

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

November 18, 2003 Board Meeting

Revised 9-3

Subject

Authorize change orders for the Highland Pipeline construction contract of the Inland Feeder Program to construct a connection to San Bernardino Valley Municipal Water District's Foothill Feeder to augment Metropolitan's deliveries from the California Aqueduct through the Inland Feeder Intertie

Description

In June 2001, Metropolitan entered into an agreement with the San Bernardino Valley Municipal Water District (SBVMWD) to coordinate the use of existing conveyance facilities and State Water Project (SWP) water supplies. Under this agreement, the parties recognized the need to construct an intertie between SBVMWD's Foothill Pipeline and Metropolitan's Inland Feeder in order to enhance system reliability for the two districts and to increase Metropolitan's conveyance capabilities to deliver SWP water from the East Branch of the California Aqueduct into its distribution system. The intertie allows Metropolitan to convey SWP water supply from Devil Canyon through the Foothill Pipeline and Inland Feeder directly to Diamond Valley Lake and the eastern portion of Metropolitan's service area. The Board approved construction of the intertie as part of the Highland Pipeline contract in April 2002 and utilized the remaining budget category of the Inland Feeder Program to fund the work. The Inland Feeder Intertie was completed and placed into service in December 2002. Through September 2003, over 60,000 acre-feet have been delivered to Metropolitan through this intertie.

Currently, deliveries through the Inland Feeder Intertie are controlled through the operation of valves at the downstream Inland Feeder pressure control facility. When Metropolitan is extracting the full capacity of the Foothill Pipeline (250 cfs), pressures at SBVMWD's nearby Greenspot Pump Station drop to levels that inhibit SBVMWD's ability to provide variable flows to SBVMWD's service area. In order to keep pressures at sufficient levels, Metropolitan is forced to reduce its take to 50 cfs through the intertie.

To remedy this situation, SBVMWD has scheduled the construction of a new pump station adjacent to the Inland Feeder Intertie. The SBVMWD will construct the pump station. The new pump station will ensure that the necessary pressures are maintained in the Foothill Pipeline such that water can be delivered through the intertie to the Inland Feeder while SBVMWD provides non-interrupted deliveries to their service area. While the connection does not increase Metropolitan's overall water supply, it is estimated that the construction of the pump station will increase Metropolitan's conveyance capability to deliver an additional 100,000 acre-feet per year of available water supplies to DVL and the eastern portion of its service area. This conveyance capability is critical to Metropolitan's system and supply reliability during the interim period until the Inland Feeder is fully completed. Construction of the pump station is scheduled for completion in mid-2004.

To support SBVMWD's on-line date of 2004, Metropolitan needs to install a connection for the Foothill Pump Station adjacent to the Inland Feeder Intertie on SBVMWD's Foothill Feeder Pipeline. Connection work will consist of: installation of valve vault, pipeline connections, installation of one 78-inch and two 54-inch butterfly valves, and other appurtenances. The estimated total cost to construct the new connection is \$2.3 million. Design and construction management will be performed by Metropolitan staff.

This action authorizes the CEO to execute a change order in an amount not to exceed \$2 million with the contractor currently constructing the Inland Feeder Highland Pipeline to perform the work. The contractor, L. H. Woods and Sons, Inc., installed the previous SBVMWD connection and is presently mobilized at the site of the connection.

Metropolitan's Administrative Code requires board approval of change orders when the aggregate amount exceeds the greater of five percent of the original contract bid amount, or \$250,000. For the Highland Pipeline, five percent of the original contract amount of \$46.86 million is \$2.343 million. To cover the construction of the SBVMWD connection, it is requested that the Board increase the authorization to issue change orders on the Highland Pipeline contract to an amount that in aggregate will not exceed \$4.343 million.

The construction of the connection for the Foothill Pump Station was not ~~known prior to adoption of Metropolitan's fiscal year 2003/04 Capital Investment Plan; hence the project is unbudgeted in the current fiscal year. Upon board approval of this action, the fiscal year 2003/04 CIP expenditure plan will be adjusted originally planned and budgeted as part of the Inland Feeder Program. However, funds are available within the remaining budget category and will not increase the approved program budget of \$1.186 billion.~~

Policy

Metropolitan Water District Administrative Code § 8115 (d): Change Orders

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The original environmental effects from the construction and operation 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 Inland Feeder Program, i.e., Addenda Nos. 1 through 6 and a Supplemental EIR. The present proposed board actions are solely based on change orders to the existing construction contract associated with the Highland Pipeline of the Inland Feeder Program and a connection for the SBVMWD's planned Foothill Pump Station. The overall construction methodology and operational activities remain consistent with the impacts analyzed in the original 1993 certified FEIR/EA and the connection related to the Highland Pipeline was addressed in Addendum 6 to the Final EIR/EA. Hence, the previous environmental documentation taken by the Board in conjunction with the proposed actions fully complies with CEQA and the State CEQA Guidelines. Accordingly, no further environmental documentation is necessary for the Board to act on the proposed actions.

The CEQA determination is: Determine that the proposed actions have 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 determinations for Option #2:

~~Same as CEQA determination for Option #1 with respect to appropriating \$2.3 million to construct connection a connection between SBVMWD's Foothill Feeder and Highland Pipeline.~~

None required, ~~for not authorizing change orders to existing contract.~~

Board Options/Fiscal Impacts

Option #1

Adopt the CEQA determination and authorize an increase in change orders to L. H. Woods and Sons, Inc., from \$2.34 million (5% of original contract value) to \$4.34 million to cover costs for construction of a connection between San Bernardino Valley Municipal Water District's Foothill Feeder and Metropolitan's Inland Feeder Highland Pipeline.

- a. ~~Appropriate \$2.3 million of non-budgeted CIP funds to construct a connection between San Bernardino Valley Municipal Water District's Foothill Feeder and Metropolitan's Inland Feeder Highland Pipeline; and~~
- b. ~~Authorize increase in change orders to L. H. Woods and Sons, Inc., from \$2.34 million (5% of original contract value) to \$4.34 million to cover costs for construction of connection.~~

~~Fiscal Impact: \$2.3 million of non-budgeted CIP funds under new Approp. No. 15416 funded under existing Appropriation 15122.~~

Option #2


~~Adopt the CEQA determinations and appropriate \$2.3 million to construct a connection between San Bernardino Valley Municipal Water District's Foothill Feeder and Metropolitan's Inland Feeder Highland Pipeline; do not authorize construction change orders to existing contract, and advertise for bids. This option would not support SBVMWD's on-line date of mid-2004.~~

~~Fiscal Impact: Increased cost~~

Staff Recommendation

Option #1

	11/12/2003
Roy L. Wolfe	Date
Manager, Corporate Resources	

	11/12/2003
Ronald R. Gastelum	Date
Chief Executive Officer	

Attachment 1 – Financial Statement and Funding Request