



- Board of Directors
Engineering and Operations Committee

1/13/2015 Board Meeting

8-3

Subject

Award \$3,067,900 contract to Zusser Company, Inc. to refurbish solids lagoons for the Joseph Jensen Water Treatment Plant; and authorize increase of \$300,000 to an agreement with MWH Americas, for a new not-to-exceed total of \$700,000

Executive Summary

This action awards a construction contract to refurbish four existing solids lagoons on property owned by the Los Angeles Department of Water and Power (LADWP) for long-term use by Metropolitan's Joseph Jensen Water Treatment Plant. Use of the refurbished lagoons will support reliable, long-term solids handling at the Jensen plant. This action also authorizes an amendment to an existing professional services agreement for technical support during construction by the project's design consultant.

No funds are required in this action, as all project costs will be reimbursed by LADWP.

Timing and Urgency

In December 2012, Metropolitan's Board authorized an agreement with LADWP that will enable Metropolitan to use four solids lagoons on the grounds of LADWP's Aqueduct Filtration Plant for a period of 50 years. In November 2013, the Board authorized a reimbursable agreement with LADWP in an amount not to exceed \$5 million for Metropolitan to design and refurbish four existing LADWP solids lagoons, pursuant to the 50-year use agreement. In July 2014, the Board awarded a construction contract for a solids transfer system that will convey thickened residual solids from the Jensen plant to the four LADWP lagoons. Final design of refurbishment work for the four lagoons has been completed, and staff recommends moving forward with construction at this time.

Details

Background

The Jensen plant was placed into service in 1972 with an initial capacity of 400 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 and to exclusive service areas in the western portion of the distribution system. The facility is located in Granada Hills.

Residual solids collected from the Jensen plant's sedimentation basins are currently thickened on-site, transported via a temporary solids transfer system, and then air-dried at two nearby lagoons on LADWP property at the Aqueduct Filtration Plant. This cooperative arrangement, which was initiated in 2005, provides sufficient solids handling capacity to process only 15 percent of the solids generated at the Jensen plant's maximum flowrate under design conditions. Solids produced at the Jensen plant may also be discharged to a city of Los Angeles sanitary sewer. However, sewer disposal is expensive and is limited by the discharge permit.

In December 2012, Metropolitan's Board authorized an agreement with LADWP that enables Metropolitan to utilize four solids lagoons on LADWP property for a period of 50 years. In conjunction with a future mechanical

dewatering facility at the Jensen plant, this agreement provides sufficient capacity to meet Metropolitan's anticipated solids handling needs.

Construction of the first component of the new solids handling system, which includes a solids transfer pipeline from the Jensen plant, is currently underway. In November 2013, Metropolitan's Board authorized a reimbursable agreement with LADWP in an amount not to exceed \$5 million to design and refurbish the four existing LADWP solids lagoons. These refurbished lagoons comprise the second component of the new solids handling system. Final design of the lagoon refurbishment work has been completed, and staff recommends proceeding with construction at this time.

LADWP Lagoon Refurbishment – Construction (No funds required)

This project will refurbish the four existing LADWP solids lagoons to meet Metropolitan's needs. In addition, the existing piping system will be modified to ensure the four lagoons are isolated from other lagoons that will continue to be used by LADWP. The refurbishment work includes on-site screening of approximately 6,100 cubic yards of underdrain rock; installation of 11,250 cubic yards of crushed rock; refurbishment of existing decant valve structures including asbestos and polychlorinated biphenyl (PCB) abatement; installation of 7,500 feet of pipe and 1,700 feet of utility duct bank; construction of manholes equipped with submersible pumps; and installation of turbidity meters, piezometers, and electrical panels.

Specifications No. 1786 for the LADWP Lagoon Refurbishment project was advertised for bids on October 2, 2014. As shown in [Attachment 1](#), five bids were received and opened on December 9, 2014. The low bid from Zusser Company, Inc. in the amount of \$3,067,900 complies with the requirements of the specifications. The four higher bids ranged from approximately \$3.2 million to \$4.3 million, while the engineer's estimate was \$3,452,582. For this contract, Metropolitan established a Small Business Enterprise (SBE) participation level of at least 25 percent of the total bid amount. Zusser Company, Inc. is an SBE firm, and thus achieves 100 percent participation. The subcontractors for this contract are listed in [Attachment 2](#).

This action awards a \$3,067,900 contract to refurbish four existing LADWP lagoons for Metropolitan use. Metropolitan staff will perform inspection of the construction contract. LADWP will reimburse Metropolitan for all direct and indirect costs incurred, including the fully burdened cost of Metropolitan staff labor.

Technical Services During Construction (MWH Americas) – Amendment to Existing Agreement

MWH Americas performed final design of the LADWP Lagoon Refurbishment project. As the engineer of record, MWH Americas is recommended to provide technical support during construction. Planned activities include review of submittals, responding to requests for information from the contractor, advising staff on technical issues as they may arise, and preparing record drawings. MWH Americas was selected through a competitive process and the design was performed under a board-authorized agreement. Amendment of the existing MWH Americas agreement is consistent with the planned approach for project implementation. For this agreement, Metropolitan has established an SBE participation level of 18 percent. MWH Americas has agreed to meet this level of participation. The single subconsultant planned under this agreement is Projectline Technical Services.

This action authorizes an increase of \$300,000 to the existing agreement with MWH Americas, for a new not-to-exceed total of \$700,000, to provide technical support during construction of the LADWP lagoon refurbishment work.

Summary

This action awards a construction contract to refurbish four existing LADWP solids lagoons, and authorizes an amendment to an existing agreement with MWH Americas.

No funds are required in this action, as all of Metropolitan's costs will be reimbursed by LADWP. See [Attachment 1](#) for the Abstract of Bids, [Attachment 2](#) for the List of Subcontractors, and [Attachment 3](#) for the Location Map.

Project Milestone

April 2016 – Completion of construction

Policy

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

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The environmental effects of design, funding, and construction to refurbish four existing LADWP solids lagoons were evaluated in the Jensen Solids Handling Facility Project Final Environmental Impact Report (Final EIR), which was certified by the Board on January 11, 2011. The Board also approved the Findings of Fact (findings), the Statement of Overriding Considerations, the Mitigation Monitoring and Reporting Program (MMRP), and the project itself. Addendum No. 1 to the EIR was prepared in December 2012 for the continued use and refurbishment of existing solids lagoons on LADWP property. The current action is solely based on the award of a contract and an amendment to an existing agreement, and not on any changes to the approved project itself. Hence, the previous environmental documentation acted on by the Board in conjunction with the proposed action fully complies with CEQA and the State CEQA Guidelines. Accordingly, no further CEQA documentation is necessary for the Board to act on the proposed action.

The CEQA determination is: Determine that the proposed action has been previously addressed in the certified 2011 Final EIR and related environmental documentation (Findings, SOC, and MMRP for the Jensen Solids Handling Facility Project), and the 2012 Addendum No. 1, 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 that the proposed action was considered in the previously certified 2011 Final EIR and 2012 Addendum, and

- a. Award \$3,067,900 contract to Zusser Company, Inc. to refurbish solids lagoons for the Jensen plant; and
- b. Authorize increase of \$300,000 to the existing agreement with MWH Americas, for a new not-to-exceed total of \$700,000.

Fiscal Impact: None. All costs will be fully reimbursed by LADWP.

Business Analysis: This option will enhance reliability of the Jensen plant and provide cost-effective long-term solids disposal.

Option #2


Do not proceed with the project at this time.

Fiscal Impact: None.

Business Analysis: This option would delay completion of the lagoon refurbishment. If the lagoon refurbishment is not completed, the Jensen plant would continue to rely on two existing lagoons at LADWP's Aqueduct Filtration Plant, which have insufficient capacity to provide a long-term solution for solids disposal.

Staff Recommendation

Option #1



Gordon Johnson
Manager/Chief Engineer,
Engineering Services
12/16/2014
Date



Jeffrey Knightlinger
General Manager
12/23/2014
Date

Attachment 1 – Abstract of Bids

Attachment 2 – Subcontractors for Low Bidder

Attachment 3 – Location Map

Ref# es12633668

The Metropolitan Water District of Southern California

Abstract of Bids Received on December 9, 2014 at 2:00 P.M.

Specifications No. 1786

LADWP Lagoon Refurbishment

The work consists of on-site screening of underdrain rock, installation of crushed rock, refurbishment of existing decant valve structures, installation of pipe and utility duct bank, construction of manholes, and installation of instrumentation and electrical components.

Engineer's estimate: \$3,452,582

Bidder and Location	Total	SBE Amount	SBE %	Met SBE¹
Zusser Company, Inc., Los Angeles, CA	\$3,067,900	\$3,067,900	100%	Yes
Minako America Corporation dba Minco Construction, Gardena, CA	\$3,179,870	-	-	-
L. H. Woods & Sons, Inc., Vista, CA	\$3,865,130	-	-	-
Environmental Construction, Inc., Woodland Hills, CA	\$3,977,712	-	-	-
Blois Construction, Inc., Oxnard, CA	\$4,298,186	-	-	-

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

The Metropolitan Water District of Southern California**Subcontractors for Low Bidder****Specifications No. 1786****LADWP Lagoon Refurbishment****Low Bidder: Zusser Company, Inc.**

Subcontractor and Location
Amber Steel Company, Rialto, CA
CSI Electrical Contractors, Santa Fe Springs, CA
Global Transloading, LLC, Signal Hill, CA
Layfield Environmental Systems, San Diego, CA
Performance Abatement Services, Anaheim, CA

