



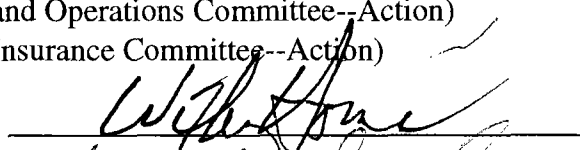
MWD

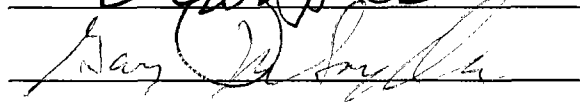
METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

8-4

December 10, 1996

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

From: General Manager 

Submitted by: Gary M. Snyder
Chief Engineer 

Subject: Authorization No. 12 to Increase Appropriation No. 15122 by \$4,700,000 from \$267,260,000 to \$271,960,000 to Expend Budgeted Funds and Award a Construction Contract for Installation of a Portion of the Mentone Pipeline of the Inland Feeder Project

RECOMMENDATIONS

It is recommended that a construction contract for a portion of the Mentone Pipeline in the amount of \$3,288,750 be awarded to Kenko Inc., in accordance with Specifications No. 1382, as amended, and that conditioned upon execution of the contract, all other bids be rejected.

It is recommended that your Board authorize an increase of \$4,700,000 in the Inland Feeder Appropriation No. 15122 from \$267,260,000 to a total of \$271,960,000 from the Commercial Paper Note Construction Fund, to finance all budgeted costs for the installation of a portion of the Mentone Pipeline of the Inland Feeder Project.

EXECUTIVE SUMMARY

Approval of these recommendations will authorize the award of a fixed price contract in the amount of \$3,288,750 to Kenko Inc., the low bidder for Specifications No. 1382, as amended, for the installation of approximately 3,400 linear feet of previously procured pipe adjacent to the Redlands Unified School District property, which was previously planned and budgeted for Reach No. 4 of the Inland Feeder Project (Project); and authorize an increase of \$4,700,000, including contingencies, construction management, and engineering support, to a total appropriation of \$271,960,000. The total estimated project cost remains at \$1,188,000,000.

This segment was originally included in the overall construction of the Mentone Pipeline of the Project, but is being executed as a separate contract in order to complete construction prior to the opening of a new high school adjacent to the alignment in the community of Mentone.

BRIEF DESCRIPTION

Nine bids were received and opened under Specifications No. 1382, as amended, for the installation of approximately 3,400 linear feet of 145-1/2-inch-diameter pipeline for the Project and are shown on the Abstract of Bids (see Attachment B). The original low bid was received from Colich Bros. Inc., in the amount of \$2,899,000. Colich Bros. Inc., however, has since requested relief from their bid due to a mathematical error. The next lowest responsible bid from Kenko Inc., in the amount of \$3,288,750, complies with the requirements of the specifications, is \$351,250 below the next lowest bid, and is \$2,411,250 below the Engineer's Estimate. Bids did not include the cost of the pipe because in September 1996, your Board approved Authorization No. 7 to Appropriation No. 15122 for the advanced procurement of fabricated-steel pipe for this segment.

A \$4,700,000 increase in Appropriation No. 15122, formerly Appropriation No. 559, is therefore required for the installation of a portion of the Mentone Pipeline of the Project. The total estimated cost of the Project remains at \$1,188,000,000 (see Attachment A).

<p>Contract Status <input checked="" type="checkbox"/> New <input type="checkbox"/> Amended</p> <p>Contract Form <input type="checkbox"/> Lease <input type="checkbox"/> Professional Services <input checked="" type="checkbox"/> Construction</p>	<p>Funding <input checked="" type="checkbox"/> Capital-Appropriation No. 15122 <input type="checkbox"/> O & M</p> <p>Budget Status <input checked="" type="checkbox"/> FY 96/97 Amount \$60,896,200 <input checked="" type="checkbox"/> Out-Year Amount \$959,522,500 <input type="checkbox"/> Non-Budget Amount _____</p>	<p>Type of Competition <input checked="" type="checkbox"/> Competitive Bidding Specification No. 1382 <input type="checkbox"/> Negotiated Contract <input type="checkbox"/> Sole Source</p> <p>Contract Type <input checked="" type="checkbox"/> Fixed Price <input type="checkbox"/> Cost Plus <input type="checkbox"/> Time and Materials</p>
--	---	--

PURPOSE/BACKGROUND

The Mentone Pipeline runs along Opal Avenue adjacent to Redlands Unified School District (RUSD) property. This property is the site of a new high school that is scheduled to open in September 1997. To mitigate potential safety hazards and traffic inconveniences associated with Metropolitan's construction, RUSD and the San Bernardino Transportation and Flood Control Department have requested that Metropolitan complete its construction adjacent to the school prior to the scheduled school opening.

To complete construction in the RUSD area prior to September 1997, an advanced procurement of the necessary pipe and associated fittings was executed, as authorized by your Board in September, and is scheduled for delivery in February 1997. The remaining portion of the Mentone Pipeline will be constructed under a separate contract.

ACTIONS AND MILESTONES

Construction is scheduled to begin in February 1997 and complete in August 1997. The remaining portion of the Mentone Pipeline is scheduled to begin construction in early-1999.

MBE/WBE

The specifications, as amended, established a mandatory subcontracting minimum of 16 percent to qualified subcontractors. Kenko listed 27.42 percent of this project as subcontracted to qualified subcontractors.

The specifications, as amended, required the bidder to submit documentation of its good-faith effort to encourage the participation of minority-, women-, and other-owned business enterprises (MBE/WBE/OBEs). As a result of this good-faith effort, participation by MBEs of 9 percent and by WBEs of 3 percent was expected. Kenko achieved 9.09 percent certified MBE participation and 3.02 percent certified WBE participation. The MBE and WBE subcontractors are listed on Attachment C.

CEQA COMPLIANCE/ENVIRONMENTAL DOCUMENTATION

All California Environmental Quality Act (CEQA) requirements have been satisfied for the proposed action. In February 1993, your Board certified the Final Environmental Impact Report for the Project. 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.

<p>Plan and Bid Statistics 29 Contractors Requested Plans 9 Bids Submitted</p>	<p>Evaluation Criteria Low bid that meets the requirements of the specifications. Bidders qualifications and MBE/WBE participation are also considered.</p> <p>Contractual Details <input checked="" type="checkbox"/> Anticipated Duration 160 days <input type="checkbox"/> Hourly Rates <input checked="" type="checkbox"/> Prevailing Wage Rates Will Apply</p>
---	---

BSB\mg:rev2
 (kenko)

Financial Statement
Inland Feeder Program
(Capital Program No. 5-5590-11)

Project Summary:**TOTAL PROJECT**

	<u>Current Budget</u>	<u>Total Appropriation</u>
Planning	\$ 8,020,000	\$ 8,020,000
Land	51,000,000	30,600,000
Mitigation	13,660,000	8,480,000
Design	75,000,000	65,828,000
Contracts/Construction	900,000,000	142,308,000
Contingency	<u>140,320,000</u>	<u>16,724,000</u>
TOTAL	<u>\$1,188,000,000</u>	<u>\$271,960,000</u>

The total cost breakdown for Authorization Nos. 11 and 12 to Appropriation No. 15122 are shown below:

	<u>Authorization No. 11</u>	<u>Authorization No. 12</u>
CONSTRUCTION	\$ 90,268,000	\$ 93,557,000
LABOR:		
Study	\$ 1,510,000	\$ 1,510,000
Preliminary Engineering, Final Engineering and Preparation of Specifications	18,060,000	18,060,000
Shop Drawing Reviews, Contract Admin., Field/Fabrication Inspections	6,885,000	7,471,000
Environmental	380,000	380,000
Right-of-Way	<u>4,050,000</u>	<u>4,050,000</u>
LABOR SUBTOTAL	\$ 24,635,000	\$ 31,471,000
Materials and Supplies	3,960,000	3,960,000
Incidental Expenses	1,600,000	1,616,000
Professional & Technical Services	57,616,000	57,616,000
Environmental Mitigation	7,900,000	7,900,000
Right-of-Way Acquisition	20,300,000	20,300,000
Operating Equipment Use	650,000	660,000
Administrative Overhead	17,037,000	17,361,000
Owner Controlled Insurance Program (OCIP)	20,795,000	20,795,000
Contingencies	<u>16,249,000</u>	<u>16,724,000</u>
TOTAL	<u>\$ 267,260,000</u>	<u>\$ 271,960,000</u>

**Financial Statement
(Program No. 5-5590-11)**

Estimated Funds Required:

Revision	Date	Amount
Revision No. 1	August 8, 1989	\$ 3,450,000
Revision No. 2	July 31, 1990	2,320,000
Revision No. 3	December 17, 1991	2,330,000
Revision No. 4	January 22, 1993	3,000,000
Revision No. 5	March 30, 1993	102,900,000
Revision No. 6	June 30, 1993	0
Authorization No. 7	August 20, 1996	2,200,000
Authorization No. 8	October 29, 1996	8,250,000
Authorization No. 9	October 31, 1996	19,710,000
Authorization No. 10	November 19, 1996	7,600,000
Authorization No. 11	December 10, 1996	115,500,000
Authorization No. 12	December 10, 1996	4,700,000
Remaining		<u>916,040,000</u>
Total		<u>\$1,188,000,000</u>

Source of Funds--Commercial Paper Note Construction Fund

Class: One--Project directly related to delivery of water.

Projected Expenditures of Funds:

Through	Fiscal Year 1995/96	\$71,120,000
	Fiscal Year 1996/97	52,000,000
	Fiscal Year 1997/98	82,000,000
	Fiscal Year 1998/99	130,000,000
	Fiscal Year 1999/00	244,000,000
	Fiscal Year 2000/01	179,000,000
	Fiscal Year 2001/02	171,000,000
	Fiscal Year 2002/03	82,560,000
	Fiscal Year 2003/04	36,000,000
	Contingency	<u>140,320,000</u>
TOTAL		<u>\$1,188,000,000</u>

The Metropolitan Water District of Southern California

**ABSTRACT OF BIDS RECEIVED NOVEMBER 12, 1996 AT 2:00 PM
Specifications No. 1382, as Amended**

Inland Feeder Mentone Pipeline Station 1019+00 to Station 1053+00

This project consists of installing 3,400 linear feet of 145.5-inch-diameter Metropolitan-furnished fabricated steel pipe and fittings, improving approximately 1/2 mile of county street (Opal Avenue), relocating and modifying 1,300 linear feet of a sewer line, relocating 300 linear feet of 48-inch-diameter water line at Opal Avenue, constructing 60-foot-long protective slab over existing Bear Valley Canal at Nice Avenue, removing 262 feet of existing unreinforced trapezoidal concrete canal, constructing manhole and appurtenant structures, relocating 900 linear feet of an 8-inch-diameter water line, constructing temporary access roads, constructing a masonry wall, supporting and protecting existing utilities, replacing existing landscaping and sprinklers, maintaining street closures and detouring traffic, miscellaneous construction, and other work.

Engineer's Estimate: \$5,700,000

Bidder & Location	Item 1 Mobilization	Item 2 Steel Pipe Construction	Item 3 Steel Pipe & Fittings Fabrication & Installation	Item 4 Road Improvements Construction	Total Items 1 - 4
Colich Bros., Inc., dba Colich & Sons - Gardena, California*	\$200,000	\$2,434,000	\$225,000	\$40,000	\$2,899,000
Kenko, Inc., dba McGrand & Associates - Calimesa, California	\$200,000	\$2,723,750	\$300,000	\$65,000	\$3,288,750
Steve Bubalo Construction Co., Inc. - Monrovia, California	\$200,000	\$3,115,000	\$300,000	\$25,000	\$3,640,000
L. H. Woods & Sons, Inc. - Brea, California	\$200,000	\$3,292,000	\$200,000	\$150,000	\$3,842,000
J. R. Pipeline Co., Inc. - Perris, California	\$200,000	\$3,519,000	\$160,000	\$120,000	\$3,999,000

Board of Directors

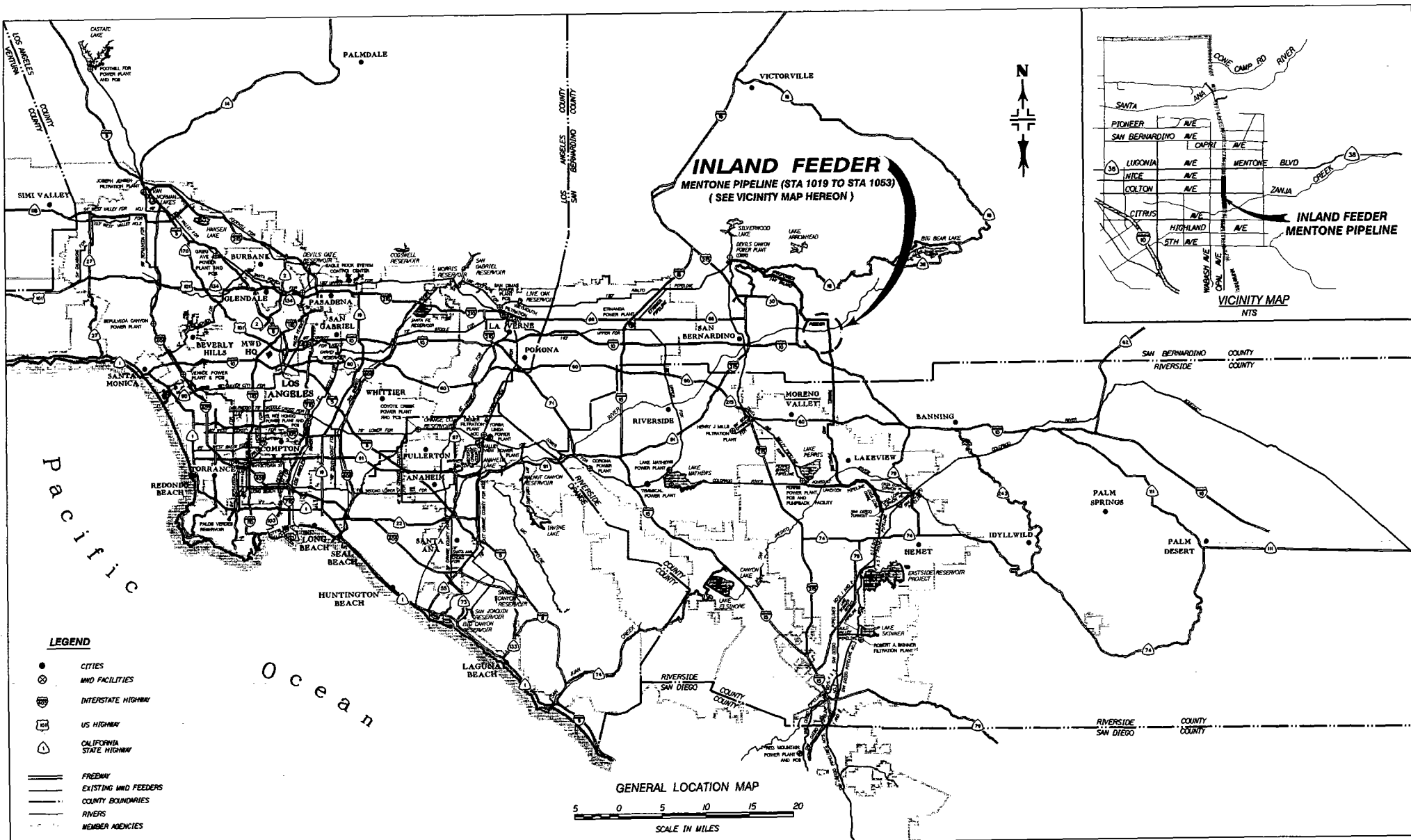
Barnard Construction Company, Incorporated - Bozeman, Montana	\$200,000	\$3,518,000	\$430,000	\$250,000	\$4,398,000
Advanco Constructors, Div. of Zurn Constructors, Inc. - Upland, California	\$200,000	\$4,010,401	\$500,000	\$60,000	\$4,770,401
Valley Engineers, Inc. - Fresno, California	\$200,000	\$4,332,200	\$233,000	155,500	4,920,700
Mladen Buntich Construction Co., Inc. Sunland, California	\$200,000	\$4,571,000	150,000	55,000	\$4,976,000

*Colich & Sons requested relief from bid due to significant math error in bid proposal

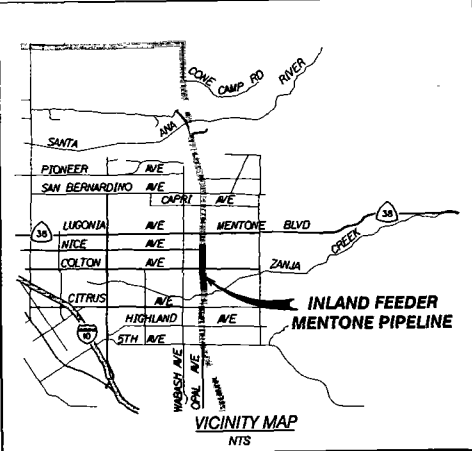
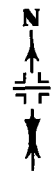
MBE/WBE PARTICIPATION
Spec. No. 1382, as Amended

Name of Bidder: Kenko, Inc., dba McGrand & Associates
PARTICIPATION LEVELS: 9 Percent MBE and 3 Percent WBE

Name of Certified MBE/WBE Subcontractor/Supplier	Work to Be Performed or Materials To Be Supplied	Participation	
		MBE%	WBE%
<i>Ace Fence Company</i>	<i>Fencing</i>	2.25	
<i>Gilbert Ayala & Sons, Inc.</i>	<i>Paving</i>	4.01	
<i>Franklin Reinforcing Steel</i>	<i>Reinforcing Steel</i>	.85	
<i>Lowbed & Pipe Hauling Services</i>	<i>Pipe Trucking</i>	1.98	
<i>PC & Peripherals Repair</i>	<i>Computer Equipment</i>	.33	
<i>Universal Laboratory, Inc.</i>	<i>Testing</i>		.74
<i>G. A. Papaioanv</i>	<i>Trucking</i>		2.28
Total Participation		9.42	3.02



INLAND FEEDER
MENTONE PIPELINE (STA 1019 TO STA 1053)
 (SEE VICINITY MAP HEREON)



- LEGEND**
- CITIES
 - ⊗ MWD FACILITIES
 - ⊕ INTERSTATE HIGHWAY
 - ⊔ US HIGHWAY
 - ⊓ CALIFORNIA STATE HIGHWAY
 - FREDWAY
 - EXISTING MWD FEEDERS
 - COUNTY BOUNDARIES
 - RIVERS
 - MEMBER AGENCIES

GENERAL LOCATION MAP

