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

AUG 20 1996

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METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

for EXECUTIVE SECRETARY

August 6, 1996

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

From: General Manager

Submitted by: Gary M. Snyder
Chief Engineer

Subject: Authorization No. 30 to Increase Appropriation No. 560 by $3,600,000 from $1,216,613,000 to $1,220,213,000 to Expend Budgeted Funds for Vertical Sleeve Valves for the Eastside Reservoir Project

RECOMMENDATION(S)

It is recommended that your Board authorize award of a procurement contract for Vertical Sleeve Valves for the Eastside Reservoir Project (ESRP) in the amount of $2,722,000 to Nissho Iwai American Corporation in accordance with Specifications No. 1340.

It is also recommended that your Board authorize an increase of $3,600,000 in Eastside Reservoir Project Appropriation No. 560 from $1,216,613,000 to a total of $1,220,213,000, utilizing funds from the 1995 Revenue Bond Construction Fund, to finance all budgeted costs for procurement, contingency and in-house engineering for the Vertical Sleeve Valves.

EXECUTIVE SUMMARY

Approval of these recommendations will authorize the award of a fixed price contract in the amount of $2,722,000 to Nissho Iwai American Corporation, for all work necessary to completely fabricate and deliver the Vertical Sleeve Valves which were previously planned and budgeted for the ESRP; and authorize an increase in the appropriation by $3,600,000, including contingency and in-house engineering, to a total ESRP appropriation of $1,220,213,000.

BRIEF DESCRIPTION

The Vertical Sleeve Valve procurement is part of the Eastside Reservoir Project. The design costs for the Vertical Sleeve Valves are part of a general valve procurement design budget of $905,000. Final design is 100 percent complete and $905,000 has been expended to date. This letter recommends increasing the appropriation to cover all remaining costs for the Vertical Sleeve Valve procurement and to award the procurement contract.

Six bids were received and opened under Specifications No. 1340, as amended, for procurement of the Vertical Sleeve Valves. The bids are shown on the attached Abstract of Bids for the Vertical Sleeve Valves (see Attachment B). The low bid from Nissho Iwai American Corporation (NIAC) in the amount of $2,722,000, complies with the requirements of the specifications, is $854 below the next lowest bid combination, and is $3,124,700 below the Engineers Estimate. Metropolitan has extensive and favorable experience with NIAC in performing similar work.

A $3,600,000 increase in Appropriation No. 560 is required to finance the budgeted costs of the Vertical Sleeve Valve procurement. The total estimated cost of the ESRP at completion remains unchanged at $1,972,100,000 (see Attachment A).

Contract Status ☒ New ☐ Amended **Contract Form** ☐ Lease ☐ Professional Services ☒ Procurement	**Funding** ☒ Capital-Appropriation No. 560 ☐ O & M **Budget Status** ☒ FY 96/97 Amount $232,195,000 ☒ Out-Year Amount $1,087,026,200 ☐ Non-Budget Amount	**Type of Competition** ☒ Competitive Bidding Specification No. 1340 ☐ Negotiated Contract ☐ Sole Source **Contract Type** ☒ Fixed Price ☐ Cost Plus ☐ Time and Materials

PURPOSE/BACKGROUND

The vertical sleeve valves will be used in two facilities that are part of the ESRP. Seven 66-inch by 42-inch valves will be used in the P-1 Pumping Plant to dissipate energy and control releases from the reservoir or the Eastside Pipeline. Six 54-inch by 36-inch valves will be used in the PC-1 Pressure Control Structure to dissipate energy and control releases from the Inland Feeder or Eastside Reservoir into the Colorado River Aqueduct.

ACTION(S) AND MILESTONE(S)

Construction is anticipated to complete by April 1998.

MBE/WBE

The Business Outreach Office, the Legal Department, and the Engineering Division reviewed the scope of the work associated with this solicitation. Subsequent to that review, it was determined that there existed no subcontractable work for the purposes of establishing MBE/WBE goals. However, the specifications did include Metropolitan's policy statement encouraging the use of minority- and women-owned firms.

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.

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Attachment A

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

Project Summary:

Total Project

	Current Budget	Revised Budget	Total Appropriation
Planning	$ 15,000,000	$ 15,000,000	$ 15,000,000
Land*	350,000,000	360,000,000	334,000,000
Mitigation*	32,681,000	32,681,000	32,681,000
Design	135,148,000	140,158,000	123,973,000
Construction	1,117,926,608	1,181,260,000	650,240,251
Recreation	33,000,000	58,000,000	
Contingency	288,344,392	185,001,000	64,318,749
TOTAL	**$ 1,972,100,000**	**$ 1,972,100,000**	**$ 1,220,213,000**

* 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. 29 and 30 to Appropriation No, 560 are shown below:

	AUTHORIZATION NO. 29	AUTHORIZATION NO. 30
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	19,075,000	19,269,000
Labor Subtotal	46,811,000	47,005,000
Specification No. 1340 (Including Tax)		2,932,955
Materials and Supplies	46,969,743	46,969,743
Right of Way Acquisition	303,500,000	303,500,000
Incidental Expenses	17,517,000	17,537,000
Professional Services	208,625,000	208,625,000
Operating Equipment Use	1,480,000	1,480,000
Administrative Overhead	23,353,000	23,460,000
Contingencies	63,972,704	64,318,749
Reimbursable from Agencies	-3,620,321	-3,620,321
TOTAL	**$ 1,216,613,000**	**$ 1,220,213,000**

Estimated Funds Required:

REVISION	DATE	AMOUNT
Revision No.1	November 1, 1989	$ 5,000,000
Revision No.2	May 2, 1990	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
Authorization No.27	March 26, 1996	3,000,000
Authorization No.28	April 30, 1996	790,000
Authorization No.29	April 30, 1996	7,600,000
Authorization No.30	August 6, 1996	3,600,000
Remaining		751,887,000
TOTAL		**$ 1,972,100,000**

Source of Funds:

1995 Revenue Bond Construction Fund

Class One:

Projects directly related to delivery of water.

Projected Expenditures of Funds:

Through	Fiscal Year 1995/96	$ 652,878,900
	Fiscal Year 1996/97	232,195,000
	Fiscal Year 1997/98	553,789,000
	Fiscal Year 1998/99	250,596,100
	Fiscal Year 1999/2000	20,307,800
	Contingency	262,333,200
	TOTAL	$ 1,972,100,000

The Metropolitan Water District of Southern California

Abstract of Bids Received June 25, 1996, at 10:00 A.M.
Specifications No. 1340, as Amended
Eastside Reservoir Project Electric Motor-Operated Sleeve Valves

This project consists of furnishing the following articles and materials for the Eastside Reservoir Project located near Hemet, California, and the PC-1 Pressure Control Facility near Lakeview, California:

1. Six 54-inch by 36-inch electric motor-operated sleeve valves for 250 psi rated working water pressure and appurtenances.

2. Seven 66-inch by 42-inch electric motor-operated sleeve valves for 150 psi rated working water pressure and appurtenances.

3. Services of an erecting engineer.

Engineer's Estimate: **$5,846,700**

Bidder & Location	Item 1	Item 2	Total of Items 1 & 2	Engineer Services	Equalizing Factors for Inspection	Total Evaluated Bid Amount
Nissho Iwai American Corporation Los Angeles, CA	$1,140,000	$1,582,000	$2,722,000	$18,480	$20,800	$2,761,280
Kvaerner Hydro Power, Inc. San Francisco, CA	$1,109,499	$1,613,355	$2,722,854	$21,700	$20,800	$2,765,354
Hardie-Tynes Manufacturing Company Birmingham, AL	$1,271,346	$1,576,022	$2,847,368	$8,770	$6,600	$2,862,738
CMB Industries, Inc. Fresno, CA	$1,212,720	$1,723,939	$2,936,659	$12,900	$5,000	$2,954,559
Kanematsu USA, Inc. Los Angeles, CA	$1,225,080	$1,762,810	$2,987,890	$16,040	$20,800	$3,024,730
Lindsey Fabricators, Inc. Azusa, CA	$1,821,000	$2,360,000	$4,181,000	$6,112	$0	$4,187,112

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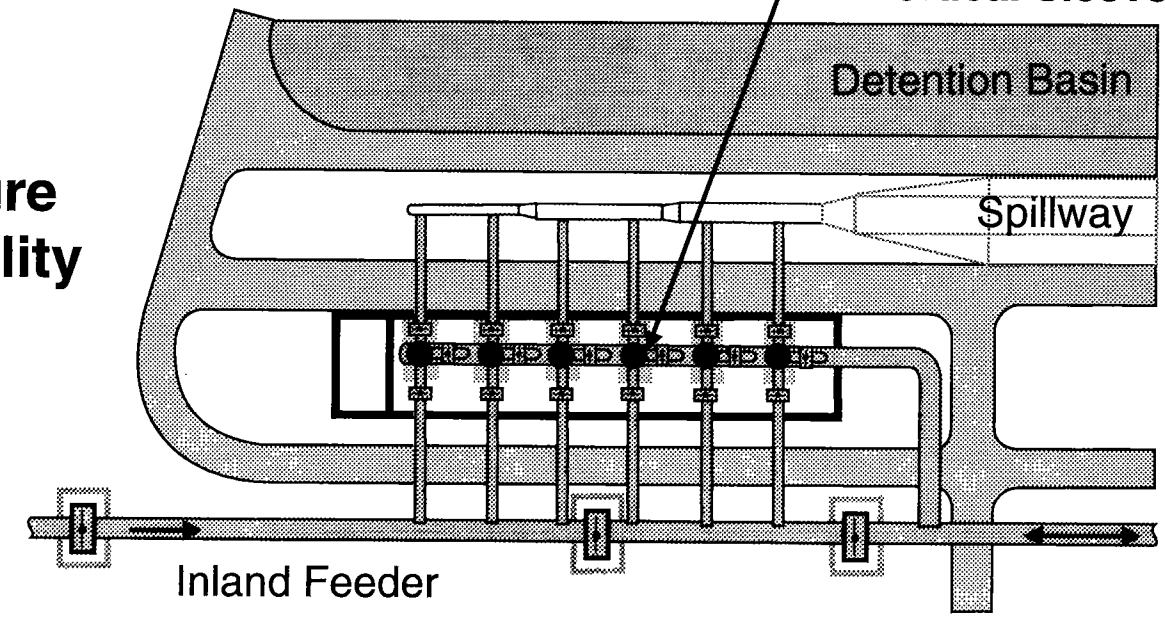
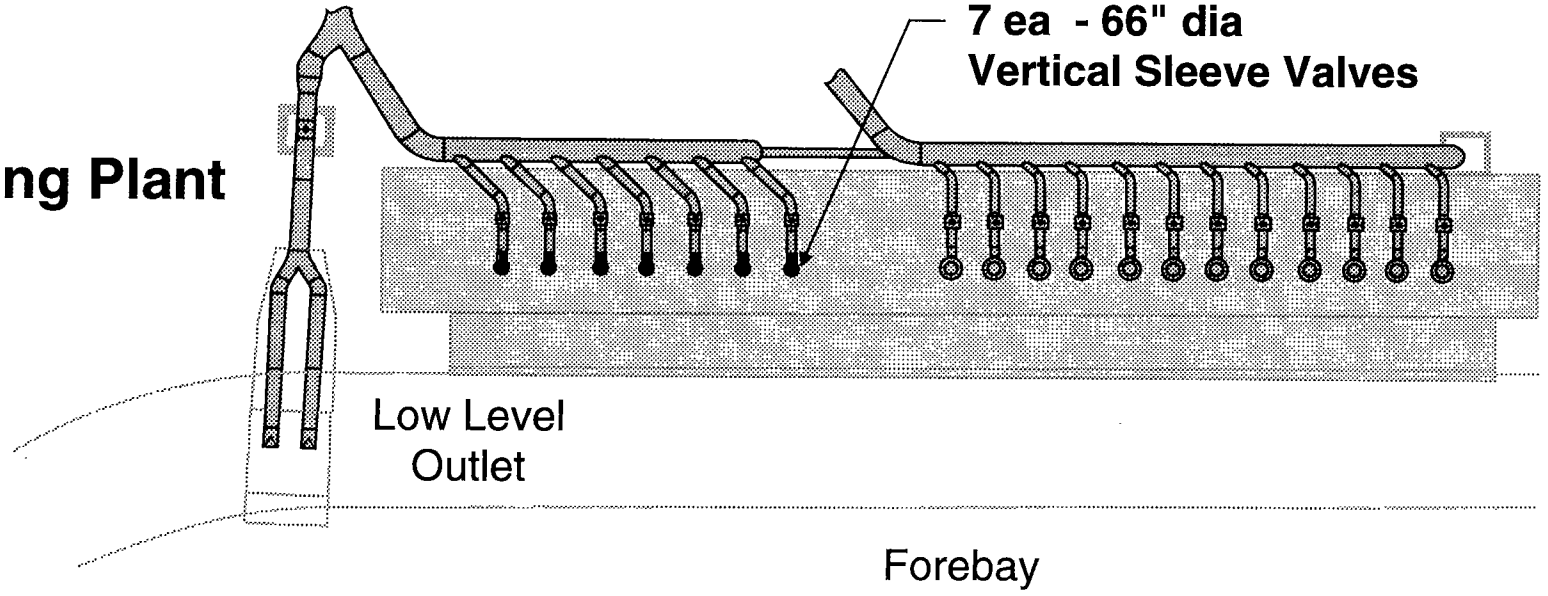
1340 - Vertical Sleeve Valves

PC-1 Pressure Control Facility



P-1 Pumping Plant