

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

December 13, 2005 Board Meeting

8-7

Subject

Award a \$3,295,000 contract to Mega Way Enterprises for the Main Entrance Road Realignment and Perimeter Landscaping project at the Henry J. Mills Water Treatment Plant (Approp. 15120)

Description

The Henry J. Mills Water Treatment Plant was placed into service in 1978 with an initial capacity of 75 million gallons per day (mgd). The plant was expanded twice and is currently permitted to treat 160 mgd, the hydraulic design capacity of the existing Mills ozone contactors. The Mills plant exclusively treats State project water and serves Eastern Municipal Water District and Western Municipal Water District of Riverside County. In August 1993, Metropolitan's Board appropriated full funding for the Mills Expansion No. 2 Program in conjunction with award of the main expansion construction contract. Since that time, a number of smaller projects within the Expansion No. 2 program have been executed. The Main Entrance Road Realignment and Perimeter Landscaping project is the final project within the program to be completed.

Perimeter landscaping is a mitigation measure identified in the final environmental documents for the Mills Expansion No. 2 Program. In the first phase of work, which has already been completed, surplus trees from the Diamond Valley Lake project were planted along the south, east and west fenced perimeter, and a portion of the main entrance road was constructed. In this second phase of work, additional screening plants and a new irrigation system will be constructed along the entire perimeter of Metropolitan's property. In addition, the main entrance road will be completed to improve security and vehicular circulation.

This project includes realignment of the plant main entrance roadway as it transitions from Alessandro Blvd., construction of a new guard station and relocation of the automated entrance gate, addition of enhanced security features (cameras and lighting), and completion of the perimeter landscaping at the Mills plant. The new entrance guard station will be constructed outside of the plant perimeter fencing. This modification will allow guards to better regulate vehicle access into the plant site.

Contract Award

Specifications No. 1400 for the Henry J. Mills Water Treatment Plant Main Entrance Road Realignment and Perimeter Landscaping was advertised on September 13, 2005. As shown in [Attachment 1](#), three bids were received and opened on October 18, 2005. The low bid from Mega Way Enterprises, in the amount of \$3,295,000, complies with the requirements of the specifications. The engineer's estimate was \$2,930,000. For this contract, Metropolitan requires Small Business Enterprise (SBE) participation of at least 20 percent of the total construction bid. Mega Way Enterprises is an SBE firm and thus achieves 100 percent participation.

This action awards a \$3,295,000 construction contract to Mega Way Enterprises. In addition to the amount of the contract, the additional costs to complete the work include \$360,000 for construction inspection and \$238,000 for all other staff and consultant support. Support activities include project management, environmental monitoring, as-built preparation, and technical support by the design consultant, Kennedy/Jenks Consultants. Technical support activities include reviewing shop drawing documents received from the contractor, responding to contractor requests for information, and addressing technical issues as they may arise. Kennedy/Jenks will perform this work under an existing professional services agreement authorized by the Board in June 2003. No amendment of the Kennedy/Jenks agreement is required for this work.

Metropolitan staff will perform construction management and inspection of the contract. For this project, the anticipated cost of inspection is approximately 11 percent of the total construction cost. Engineering Services' goal for inspection of construction contracts greater than \$3 million is 9 to 12 percent.

The total projected cost to complete the Main Entrance Road Realignment and Perimeter Landscaping Project is estimated to be \$3,893,000. The total funds appropriated to date for the Mills Expansion No. 2 Program are \$160,000,000. Expenditures through September 2005 are \$138,802,808. This project will utilize funds that have been previously appropriated and are available under the Mills Expansion No. 2 Program. Therefore, no additional funds need to be appropriated.

This project has been evaluated and recommended by Metropolitan's Capital Investment Plan Evaluation Team and funds have been included in the fiscal year 2005/06 capital budget. See [Attachment 1](#) for the Abstract of Bids and [Attachment 2](#) for the Location Map.

Project Milestones

January 2006 - Notice to Proceed

June 2007 - Complete Construction

Policy

Metropolitan Water District Administrative Code Section 8113: Award of Construction Contract

California Environmental Quality Act (CEQA)

CEQA determinations for Option #1:

Mills Perimeter Landscaping Project

The environmental effects from the design, construction, and operation of the Mills Expansion No. 2 were originally evaluated in the Henry J. Mills Water Filtration Plant Expansion Final Environmental Impact Report (Final EIR), which was certified by the Board on February 12, 1991. The Board also approved the Findings of Fact, the Mitigation Monitoring and Reporting Program, and the Mills Expansion No. 2. The present proposed board action is solely based on the Mills Perimeter Landscaping Project, which is an adopted mitigation measure for the Mills Expansion No. 2. Hence, the previous environmental documentation taken by the Board in conjunction with the proposed action fully complies with CEQA and the State CEQA Guidelines. Accordingly, no further CEQA documentation is necessary for the Board to act on the proposed action.

The CEQA determination is: Determine that the proposed action has been previously addressed in the certified 1991 Final EIR and that no further environmental analysis or documentation is required.

Mills Main Entrance Road Realignment

The proposed action is categorically exempt under the provisions of CEQA and the State CEQA Guidelines. The proposed project involves the funding and minor alterations of existing public facilities, along with the construction of minor appurtenant structures, with minor modifications in the condition of land, water, and/or vegetation which do not involve removal of healthy, mature, scenic trees. Accordingly, the proposed action qualifies under Class 1, Class 3, and Class 4 Categorical Exemptions (Sections 15301, 15303, and 15304 of the State CEQA Guidelines).

The CEQA determination is: Determine that pursuant to CEQA, the proposed action qualifies under three Categorical Exemptions (Class 1, Section 15301; Class 3, Section 15303; and Class 4, Section 15304 of the State CEQA Guidelines).

CEQA determination for Option #2:

None required

Board Options/Fiscal Impacts

Option #1

Adopt the CEQA determinations and award a \$3,295,000 contract to Mega Way Enterprises for the Main Entrance Road Realignment and Perimeter Landscaping project at the Mills plant.

Fiscal Impact: \$3,893,000 of budgeted and previously appropriated funds under Approp. 15120

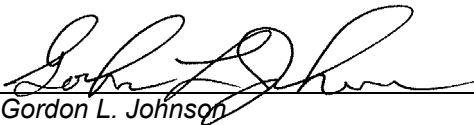
Option #2

Do not award and re-advertise in an attempt to receive more favorable bids.

Fiscal Impact: None

Staff Recommendation

Option #1



Gordon L. Johnson
for Roy L. Wolfe
Manager, Corporate Resources

11/9/2005

Date



Debra C. Man
Interim CEO/General Manager

11/14/2005

Date

Attachment 1 – Abstract of Bids

Attachment 2 – Location Map

BLA #3987

The Metropolitan Water District of Southern California
Abstract of Bids Received on October 18, 2005 at 2:00 P.M.
Specifications No. 1400
Henry J. Mills Water Treatment Plant
Main Entrance Road Realignment and Perimeter Landscaping

The work consists of removal and demolition of roadway, fences, drainage, and utility lines; construction of a new roadway, guardhouse and security upgrades; and construction of new fences, lights, landscaping and irrigation along the perimeter of Metropolitan's property.

Engineer's Estimate: \$2,930,000

Bidder and Location	Total	SBE \$	SBE %	Met SBE*
Mega Way Enterprises, Pomona, CA	\$3,295,000	100%	100%	Yes
L.D. Anderson, Inc., Bloomington, CA	\$3,970,000	N/A	N/A	N/A
Hillcrest Contracting, Inc., Corona, CA	\$4,016,538	N/A	N/A	N/A

* SBE (Small Business Enterprise) participation set at 20 percent
N/A – Not Applicable

