPATION LEVELS: 15% MBE and 5% WBE

Certified MBE/WBE Subcontractor	Work to Be Performed or Materials To Be Supplied	Participation	
		MBE%	WBE%
<i>Sharma</i>	<i>Earthwork</i>	<i>0.67</i>	
<i>Cal State</i>	<i>Reinforcing Steel</i>	<i>1.42</i>	
<i>Borbon, Inc.</i>	<i>Painting</i>	<i>0.90</i>	
<i>Western Paving</i>	<i>AC Paving</i>	<i>0.16</i>	
<i>J. Colevin</i>	<i>Ceramic Tile</i>	<i>0.12</i>	
<i>Specialty Installations</i>	<i>Door Installation</i>		<i>0.12</i>
	<i>Total Participation</i>	<i>3.27</i>	<i>0.12</i>





**DISTRIBUTION FACILITIES**



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METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

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