

JUL - 9 1996

7-10



MWD

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

James R. Clark
EXECUTIVE SECRETARY

June 18, 1996

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

From: *[Signature]* General Manager

Submitted by: Gary M. Snyder
Chief Engineer

[Signature]
[Signature]

Subject: Appropriation No. 725 in the Amount of \$295,000 to Finance all Estimated Costs to Construct an Expansion of the Sanitary Sewer at the La Verne Facility

At the May 13, 1996 Board meeting, the Finance and Insurance Committee deferred action on the subject letter, directing staff to perform an additional investigation to compare the project construction cost to a similar project located in the City of Santa Ana, and to bring the action back to the July meeting.

Staff has investigated this issue. The estimated construction contract cost of the La Verne sewer expansion ranges from \$90,000 to \$120,000. The larger number was used for budgeting purposes. The referenced City of Santa Ana sewer project, constructed for \$77,000, received bids ranging from \$62,000 to \$88,400. Although the two projects are very similar as far as diameter and length, the Santa Ana project was bid as a part of a \$400,000 street reconstruction contract. Unlike the La Verne project, the City's sewer bid did not include sawcutting and repaving of the trench. Pavement removal and repairs for the La Verne project are estimated to cost about \$15,000. When this cost is added to the cost of the City's sewer replacement, the project costs are expected to be comparable.

The total project estimate for the expansion of the sanitary sewer at the La Verne Facility, including design, construction and contingency is \$295,000.

The estimate for the construction phase is \$190,000. The construction contract estimate, as mentioned above, is only \$120,000. The remaining \$70,000 is budgeted for inspection, contract administration, shop drawing review, survey, as-builts, design support, administrative overhead, materials, and incidental expenses.

The attached letter was approved by the Engineering and Operations Committee at its May meeting.

CT/bm:rev5
(LV725)
Attachment

**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

ATTACHMENT

7-4

April 23, 1996

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

From: *for* General Manager

Edward D. Meese

Submitted by: Gary M. Snyder
for Chief Engineer

Gary Snyder

Subject: Appropriation No. 725 in the Amount of \$295,000 to Finance All Estimated Costs to Construct an Expansion of the Sanitary Sewer at the La Verne Facility

RECOMMENDATIONS

It is recommended that the General Manager be authorized to perform all work for construction of the expansion of the sanitary sewer system at the La Verne facility.

It is also recommended that your Board authorize Appropriation No. 725, in the amount of \$295,000 from the Pay-As-You-Go Fund, to finance all estimated costs for design and construction of the expansion of the sanitary sewer system at the La Verne facility.

EXECUTIVE SUMMARY

This appropriation is for all work necessary to expand the sewer system at the La Verne facility. The work was previously planned and budgeted under Appropriation No. 661, Capital Projects Costing Less Than \$250,000. The total estimated cost of the project is \$295,000.

CAPITAL FUNDING REQUEST

Project Name: Expansion of the Sanitary Sewer System at the La Verne Facility		
Appropriation No.: 725	Funding Request No.: Initial	Amount: \$295,000
Source of Funds: Pay-As-You-Go Fund		
FY 95-96 Budget: No <input type="checkbox"/> Yes <input checked="" type="checkbox"/> See Financial Statement		Capital Program: Page No. Reference: 73
Project Justification and Type: (check all applicable)		
<input type="checkbox"/> Meet Water Demands	<input type="checkbox"/> New Facility	<input type="checkbox"/> Replacement
<input type="checkbox"/> Mandated By Law	<input type="checkbox"/> Improvement	<input checked="" type="checkbox"/> Expansion
<input checked="" type="checkbox"/> Asset Protection/Risk Mgt.		
<input type="checkbox"/> Cost Avoidance		
<input type="checkbox"/> Other		

PROJECT DESCRIPTION

The subject project consists of modifying sewer facilities which will redirect flow from existing, over-capacity sewer lines to lines which have available capacity.

Construction of the 8-inch-diameter vitrified clay pipe (VCP) plus appurtenant manholes and tie-ins will occur in three phases, and will consist of realigning approximately 214 feet of pipe at Gladstone Street (Phase 1), installing 83 feet of pipe in Moreno Avenue (Phase 2), and installing 330 feet of pipe in Sedalia Avenue (Phase 3). The new pipe will convey flow from the Oxidation Demonstration Project (ODP) Laboratory, Ground Maintenance Building and Water Quality Laboratory Building.

This project was originally funded under Appropriation No. 661, Capital Projects Costing Less Than \$250,000, to cover costs for design and construction of sanitary sewer needs for the La Verne Facility. The preliminary cost estimate was based on the design of approximately 50 feet of the sewer pipe in Gladstone Street. However, during final design, a survey of the sewer facilities in Gladstone Street indicated that the existing sewer line was not built in accordance with the City of La Verne's As-Built drawings. This resulted in modifying

the design to include an additional 164 feet of sewer pipe in Gladstone Street, along with assorted tie-ins and a temporary bypass. This increased the design and construction costs.

It is proposed that Metropolitan complete final design and prepare specifications. Subsequent to approval of Appropriation No. 725 by the Board, the General Manager will award the construction contract in accordance with Section 8113 of the Administrative Code which provides the General Manager with the authority to award contracts in an amount not exceeding \$250,000. This contractor will be hired through a competitive bidding procedure to construct the facilities. Also, upon approval of the funding for Appropriation No. 725, actual expenditures to date will be transferred from Appropriation No. 661. The total estimated cost of the project is \$295,000. A breakdown of the estimated costs is shown on the attached Financial Statement.

Class: Three--Projects not directly related to delivery of water.

BENEFIT

The existing on-site sewer system is deficient and under capacity. This project is necessary to meet existing needs and to provide additional capacity for future sewer needs.

PROJECT PLAN:	Expansion of a Sanitary Sewer Capacity at the La Verne facility					
PHASE	ESTIMATED COST	% COMPLETE	COST THRU FEB, 1996	FY 1995-96	FY 1996-97	FY 1997-98
Study/Prelim. Phase	\$24,000	100%	\$24,000			
Final Design	\$40,000	90%	\$35,000			
Advertise/Award	\$10,000	0%	0			
Construction/Post Design	\$190,000	0%	0			
Contingency	\$31,000	0%	0			
TOTAL	\$295,000					

ALTERNATIVES TO PROPOSED ACTION

Other alternatives that were evaluated included: construction of a new 10-inch VCP sewer main, and construction of an 8-inch VCP relief sewer main parallel to existing sewer facilities. The proposed action is the most cost-effective alternative, and has been approved by the City of La Verne Department of Public Works.

MBE/WBE

The Business Outreach Office, the Legal Department, and the Engineering Division will review the proposed scope of work associated with this solicitation and establish MBE/WBE /OBE goals, as necessary.

CEQA COMPLIANCE / ENVIRONMENTAL DOCUMENTATION

Pursuant to CEQA, a Negative Declaration was prepared for expanding the sewer system at the La Verne Facility. The Negative Declaration was approved by the Assistant General Manager in July 1994. Reporting and monitoring programs have been established for the subject project; therefore, no further environmental review or documentation is necessary.

CT:aj/rev15
(bd-7329.doc)

FINANCIAL STATEMENT

The breakdown of the total estimated cost for constructing an expansion of the sanitary sewer system at the La Verne Facility is shown below:

	<u>Cost Estimate</u>
Labor:	
Study/Preliminary Phase	10,000
Environmental/Permitting	5,000
Final Design/Advertising	30,000
Contract Administration, Survey, and Field Inspection	<u>40,000</u>
Total Labor	<u>\$85,000</u>
Materials & Supplies	4,000
Incidental Expenses	4,000
Equipment Use/Rental	4,000
Administrative Overhead	47,000
Contract	120,000
Contingency	<u>31,000</u>
Total	<u>\$295,000</u>
Projected Expenditure of Funds:	
Through Fiscal Year 1995/96	\$ 64,000
Fiscal Year 1996/97	\$200,000
Contingency	<u>\$ 31,000</u>
Total	<u>\$295,000</u>

Source of Funds: Pay-As-You-Go Fund

Capital Program for Fiscal Year 1995/96:

This project was part of Capital Program 5-6610-63, Capital Program for Projects Costing Less Than \$250,000 for Fiscal Year 1993/94.

Class: Three--Projects not directly related to delivery of water but demonstrate that economic savings outweigh project costs.

Project Benefit:

The existing on-site sewer system is deficient and under capacity. This project is necessary to meet existing needs and to provide additional capacity for future sewer needs.