



- Board of Directors  
*Engineering and Operations Committee*

5/14/2013 Board Meeting

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**7-3**

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## **Subject**

Appropriate \$1.36 million; and award \$415,000 contract to Environmental Construction, Inc. for valve structure modifications on West Valley Feeder No. 1 (Approp. 15377)

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## **Executive Summary**

This action awards a construction contract for modifications to 11 valve structures on West Valley Feeder No. 1. These modifications represent the second stage of a three-stage program to upgrade the 50-year-old pipeline. This work has been scheduled to take advantage of a shutdown planned for July 2013.

### **Timing and Urgency**

Rehabilitation of the valves, vault structures, and appurtenances on West Valley Feeder No. 1 is needed because the equipment within these structures has deteriorated over 50 years of continuous service and is becoming less reliable. The existing valves do not seat properly, and many are leaking. Maintenance is difficult due to tight working conditions within the small vault structures. Further, one valve is directly buried and cannot be accessed without excavating the pipeline. Staff recommends moving forward with construction of the Stage 2 modifications at this time to enhance delivery reliability and take advantage of an upcoming shutdown of the pipeline.

This project has been reviewed with Metropolitan's Capital Investment Plan (CIP) prioritization criteria, and is categorized as an Infrastructure Reliability project. Funds for this action are available within Metropolitan's capital expenditure plan for fiscal year 2013/14.

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## **Details**

### **Background**

West Valley Feeder No. 1 delivers treated water from the Joseph Jensen Water Treatment Plant via the Sepulveda Feeder to three member agencies in western Los Angeles and Ventura Counties. This 7.9-mile-long prestressed concrete cylinder pipeline (PCCP) has a diameter that varies from 48 to 57 inches. A 5.5-mile reach of West Valley Feeder No. 1, which extends from the Sepulveda Feeder to the De Soto sectionalizing valve, was leased to the Los Angeles Department of Water and Power (LADWP) in 1977.

A capital program to rehabilitate the 61 valve structures on West Valley Feeder No. 1 was initiated in 2001. The needed upgrades include replacement of deteriorated valves; addition of new vaults to house valves that are directly buried; enlargement of some existing vaults to improve access; and modifications to blow-off, pumping well, and air-release/vacuum valve installations to reduce the risk of potential cross-connections. The work has been prioritized based on existing valve conditions, and is being conducted in three stages over multiple shutdown seasons to minimize the duration of shutdowns. The first stage addressed 42 structures. This work was performed over four shutdown seasons.

In September 2010, final design commenced for the second stage of rehabilitation work to upgrade 14 structures. During final design, staff determined that three of the structures require only minor work. As a result, the Stage 2 upgrades will rehabilitate 11 structures. The five structures remaining to be addressed are located within

Chatsworth Park and will be modified in Stage 3. These five structures will be handled separately due to hazardous materials that were discovered within the park boundaries. Although the hazardous waste does not impact Metropolitan's work directly, Chatsworth Park has been closed to the public since 2008. Hazardous waste remediation is the responsibility of the city of Los Angeles, which owns and operates the park. The Stage 3 work to modify/relocate the remaining five valve structures and to provide all-weather access will resume after the remediation work is completed by the city. Staff will return to the Board for authorization of Stage 3 final design activities at a later date.

Final design of the Stage 2 modifications on West Valley Feeder No. 1 has been completed, and staff recommends award of the construction contract at this time to take advantage of a planned shutdown of the line in July 2013.

### **West Valley Feeder No. 1 Valve Structure Modifications – Construction (\$1,360,000)**

Specifications No. 1693A was advertised for bids on February 20, 2013. As shown in [Attachment 2](#), four bids were received and opened on March 21, 2013. The low bid from Environmental Construction, Inc., in the amount of \$415,000, complies with the requirements of the specifications. The three other bids ranged from \$447,000 to \$502,000, while the engineer's estimate was \$425,000. For this contract, Metropolitan established a Small Business Enterprise (SBE) participation level of at least 25 percent of the total bid amount. Environmental Construction, Inc. is an SBE firm, and thus achieves 100 percent participation.

This action appropriates \$1.36 million and awards a \$415,000 contract to Environmental Construction, Inc. for modification of 11 valve structures on West Valley Feeder No. 1. In addition to the amount of the contract, the requested funds include \$385,000 for Metropolitan force activities, which includes traffic control, dewatering, establishment of clearances, disinfection, and return of the pipeline to service. The requested funds also include \$130,000 for construction inspection; \$135,000 for submittals review and record drawing preparation by Metropolitan staff; \$118,000 for environmental monitoring, permitting, and project management; and \$177,000 for remaining budget.

Construction inspection will be performed by Metropolitan staff. For this project, the anticipated cost of inspection and support is approximately 14.9 percent of the total construction cost. Engineering Services' goal for inspection of construction contracts less than \$3 million is 9 to 15 percent. The total cost of construction for this project is \$877,000, which includes \$415,000 for the construction contract, \$385,000 for Metropolitan force activities; and \$69,000 for valves which have already been procured.

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. The work is included within capital Appropriation No. 15377, the Conveyance and Distribution System Rehabilitation Program, which was initiated in fiscal year 2001/02. Other projects authorized under Appropriation No. 15377 include the Orange County Feeder Lining Repairs, Box Springs Feeder Repairs, and Middle Feeder Cathodic Protection. With the present action, the total funding for Appropriation No. 15377 will increase from \$66,735,700 to \$68,095,700.

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

### ***Project Milestone***

March 2014 – Completion of construction of Stage 2 valve structure modifications on West Valley Feeder No. 1

### **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 project was previously determined to be categorically exempt under the provisions of CEQA and State CEQA Guidelines. The activities associated with this project were found by the Board to be exempt under Classes 1 and 4, Sections 15301 and 15304 of the State CEQA Guidelines on September 14, 2010. A Notice of Exemption (NOE) was filed on the project at that time and the statute of limitations has ended. With the current board action, there is no substantial change proposed to the project since the original NOE was filed. Hence, the previous environmental documentation in conjunction with the project 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 action.

The CEQA determination is: Determine that the proposed action has been previously addressed in the 2010 NOE (Class 1, Section 15301 and Class 4, Section 15304 of the State CEQA Guidelines) and that no further environmental analysis or documentation is required.

CEQA determination for Option #2:

None required

## Board Options

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### Option #1

Adopt the CEQA determination and

- a. Appropriate \$1.36 million; and
- b. Award \$415,000 contract to Environmental Construction, Inc. for valve structure modifications on West Valley Feeder No. 1.

**Fiscal Impact:** \$1.36 million in capital funds under Approp. 15377

**Business Analysis:** This option will enhance delivery reliability to member agencies served by West Valley Feeder No. 1.

### Option #2

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



**Fiscal Impact:** Unknown

**Business Analysis:** This option may or may not result in lower bids, and would defer repairs until a future shutdown season. This option would forego an opportunity to reduce the risk of service interruption.

**Staff Recommendation**

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Option #1

 Gordon Johnson Manager/Chief Engineer, Engineering Services	4/22/2013 Date
 Jeffrey Knightlinger General Manager	5/1/2013 Date

**Attachment 1 – Financial Statement**

**Attachment 2 – Abstract of Bids**

**Attachment 3 – Location Map**

Ref# es12622464

**Financial Statement for Conveyance and Distribution System Rehabilitation Program**

A breakdown of Board Action No. 35 for Appropriation No. 15377 for Stage 2 of the West Valley Feeder No. 1 Valve Structure Modifications<sup>1</sup> is as follows:

	<b>Previous Total Appropriated Amount (Sept. 2011)</b>	<b>Current Board Action No. 35 (May 2013)</b>	<b>New Total Appropriated Amount</b>
Labor			
Studies & Investigations	\$ 3,666,700	\$ -	\$ 3,666,700
Final Design	5,420,456	-	5,420,456
Owner Costs (Program mgmt, envir. monitoring)	5,839,050	118,000	5,957,050
Submittals Review & Record Drwgs	-	135,000	135,000
Construction Inspection & Support	2,655,550	130,000	2,785,550
Metropolitan Force Construction	15,055,505	372,000	15,427,505
Materials & Supplies	5,921,075	5,000	5,926,075
Incidental Expenses	1,449,620	5,000	1,454,620
Professional/Technical Services	1,516,500	-	1,516,500
Equipment Use	957,350	3,000	960,350
Contracts	23,050,669	415,000	23,465,669
Remaining Budget	1,203,225	177,000	1,380,225
<b>Total</b>	<b>\$ 66,735,700</b>	<b>\$ 1,360,000</b>	<b>\$ 68,095,700</b>

**Funding Request**

<b>Program Name:</b>	Conveyance and Distribution System Rehabilitation Program		
<b>Source of Funds:</b>	Revenue Bonds, Replacement and Refurbishment or General Funds		
<b>Appropriation No.:</b>	15377	<b>Board Action No.:</b>	35
<b>Requested Amount:</b>	\$ 1,360,000	<b>Capital Program No.:</b>	15377-I
<b>Total Appropriated Amount:</b>	\$ 68,095,700	<b>Program Goal:</b>	I-Infrastructure Reliability
<b>Total Program Estimate:</b>	\$ 117,505,000		

<sup>1</sup>The total amount expended to date on the West Valley Feeder No. 1 Valve Structure Modifications is approximately \$1.02 million.

**The Metropolitan Water District of Southern California**

**Abstract of Bids Received on March 21, 2013 at 2:00 P.M.**

**Specifications No. 1693A, West Valley Feeder No. 1 Valve Modifications - Stage 2**

The project consists of removal of air release/vaccum valves and plug valves, abatement of lead- and asbestos-containing materials, modification of piping, installation of Metropolitan-furnished valves, installation of aboveground valve enclosures, construction of concrete manhole structures, and obtaining all required permits.

**Engineer’s Estimate: \$425,000**

<b>Bidder and Location</b>	<b>Total<sup>1</sup></b>	<b>SBE \$</b>	<b>SBE %</b>	<b>Met SBE<sup>1</sup></b>
<b>Environmental Construction, Inc. Woodland Hills, CA</b>	<b>\$ 415,000</b>	<b>\$415,000</b>	<b>100%</b>	<b>Yes</b>
Unique Performance Construction, Inc. Anaheim, CA	\$ 447,000	-	-	-
MMC, Inc. La Palma, CA	\$ 484,111	-	-	-
EAR Engineering, Construction & Support Services Riverside, CA	\$ 502,000	-	-	-

<sup>1</sup> SBE (Small Business Enterprise) participation level was established at 25 percent for this contract.

# Distribution System

