



- Board of Directors  
*Engineering and Operations Committee*

3/12/2013 Board Meeting

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**7-4**

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## **Subject**

Appropriate \$620,000; and award \$529,802.09 procurement contract to Multi W Systems, Inc. for service water pumps at the Joseph Jensen Water Treatment Plant (Approp. 15442)

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## **Executive Summary**

This action awards a procurement contract for new service water pumps at the Joseph Jensen Water Treatment Plant. These pumps are critical components of the plant's service water system, which supplies water to the chlorine disinfection process.

### **Timing and Urgency**

The Jensen plant relies on service water pumps to supply filtered water for chlorine disinfection and transport water for various chemical feed systems. Due to their 20-40 years of continuous service, the existing pumps have become increasingly less reliable and need to be replaced. Staff recommends moving forward with this procurement to enhance the Jensen plant's ability to meet treated water quality goals, and to minimize the risk of impacts on plant operations from failure of critical equipment.

This project has been reviewed with Metropolitan's Capital Investment Plan (CIP) prioritization criteria and is categorized as an Infrastructure Rehabilitation project. Funds for this action are available within Metropolitan's capital expenditure plan for fiscal year 2012/13.

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## **Details**

### **Background**

The Jensen plant was placed into service in 1972 with an initial capacity of 400 million gallons per day (mgd), and was expanded in the early 1990s to its current capacity of 750 mgd. The Jensen plant treats water from the West Branch of the State Water Project and delivers it to Metropolitan's Central Pool and to exclusive service areas on the west side of the distribution system. The plant is located in Granada Hills.

At the Jensen plant, the service water pumps draw filtered water from the washwater storage tanks and supply pressurized water to various applications throughout the plant. Service water is used to create the chlorine solution for disinfection, for foam abatement in the flocculation/sedimentation basins, for transport water in the sulfuric acid and hydrogen peroxide feed systems, for dilution of delivered sodium hydroxide prior to storage, and for wash-down in the tank farms and other plant areas.

The existing service water pumps were installed in the 1970s and early 1990s. The pumps are leaking and their reliability is declining. In addition, several of the pump housings are cracked. As a result of their deteriorating condition, staff initiated design and procurement activities in 2011 to replace the pumps. Staff investigated the viability of refurbishing the existing pumps, but found this option to be uneconomical due to the difficulty of locating or fabricating spare parts.

This action awards a procurement contract for eight new service water pumps. Installation of the pumps has been included under the Jensen Module No. 1 Filter Surface Wash Upgrades contract, which was awarded by Metropolitan's Board in January 2013.

### **Jensen Service Water Pumps - Procurement (\$620,000)**

Request for Bids No. RFB-KK-259138 to furnish eight pumps for the Jensen plant was advertised for bids on January 28, 2013. As shown in [Attachment 2](#), three bids were received and opened on February 12, 2013. The low bid from Multi W Systems, Inc., in the amount of \$529,802.09, complies with the requirements of the specifications. The two higher bids were \$571,424 and \$604,199. The budgetary cost estimate for this equipment, based on previous purchases and a survey of vendors, was \$532,000.

Due to the limited number of potential bidders for the pumps, no Small Business Enterprise (SBE) participation level was established for the contract. For bid evaluation purposes, a \$25,000 bid-price-reduction credit was provided to each of the bidders who qualified as either an SBE or a Regional Business Enterprise (RBE), with a maximum credit of \$25,000. Multi W Systems, Inc., which is both an SBE and an RBE, received a \$25,000 bid-price-reduction credit during the bid evaluation, and was therefore deemed to be the low bidder.

This action appropriates \$620,000 and awards a \$529,802.09 procurement contract to Multi W Systems, Inc. to furnish eight service water pumps for the Jensen plant. This amount includes all sales and use taxes imposed by the state of California. In addition to the amount of the contract, the appropriated funds include \$32,000 for factory fabrication inspection and functional testing; \$23,000 for storage, review of submittals, responses to requests for information, and contract administration; \$10,000 for project management and controls; and \$25,197 for remaining budget.

This project has been evaluated and recommended by Metropolitan's CIP Evaluation Team, and funds are available within the fiscal year 2012/13 capital expenditure plan. See [Attachment 1](#) for the Financial Statement, [Attachment 2](#) for the Abstract of Bids, and [Attachment 3](#) for the Location Map.

This project is included within the Jensen Improvements Program - FY 2006/07 through FY 2011/12 (Appropriation No. 15442), which was initiated in fiscal year 2006/07. Other projects authorized under Appropriation No. 15442 include the Washwater Tank Seismic Upgrades; Electrical System Upgrades; Chemical Trench Extension; and the Module No. 1 Filter Surface Wash Upgrades. With the present action, the total funding for Appropriation No. 15442 will increase from \$19,526,000 to \$20,146,000.

### ***Project Milestone***

August 2013 – Delivery of the service water pumps

### **Policy**

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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)**

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CEQA determination for Option #1:

The proposed action is categorically exempt under the provisions of CEQA and the State CEQA Guidelines. The proposed action involves the funding, design, and minor alterations, reconstruction or replacement of existing public facilities along with the construction of minor appurtenant structures with negligible or no expansion of use and no possibility of significantly impacting the physical environment. Accordingly, the proposed action qualifies under Class 1, Class 2, and Class 3 Categorical Exemptions (Sections 15301, 15302, and 15303 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 2, Section 15302; and Class 3, Section 15303 of the State CEQA Guidelines).

CEQA determination for Option #2:

None required

**Board Options**

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**Option #1**

Adopt the CEQA determination and

- a. Appropriate \$620,000; and
- b. Award \$529,802.09 contract to Multi W Systems, Inc. for procurement of service water pumps for the Jensen plant.

**Fiscal Impact:** \$620,000 in capital funds under Approp. 15442

**Business Analysis:** This option will enhance the reliability and operating efficiency of the Jensen plant's service water system.

**Option #2**

Do not award the contract and readvertise in an attempt to receive more favorable bids.

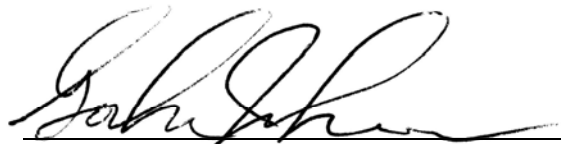
**Fiscal Impact:** None

**Business Analysis:** This option may or may not result in lower bids, and would forego an opportunity to enhance reliability of the service water system, which supplies water to the plant's chlorine disinfection process. This option may result in delays to the contractor of the Module No. 1 filter surface wash upgrades.

**Staff Recommendation**

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Option #1

  
 \_\_\_\_\_ 2/28/2013  
 Gordon Johnson Date  
 Manager/Chief Engineer  
 Engineering Services

  
 \_\_\_\_\_ 3/4/2013  
 Jeffrey Nightlinger Date  
 General Manager

[Attachment 1 – Financial Statement](#)

[Attachment 2 – Abstract of Bids](#)

[Attachment 3 – Location Map](#)

**Financial Statement for Jensen Improvements Program – FY 2006/07 Through FY 2011/12**

A breakdown of Board Action No. 9 for Appropriation No. 15442 for the procurement of service water pumps<sup>1</sup> is as follows:

	<b>Previous Total Appropriated Amount (Jan. 2013)</b>	<b>Current Board Action No. 9 (Mar. 2013)</b>	<b>New Total Appropriated Amount</b>
Labor			
Studies & Investigations	\$ 958,495	\$ -	\$ 958,495
Final Design	1,339,800	-	1,339,800
Owner Costs (Program mgmt)	929,963	10,000	939,963
Submittals Review & Record Drwgs	406,000	-	406,000
Construction Inspection & Support	1,457,000	31,500	1,488,500
Metropolitan Force Construction	1,670,756	22,500	1,693,256
Materials & Supplies	970,000	-	970,000
Incidental Expenses	53,500	1,000	54,500
Professional/Technical Services	402,840	-	402,840
Equipment Use	19,000	-	19,000
Contracts	9,983,091	529,803	10,512,894
Remaining Budget	1,335,555	25,197	1,360,752
<b>Total</b>	<b>\$ 19,526,000</b>	<b>\$ 620,000</b>	<b>\$ 20,146,000</b>

**Funding Request**

<b>Program Name:</b>	Jensen Improvements Program – FY 2006/07 Through FY 2011/12		
<b>Source of Funds:</b>	Revenue Bonds, Replacement and Refurbishment or General Funds		
<b>Appropriation No.:</b>	15442	<b>Board Action No.:</b>	9
<b>Requested Amount:</b>	\$ 620,000	<b>Capital Program No.:</b>	15442-I
<b>Total Appropriated Amount:</b>	\$ 20,146,000	<b>Capital Program Page No.:</b>	313
<b>Total Program Estimate:</b>	\$ 81,445,000	<b>Program Goal:</b>	I – Infrastructure Reliability

<sup>1</sup> The total amount expended to date on the Jensen Module No. 1 Filter Surface Wash Upgrades project is approximately \$1.35 million.

**The Metropolitan Water District of Southern California**  
**Abstract of Bids Received on February 12, 2013 at 11:00 A.M.**

**Request for Bids No. RFB-KK-259138**

**Furnish Eight Service Water Pumps for the  
Joseph Jensen Water Treatment Plant**

This contract includes furnishing eight horizontal, axially-split centrifugal pumps.

**Budgetary Cost Estimate: \$532,000**

<b>Bidder and Location</b>		<b>Base Bid Price Total <sup>1</sup></b>	<b>Small Business Credit</b>	<b>Regional Business Credit</b>	<b>Evaluated Bid Total <sup>2</sup></b>
<b>1</b>	<b>Multi W Systems, Inc., El Monte, CA</b>	<b>\$529,802.09</b>	<b>Y</b>	<b>Y</b>	<b>\$504,802.09</b>
2	Cortech Engineering, Inc., Yorba Linda, CA	\$571,424.44	Y	Y	\$546,424.44
3	Hidden Valley Pump Systems, Inc., Valley Center, CA	\$604,199.56	N	Y	\$579,199.56

<sup>1</sup> Includes sales and use taxes of 8.75 percent imposed by the state of California

<sup>2</sup> Includes SBE/RBE (Small Business Enterprise/Regional Business Enterprise) bid-price-reduction credits for the evaluated bid total. The maximum credit per bidder is \$25,000.

# Distribution System

