



- Board of Directors
Real Property and Asset Management Committee

5/14/2019 Board Meeting

8-7

Subject

Authorize the Employee Village Enhancement Program and agreement with Roesling Nakamura Terada Architects in the amount not to exceed \$1,500,000 to prepare a conceptual master plan and to conduct property assessments for District housing; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

This action authorizes the Employee Village Enhancement Program and an agreement for preparation of a master plan document for a Colorado River Aqueduct (CRA) pumping plant village and to conduct property assessments of existing workforce housing.

At the December 2018 Committee meeting, staff provided an update and discussed general strategies for the planned improvement of workforce housing. Staff recommends the preparation of a detailed master plan for one village. The master planning process will seek employee input, inform program strategy, and develop an opinion of probable cost and schedule. The ultimate goal of the Village Enhancement Program is to enhance living conditions in the employee villages to attract and retain skilled employees.

The Employee Village Enhancement Program was not included in the Capital Investment Plan (CIP) budget for fiscal years 2018/19 and 2019/20, and projects not included in the CIP budget require specific board authorization to proceed. Recently, this project was reviewed in accordance with Metropolitan's CIP prioritization criteria and is now recommended to be included as a new capital program. This new capital program has now been added to the existing 12 capital programs for effective management of similar projects. Based on the current CIP expenditure forecast, no additional appropriation of funds is necessary to complete this work.

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, and siphons. The construction of the aqueduct in the late 1930s required support facilities, which prompted the construction of villages to house the CRA workforce.

The villages remained in place for use by employees that operate and maintain the newly constructed aqueduct. Subsequently, the expansion of the aqueduct's capacity in the 1950s, led to the construction of additional houses, kitchens, and lodges needed for the next decade. However, since the 1960s, employee housing has been steadily reduced from 160 units to approximately 89 units due to evolving business needs and the increased availability of offsite housing near the Whitsett Intake and the Gene Pumping Plant.

Today, housing is provided for assigned staff due to the remoteness of facilities and to ensure a rapid 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. Additionally, based on scheduled and projected projects, temporary lodging is provided for employees inspecting job sites or on short term assignments; and the Board of Directors inspection trips. Employee housing, lodges, kitchens, and related amenities will be continuously evaluated as Metropolitan business needs evolve.

Metropolitan has performed routine maintenance on each of the CRA houses, kitchens, and lodges 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 may be renovated cost-effectively, several houses and lodges have deteriorated beyond repair and have been replaced or demolished.

In May and July 2017, Metropolitan's Board authorized the following: (1) construction of ten new houses; (2) refurbishment of approximately 89 houses requiring minor or moderate levels of renovation; (3) a renovation study of Eagle and Iron Mountain kitchen facilities; and (4) a renovation study of Eagle and Iron lodging facilities. Construction of ten new houses was completed in June 2018, eight of the 89 house renovations were completed in October 2018 and lastly, the kitchen and lodging facilities studies have been completed.

In September 2018, Metropolitan's Board awarded a contract for the renovation of three houses at the Iron Mountain village. The renovations of these three homes were completed this month. With this last construction contract, a total of \$12,500,000 was appropriated and expended.

Development of Master Planning Document

Master planning activities include the development of a comprehensive approach and strategies to improve the villages; establishment of design standards and criteria for all the assets; and incorporating modern amenities, water-wise landscaping, water conservation, renewable energy, and recycling efforts. All these efforts are intended to enhance the living conditions in the desert environment and to attract and retain skilled employees.

Although the goal of this project is to develop a master plan for all the desert villages, this request will focus on a single village and seek participation from the resident employees; and subsequently, present the jointly developed concept to the Board. The scope of work will also include conducting a property assessment for each house as none of the houses have architectural record drawings.

Property assessment activities include field investigations for all desert houses to set determination criteria for demolition, renovation, or replacement options and to develop design and construction strategies for the individual house at each village.

Deliverables for this request will be a master plan document that includes approach and strategies for village enhancement options including the employee housing, kitchen and lodge and a preliminary opinion of probable construction cost and project schedule.

Architecture and Engineering Services Support – New Agreement

Request for Qualification (RFQ) No. 1198 was issued in December 20, 2018, to establish a pool of qualified firms to support projects related to Metropolitan's housing improvements. Statements of Qualifications for Architecture and Engineering services have been evaluated. A new professional services agreement with Roesling Nakamura Terada Architects is recommended at this time. Seven firms submitted for RFQ No. 1198 – Category 1 (Residential Architecture, Community Master Planning, and Landscape Design), and Category 2 (Land Development Civil Engineering). Five firms were prequalified for Category 1; one firm was prequalified for Category 2; firms were selected based on their experience. Residential housing development is considered specialized work and is not part of Metropolitan's core business; therefore Architectural and Engineering consultant(s) is recommended for District housing and community development program.

The scope of work for the consultant includes a village enhancement concept for one pumping plant, preparation of a master plan document, and property assessments for all desert houses. The estimated cost for these services is for the amount not to exceed \$1,500,000. For RFQ No. 1198, Metropolitan established a Small Business Enterprise participation goal level of 25 percent.

Summary

This action authorizes the preparation of a master plan document and authorizes an agreement with Roesling Nakamura Terada Architects consultant to address the overall District housing needs with a not-to-exceed agreement of \$1,500,000.

The cost estimate for staff participation is \$200,000; and \$300,000 for remaining budget. Staff will return to the Board for master planning updates and award of any renovation construction contract.

This project was not included in the CIP budget for fiscal years 2018/19 and 2019/20 and projects not included in the CIP budget require specific board authorization to proceed. Recently, this project was reviewed in accordance with Metropolitan's CIP prioritization criteria and is now recommended to be included in a new capital program named Employee Village Enhancement Program. This new capital program has now been added to the existing 12 capital programs for effective management of similar projects. Based on the current CIP expenditures forecast, no additional appropriation of funds is necessary to complete this work.

Project Milestones

Last Quarter 2019 – Complete conceptual master plan for one pumping plant village

First Quarter 2020 – Complete property assessment for all desert houses

Policy

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

Metropolitan Water District Administrative 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 desert houses

California Environmental Quality Act (CEQA)

CEQA determination for Option #1 and Option #2:

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).

Board Options

Option #1

- a. Amend the current CIP to include this new program
- b. Authorize an agreement with Roesling Nakamura Terada Architects in the amount not to exceed \$1,500,000 to provide master planning of one pumping plant village and to conduct property assessment for all desert houses.

Fiscal Impact: \$1,500,000 in capital funds

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

- a. Amend the current CIP to include this new program
- b. Authorize an agreement with Roesling Nakamura Terada Architects in the amount not to exceed \$1,200,000 to conduct property assessment for all desert houses. Do not authorize master planning.

Fiscal Impact: \$1,200,000 in capital funds

Business Analysis: This option does not address the Board's comments for a comprehensive approach to the District's community development needs.

Staff Recommendation

Option #1



Lilly L. Shraibati
Manager, Real Property

4/24/2019
Date



Jeffrey Lightlinger
General Manager

4/30/2019
Date

Attachment 1 – Allocation of Budgeted Funds

Attachment 2 – Location Map

Attachment 3 – Summary of Architecture and Engineering Respondents

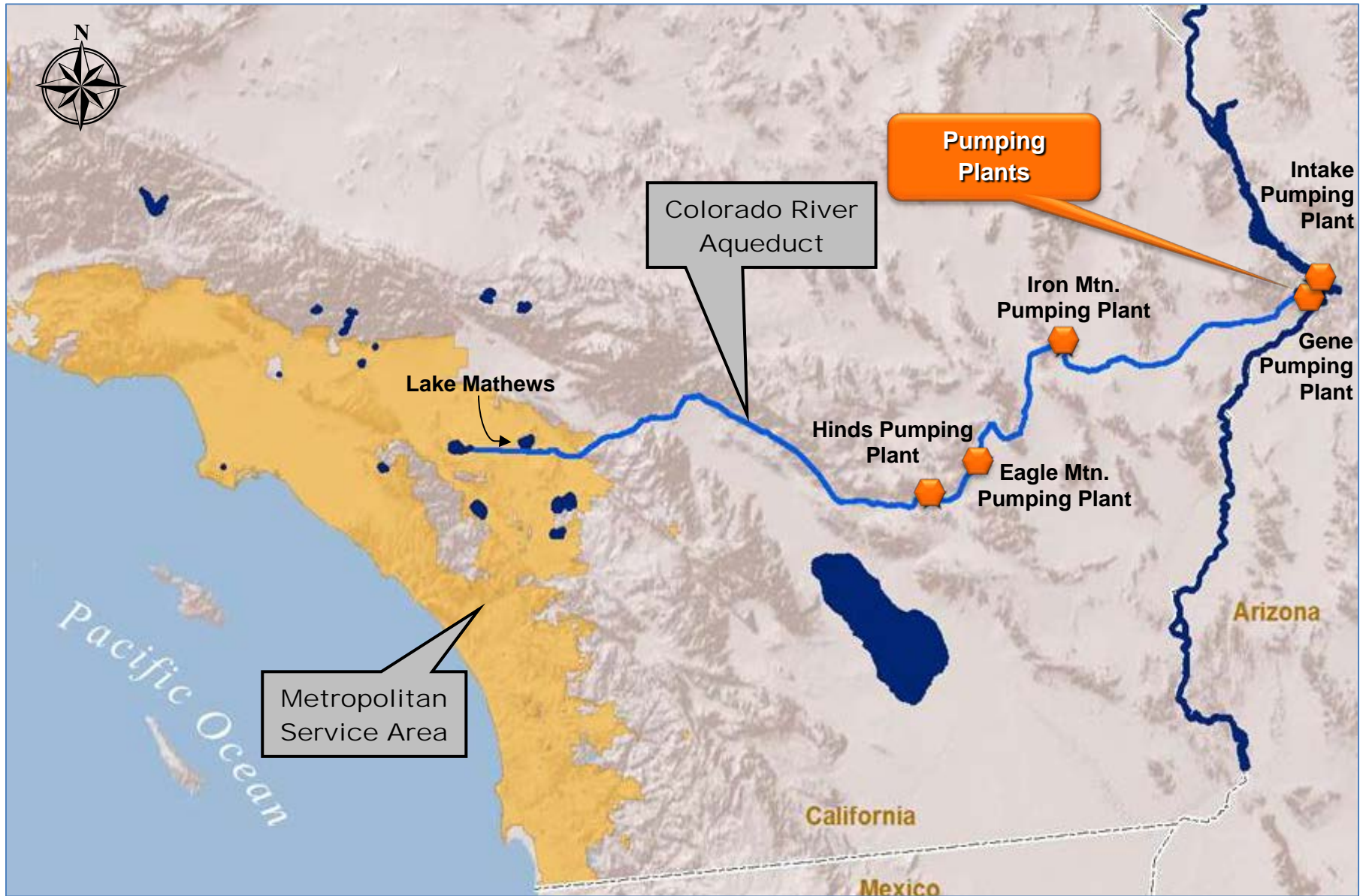
Ref rpdm12664245

Allocation of Budgeted Funds for Employee Village Enhancement Project

	Current Board Action (May 2019)
Labor	
Studies & Investigations	\$ 100,000
Final Design	-
Owner Costs (Program management)	100,000
Submittals Review & Record	-
Construction Inspection & Support	-
Metropolitan Force Construction	-
Materials & Supplies	-
Incidental Expenses	-
Professional/Technical Services	-
RNT Architects, Inc.	1,000,000
Right-of-Way	-
Equipment Use	-
Contracts	-
Remaining Budget	300,000
Total	\$ 1,500,000

The total cost to complete this project, including the amount of funds allocated for the work described in the action, and future construction costs, is anticipated to range from \$41 million to \$78 million.

Location Map



The Metropolitan Water District of Southern California

Summary of Respondents Received on January 31, 2019 at 11:00 P.M.

**Request for Qualifications No. 1198
Residential Architectural and Engineering Services**

Respondents submitted for:

	Respondent	Location	Category 1	Category 2
1	AE3 Partners	Los Angeles, CA	✓	
2	Azizi Architects Inc.	Newport Beach, CA	✓	✓
3	American Engineers	Anaheim, CA	✓	
4	BirbaGroup	Los Angeles, CA	✓	
5	Coastal Sage Landscape & Architecture	Encinitas, CA	✓	
6	Roesling Nakakmura Terada Architects, Inc.	Escondidos, CA	✓	
7	Torti Gallas+Partners	Los Angeles, CA	✓	

Respondents qualified for:

	Respondent	Location	Category 1	Category 2
1	AE3 Partners	Los Angeles, CA	✓	
2	Azizi Architects Inc.	Newport Beach, CA		✓
3	American Engineers	Anaheim, CA		
4	BirbaGroup	Los Angeles, CA		
5	Coastal Sage Landscape & Architecture	Encinitas, CA	✓	
6	Roesling Nakakmura Terada Architects, Inc.	Escondidos, CA	✓	
7	Torti Gallas+Partners	Los Angeles, CA	✓	

Category 1 – Residential architecture, community master planning, and landscape design services

Category 2 – Land development civil engineering service