



MWD

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

7-5

December 5, 1997

To: Board of Directors (Organization and Personnel Committee--Action)
(Executive Committee--Action)

From: *for* General Manager

Edward J. Mearns

Submitted by: Kevin L. Wattier
Director of Business Development

Kevin L. Wattier

Subject: Business Development Program: Approval to Respond to The Parsons Corporation's Request for Metropolitan's Participation on a Value Engineering Team.

RECOMMENDATION(S)

It is recommended that the Board of Directors authorize Metropolitan to provide fee-for-service to The Parsons Corporation, pursuant to a \$5,000 service contract approved as to form by the General Counsel, and authorize all ancillary activities necessary to implement the agreement.

EXECUTIVE SUMMARY

Last May, the Board of Directors approved a request from the Parsons Corporation for staff participation on a Value Engineering Team. This team was formed to review a consultant's 50 percent completed design of the River Mountain Water Treatment Facility for Southern Nevada Water Authority. Because of its initial success, a second Value Engineering Team is forming to review the design completion package; Metropolitan participation is again requested. As in the first request, work will be completed at the Parsons facility in Pasadena, California. Metropolitan's "Guiding Principles on Business Initiatives" require Board of Directors' approval for non-member agency services.

This opportunity has been evaluated and meets the Board-adopted criteria for Business Development. It relates to Metropolitan's core mission, unique expertise in reviewing and evaluating engineering processes in a Value Engineering Team framework, as well as providing additional revenue.

PROPOSAL TO PROVIDE SERVICES

- Requester:** Parsons Corporation, Parsons Infrastructure & Technology Group
Pasadena, California
- Services Requested:** Value Engineering panel participation
- Purpose:** To assess a consultants' design completion package of the River Mountain Water Treatment Plant of Southern Nevada Water Authority.
- Date Required:** First quarter of 1998.
- Resources Required:** Labor of one professional engineer for approximately 40 hours.
- Risk and Mitigation:** Metropolitan's work will be covered under the new Professional Services and Product Liability Insurance. All work will be completed in Pasadena, California.
- Contract Value:** \$5,000

COMPLIANCE WITH BUSINESS DEVELOPMENT POLICY AND GUIDELINES

- (1) Metropolitan possesses unique expertise in the Value Engineering process, particularly in the review and evaluation of design work for treatment plants.
- (2) Expanded technical knowledge: Metropolitan staff will continue to expand their expertise in Value Engineering processes and in participating in private sector teams.
- (3) Business Case: The anticipated revenue will cover all direct costs, and also contribute to Metropolitan's fixed costs.