



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

5/8/2018 Board Meeting

8-6

Subject

Adopt CEQA determination and appropriate \$5.85 million; and award \$3.74 million contract to Mladen Buntich Construction Company, Inc. for improvements to the domestic and fire water system at the La Verne site (Appropriation No. 15477)

Executive Summary

This action awards a construction contract for improvements to the domestic and fire water system that serves Metropolitan's La Verne facilities. This system needs to be upgraded to accommodate the building additions and treatment process modifications that have recently been completed or are planned at the La Verne site.

Timing and Urgency

Metropolitan's La Verne facilities rely on a single combined domestic and fire water system. Adequate water pressure must be maintained at all times throughout the F. E. Weymouth Water Treatment Plant and the other buildings at the site, in order to provide fire protection, reliable disinfection of water produced by the plant, and potable service throughout the site. Most of the piping in the domestic and fire water system was installed during the Weymouth plant's original construction nearly 80 years ago. Due to the decades of continuous use and the addition of numerous structures at the site over the years, much of the water system needs to be enlarged or replaced to provide an adequate level of service and to comply with current fire codes.

This project has been reviewed with Metropolitan's Capital Investment Plan (CIP) prioritization criteria and is included in the Treatment Plant Reliability Program. Funds for this action are available within Metropolitan's capital expenditure plan for fiscal year 2017/18.

Details

Background

The Weymouth plant was placed into service in 1941 and is located in the city of La Verne. In addition to the treatment plant, the La Verne site accommodates numerous support facilities including the Water Quality Laboratory, Central Stores Warehouse, Field Engineering Buildings, Machine Shop, Auto Shop, and Coating Shop. Each of these facilities provides centralized support to the entire conveyance and distribution system.

The existing domestic and fire water system at the La Verne site combines potable water, service water, and fire protection within a single water distribution system. This system forms a general loop around the site, with inner loops that provide water to individual buildings. The primary source of water for the domestic and fire water system is the treated water stored in the plant's finished water reservoir. Five vertical turbine pumps are used to pump water from the reservoir into the domestic and fire water system.

Metropolitan staff conducts regular maintenance of the water system's equipment and piping, which continues to perform reliably. However, these items are exhibiting signs of normal wear and tear, as may be expected from nearly 80 years of operation. In conjunction with design of the Weymouth Oxidation Retrofit Program (ORP), a comprehensive assessment of the domestic and fire water system was conducted in accordance with the California Fire Code. This assessment was based on the needs of new and planned facilities, and considered the potential

addition of fire sprinklers in several existing buildings. The assessment concluded that the water system needs to be upgraded, including the addition of new looped water lines, several fire hydrants, a surge chamber, and several air release/vacuum valves. In addition, some reaches of pipeline and various components of the pump station need to be replaced.

Portions of the domestic and fire water system were upgraded in conjunction with the Weymouth ORP. In October 2014, Metropolitan's Board authorized design of the final improvements to the domestic and fire water system at the La Verne site. Design has been completed, and staff recommends award of the construction contract at this time.

Weymouth Domestic and Fire Water System Improvements – Construction (\$5.85 million)

The final improvements to the domestic and fire water system will complete the distribution loop around the site and provide needed upgrades to the system's pump station. These improvements will include: (1) installation of mortar-lined steel pipe along the west side of the site; (2) addition of fire hydrants, air release/vacuum valves, and a surge protection system; (3) replacement of three pumps and motors, variable frequency drives, and controls; and (4) installation of associated power and control equipment, including a motor control center and Uninterruptible Power Supply (UPS) system.

Award of Construction Contract (Mladen Buntich Construction Company, Inc.)

Specifications No. 1864 for construction of the domestic and fire water system improvements at the La Verne site was advertised for bids on February 8, 2018. As shown in **Attachment 2**, four bids were received and opened on March 22, 2018. The apparent low bidder requested to be released from its bid in accordance with the California Public Contract Code, due to an inadvertent clerical error made during the bid process which materially changed its bid. Upon review of the request, the apparent low bidder was released from its bid. The second low bid from Mladen Buntich Construction Company, Inc. in the amount of \$3.74 million complies with the requirements of the specifications. The two higher bids were \$3,893,659 and \$4,513,175, while the engineer's estimate was \$3.9 million. For this contract, Metropolitan established a Small Business Enterprise (SBE) participation level of at least 25 percent of the bid amount. Mladen Buntich Construction Company, Inc. is an SBE firm, and thus achieves 100 percent SBE participation. The subcontractors for this contract are listed in **Attachment 3**.

This action appropriates \$5.85 million and awards a \$3.74 million contract to Mladen Buntich Construction Company, Inc. for construction of improvements to the domestic and fire water system at the La Verne site. In addition to the amount of the contract, the requested funds include \$613,000 for Metropolitan forces to perform updates to the local Supervisory Control and Data Acquisition (SCADA) system associated with the water system, to procure and install a remote terminal unit (RTU) for the pump station, and to perform piping tie-ins, testing, and start-up activities; \$481,000 for construction inspection; \$225,000 for project management, environmental monitoring, and construction contract administration; \$230,000 for submittals review, responding to contractor requests for information, and preparation of record drawings; and \$561,000 for remaining budget.

Metropolitan staff will perform inspection of the construction. For this project, the anticipated cost of inspection is approximately 11 percent of the total construction cost. Engineering Services' goal for inspection of projects with construction greater than \$3 million is 9 to 12 percent. The total cost of construction for this project, which includes the contract (\$3.74 million) and Metropolitan force activities (\$613,000), is approximately \$4.35 million.

The total estimated cost to complete the domestic and fire water system improvements, including the amount appropriated to date and current funds requested, is approximately \$7.5 million.

This project is included within capital Appropriation No. 15477, the Weymouth Improvements Appropriation – FY 2012/13 Through FY 2017/18, which was initiated in fiscal year 2012/13. With the present action, the total funding for Appropriation No. 15477 will increase from \$52,698,950 to \$58,548,950.

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. See **Attachment 1** for the Financial Statement, **Attachment 2** for the Abstract of Bids, **Attachment 3** for the listing of Subcontractors for Second Low Bidder, and **Attachment 4** for the Location Map.

Project Milestone

February 2020 – Completion of construction of domestic and fire water system improvements at the La Verne site

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

By Minute Item 49917, dated October 14, 2014, the Board authorized final design to improve the domestic and fire water system at the Weymouth plant.

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The environmental effects from the domestic and fire water system improvements at the La Verne site were evaluated in the F. E. Weymouth Water Treatment Plant Program Final Environmental Impact Report (Final EIR), which was certified by the Board on April 14, 2015. 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 solely based on award of a construction contract for the project, and not on any changes to the approved program 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 2015 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 certified Final EIR, findings, SOC, and MMRP, and that no further environmental analysis or documentation is required, and

- a. Appropriate \$5.85 million; and
- b. Award \$3.74 million contract to Mladen Buntich Construction Company, Inc. for construction of domestic and fire water system improvements at the La Verne site.

Fiscal Impact: \$5.85 million of capital funds under Appropriation No. 15477

Business Analysis: This option will rehabilitate aging infrastructure at the La Verne site and enhance the reliability of Weymouth plant operations.

Option #2

Do not proceed with construction at this time

Fiscal Impact: None

Business Analysis: This option would forego an opportunity to upgrade the water system to comply with current fire codes and to enhance treatment process reliability at the Weymouth plant.

Staff Recommendation

Option #1



Gordon Johnson
Manager/Chief Engineer
Engineering Services

4/17/2018
Date



Jeffrey Kightlinger
General Manager

4/26/2018
Date

Attachment 1 – Financial Statement

Attachment 2 – Abstract of Bids

Attachment 3 – Subcontractors for Second Low Bidder

Attachment 4 – Location Map

Ref# es12661741

Financial Statement for Weymouth Improvements Appropriation – FY 2012/13 Through FY 2017/18

A breakdown of Board Action No. 17 for Appropriation No. 15477¹ is as follows:

	Previous Total Appropriated Amount² (Oct. 2016)	Current Board Action No. 17 (May 2018)	New Total Appropriated Amount
Labor			
Studies & Investigations	\$ 1,520,118	\$ -	\$ 1,520,118
Final Design	2,859,600	-	2,859,600
Owner Costs (Env. monitoring, contract admin., program mgmt.)	2,261,422	225,000	2,486,422
Submittals Review & Record Drwgs.	406,200	230,000	636,200
Construction Inspection & Support	3,620,000	481,000	4,101,000
Metropolitan Force Construction	1,276,508	456,000	1,732,508
Materials & Supplies	78,300	110,000	188,300
Incidental Expenses	101,900	47,000	148,900
Professional/Technical Services	3,300,800	-	3,300,800
Equipment Use	85,600	-	85,600
Contracts	35,237,381	-	35,237,381
Mladen Buntich Const. Co., Inc.	-	3,740,000	3,740,000
Remaining Budget	1,951,121 ³	561,000	2,512,121
Total	\$ 52,698,950	\$ 5,850,000	\$ 58,548,950

Funding Request

Appropriation Name:	Weymouth Improvements Appropriation – FY 2012/13 Through FY 2017/18		
Source of Funds:	Revenue Bonds, Replacement and Refurbishment or General Funds		
Appropriation No.:	15477	Board Action No.:	17
Requested Amount:	\$ 5,850,000	Budget Page No.:	264
Total Appropriated Amount²:	\$ 58,548,950	Total Appropriation Estimate:	\$ 81,800,000

¹ The total amount expended to date on the domestic and fire water system improvements at the La Verne site is approximately \$1.6 million. The total estimated cost to complete the project, including the amount appropriated to date and current funds requested, is approximately \$7.5 million.

² The total appropriated amount reflects the transfer of \$868,000 from this appropriation into Appropriation No. 15495, the Operations Support Facilities Improvements Appropriation, as authorized by the Board in January 2018.

³ Includes reallocation from Remaining Budget of \$636,100 for design to upgrade the domestic water pump station to meet current codes; \$295,000 for site investigations and design to avoid utility conflicts for the water quality instrumentation building; \$20,000 for assessment to rehabilitate the Oxidation Demonstration Plant testing facility to meet health and safety regulations; \$16,800 for changes during construction to improve access to a chemical scrubber platform; and a cost transfer of \$131,000 authorized by the Board in August 2015 for the scrubber platform project.

The Metropolitan Water District of Southern California
Abstract of Bids Received on March 22, 2018 at 2:00 P.M.
Specifications No. 1864
Weymouth Domestic Water System Improvements

The work includes installation of mortar-lined steel pipe, fire hydrants, air release/vacuum valves, and a surge protection system, and replacement of three pumps and motors, variable frequency drives, and controls.

Engineer's estimate: \$3,900,000

Bidder and Location	Total	SBE \$	SBE %	Met SBE¹
Minako America Corporation dba Minco Construction ² Gardena, CA	\$3,000,000 ²	-	-	-
Mladen Buntich Construction Company, Inc. Upland, CA	\$3,740,000	\$3,740,000	100	Yes
Environmental Construction, Inc. Woodland Hills, CA	\$3,893,659	-	-	-
PCL Construction, Inc. Long Beach, CA	\$4,513,175	-	-	-

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

² Minako America Corporation dba Minco Construction requested to be released from its bid in accordance with the Public Contract Code due to an inadvertent clerical error made during the bid process which materially changed its bid.

The Metropolitan Water District of Southern California

Subcontractors for Second Low Bidder

Specifications No. 1864

Weymouth Domestic Water System Improvements

Second low bidder: Mladen Buntich Construction Company, Inc.

Subcontractor and Location
Simpson Sandblasting, Fontana, CA
US Controls, Ontario, CA

