

- **Board of Directors**  
***Engineering, Operations and Real Property Committee***

February 13, 2001 Board Meeting

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**8-2**

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**Subject**

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Authorize an amendment to the reimbursable agreement for \$1.5 million with Calleguas Municipal Water District to provide technical and program management services for the Calleguas/Metropolitan Groundwater Storage and Conjunctive-Use Program

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**Description**

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In June 1995, Metropolitan, as part of its Groundwater Storage Program, entered into a Board-authorized agreement with the Calleguas Municipal Water District (Calleguas) for the Metropolitan/Calleguas Groundwater Storage and Conjunctive-Use Program. The agreement calls for Metropolitan and Calleguas to build and operate an Aquifer Storage and Recovery (ASR) project in the Las Posas aquifer. The ASR project consists of up to 30 wells and appurtenant facilities. This project is a key component in enhancing the reliability of the Metropolitan/Calleguas water delivery system because it represents a second point of delivery in the event of an earthquake. The project is being implemented in a multi-phased approach that includes wells, pipelines, pumping plants, a treatment plant and water storage tank.

In October 1997, the Board authorized the General Manager to enter into Agreement No. AR4942 (Agreement) to receive \$1.1 million from Calleguas in a fee-for-services agreement. Under this Agreement, Metropolitan has provided reimbursable technical and professional engineering services to help ensure the reliability of the Calleguas water delivery system. These initial services included evaluation and repair of a portion of the Calleguas water delivery system, design of surge protection facilities, and program management of the ASR project.

Calleguas is now proceeding with the design and construction of the second phase of the ASR project and wishes to amend the Agreement to permit continued utilization of Metropolitan's services. The scope of work for this phase of the project involves program management, construction management, specialty construction support services, and miscellaneous engineering support. The proposed amendment is structured as an umbrella agreement to provide a range of services, and increases the maximum amount by \$1.5 million from \$1.1 million to \$2.6 million. Calleguas will reimburse all costs incurred by Metropolitan. It is anticipated that the services will be performed through about June 2003.

This work program meets the Board-adopted criteria for business practices and member agency services. It relates to Metropolitan's core mission, uses existing resources, and is fully reimbursable. The approach to this type of master umbrella agreement to address a wide range of desired services is similar to that of Metropolitan's existing fee-for-service agreement with the state Department of Water Resources and is subject to independent audit by both Metropolitan and Calleguas.

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**Policy**

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Metropolitan Water District Administrative Code Section 8117 authorizes the General Manager to enter into or amend professional and technical contracts not exceeding \$250,000. This agreement amendment exceeds this amount.

**Board Options/Fiscal Impacts**

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**Option #1**

- a. Determine that amending Agreement No. AR4942 to increase the maximum amount to \$2.6 million to provide reimbursable services to Calleguas Municipal Water District does not constitute a project under the California Environmental Quality Act (CEQA) and is not subject to CEQA as provided under Section 15061 (b)(3) and Section 15378 (b)(4) of the State CEQA Guidelines, and
- b. Authorize the General Manager to amend Agreement No. AR4942 to increase the maximum amount to \$2.6 million to provide reimbursable services to Calleguas Municipal Water District.

**Fiscal Impact:** None – 100 percent reimbursement.

**Option #2**

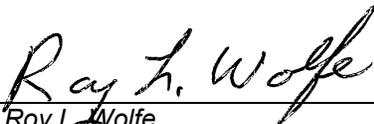
Do not authorize an amendment to the existing fee-for-services agreement with Calleguas Municipal Water District and cease providing professional and technical services to this member agency.

**Fiscal Impact:** None

**Staff Recommendation**

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Option #1

 <hr/> Roy L. Wolfe Manager, Corporate Resources	1/11/2001 <hr/> <i>Date</i>
 <hr/> Ronald R. Jester General Manager	1/19/2001 <hr/> <i>Date</i>