



● **Board of Directors**
Engineering and Capital Programs Committee

April 14, 2009 Board Meeting

8-4

Subject

Appropriate \$2.79 million; and award \$1,535,000 contract to Brutoco Engineering & Construction, Inc. for the Jensen Administration Building Seismic Upgrades (Approp. 15371)

Description

This action awards a construction contract to perform seismic upgrades of the Administration Building at the Joseph Jensen Water Treatment Plant. The building houses the plant's Control Room, Incident Command Center, laboratory, and administrative offices. The seismic upgrades will reduce the risk of significant structural failure of this critical facility in the event of a major earthquake. If a major earthquake were to occur before the upgrades are performed, the building would not adequately protect building occupants and would impair the operation of the Jensen plant.

Timing and Urgency

In keeping with the Board's directive to reduce and postpone expenses where possible during the ongoing economic crisis, Metropolitan staff closely analyzed the merits of proceeding with this project. Because of the importance of the Jensen treatment plant in delivering treated water to the Central Pool and over four million people, and because of our experience with significant earthquake activities in the vicinity of the Jensen plant (San Fernando earthquake, 1971; Northridge earthquake, 1994), staff believes this work should proceed and not be postponed. The potential risks to the system outweigh the savings of a postponement.

Staff recommends award of the construction contract at this time to enhance plant reliability and the safety of plant staff and to take advantage of the current highly competitive bidding climate. This project is categorized as an Infrastructure Refurbishment project, and is budgeted within Metropolitan's Capital Investment Plan (CIP) for fiscal year 2008/09. The project has been reviewed with Metropolitan's updated CIP prioritization criteria.

Background

The Jensen plant was placed into service in 1972 with an initial capacity of 350 million gallons per day (mgd). The plant was expanded in the early 1990s to its current capacity of 750 mgd. The Jensen plant exclusively treats water from the West Branch of the State Water Project and delivers it to Metropolitan's Central Pool portion of the distribution system and to exclusive service areas on the west side of the distribution system.

The Jensen Administration Building is a three-story reinforced concrete building built in 1970 as part of the original plant construction. The building structure sustained damage and was repaired after the 1971 San Fernando and 1994 Northridge earthquakes. The plant is located in an area of complex faulting, including the Santa Susana, Northridge, and Sierra Madre faults. The Santa Susana fault, which is the controlling fault for seismic design, is located within one mile of the plant and is capable of generating a magnitude 6.7 earthquake. A seismic evaluation of the Jensen Administration Building conducted by a specialized consultant in late 2006 identified significant deficiencies in the building's structural system and the need for reinforcement of the roof structure. The evaluation determined that the building will not provide adequate protection to the occupants in a major earthquake, and that a collapse of the clerestory roof over the entrance lobby is a possibility. There is a high risk of additional damage, and the building downtime for repairs would likely be a matter of months.

In December 2006, Metropolitan's Board authorized final design of the Jensen Administration Building seismic upgrades. The project is ready to proceed into construction at this time.

Jensen Administration Building Seismic Upgrades – Construction (\$2.79 million)

Specifications No. 1613 for seismic upgrades of the Jensen Administration Building was advertised for bids on January 6, 2009. The project will add structural members, reinforce the main concrete roof and the clerestory roof, and strengthen the interior shear walls. The work includes installation of structural steel, concrete beams, cross-bracing, asbestos abatement, and related work. As shown in [Attachment 2](#), twelve bids were received on February 12, 2009. The low bid from Brutoco Engineering & Construction, Inc., in the amount of \$1,535,000, complies with the requirements of the specifications. The eleven other bids ranged up to \$3.5 million. The engineer's estimate was \$3.4 million. Staff believes the difference between the engineer's estimate and the group of low bids reflects the current highly competitive bidding environment. For this contract, Metropolitan has established a Small Business Enterprise (SBE) participation level of at least 20 percent of the total bid amount. Brutoco has committed to meet this level of participation.

This action appropriates \$2.79 million in budgeted funds and awards a \$1,535,000 contract to Brutoco to construct seismic upgrades for the Jensen Administration Building. In addition to the amount of the contract, the appropriated funds include \$196,000 for Metropolitan force construction. Due to hazardous materials remediation and seismic upgrades in the administrative office areas, Jensen administrative staff will be relocated to temporary office trailers for the 12-month duration of construction. Metropolitan force construction includes installation of the communications system in the office trailers, and final repainting and carpeting of impacted areas inside the Administration Building. The appropriated funds also include \$344,000 for construction inspection; \$159,000 for submittals review; \$208,000 for all other staff support; \$25,000 for testing and monitoring of hazardous material abatement; \$2,000 for incidental expenses; and \$321,000 for remaining budget. Staff support includes project management, technical oversight of the consultant, and record drawing preparation.

Metropolitan staff will perform inspection of the construction contract. For this project, the anticipated cost of inspection and support is approximately 20 percent of the total construction cost. Engineering Services' goal for inspection of projects with construction costs less than \$3 million is 9 to 15 percent. The inspection budget on this project exceeds the goal due to the complexity of the retrofit work, the extent of factory fabrication inspection for the unique structural members, and the precautions taken to avoid interferences with plant operations.

Hazardous Materials Support

When constructed in 1970, the Jensen Administration Building incorporated typical construction features of that period such as acoustic ceiling spray, fireproofing on steel beams, and built-up asphalt roofing, all of which have been identified as asbestos-containing materials. A component of the Seismic Upgrades project involves removal of asbestos-containing materials, lead-based paint, and any PCB-laden sealants, all to be performed in accordance with regulatory requirements. Staff recommends that Clark Seif Clark, Inc. (CSC) provide hazardous materials support services under an existing professional services agreement. CSC was selected through a competitive process via Request for Proposals No. 772. The planned services during construction will include PCB sampling and analysis, and construction oversight of asbestos abatement, lead-based paint removal, and potential PCB abatement. Due to the specialized nature of the testing and oversight services, Metropolitan did not establish an SBE participation level for this agreement. No amendment to the CSC agreement is required for this work.

See [Attachment 1](#) for the Financial Statement, [Attachment 2](#) for the Abstract of Bids, and [Attachment 3](#) for the Location Maps.

This project is consistent with Metropolitan's goals for sustainability by enhancing the reliability of existing treatment facilities in order to maintain reliable water deliveries in the future.

Project Milestones

Mid-2010 – Completion of Jensen Administration Building Seismic Upgrades

Policy

Metropolitan Water District Administrative Code Section 5108: Appropriations

Metropolitan Water District Administrative Code Section 8121: General Authority of the General Manager to Enter Contracts

California Environmental Quality Act (CEQA)

This project was previously determined to be categorically exempt under the provisions of CEQA and State CEQA Guidelines. The Board found this project to be exempt under Class 1, Section 15301 of the State CEQA Guidelines on December 12, 2006. A Notice of Exemption (NOE) was filed at that time and the statute of limitations has ended. With the current board actions, there are no substantial changes proposed to the projects since the original NOE was filed. Hence, the previous environmental documentation in conjunction with the projects fully complies with CEQA and the State CEQA Guidelines. Accordingly, no further CEQA documentation is necessary for the Board to act with regards to the proposed actions.

The CEQA determination is: Determine that the proposed actions have been previously addressed in the 2006 NOE (Class 1, Section 15301 of the State CEQA Guidelines) and that no further environmental analysis or documentation is required.

CEQA determination for Option #2:

None required

Board Options

Option #1

Adopt the CEQA determination and

- a. Appropriate \$2.79 million; and
- b. Award \$1,535,000 construction contract to Brutoco Engineering & Construction, Inc. for the Jensen Administration Building Seismic Upgrades.

Fiscal Impact: \$2.79 million of budgeted funds under Approp. 15371

Business Analysis: This option will reduce the risk of catastrophic structural failure of critical facilities in the Jensen Administration Building due to a major earthquake, and will thus enhance plant reliability and the safety of plant staff.

Option #2

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

Fiscal Impact: Unknown

Business Analysis: This option may or may not result in a lower bid, and would delay completion of the seismic upgrades, and leave the facility at risk to a major earthquake.

Staff Recommendation

Option #1



Roy L. Wolfe
Manager, Corporate Resources


Jeffrey Kightlinger
General Manager

3/30/2009
Date

3/30/2009
Date

Attachment 1 – Financial Statement

Attachment 2 – Abstract of Bids

Attachment 3 – Location Maps

BLA #6335

Financial Statement for Jensen Improvements Program

A breakdown of Board Action No. 14 for Appropriation No. 15371 is as follows:

	Previous Total Appropriated Amount (Sep. 2008)	Current Board Action No. 14 (Apr. 2009)	New Total Appropriated Amount
Labor			
Studies and Investigations	\$ 856,350	\$ -	\$ 856,350
Final Design	2,083,401 *	-	2,083,401
Owner Costs (Program mgmt., envir. monitoring)	2,502,541	208,000	2,710,541
Construction Inspection and Support	1,606,000	344,000	1,950,000
Submittals Review	-	159,000	159,000
Metropolitan Force Construction	1,956,400	136,000	2,092,400
Materials and Supplies	2,155,900	60,000	2,215,900
Incidental Expenses	144,933	2,000	146,933
Professional/Technical Services	3,770,840 *	-	3,770,840
Clark Seif Clark, Inc.		25,000	25,000
Equipment Use	109,000	-	109,000
Contracts	12,177,226	1,535,000	13,712,226
Remaining Budget	1,131,409 *	321,000	1,452,409
Total	\$ 28,494,000	\$ 2,790,000	\$ 31,284,000

*Includes previous reallocation of \$100,000 from Remaining Budget to Final Design (\$50,000) and to Professional/Technical Services (\$50,000) for design of the Jensen Chemical Tank Farm Upgrades project.

Funding Request

Program Name:	Jensen Improvements Program		
Source of Funds:	Revenue Bonds, Replacement and Refurbishment or General Funds		
Appropriation No.:	15371	Board Action No.:	14
Requested Amount:	\$ 2,790,000	Capital Program No.:	15371-I
Total Appropriated Amount:	\$ 31,284,000	Capital Program Page No.:	E-38
Total Program Estimate:	\$ 89,700,000	Program Goal:	I-Infrastructure Reliability

The Metropolitan Water District of Southern California

Abstract of Bids Received on February 12, 2009 at 2:00 P.M.

Specifications No. 1613

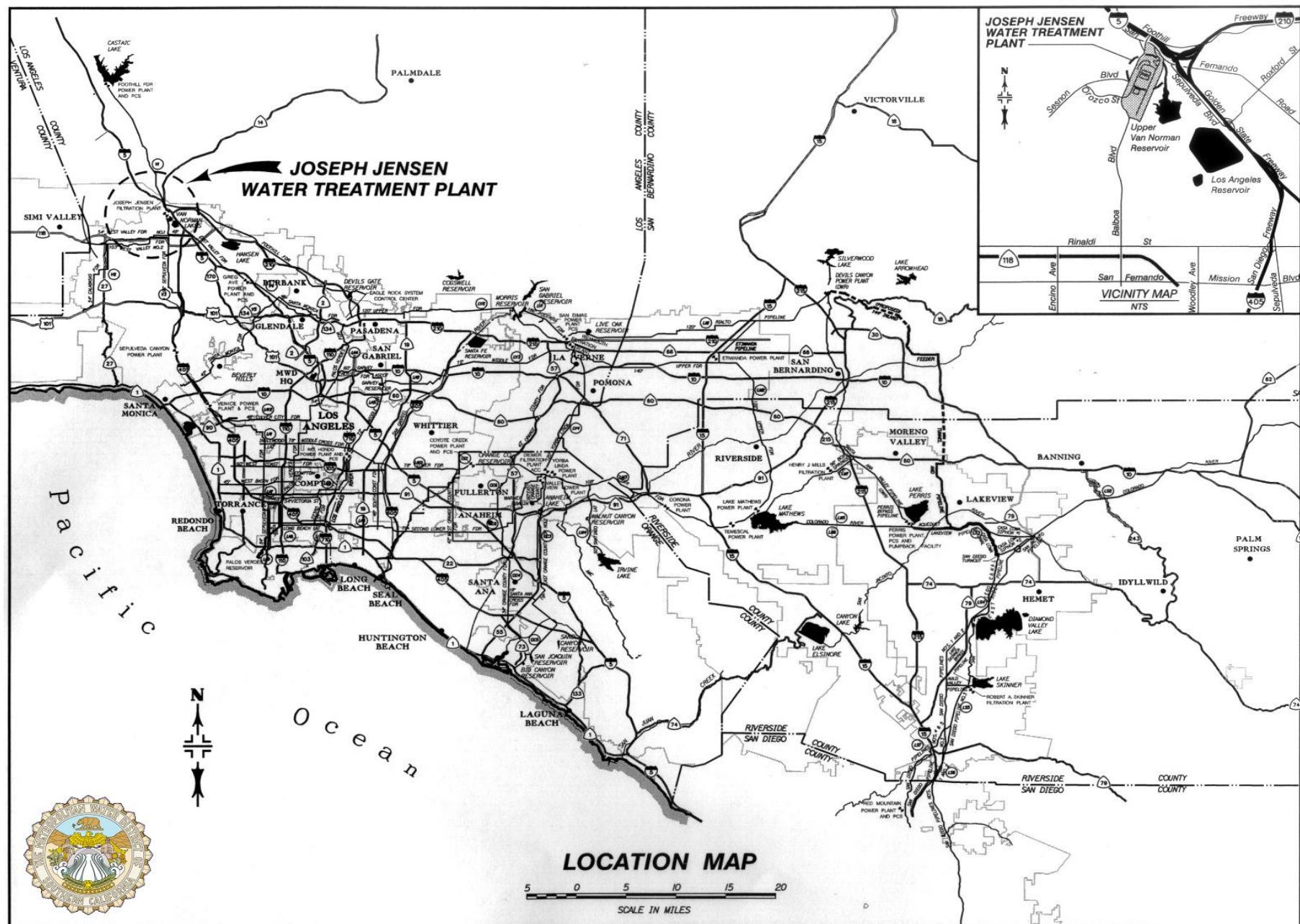
**Joseph Jensen Water Treatment Plant
Administration Building Seismic Upgrades**

The project will seismically upgrade the Jensen Administration Building and includes the fabrication and installation of structural steel and concrete beams, cross-bracing, connections, electrical work, asbestos abatement and other related work.

Engineer's Estimate: \$3.4 million

Bidder and Location	Total	SBE \$	SBE %	Met SBE*
Brutoco Engineering & Construction, Inc., Fontana, CA	\$ 1,535,000	\$379,933	24.76%	Yes
Perera Construction & Design, Inc., Ontario, CA	\$ 1,558,000	N/A	N/A	N/A
G-2000 Construction Inc., Agoura Hills, CA	\$ 1,559,000	N/A	N/A	N/A
MTM Construction, Inc., City of Industry, CA	\$ 1,640,000	N/A	N/A	N/A
Robert Mills dba Mills Construction Co., North Hollywood, CA	\$ 1,660,000	N/A	N/A	N/A
NSA Construction Group, Inc., Tarzana, CA	\$ 2,183,000	N/A	N/A	N/A
CTP Construction, Inc., Anaheim, CA	\$ 2,221,000	N/A	N/A	N/A
DRP National Inc., West Covina, CA	\$ 2,238,000	N/A	N/A	N/A
Fredrick Towers Inc., Tujunga, CA	\$ 2,245,000	N/A	N/A	N/A
Armand Gonzales Inc. dba Gonzales Construction, Tarzana, CA	\$ 2,262,809	N/A	N/A	N/A
West Valley Investment Group, Inc., Tarzana, CA	\$ 2,822,000	N/A	N/A	N/A
Moment Construction Co., Inc., Los Angeles, CA	\$ 3,500,000	N/A	N/A	N/A

*SBE (Small Business Enterprise) participation set at 20 percent



JOSEPH JENSEN WATER TREATMENT PLANT SITE MAP

