



● **Board of Directors**
Engineering and Operations Committee

5/10/2016 Board Meeting

7-2

Subject

Appropriate \$400,000; and award \$268,000 contract to First Responder Fire Protection Corp. to install a fire protection system in the La Verne Shops (Approp. 15395)

Executive Summary

This action awards a construction contract to install a sprinkler fire protection system in the original machine and fabrication shop buildings at the La Verne Shops. These shops enable Metropolitan to refurbish critical equipment and fabricate pipe to support Metropolitan's maintenance activities and capital projects. The shops have also provided these services to member agencies and to the California Department of Water Resources (DWR). The fabrication capabilities provided by the La Verne Shops are an important element of Metropolitan's emergency response strategy.

Timing and Urgency

The original machine and fabrication shop buildings at La Verne do not have a fire protection system, since this feature was not required when the buildings were originally constructed. In 2014, when the machine and fabrication shop buildings were expanded, a fire protection system was installed in the new portion of the facility. This project will complete the fire protection upgrades by installing a sprinkler system in the original shop buildings.

This project has been reviewed with Metropolitan's Capital Investment Plan (CIP) prioritization criteria and is included in the System Reliability Program. Funds for this action are available within Metropolitan's capital expenditure plan for fiscal year 2015/16.

Details

The La Verne Shops enable staff to refurbish equipment and fabricate pipe to support ongoing Metropolitan maintenance activities and capital projects. The shops have also provided these services to member agencies and DWR on a reimbursable basis. While most of the work performed at the shops is planned in advance, urgent support may also be provided at short notice. The La Verne Shops are located on the grounds of the F. E. Weymouth Water Treatment Plant and have been in service since 1941. The shops were expanded in the 1960s when larger facilities were constructed, and were expanded again in the 1980s to support a major rehabilitation of the pumps along the Colorado River Aqueduct.

The La Verne Shops have the capability to fabricate critical components of pumps, valves, and piping within a rapid time frame to respond to emergencies and shutdowns. A recent example of the shops' ability to respond in an expedited manner was the overnight fabrication of a 36-inch-diameter butt-strap to repair a leaking joint on the Orange County Feeder in the city of Santa Ana. On an annual basis, the shops provide almost \$10 million in manufacturing services for over 120 projects. In addition, the shops may provide up to \$5 million in contracting services annually to DWR.

The La Verne Shops Upgrades project was initiated in 2002 and has been executed in multiple sequential stages. This approach was adopted to permit the construction and modernization work to be completed without impacting

the shops' ability to execute planned work and respond to emergencies. In December 2015, Metropolitan's Board authorized design of the final elements of work to complete the La Verne Shops Upgrades. A key component of this remaining work is the installation of a fire protection system in the original machine and fabrication shop buildings. This system includes sprinkler piping and discharge nozzles, alarms, instruments, and controls. When this work is complete, the three primary components of the La Verne Shops (machine, fabrication, and coating shop buildings) will be served by a modern fire protection system that complies with current fire codes.

La Verne Shops Fire Protection System – Construction (\$400,000)

Specifications No. 1848 for the installation of a sprinkler fire protection system in the original machine and fabrication shop buildings was advertised for bids on January 6, 2016. As shown in [Attachment 2](#), one bid was received and opened on February 18, 2016. Two other potential bidders had attended the pre-bid meeting for this work, but both firms notified Metropolitan that their workload prevented them from pursuing additional contracts at this time. The low bid from First Responder Fire Protection Corp. in the amount of \$268,000 complies with the requirements of the specifications. The engineer's estimate was \$300,000. For this contract, Metropolitan established a Small Business Enterprise (SBE) participation level of at least 25 percent of the bid amount. First Responder Fire Protection Corp. is an SBE firm, and thus achieves 100 percent participation.

This action appropriates \$400,000 and awards a \$268,000 contract to First Responder Fire Protection Corp. to install a fire protection system at the La Verne Shops. In addition to the amount of the contract, the requested funds include: \$6,000 for field support by Metropolitan forces; \$39,000 for construction inspection and system testing; \$18,000 for permitting and project management; \$30,000 for submittals review and preparation of record drawings; and \$39,000 for remaining budget.

Metropolitan staff will perform inspection of the construction contract. For this project, the anticipated cost of inspection is approximately 14.1 percent of the total construction cost. Engineering Service's goal for inspection of contracts less than \$3 million is 12 to 15 percent. For this project, the total cost of construction is approximately \$274,000.

This project has been evaluated and recommended by Metropolitan's CIP evaluation team, and funds are available within the fiscal year 2015/16 capital expenditure plan. See [Attachment 1](#) for the Financial Statement, [Attachment 2](#) for the Abstract of Bids, [Attachment 3](#) for the listing of Subcontractors for Low Bidder, and [Attachment 4](#) for the Location Map.

This project is included within capital Appropriation No. 15395, the La Verne Shops Facilities Upgrades, which was initiated in fiscal year 2002/03. With the present action, the total funding for Appropriation No. 15395 will increase from \$40.35 million to \$40.75 million. The total estimated cost to complete the upgrade of the La Verne Shops, including the amount appropriated to date, current funds requested, and future equipment procurement and construction costs, is anticipated to range from \$45 million to \$47 million.

Project Milestone

December 2016 – Completion of construction of fire protection system

Policy

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)

CEQA determination for Option #1:

The environmental effects from the La Verne Shops Upgrades project were evaluated in the F. E. Weymouth Filtration Plant Ozonation Facilities and Site Improvements Program Final Environmental Impact Report (Final EIR), which was certified by the Board on April 12, 2005. The Board also approved the Findings of Fact (Findings), the Statement of Overriding Considerations (SOC), the Mitigation Monitoring and Reporting Program

(MMRP), and the project itself. The current action is based solely on authorizing award of a construction contract for the La Verne Shops Upgrades project, 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 2005 Final EIR, Findings, SOC, and MMRP, 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 has been previously addressed in the 2005 Final EIR, Findings, Statement of Overriding Considerations, and Mitigation Monitoring and Reporting Program, and that no further environmental analysis or documentation is required, and

- a. Appropriate \$400,000; and
- b. Award \$268,000 contract to First Responder Fire Protection Corp. to install a fire protection system at the La Verne Shops.

Fiscal Impact: \$400,000 in capital funds under Appropriation No. 15395

Business Analysis: This option will upgrade the original shop buildings with a modern fire protection system that will meet current fire codes, and which will be consistent with the fire protection system recently installed in the new portion of the facility.

Option #2

Do not proceed with the fire protection system at this time and seek a variance from the city of La Verne.

Fiscal Impact: None

Business Analysis: This option would not provide a consistent level of fire protection across the buildings at the La Verne Shops, and would forgo an opportunity to enhance reliability of a key component of Metropolitan's emergency response capability.

Staff Recommendation

Option #1



 Gordon Johnson
 Manager/Chief Engineer
 Engineering Services

4/18/2016

Date



 Jeffrey Knightlinger
 General Manager

4/25/2016

Date

Attachment 1 – Financial Statement

Attachment 2 – Abstract of Bids

Attachment 3 – Subcontractors for Low Bidder

Attachment 4 – Location Map

Financial Statement for the La Verne Shops Upgrades Appropriation

A breakdown of Board Action No. 8 for Appropriation No. 15395 for the La Verne Shops Upgrades¹ is as follows:

	Previous Total Appropriated Amount (Dec. 2015)	Current Board Action No. 8 (May 2016)	New Total Appropriated Amount
Labor			
Studies & Investigations	\$ 197,000	\$ -	\$ 197,000
Final Design	1,882,508	-	1,882,508
Owner Costs (Program mgmt. & permitting)	1,744,000	18,000	1,762,000
Submittals Review & Record Drwgs.	602,000	30,000	632,000
Construction Inspection and Support	3,684,151 ²	39,000	3,723,151
Metropolitan Force Construction	564,000	6,000	570,000
Materials & Supplies	1,306,673	-	1,306,673
Incidental Expenses	83,300	-	83,300
Professional/Technical Services	3,989,900	-	3,989,900
Equipment Use	15,000	-	15,000
Contracts	25,826,468	268,000	26,094,468
Remaining Budget	455,000 ²	39,000	494,000
Total	<u>\$ 40,350,000</u>	<u>\$ 400,000</u>	<u>\$ 40,750,000</u>

Funding Request

Appropriation Name:	La Verne Shops Upgrades		
Source of Funds:	Revenue Bonds, Replacement and Refurbishment or General Funds		
Appropriation No.:	15395	Board Action No.:	8
Requested Amount:	\$ 400,000	Budget Page No.:	302
Total Appropriated Amount:	\$ 40,750,000	Total Appropriation Estimate:	\$ 45,100,000

¹ The total amount expended to date on the La Verne Shops Upgrades is approximately \$39 million. The total estimated cost to complete the upgrades, including the amount appropriated to date, current funds requested, and future equipment procurement and construction costs, is anticipated to range from \$45 to \$47 million.

² Reflects transfer of \$200,676 from Remaining Budget for inspection of extra work on the Machine and Fabrication Shop expansion contract, and \$75,000 for the final design of the fire protection system.

The Metropolitan Water District of Southern California

Abstract of Bids Received on February 18, 2016 at 2:00 P.M.

Specifications No. 1848

La Verne Maintenance Shops Fire Sprinkler System

This work consists of installing fire sprinkler piping and discharge nozzles, alarms, instruments, and controls in the original machine and fabrication shop buildings at La Verne.

Engineer's Estimate: \$300,000

Bidder and Location	Total	SBE \$	SBE %	Met SBE¹
First Responder Fire Protection Corp. Northridge, CA	\$268,000	\$268,000	100	Yes

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

The Metropolitan Water District of Southern California

Subcontractors for Low Bidder

Specifications No. 1848

La Verne Maintenance Shops Fire Sprinkler System

Low Bidder: First Responder Fire Protection Corp.

Subcontractor and Location
Comet Electrical, Chatsworth, CA
AJ Fistes Corp., Long Beach, CA

