

- **Board of Directors**
Engineering and Operations Committee

April 9, 2002 Board Meeting

9-1

Subject

Award a contract for the construction of the Highland Pipeline of the Inland Feeder Program

Description

The Highland Pipeline of the Inland Feeder Program spans approximately 5.3 miles from City Creek adjacent to the Arrowhead East Tunnel to its connection to the Mentone Pipeline at the Santa Ana River Wash. In addition, at the southern portion of the alignment, a connection will be made between the Highland Pipeline and San Bernardino Valley Municipal Water District's (SBVMWD) Foothill Pipeline. A detailed report is provided in Attachment 1. A location map is provided in Attachment 2.

Specifications No. 1335 for construction of the Highland Pipeline was advertised for bids in January 2002. Bids were received from four contractors and were opened on April 2, 2002. The responsive low bid was received from L. H. Woods & Sons, Inc. in the amount of \$46.9 million. The bid complies with the requirements of the specifications, is \$761 thousand less than the next lowest bidder, and is \$1.26 million more than the engineer's estimate.

For this contract, Metropolitan requires small business participation of at least 20 percent of the total bid. Since L. H. Woods & Sons, Inc. is a small business, small business participation will be 100 percent on this project. The Business Outreach Program team which includes External Affairs assisted with the advertising effort and conducted outreach through community organizations and provided a networking event in February to assist the prime bidders in an effort to meet the small business requirement and develop partnerships with local and small businesses.

This project has been evaluated and recommended by the Capital Investment Plan (CIP) Evaluation Team and has been included in the CIP budget for fiscal year 2001-02. The Inland Feeder Program budget remains unchanged at \$1.186 billion.

Policy

Metropolitan Water District Administrative Code § 8113: Contracts over \$250,000

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The original environmental effects from the construction of the Highland Pipeline were evaluated in the Inland Feeder Project (i.e., Inland Feeder Program) Final Environmental Impact Report and Environmental Assessment (Final EIR/EA), which was certified by Metropolitan's Board of Directors (Board) in February 1993. The Board also approved the Findings of Fact, the Mitigation Monitoring and Reporting Program, the Statement of Overriding Considerations, and the Inland Feeder Program. Subsequent to these actions, additional environmental documentation was prepared and certified to address modifications to the project, i.e., Addenda Nos. 1 through 6 and a Supplemental EIR. The present proposed board action is solely based on awarding a contract for construction services associated with the Highland Pipeline of the Inland Feeder Program. The overall construction methodology remains consistent with the impacts analyzed in the original 1993 certified FEIR/EA. Hence, the previous environmental documentation taken by the Board in conjunction with the proposed action fully complies with CEQA and the State CEQA Guidelines. As such, no further environmental documentation is necessary for the Board to act on the proposed action.

The CEQA determination for Option #1 is: Determine that the proposed action has been previously addressed in the 1993 certified Final EIR/EA, Addenda Nos. 1 through 6, Supplemental EIR and that no further environmental analysis or documentation is required.

CEQA determination for Option #2:

None required.

Board Options/Fiscal Impacts

Option #1

Adopt the CEQA determination and award a contract to L. H. Woods & Sons, Inc in the amount of \$46,860,000 for construction of the Highland Pipeline.

Fiscal Impact: \$46,860,000. Funded under existing Appropriation No. 15122.

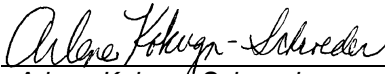
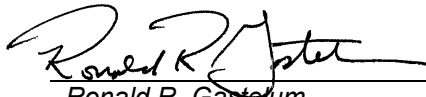
Option #2

Reject all bids and re-advertise the project in order to get a more favorable bid. This, however, would delay the project completion, increase administrative costs, and may or may not result in a lower bid.

Fiscal Impact: Increased cost.

Staff Recommendation

Option #1

<i>for</i>	 Arlene Kokuga-Schroeder Roy L. Wolfe Manager, Corporate Resources	4/3/2002 Date
	 Ronald R. Gastelum Chief Executive Officer	4/3/2002 Date

Attachment 1 – Detailed Report

Attachment 2 – Location Map

BLA #1671

Detailed Report

The Highland Pipeline of the Inland Feeder Program spans approximately 5.3 miles. Beginning at its connection to the City Creek Pipeline segment of the Arrowhead East Tunnel project, the pipe stretches in a southeasterly direction through the city of Highland. The pipeline ends at its connection to the Mentone Pipeline at the Santa Ana River Wash. In addition, at the southern portion of the alignment, a connection will be made between the Highland Pipeline and San Bernardino Valley Municipal Water District's (SBVMWD) Foothill Pipeline.

In June 2001, Metropolitan entered into an agreement of mutual cooperation with the San Bernardino Valley Municipal Water District (SBVMWD). The agreement calls for a connection from SBVMWD's Foothill Pipeline to the proposed Inland Feeder Highland Pipeline which would allow Metropolitan to receive delivery of State project water prior to the 2007 completion of the Inland Feeder. The proposed connection includes approximately 800 feet of buried pipeline that will be installed within Metropolitan property. This connection, although not originally included in the scope of work for the Inland Feeder, was approved by the Board at the January 2002 meeting. The water will travel south from the SBVMWD connection through the Inland Feeder and the Eastside Pipeline (constructed as part of the Diamond Valley Lake project) into Diamond Valley Lake.

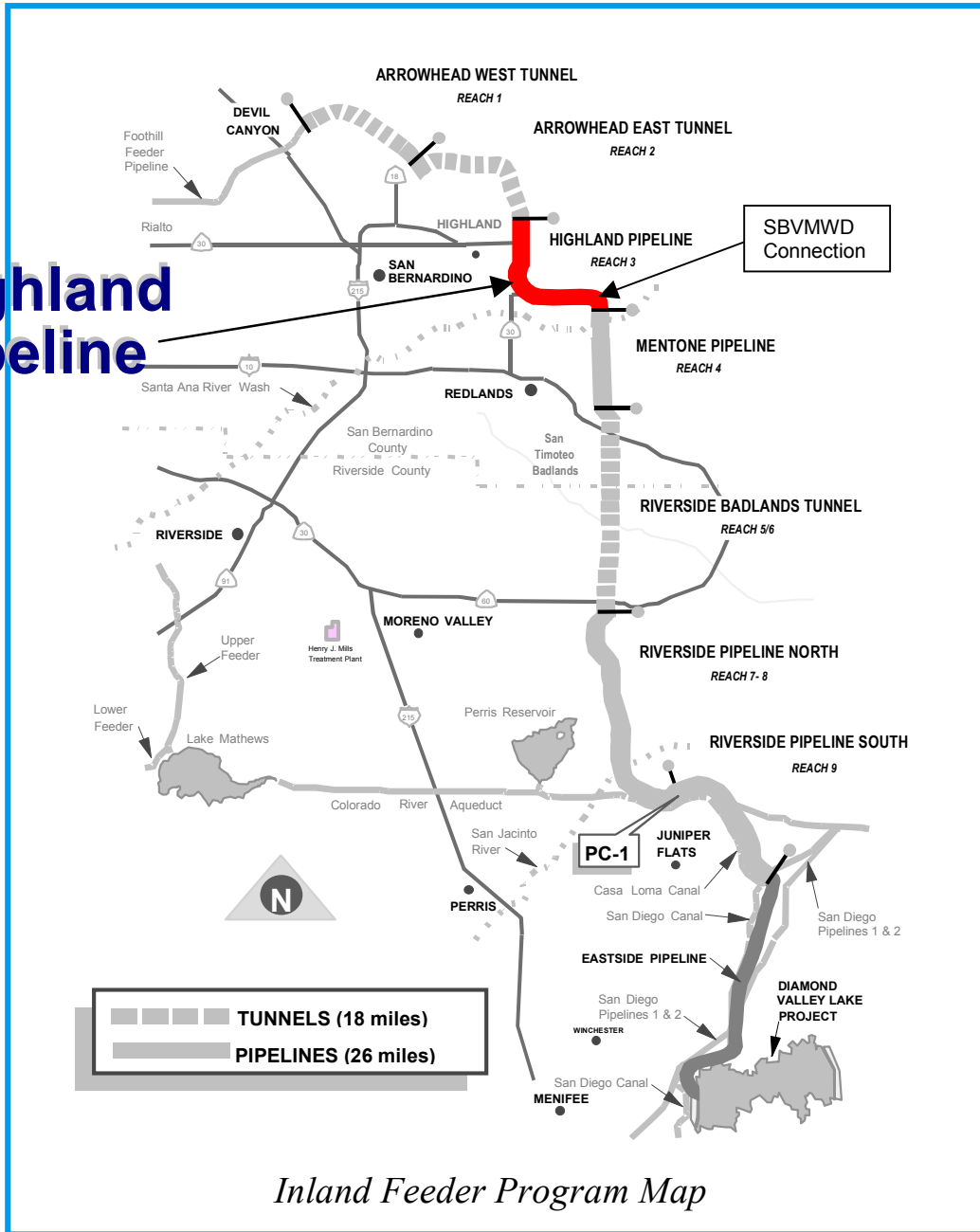
Specifications No. 1335 for construction of the Highland Pipeline was advertised for bids in January 2002. Bids were received from four contractors and were opened on April 2, 2002. The responsive low bid was received from L. H. Woods & Sons, Inc. in the amount of \$46,860,000. The bid complies with the requirements of the specifications, is \$761,000 less than the next lowest bidder, and is \$1,260,000 more than the engineer's estimate.

For this contract, Metropolitan requires small business participation of at least 20 percent of the total bid. Since L. H. Woods & Sons, Inc. is a small business, small business participation will be 100 percent on this project.

Under Specifications No. 1335, as amended, the work consists of installing approximately 27,900 feet of 12-foot-diameter welded steel pipe, performing tie-ins, installing storm drain and sewer pipelines, constructing road improvements, installing street lighting and signalized intersections, maintaining traffic control and detours, constructing the 800-foot SBVMWD tie-in pipeline, installing valves, constructing valve and meter structures, and other applicable work.

This project has been evaluated and recommended by the Capital Investment Plan (CIP) Evaluation Team and has been included in the CIP budget for fiscal year 2001-02. The Inland Feeder Program budget remains unchanged at \$1.186 billion.

Highland Pipeline



Inland Feeder Program Map

General Location Map