



Authorize New DWR Shop Services Agreement

Engineering & Operations Committee

Item 8-6

August 14, 2017

Current Action

- Authorizes a five-year reimbursable agreement with the California Department of Water Resources to provide services for State Water Project operations and maintenance activities for an amount not to exceed \$25 million
- Includes provisions for subcontracts not to exceed \$1.5 million per year

Agreement Background

- First agreement established in 1983
- Scope expanded several times
- Agreements leverage unique shop capabilities and staff expertise
- Current agreement expires September 30, 2017



Shop Capabilities

- Machining, fabrication, coating, and valve rehabilitation services for large and unique system components
- Subcontracting and procuring outside services, materials, and equipment



La Verne Shops Primary Functions



- 24/7 emergency response
- O & M support
- Rehabilitation & repair projects
- Member agency support
- DWR support

Examples of Recent DWR Work

- Gianelli Pumping/Generating Plant – Pump Components
- Oso Pumping Plant – 12' x 10' Trash Rack Gate



Examples of Recent DWR Work

- South Bay Pumping Plant –
24" Ball Valve



- Gianelli Pumping/
Generating Plant –
Scroll Case Door



New Agreement

- Manufacturing services
- Engineering design, project management, quality assurance, and quality control
- Emergency response assistance
- Subcontracting outside services
- Material procurement



New Agreement Terms and Conditions

- 5-year agreement not to exceed \$25 million expiring September 30, 2022
- Includes subcontracting up to \$1.5 million per year
- Reimbursable work
 - Direct labor and additives
 - Cost of materials and equipment usage fees
 - Sub-contracts for outside services and materials
 - Administrative overhead



Benefits of New Agreement

- Maintaining SWP reliability
- Facilitate timely repair and rehabilitation work
- Enhance emergency response capability
- Control SWP costs to Metropolitan through reduction of overall SWP maintenance costs

Board Options

● Option #1

- Adopt the CEQA determination
- Authorize a 5-year reimbursable agreement with DWR to provide services for SWP operations and maintenance activities in an amount not to exceed \$25 million
- Authorize entering into subcontracts greater than \$250,000 to complete work under the agreement
- Authorize entering into subcontracts as needed, not to exceed \$1.5 million annually under the agreement

Board Options

- Option #2
 - Do not proceed with the authorization of the agreement at this time

Staff Recommendation

- Option # 1

