

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

September 11, 2001 Board Meeting

8-1

Subject

Authorize \$600,000 for a Capital Investment Plan project for preliminary design and preparation of environmental documentation to renovate Softener Building No. 3 at the F. E. Weymouth Filtration Plant for office space; and delegate authority to award a contract for architectural and engineering services pursuant to Metropolitan policies and procedures (Appn. 15370)

Description

Currently, Metropolitan is leasing office space in the city of Glendora as a work location for Metropolitan staff and a training facility for field employees. The lease for this office space will expire in June 2002, and staff has investigated alternatives for providing the necessary work area after that time. Additionally, there is a need for office space and light electrical equipment test space at the Weymouth facility that is currently being accommodated within temporarily modified portions of Softener Building Nos. 1, 2, and 3 at Weymouth. The proposed renovation of Softener Building No. 3 is consistent with the overall site plan, satisfies the desire to consolidate staff presently dispersed in several locations at a single location, and has the added benefit of addressing some current code deficiencies. This Board action will authorize preliminary design in support of the preparation of any necessary environmental documentation for the renovation of Softener Building No. 3 at Weymouth as a means of providing the necessary work space for the Glendora- and Weymouth-based staff. In addition, Softener Building No. 3 will be upgraded to meet the current building code requirements for the intended use. Subsequent authorizations for final design and construction will be sought from the Board in the future. This project has been evaluated and recommended by the Capital Investment Plan (CIP) Evaluation Team and is included in the CIP budget for fiscal year 2001/02 with an overall program cost currently estimated at \$3.6 million. It is proposed that the design be prepared by an architectural/engineering firm to be selected via a qualifications-based selection process in accordance with Metropolitan policies and procedures. Softener Building Nos. 1 and 2 will be assessed and may be brought to the Board for further action. A detailed report is provided in [Attachment 1](#), and the location of the project site is shown in [Attachment 2](#). The estimated project costs are shown in [Attachment 3](#).

Policy

Metropolitan Water District Administrative Code Section 5108: Capital Project Appropriation and Section 8117: Professional and Technical Consultants.

CEQA

Option #1

The proposed action, authorizing funding for preliminary design/environmental documentation and executing an architectural/engineering services agreement, is exempt under the provisions of the California Environmental Quality Act (CEQA). The proposed action involves only feasibility, technical, and planning studies for possible future actions which the lead agency has not yet approved, adopted, or funded, and therefore does not require the preparation of an Environmental Impact Report or Negative Declaration at this time but does require consideration of environmental factors. The execution of a professional services agreement is merely to support the preparation of such studies. As such, this proposed action qualifies under the Feasibility and Planning Studies Exemption (Section 15262 of the State CEQA Guidelines).

The CEQA determination for Option #1 is: Determine that the proposed action is exempt per Section 15262 of the State CEQA Guidelines.

Option #3

The proposed action to investigate the construction of a new office building does not constitute a project as defined by CEQA (Section 15378(b) of the State CEQA Guidelines). In addition, where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA (Section 15061(b)(3) of the State CEQA Guidelines).

The CEQA determination for Option #3 is: Determine that the proposed direction given to staff is not subject to CEQA per Sections 15061(b)(3) and 15378(b) of the State CEQA Guidelines.

Board Options/Fiscal Impacts

Option #1

Adopt the CEQA determination and

- a. Appropriate \$600,000 and authorize performing preliminary design and preparing any necessary environmental documentation required for the renovation of the existing Softener Building No. 3 at the Weymouth facility; and
- b. Authorize the Chief Executive Officer to award a contract for architectural/engineering services in an amount not to exceed \$400,000. The consultant will be selected with a qualifications-based process in accordance with appropriate Metropolitan policy.

Fiscal Impact: \$600,000 of budgeted CIP funds under new Appropriation 15370.

Option #2

Continue to lease off-site office space to accommodate staff currently occupying the Glendora facility. This option may result in Metropolitan incurring additional costs for renewing the existing lease or for relocating and leasing new off-site office space, as the current lease will expire in June 2002. Additionally, Metropolitan would need to investigate building code system upgrades and seismic strengthening of Softener Building Nos. 1, 2, and 3 at Weymouth.

Fiscal Impact: Increased costs.

Option #3

Adopt the CEQA determination and direct staff to investigate the construction of a new office building to house staff from the Glendora facility, the softener buildings, and the temporary trailers. This option is anticipated to be more expensive than renovating Softener Building No. 3 at Weymouth. Costs could increase further if the office space was developed off-site and land acquisition costs were incurred.

Fiscal Impact: Increased costs.

Staff Recommendation

Option #1

	8/13/2001
for Roy L. Wolfe	Date
Manager, Corporate Resources	

	8/23/2001
Ronald R. Gastelum	Date
Chief Executive Officer	

Attachment 1 – Detailed Report

Attachment 2 – Location Map

Attachment 3 – Financial Statement

Detailed Report

Background

Currently, Metropolitan is leasing 24,000 square feet of office space in the city of Glendora. The lease for this office space will expire in June 2002. Of the 57 staff members located in Glendora, up to 24 will be relocated to Union Station. The remaining Glendora-based staff members, who perform field work that requires extensive travel to various jobsites and Metropolitan facilities, are best located near the center of Metropolitan's distribution system in La Verne. The field training facility at Glendora would also have to be located centrally.

In the early 1970s, Metropolitan abandoned the water softening process at the Weymouth filtration plant. This process required the use of large equipment and structures housed within Softener Building Nos. 1, 2, and 3. Over the years, these three structures have been modified to accommodate various office, plant maintenance, and storage needs. Since these buildings were initially designed as a water treatment facility, they were not constructed for office or storage occupancies. However, Metropolitan continues to occupy these structures on a limited basis to meet space requirements. Currently, 46 members of the Weymouth plant maintenance staff reside in the existing softener buildings. To continue the use of these buildings for these occupancies, Metropolitan will be required to make building upgrades. Additionally, as part of the overall Seismic Assessment Program within the Infrastructure Reliability and Protection Plan, staff has recently analyzed these buildings for their ability to resist earthquake loading. The results of this review indicate that the structures will require seismic strengthening should they remain occupied.

To relieve overcrowding, four trailers have been used to house 29 members of the Engineering Services Section field and support staff at the Weymouth facility. These trailers were originally intended to be temporary, but have been on-site for approximately 10 years and are showing signs of deterioration. Combined, the staff from Glendora, the existing Weymouth softener buildings, and the trailers represents a need for 108 additional offices.

The project schedule indicates that the renovations to Softener Building No. 3 at Weymouth will not be completed prior to the termination of the existing Glendora facility lease. Temporary measures will need to be taken to house the Glendora staff in the interim.

It is desired to use a design-bid-build project delivery method for this project. A qualifications-based selection process will be conducted leading to award of a contract to an architectural/engineering consultant in an amount not to exceed \$400,000 to perform the design.

Alternative Analysis

Three alternatives have been investigated to accommodate staff from the leased Glendora facility and personnel from the Weymouth facility.

Alternative 1 – Renovate Softener Building No. 3: In this alternative, Softener Building No. 3 at Weymouth would be renovated to configure it for office/training space and light maintenance usage. Further, life-safety systems would be installed and seismic strengthening would be performed to bring the building up to the current building code standards for the intended occupancies. Staff originally located at Glendora will be relocated to this facility upon completion. Weymouth plant maintenance personnel currently occupying Softener Building Nos. 1, 2, and 3 would be consolidated into the newly renovated space in Softener Building No. 3.

Alternative 2 – Continue Off-Site Leased Space: This alternative includes the continued lease of the existing off-site office space to accommodate staff currently occupying the Glendora facility. The current leased building space is larger than required for Metropolitan's current needs, and the current lease will expire in June 2002. Also, the owner of the leased building is currently attempting to sell the building as a package with other office buildings. The current lease rate is \$31,247 per month. Metropolitan will likely incur increased costs to renew the lease or relocate to other off-site leased office space. Additionally, Metropolitan will still need to perform life-safety system upgrades and seismic strengthening of Softener Building Nos. 1, 2, and 3 at Weymouth if they remain occupied.

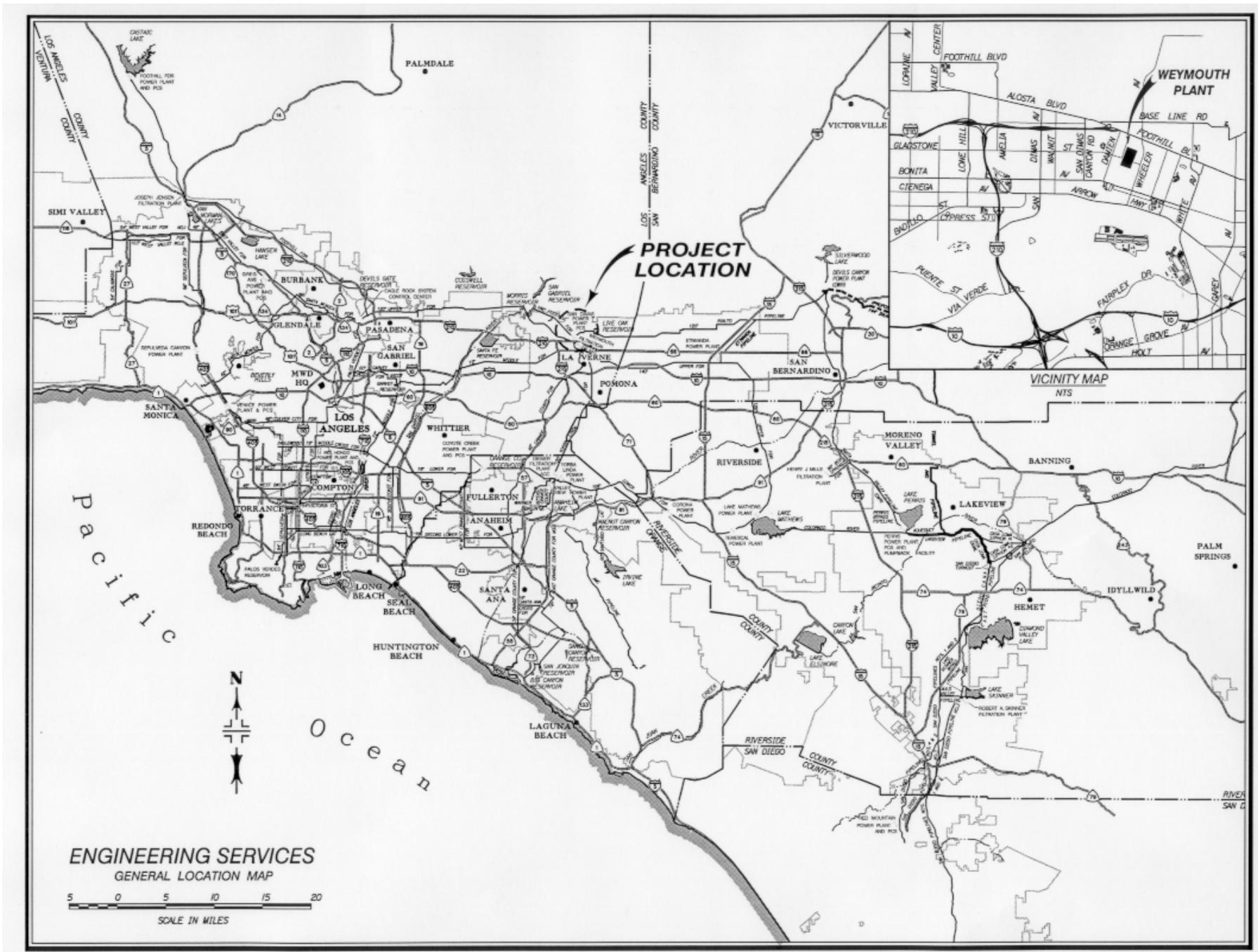
Alternative 3 – Construct New Office Space: This alternative includes building a new office building to house 108 employees from the Glendora facility, the softener buildings, and the temporary trailers. It is estimated to be more expensive to construct a new facility on the Weymouth plant site than renovating the existing Softener Building No. 3. Metropolitan would incur additional costs if the new building was to be developed off-site, i.e., land acquisition costs.

Summary/Recommendation

Renovation of the existing Softener Building No. 3 at Weymouth would provide needed office space for staff to be relocated from Glendora; would address building code life-safety issues for staff currently occupying Softener Building No. 3 at Weymouth; and would restore an existing structure of the Weymouth plant site to beneficial use. Modifications to Softener Building Nos. 1 and 2 at Weymouth will be deferred until there is a need to occupy the space. The total program cost for the recommended alternative is currently estimated to be \$3.6 million.

Actions and Milestones

- ❑ Preliminary design work to be completed in December 2001
- ❑ Design to be completed by the end of March 2002
- ❑ Construction to commence by June 2002
- ❑ Project completion to occur March 2003



FINANCIAL STATEMENT

A breakdown of Board Action No. 1 for Appropriation No. 15370 in the amount of \$600,000 for preliminary design and environmental documentation to renovate Softener Building No. 3 at the F. E. Weymouth Filtration Plant for office space is as follows:

	BOARD ACTION NO. 1 <u>(September 2001)</u>
Labor:	
Seismic Assessments, Conceptual Layouts, and Space Studies	\$ 100,000
Owner Costs (Project Management, Purchasing, Environmental Planning/Permitting, etc)	\$ 55,000
Professional/Technical Services (Architectural Services)	\$ 400,000
Remaining Budget	\$ 45,000
Total	\$ 600,000

FUNDING REQUEST

Program Name:	Renovation of Softener Building No. 3 at the F. E. Weymouth Filtration Plant		
Source of Funds:	Construction Funds (possibly General Obligation, Revenue Bonds, Pay-As-You-Go Fund)		
Appropriation No.:	15370	Board Action No.:	1
Requested Amount:	\$ 600,000	Capital Program No.:	01224-E
Total Appropriated Amount:	\$ 600,000	Capital Program Page No.:	E-25
Total Program Estimate:	\$ 3,600,000	Program Goal:	O – Other