

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

November 9, 2004 Board Meeting

9-2

Subject

Authorize amendments to existing professional services agreements for the Skinner, Weymouth, and Diemer Oxidation Retrofit Programs

Description

The addition of ozone at Metropolitan's treatment plants will remove blend restrictions, treatment capacity restrictions, and substantially lower disinfection by-product levels for compliance with both Stage 1 and Stage 2 of the Environmental Protection Agency's Disinfectants/Disinfection Byproducts Rule. In March 2002, Metropolitan's Board authorized preliminary design activities for the Oxidation Retrofit Programs (ORPs) at the Skinner, Weymouth, and Diemer plants. In July 2003, Metropolitan's Board selected ozone as the primary disinfectant for all of Metropolitan's treatment plants and authorized final design of ORP facilities at the Skinner plant. The Board authorized final design of ORP facilities at Diemer in June 2004.

Construction of all ORP facilities is currently scheduled to be completed by December 2009. To meet scheduled on-line dates, both in-house staff and outside consultants are being utilized on separate elements of ORP work. Utilization of professional consulting firms is consistent with the Corporate Resources Group's staffing plan as incorporated in the fiscal year 2004/05 budget, and ensures that projects are implemented in accordance with board-adopted schedules.

At its March 2002 meeting, Metropolitan's Board delegated to the Chief Executive Officer the authority to award competitively selected consultant agreements for the Skinner, Weymouth, and Diemer ORPs. In May 2002, Metropolitan issued Request for Proposal (RFP) No. 556 to provide process engineering services for the Skinner, Weymouth, and Diemer ORPs. The intent of this RFP was to select qualified consultants to provide specialized analyses, perform design tasks, and provide assistance during construction of the ORP projects. As a result of this competitive process, five firms were recommended to each receive five-year duration agreements.

A variety of tasks have been performed under these five agreements in support of the ORP projects. For the Weymouth ORP, preliminary design and site planning have been performed by Carollo Engineers. For the Skinner ORP, final design was prepared by Camp Dresser & McKee, Inc. (CDM). For the Diemer ORP, preliminary design of the south slope stabilization, including a roller-compacted-concrete approach, has been performed by Montgomery Watson Harza Americas (MWH). In addition, several of the firms have provided specialized technical assistance in areas such as computational fluid dynamics modeling, value engineering, and construction logistics planning.

Work assigned to each consulting firm has been planned in phases, coinciding with each ORP project's phases of preliminary design, final design, and construction. Under this approach, the consultants receive authorization for work incrementally, after Metropolitan has made project decisions and the next work tasks have been developed. Thus, scopes of work and engineering fees are negotiated when they are able to be defined fully.

At this time, staff recommends amendment of four of the consulting agreements to provide additional engineering support. This additional support is planned and has been budgeted within the ORP capital programs. Amendment of these agreements is consistent with their scopes of work, with the original intent of RFP No. 556, and with the planned approach of ORP implementation. No further amendment of these agreements is anticipated through the completion of remaining ORP design work. However, as the final ORP projects enter construction in the future, staff will assess whether it may be in Metropolitan's interest to amend these agreements for construction support.

In a separate, future board action, staff will recommend a consultant for design of the final element of the Diemer ORP based on a new competitive selection process which is currently underway.

Recommended Agreement Amendments

This action authorizes amending four existing professional services agreements for technical assistance with preliminary, final design and construction support of ORP projects. These agreements with Black & Veatch, CDM, Carollo Engineers, and MWH were initially approved for award by the Chief Operating Officer in October 2002, per authority delegated by Metropolitan's Board, and were based on a competitive selection process (RFP No. 556). Descriptions of the scopes of work appear in Attachment 1. In this action, an increase of \$500,000 is recommended to the agreement with Black & Veatch for a new not-to-exceed total of \$1.2 million. An increase of \$600,000 is recommended to the agreement with CDM, for a new not-to-exceed total of \$15.351 million. An increase of \$500,000 is recommended to the agreement with Carollo Engineers for a new not-to-exceed total of \$3 million. An increase of \$700,000 is recommended to the agreement with MWH for a new not-to-exceed total of \$1.2 million.

Funding for the new work to be assigned to the consultants is budgeted and has either been appropriated previously or will be included in planned board actions under the individual Skinner, Weymouth, and Diemer ORPs. No additional funds or project authorizations are requested at this time.

See [Attachment 1](#) for Agreement Descriptions and [Attachment 2](#) for the Location Map.

Policy

Metropolitan Water District Administrative Code § 8117: Professional and Technical Consultants

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed actions are not defined as a project under CEQA because they involve continuing administrative activities (Section 15378(b)(2) of the State CEQA Guidelines). In addition, the proposed actions are not subject to CEQA because they involve other government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment (Section 15378(b)(4) of the State CEQA Guidelines). For future assignments related to projects not yet approved or to proposed modifications related to approved projects, CEQA review will be conducted and applicable documentation will be prepared and processed in accordance with CEQA and the State CEQA Guidelines.

The CEQA determination is: Determine that the proposed actions are not subject to the provisions of CEQA pursuant to Sections 15378(b)(2) and 15378(b)(4) of the State CEQA Guidelines.

CEQA determination for Option #2:

None required

Board Options/Fiscal Impacts

Option #1

Adopt the CEQA determination and authorize amending four existing agreements:

- a. An increase of \$500,000 for a new not-to-exceed total of \$ 1.2 million with Black & Veatch;
- b. An increase of \$600,000 for a new not-to-exceed total of \$ 15.351 million with CDM;
- c. An increase of \$500,000 for a new not-to-exceed total of \$ 3 million with Carollo Engineers; and
- d. An increase of \$700,000 for a new not-to-exceed total of \$ 1.2 million with MWH.

Fiscal Impact: None

Option #2

Do not amend the existing consultant agreements and utilize staff to accomplish the work. This action may delay work efforts on the various ORP projects, which would likely delay the scheduled on-line dates.

Fiscal Impact: None

Staff Recommendation

Option #1



Roy Wolfe
Manager, Corporate Resources

10/22/2004
Date



Ronald R. Gastelum
Chief Executive Officer

10/22/2004
Date

Attachment 1 – Agreement Descriptions

Attachment 2 – Location Map

BLA #3098

Agreement Descriptions

Agreement No. 51538 between Metropolitan and Black & Veatch for Engineering Services

Background

Black & Veatch has provided technical assistance in the alternative disinfectant evaluation (chlorine dioxide); value engineering and constructibility reviews for the Skinner and Weymouth ORPs; construction cost estimating; and other technical support.

Present amount of agreement: \$700,000

Proposed additional scope of work: Value engineering and constructibility reviews for the Diemer and Weymouth ORPs; and other technical support.

Proposed increase: \$500,000

Agreement No. 51549 between Metropolitan and Camp Dresser & McKee (CDM) for Engineering Services

Background

During designs of the Skinner, Weymouth and Diemer ORPs, CDM has provided technical assistance in areas such as gaseous oxygen production studies, computational fluid dynamics modeling, equipment pre-purchase analyses and specifications, and construction cost estimating; and performed final design of the Skinner ORP.

Present amount of agreement: \$14,751,000

Proposed additional scope of work: Submittals review and technical assistance during construction of the Skinner ORP; computational fluid dynamics modeling for the Weymouth and Diemer ORPs; and other technical support.

Proposed increase: \$600,000

Agreement No. 51144 between Metropolitan and Carollo Engineers for Engineering Services

Background

Carollo Engineers has prepared a site planning study and performed preliminary design of the Weymouth ORP.

Present amount of agreement: \$2,500,000

Proposed additional scope of work: Value engineering and constructibility reviews for the Diemer and Weymouth ORPs; and other technical support.

Proposed increase: \$500,000

Agreement No. 51145 between Metropolitan and Montgomery Watson Harza for Engineering Services

Background

During preparation of the preliminary design of the Diemer and Weymouth ORPs, Montgomery Watson Harza has provided technical assistance in areas such as value engineering of the Diemer ORP; program level cost estimating; preliminary design of roller compacted concrete for the Diemer ORP south slope stabilization; and a construction logistics study for the Diemer ORP.

Present amount of agreement: \$500,000

Proposed additional scope of work: Final design of roller compacted concrete for the Diemer ORP; materials testing program development; construction logistics, and other technical support.

Proposed increase: \$700,000

