



Authorize Extension of the Maintenance Services Agreement with the Department of Water Resources

Engineering and Operations Committee

Item 7-3

August 15, 2011

Current Action

- Authorize a one-year extension of the existing 5-year reimbursable agreement with DWR to provide services for State Water Project operations and maintenance activities

La Verne Shops Primary Functions



- 24/7 emergency response
- O&M support
- R&R / CIP work
- Agency support (reimbursable work)

DWR Work Examples

- Montezuma Slough radial gate rehabilitation



- Hyatt Powerplant drop gate fabrication

Original Agreement Scope

- Initiated in 1983
- Machining, fabrication, and coating services for the State Water Project
- Outside subcontracting services, and material and equipment procurement



Current Agreement Scope

- Manufacturing
- Construction
- Maintenance
- Engineering design
- Engineering project management
- Emergency response assistance



Agreement Terms and Conditions

- Five year agreement expiring September 30, 2011
 - NTE \$25 million
- Maximum payable of \$5,000,000 per year and maximum subcontracting and procurement of up to \$1,500,000 per year
- Reimbursable work

Benefits of Agreement Extension

- Provide adequate time to develop new, 5-year agreement
- Maintain SWP reliability and emergency response



Board Options

- Option # 1
 - Adopt the CEQA determination
 - Authorize one-year extension of DWR Shop Services Agreement in an amount not to exceed \$5 million
 - Authorize Metropolitan to enter into subcontracts as needed, not to exceed \$1.5 million
 - Delegate authority to the General Manager to enter into contracts over \$250,000
- Option # 2
 - Do not extend the current agreement which would expire on September 30, 2011

Staff Recommendation

- Option # 1

