

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

MINUTES

ENGINEERING AND OPERATIONS COMMITTEE

May 7, 2012

Chair Evans called the meeting to order at 11:31 a.m. in Committee Room 2-145 at Metropolitan's Headquarters.

Members present: Chair Evans, Vice Chair Brown, Directors Barbre, Blake, Camacho, De Jesus, Grunfeld, Little, Millard, Morris, Peterson, Record, Steiner, and Wright.

Members absent: Directors Lowenthal, Montalvo, and Sanchez.

Other Board members present: Directors Ackerman, Brick, Dick, Friedman, Heidel, Lewinger, and Murray.

Staff present: Arita, Boyd, L. Carillo, Casillas, Chamieh, Coffey, H. Collins, E. Freeman, J. Green, Hong, G. Johnson, D. Jones, Hashemi, Kightlinger, Koch, W. Lieu, Man, Mead, Morel, M. Parsons, Riss, Scully, Shraibati, M. Stewart, Stites, Tellers, Upadhyay, Waade, B. Yamasaki, and Zinke.

1. OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE COMMITTEE ON MATTERS WITHIN THE COMMITTEE'S JURISDICTION

No members responded.

2. APPROVAL OF THE MINUTES OF THE ENGINEERING AND OPERATIONS COMMITTEE MEETING HELD APRIL 9, 2012.

Approved

Motion: Director Steiner

Seconded: Director DeJesus

3. CONSENT CALENDAR ITEMS – ACTION

- 7-1** Subject: Authorize on-call agreements with Lee & Ro, Inc., Carollo Engineers, CDM Smith, and ARCADIS, in amounts each not to exceed \$1 million per year, and Butier Engineering, Inc., in an amount not to exceed \$500,000 per year, in support of Board-authorized Capital Investment Plan projects
- Presented by: No presentation was requested.
- Motion: Adopt the CEQA determination and
- a. Authorize agreements with Lee & Ro, Inc., Carollo Engineers, CDM Smith, and ARCADIS, each in an amount not to exceed \$1 million per year for an initial term of one year, with an option to renew up to two additional one-year periods, to provide design services; and
 - b. Authorize agreement with Butier Engineering, Inc., in an amount not to exceed \$500,000 per year for an initial term of one year, with an option to renew up to two additional one-year periods, to provide construction management and inspection services.
- Motion Carried Moved: Director Morris Seconded: Director Blake

- 7-2** Subject: Appropriate \$1.77 million; award \$622,650 contract to PPC Construction, Inc. for replacement of sodium hydroxide storage tanks at the Henry J. Mills Water Treatment Plant; and award \$298,089 contract to SCW Contracting Corp. to construct the Mills Hazardous Waste Staging and Handling Facility (Approps. 15381 and 15452)
- Presented by: No presentation was requested.
- Motion: Adopt the CEQA determinations and
- a. Appropriate \$1.77 million;
 - b. Award \$622,650 contract to PCC Construction, Inc. to replace sodium hydroxide storage tanks at the Mills plant; and
 - c. Award \$298,089 contract to SCW Contracting Corp. to construct the Mills Hazardous Waste Staging and Handling Facility.
- Motion Carried Moved: Director Morris Seconded: Director Blake

4. OTHER BOARD ITEMS – ACTION

8-6 Subject: Appropriate \$21.2 million; award \$16,300,127 contract to Stronghold Engineering, Inc., for the La Verne Machine and Fabrication Shops Upgrades; and authorize amendment to existing agreement with Tetra-IBI Group (Approp. 15395)

Presented by: Water System Operations Unit Manager Dimitri Chamieh

Motion: Adopt the CEQA determination and

- a. Appropriate \$21.2 million;
- b. Award \$16,300,127 contract to Stronghold Engineering, Inc., for the La Verne Machine and Fabrication Shops Upgrades; and
- c. Authorize increase of \$500,000 to the existing agreement with Tetra-IBI Group, for a new not-to exceed total of \$2.35 million.

Motion Carried Moved: Director Blake Seconded: Director De Jesus
Abstained: Committee Chair Evans

Mr. Chamieh presented the request to award a construction contract which initiates the fourth and final stage to upgrade Metropolitan's specialized shops at the La Verne site.

Director Barbre asked what percentage of the La Verne Shop's upgrade work is regulatory driven. Chief Operating Officer Debra Man responded that staff will get back to him with the specific percentage of the total dollar amount.

Director Record stated that he wanted to confirm that staff was conducting outreach to member agencies in order to utilize the equipment as much as possible. Ms. Man replied that Metropolitan supports the ongoing rehabilitation and replacement (R&R) work for Metropolitan's system and DWR's Southern Division R&R work. Metropolitan also supports the member agencies when they request assistance in the event of an emergency.

8-7 Subject: Authorize agreement with Johnson Controls, Inc. in an amount not to exceed \$3.75 million to maintain and repair physical security systems

Presented by: Water System Operations Interim Security Unit Manager Derrek Jones

Motion: Adopt the CEQA determination and authorize a new five-year maintenance agreement with Johnson Controls, Inc. for a total amount not to exceed \$3.75 million for routine maintenance of

physical security systems at all Metropolitan facilities, with an option for Metropolitan to terminate the agreement on an annual basis.

Motion Carried Moved: Director Morris Seconded: Director De Jesus

Mr. Jones presented the request to award a five-year agreement for security system maintenance and integration services to Johnson Controls, Inc. (JCI).

Director Steiner requested that staff consider placing a cap on the annual increase to the proposed security system maintenance agreement. Mr. Jones answered that there has not been any discussions with JCI regarding an annual increase cap, but there is a total not-to-exceed amount of \$3.75 million and negotiations could be based on that figure. Ms. Man added that staff will have a discussion to ensure that, within the \$3.75-million cap, there is an agreement on the parameters for an annual increase. Staff will report back to the Board.

5. BOARD INFORMATION ITEMS

None

6. COMMITTEE ITEMS

a. Subject: Update on Jensen Solids Handling Facilities

Presented by: Chief Operating Officer Debra Man

At the February 13, 2012 Engineering and Operations Committee, it was requested by the Board that staff spend 90 days reviewing all project alternatives for the solids handling facilities. Ms. Man provided an update on the Jensen Solids Handling Facilities program and discussed the results of the 90-day review period.

Director Peterson expressed his concerns over the proposal to extend the lease to the Los Angeles Department of Recreation and Parks by 50 years.

Director Grunfeld stated that he is in agreement with the proposal to extend the ballfields lease by 50 years.

Director Morris agreed with Director Peterson's concerns and stated that Metropolitan should continue to maintain separation of solids from the Los Angeles Department of Water and Power.

Ms. Man concluded by stating that staff understands the committee's expectations and all issues will be addressed in detail in an information board letter to be presented next month.

7. MANAGEMENT REPORTS

a. Subject: Water System Operations Manager's report

Presented by: Water System Operations Group Manager Jim Green

Mr. Green provided an update on current operations. He stated that the blends at the Weymouth, Diemer, and Skinner treatment plants are currently at 60 percent due to the increase in the State Water Project allocation. Mr. Green also spoke about the upcoming Salinity Management Workshop scheduled for June 1, 2012. Metropolitan is proposing to update the 1999 Salinity Management Study and this workshop would kick off the 2-year study. The workshop will be held at Metropolitan's headquarters, and Mr. Green stated that if any of the directors would like to attend to please let him or Ms. Man know.

b. Subject: Engineering Services Manager's report

Presented by: Engineering Services Group Manager Gordon Johnson

Mr. Johnson gave a brief report on the impact of the recovering economy on Metropolitan's construction bids. He presented an overview of the latest quarterly cost summary from the Engineering News Record, a national magazine which uses an index based on information on labor and commodity charges for a number of items collected from 20 cities nationwide.

8. FOLLOW-UP ITEMS

None

9. FUTURE AGENDA ITEMS

None

Next meeting will be held on June 11, 2012.

Meeting adjourned at 12:27 p.m.

Director Evans
Chair