



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

2/13/2018 Board Meeting

7-4

Subject

Adopt CEQA determination and award \$378,985 contract to Visionary Builders, Inc. to renovate two houses at Eagle Mountain Pumping Plant (Appropriation No. 15495)

Executive Summary

This action awards a construction contract to renovate two employee houses at Eagle Mountain Pumping Plant on the Colorado River Aqueduct (CRA). The houses will be renovated to a condition that is comparable to the 10 new houses that are currently being constructed at the pumping plant villages.

Timing and Urgency

At each of the five CRA pumping plants, Metropolitan owns houses that are rented to employees involved in the operation and maintenance of the CRA system. Housing is provided for assigned staff due to the remoteness of the facilities, and to ensure an appropriate response time in the event of an emergency that could jeopardize aqueduct flows, damage equipment, or present a safety risk to employees or the general public.

In May 2017, Metropolitan's Board authorized the renovation of approximately 89 houses that require minor or moderate levels of rehabilitation. The goal of these renovations is to improve the existing houses, where practical, to a condition that is similar in nature and scope to the 10 new houses that are currently under construction. Several project delivery methods are being employed for the initial houses to be renovated. Under this approach, staff will compare the cost, timing, and logistics of each method in order to establish the most favorable construction methodology to be followed for the remainder of the houses.

To date, Metropolitan forces have completed the renovation of one house at Eagle Mountain Pumping Plant, and a contract was awarded in December 2017 for the renovation of two houses at Gene Pumping Plant. Design has been completed to renovate two additional houses at Eagle Mountain Pumping Plant, and staff recommends award of the construction contract at this time.

This project has been reviewed with Metropolitan's Capital Investment Plan (CIP) prioritization criteria and is included in the System Reliability Program. No funds are required to be appropriated for this work, as sufficient funds were previously appropriated and are available within Metropolitan's capital expenditure plan for fiscal year 2017/18.

Details

Background

The CRA is a 242-mile-long conveyance system that transports water from the Colorado River to Lake Mathews in Riverside County. It consists of five pumping plants, 124 miles of tunnels, 63 miles of canals, and 55 miles of conduits, siphons, and reservoirs. The aqueduct was constructed in the late 1930s and was placed into service in 1941.

Houses were initially constructed at the CRA pumping plants in the early 1940s. Expansion of the aqueduct's capacity in the 1950s led to the construction of additional houses. Since the 1960s, employee housing has been reduced from a maximum of 160 units to the current 100 units, primarily due to the increased availability of off-site housing near Intake and Gene Pumping Plants. At present, five houses are located at Intake Pumping

Plant, 40 at Gene Pumping Plant, 28 at Iron Mountain Pumping Plant, 15 at Eagle Mountain Pumping Plant, 11 at Hinds Pumping Plant, and one at Copper Basin Reservoir.

Metropolitan has performed routine maintenance on each of the CRA houses since they were built, but following decades of continuous use and exposure to the harsh desert environment, deterioration has occurred. While most of the units can be renovated cost-effectively, several houses have deteriorated beyond repair and are being replaced. A majority of the houses are planned to be renovated.

In May and July 2017, Metropolitan's Board authorized a comprehensive program to improve employee housing for the CRA, including: (1) construction of 10 new houses; (2) refurbishment of approximately 89 houses requiring minor or moderate levels of renovation; and (3) upgrade of kitchens and guest lodge facilities at Eagle Mountain and Iron Mountain Pumping Plants.

The goal of the renovations is to improve the existing houses, where practical, so they are comparable to the new houses currently under construction. As a result, staff has prioritized 20 of the houses for renovation under a pilot program, including the two houses at Eagle Mountain Pumping Plant that are the subject of this action. While planning and construction to renovate all 89 houses will move forward, the work is being expedited for the initial 20 houses.

The condition of the existing houses varies from unit to unit. In order to establish the most favorable project delivery method to complete the renovations, staff has selected several houses that will be addressed in alternate ways. For example, several houses will be renovated by Metropolitan forces, while the subject contract will renovate two houses via a single construction contract. Once the pilot program has been completed, staff will return to the Board with a recommended construction approach and an updated cost estimate to complete the renovations for the remaining 69 houses.

CRA Housing Rehabilitation – Construction (No Funds Required)

The scope of the contract to renovate Houses 41 and 146 at Eagle Mountain Pumping Plant includes: (1) upgrading electrical and plumbing systems; (2) installing new doors, windows, and cabinetry for kitchens and bathrooms; (3) replacing roofs and the heating, ventilating, and air conditioning (HVAC) units; (4) repairing structural components such as roof joists and floor foundations; (5) lead abatement; (6) sewer and water re-piping; and (7) interior and exterior painting. Metropolitan staff will perform inspection of the construction.

Specifications No. 1918 for the renovation of two houses at Eagle Mountain Pumping Plant was advertised for bid on December 11, 2017. As shown in **Attachment 1**, four bids were received and opened on January 11, 2018. The low bid from Visionary Builders, Inc. in the amount of \$378,985 complies with requirements of the specifications. The three higher bids ranged from \$428,000 to \$515,662, while the engineer's estimate was \$440,000. For this project, Metropolitan established a Small Business Enterprise (SBE) participation level of 10 percent of the bid amount. Visionary Builders, Inc. is an SBE firm and thus achieves 100 percent participation. The subcontractors for this contract are T. R. Plumbing, AM/PM Electric, and O. J. Insulation.

This action awards a \$378,985 contract to Visionary Builders, Inc. for the renovation of two houses at Eagle Mountain Pumping Plant. This project has been evaluated and recommended by Metropolitan's CIP Evaluation Team, and funds are available within the fiscal year 2017/18 capital expenditure plan. The projected cost to complete the renovations to 89 CRA houses will be developed based on the actual costs incurred during the pilot program for the initial 20 houses. Staff will return to the Board in late 2018 to review the projected cost to complete the work. See **Attachment 1** for the Abstract of Bids and **Attachment 2** for the Location Map.

This project is included within capital Appropriation No. 15495, the Operational Support Facility Improvements Appropriation, which was initiated in fiscal year 2015/16. No funds are required to be appropriated for this work, as sufficient funds were previously appropriated and are available within Appropriation No. 15495.

Project Milestone

July 2018 – Completion of renovation of two houses at Eagle Mountain Pumping Plant

Policy

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

By Minute Item 50821, dated May 9, 2017, the Board authorized construction to renovate approximately 89 houses at the CRA pumping plants.

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is categorically exempt under the provisions of CEQA and the State CEQA Guidelines. The proposed project involves the funding; final design; and minor alterations, reconstruction or replacement of existing public facilities along with the construction of minor appurtenant structures with no expansion of use and no possibility of significantly impacting the physical environment. In addition, the proposed project involves minor modifications in the condition of land, water, and/or vegetation which does not involve removal of healthy, mature, scenic trees. Accordingly, the proposed action qualifies under Class 1, Class 2, Class 3, and Class 4 Categorical Exemptions (Sections 15301, 15302, 15303, and 15304 of the State CEQA Guidelines).

The CEQA determination is: Determine that pursuant to CEQA, the proposed action qualifies under four Categorical Exemptions (Class 1, Section 15301; Class 2, Section 15302; Class 3, Section 15303; Class 4, Section 15304 of the State CEQA Guidelines).

CEQA determination for Option #2:

None required

Board Options

Option #1

Adopt the CEQA determination that the proposed action is categorically exempt, and

Award \$378,985 contract to Visionary Builders, Inc. to renovate two houses at Eagle Mountain Pumping Plant.

Fiscal Impact: None. Funds for this work were appropriated previously.

Business Analysis: This option will preserve Metropolitan assets and maintain an appropriate standard of living for staff stationed at Metropolitan's desert facilities.

Option #2

Do not proceed with the project at this time.

Fiscal Impact: None

Business Analysis: This option would delay the completion of housing renovations planned for the CRA pumping plants.

Staff Recommendation

Option #1



Gordon Johnson
Manager/Chief Engineer
Engineering Services

1/25/2018

Date



Jeffrey Kightlinger
General Manager

1/31/2018

Date

Attachment 1 – Abstract of Bids

Attachment 2 – Location Map

Ref# es12658356

The Metropolitan Water District of Southern California

Abstract of Bids Received on January 11, 2018 at 2:00 P.M.

Specifications No. 1918

Eagle Mountain Pumping Plant – Renovation of Houses 41 & 146

The project consists of renovating two homes and two detached garages, including the flooring, windows, paint, and plumbing; remodeling kitchens and bathrooms; replacing interior and exterior doors; replacing electrical wiring; and insulating garages.

Engineer's estimate: \$440,000

Bidder and Location	Total	SBE \$	SBE %	Met SBE¹
Visionary Builders, Inc. Colton, CA	\$378,985	\$378,985	100	Yes
ShIPLEY Construction & Plumbing Yucca Valley, CA	\$428,000	-	-	-
CopperTop Enterprises, Inc. Orange, CA	\$505,216	-	-	-
Proterra Builders, Inc. Hesperia, CA	\$515,662	-	-	-

¹SBE (Small Business Enterprise) participation level was established at 10% for this contract.

Location Map

