

CRESCENTA VALLEY WATER DISTRICT

**2700 Foothill Boulevard
La Crescenta, California**

**Agenda for the
Adjourned Regular Meeting of the Board of Directors
of the Crescenta Valley Water District
to be held on Tuesday, September 19, 2017 at 7:00 p.m.**

Posted: September 15, 2017 at 3:00 p.m.

Any written materials distributed to the Board in connection with this agenda will be made available at the same time for public inspection at the District office located at the above address.

Call to Order and Determination of Quorum

Pledge of Allegiance

Adoption of Agenda

At this time the public shall have an opportunity to comment on any non-agenda item relevant to the subject matter jurisdiction of the Board. This opportunity is non-transferable and speakers are limited to one three (3) minute comment.

Foothill Municipal Water District Report

1. Report on activities at Foothill Municipal Water District.

Consent Calendar

1. Consideration and approval of Minutes of the Regular Meeting on September 5, 2017.
2. Ratification of Disbursements for August 2017.
3. New Emergency Electrical Generator at the La Granada Wastewater Lift Station, Project S-962 – Consideration and motion to authorize the General Manager to advertise for bids for the installation of a new emergency electrical generator at the La Granada wastewater lift station with an engineer's estimate of \$87,000 and to find said project exempt from the provisions of CEQA.
4. 8-inch Water Main Replacement on the 2700, 3000 & 3100 Blocks of Brookhill Ave., Project E-982 – Consideration and motion to authorize the General Manager to advertise for bids for the construction of 2,700 lineal feet of pipeline replacement on the 2700, 3000 & 3100 Blocks of Brookhill Ave. with an engineer's estimate of \$624,000 and to find said project exempt from the provisions of CEQA.

Action Calendar

The public shall have an opportunity to comment on any action item as each item is considered by the Board prior to action being taken. This opportunity is non-transferable and speakers are limited to one two (2) minute comment.

1. **ACWA Region 8 Election** – Consideration and motion to cast the District's ballot for ACWA Region 8 Chair, Vice Chair and Board Members for the 2018-19 term.
2. **CVWD's Well 2 and Related Facilities, Project E-956** – Consideration and motion to authorize the General Manager to award a contract to the lowest responsible bidder, California Building Evaluation & Construction, Inc. for the construction of Well 2 and related facilities at a cost of \$1,245,501 and establish a contingency amount of \$124,550 (10% of contract) to cover the cost of unforeseen or additional work.

3. **Steel Reservoir Rehabilitation at Oak Creek #1 & #2 Reservoirs, Project E-970**
 - a. Consideration and motion to authorize the General Manager to award a contract to the lowest responsible bidder, Advanced Industrial Services, Inc. for the rehabilitation of Oak Creek #1 & #2 Reservoirs at a cost of \$869,300 including alternative bid items.
 - b. Consideration and motion to authorize the General Manager to enter into an agreement with Harper & Associates Engineers, Inc for Quality Control Inspection Services for the rehabilitation of Oak Creek #1 & #2 Reservoirs a cost not-to-exceed \$80,000
4. **California Water Fix** – Discussion regarding the District's position on the California Water Fix Project proposed by the California Department of Water Resources.

Information Items

Written Communications to District/Board

General Manager's Report

Attorney Report

Reports of Committees

- **Engineering Committee**
- **Finance Committee**
- **Employee Relations Committee**
- **Policy Committee**
- **Community Relations/Water Conservation Committee**
- **Emergency Planning Committee**

Director's Oral Reports

Report on issues, meetings, or activities attended by Directors.

Board Members' Request for Future Agenda Items

Adjournment

CRESCENTA VALLEY WATER DISTRICT REGULAR MEETING, BOARD OF DIRECTORS

September 5, 2017

Pursuant to the order of the Board of Directors of the Crescenta Valley Water District, made at the Regular Meeting of August 15, 2017, a Regular Meeting was held on September 5, 2017, at 7:00 p.m. at the District office at 2700 Foothill Blvd., La Crescenta, California, with President James D. Bodnar presiding.

At roll call, the following Directors and staff members were present:

Directors:	James D. Bodnar Michael L. Claessens Kerry D. Erickson Kenneth R. Putnam Judy L. Tejada
Attorney:	Thomas S. Bunn
General Manager:	Thomas A. Love
Secretary-Treasurer:	Ron L. Mitchell
District Engineer:	David S. Gould
Others Present:	Wendy Holloway, Customer Accounts Supervisor Dennis Maxwell, Superintendent Kathy Ross, FMWD Director

PLEDGE OF ALLEGIANCE

President Bodnar opened the meeting by asking Director Putnam to lead the Board and staff in reciting the Pledge of Allegiance.

ADOPTION OF AGENDA

It was moved by Director Tejada, seconded by Director Erickson and carried by a 5-0 vote that the Agenda for the Regular Meeting of September 5, 2017 be adopted as presented.

PUBLIC COMMENT – None

FOOTHILL MUNICIPAL WATER DISTRICT REPORT – Kathy Ross reported that the FMWD board met on August 21, 2017 and they took action on the Region 8 board ballot and voted on the slate that was presented. Also there are FMWD Board members that are interested in being on some on the ACWA committees. They discussed the MWD Water Fix, and are in support of the program. She reported that on September 23rd, the Descanso Wet & Wonderful event will be from 9:00 a.m. to 3:00 p.m. and they will have rain barrels again for purchase.

CONSENT CALENDAR

It was moved by Director Claessens, seconded by Director Tejeda and carried by a 5-0 vote to approve the Minutes of the Regular Board Meeting held on August 15, 2017.

ACTION CALENDAR

Adopt Post Issuance Tax Compliance Policy – Mr. Love reported that at the August 15, 2017 Board meeting, the Board approved Resolution No. 738 for the District refinancing of the existing debt, however, legal counsel requested the Tax Compliance item be removed for further review. Mr. Bunn discussed the Post-Issuance Tax Compliance Policy and the Addendum for 2017 Installment Sale Agreement.

Following discussion:

It was moved by Director Claessens, seconded by Director Tejeda and carried by a 5-0 vote to adopt Post-Issuance Tax Compliance Policy related to the refinancing of the 2007 Certificates of Participation.

CVWD's Well 2 and Related Facilities, Project E-956 – Mr. Gould reported in June that we advertised for bids for this project and on August 8th there was a pre-bid meeting. August 30, 2017 the District opened the bids and found California Building Evaluation & Construction, Inc. was the lowest bidder. During the process of reviewing the bid, the second lowest bidder, Pacific Hydrotech Corporation sent an e-mail request with comments questioning whether CBEC complied with the bid proposal submittal requirements. Staff reviewed the e-mails with CVWD's legal counsel and determined several options to review with the Board. Following discussion, it was said to table this action item until the September 19, 2017 meeting to allow staff and legal counsel more time to review this matter.

CVWD's Well 2 and Related Facilities, Project E-956 – Mr. Gould reported that in October 2015, SA Associates (SA) was awarded a professional service agreement (PSA) for the design of CVWD's Well 2 and related facilities at a cost of \$114,000. SA completed the design services and prepared bid documents. SA was involved in a number of changes that CVWD initiated during the design process. Staff has requested a proposal from SA to provide construction support services during the construction of CVWD's Well 2 and related facilities. Staff's recommendation is to amend the existing professional services agreement with SA Associates, Inc. to provide additional engineering services and construction support services for a not-to-exceed cost of \$71,600.

Following discussion:

It was moved by Director Claessens, seconded by Director Tejeda and carried by a 4-1 (Putnam) vote to authorize the General Manager to amend the existing professional service agreement with SA Associates, Inc. to provide additional engineering services and construction support service for CVWD's Well 2 and Related Facilities at Ordunio Reservoir for a not-to-exceed cost of \$71,600.

INFORMATION ITEMS – None

WRITTEN COMMUNICATIONS TO DISTRICT – None

REPORTS OF PERSONNEL

GENERAL MANAGER – Mr. Love reported on the FY 2016/17 Investment earnings and gains that exceed budget. Also, one of the temporary employees has been moved to a full time employee and that we still have two temporary employees. Four employees have work anniversaries in September. David Inman – 1 year, Pete Hilke – 5 years, Brook Yared – 10 years, Bryan Jones – 22 years.

ATTORNEY – Mr. Bunn gave an update on legislation. He discussed SB623 – Water Tax and that opposition to the bill has had an effect and the assembly has now made it a 2-year bill. A bill has been passed and signed that unions have the ability to be part of orientation for new employees. He also said that Lagerlof, Senecal Gosney & Kruse they will hold ethics training for compliance to AB1234 at their office.

REPORTS OF COMMITTEES

Engineering Committee – Mr. Claessens reported that the Committee met on September 5, 2017 at 6:00 p.m. and discussed status of Groundwater Wells and capacity, award of contract for Project E-956 and amendment to contract for additional engineering and construction support for Project E-956, and a preliminary schedule for the CVWD Water Master Plan.

Finance Committee – Director Tejeda reported that the Committee had not met; however a meeting will be scheduled as needed.

Employee Relations Committee – Director Putnam reported that the Committee had not met; however a meeting will be scheduled as needed.

Policy Committee – Director Bodnar reported that the Committee had not met; however a meeting will be scheduled as needed.

Community Relations/Water Conservation Committee – Director Erickson reported that the Committee had not met; however a meeting will be scheduled as needed.

Emergency Planning Committee – Director Bodnar reported that the Committee had not met; however a meeting will be scheduled as needed.

Executive Committee – Director Bodnar reported that the Committee had not met; however a meeting will be scheduled as needed.

DIRECTORS ORAL REPORTS

Director Bodnar praised employees for going above and beyond duties during the La Tuna Fire. On August 16th he attended the CA-NV Seminar and saw several District employees in the same classes.

Director Claessens – No Report

Director Tejeda reported that she will attend the ACWA/JPIA meetings in December 2017. Also she requested that an article be written to let the public know how the District handled the La Tuna Fire and lessons learned for the CV Weekly.

Director Putnam reported on a need for the water community to help fund a program to help disadvantaged communities to get a clean potable water system.

Director Erickson – No report

ADJOURNMENT

There being no other business to come before the Board at 7:57 p.m., it was moved by Director Claessens and seconded by Director Tejeda and carried by a 5-0 vote that the meeting be adjourned to September 19, 2017 at 7:00 p.m.

APPROVED

James D. Bodnar
President

Ron L. Mitchell
Secretary-Treasurer

CASH DISBURSEMENTS LIST

AUGUST 2017



<u>Check#</u>	<u>Check Date</u>	<u>Payable To</u>	<u>Purpose</u>	<u>Water Amount</u>	<u>Wastewater Amount</u>
0	8/10	CalPERS	CalPers contributions for 07/2017	21,372.72	12,318.34
0	8/29	Southern California Edison Co.	Power purchased 08/2017	30,505.04	469.86
36081	8/3	Sylvia Gribbell	Refund Check	15.39	
36082	8/3	Acme Wiping Materials	Miscellaneous cleaning supplies	137.00	137.00
36083	8/3	ACV Systems, LLC	Fix altitude valve @Ordunio Reservoir	400.00	
36084	8/3	Anawalt Lumber & Materials Co.	Misc hardware - 06/2017	191.84	
36085	8/3	Sundera Ariathurai	Refund Check	23.33	
36086	8/3	Regino Avalos	Remove hedge next to well #8	400.00	
36087	8/3	Albert Babayan	Refund Check	30.98	
36088	8/3	C.V. Chamber of Commerce	Membership renewal	56.25	18.75
36089	8/3	Cash-Petty Cash	Reimbursement for petty cash	237.36	121.44
36090	8/3	Armida N. Castro	Well site lease 07/2017 - 06/2018	75.00	
36091	8/3	City of LA Bureau Sanitation	Sewerage facilities charge May/June 2017		1,226.97
36092	8/3	Colonial Life & Accidents Ins.	Employee paid insurance 08/2017	183.61	
36093	8/3	Contractor Compliance & Mont Inc.	E-972 - labor compliance for 06/2017	213.75	
36094	8/3	Esther Coronado	Well site lease 07/2017 - 06/2018	75.00	
36095	8/3	Costco Wholesale Membership	Membership renewal 09/2017 to 09/2018	135.00	45.00
36096	8/3	EmbroidMe	Denim blue t-shirts with logo	180.26	60.09
36097	8/3	Grainger	Latex glove dispenser box		99.14
36098	8/3	Gsolutionz Professional Services	Telephone systems repairs at Glenwood	1,607.63	535.88
36099	8/3	Wendy Holloway	Parking expense for Springbrook conference	22.50	7.50
36100	8/3	Industrial Metal Supply Co	Steel rings for unit #53 Vactor truck		32.50
36101	8/3	John Robinson Consulting, Inc.	M-965 Grant assistance	1,950.00	
36102	8/3	Brianne Keith-Urquidez	Well site lease 07/2017 - 06/2018	75.00	
36103	8/3	LA Dept Water and Power	Power purchased 07/2017	48.83	
36104	8/3	Mimecast North America, Inc.	Email security for 07/2017	262.50	87.50
36105	8/3	Neofunds by Neopost	Funds for postage machine	350.00	350.00
36106	8/3	Office Depot - Credit Plan	Office chair, network supplies, misc supplies for 07/2017	908.82	163.59
36107	8/3	Paper Cuts, Inc	Paper shredding 07/2017	26.88	26.87

<u>Check#</u>	<u>Check Date</u>	<u>Payable To</u>	<u>Purpose</u>	<u>Water Amount</u>	<u>Wastewater Amount</u>
36108	8/3	Reliable Road Service, Inc.	Repairs on unit #18 and unit #53	270.00	135.00
36109	8/3	Sawyer Petroleum	1746 gallons of clear diesel fuel	1,309.88	436.63
36110	8/3	Carl Scholten	Refund Check	38.50	
36111	8/3	Mrs. Jo Ann Smith	Well Site Lease 07/2017 - 06/2018	75.00	
36112	8/3	Spectrum Business	Data communications 07/2017 Glenwood	2,108.28	702.74
36113	8/3	Spectrum Business	Data communications 07/2017 Office	2,133.12	711.03
36114	8/3	Sully-Miller Contracting Co.	8.08 tons of cold patch	806.74	
36115	8/3	The Gas Company	Gas purchased 07/2017 Mills house	40.92	13.64
36116	8/3	Total Graphics	Alluminum parking signs at Glenwood Plant	100.00	100.00
36117	8/3	Univar USA Inc	1352 gallons of cl2 for Mills/Glenwood	2,403.63	
36118	8/3	UPS	Shipping charges	14.51	14.51
36119	8/3	Vision Service Plan Co-(CA)	Group vision for 08/2017	269.88	179.92
36120	8/3	Waste Management - Sun Valley	Disposal service 08/2017 Glenwood & Office	781.70	260.56
36121	8/3	Brook Yared	Mileage reimbursement	44.67	11.84
36122	8/10	AVAYA Financial Services	Land line lease 07/2017	380.70	126.90
36123	8/10	Bonnors Equipment Rentals	Misc rentals 07/2017	22.95	22.94
36124	8/10	Capital One Commercial	Misc supplies	5.93	5.93
36125	8/10	CCS Interactive, Inc.	Monthly web hosting 08/2017	78.75	26.25
36126	8/10	Choice Pest Control	Monthly service Well 9	90.50	12.50
36127	8/10	CPC System, Inc.	Repair chlorine treatment pumps at Glenwood	432.50	
36128	8/10	Crescenta Valley Tow Service	Tow Unit #34	33.75	11.25
36129	8/10	Dell Financial Services	Lease contract 07/2017	727.71	242.57
36130	8/10	DMC Engineering	E-957 Lower Pickens Cyn - Services through 08/2017	71.28	
36131	8/10	Eurofins Eaton Analytical Inc.	Water analysis	84.00	
36132	8/10	First Choice	Coffee Service Plant	205.79	205.78
36133	8/10	Foothill Car Wash, Lube & Oil	Oil change for unit #38	35.95	11.98
36134	8/10	Foothill Municipal Water	CVWD/FMWD/Glendale Agreement 06/2017	50.00	
36135	8/10	Gangi Developement	Flooding meter deposit refund	426.59	
36136	8/10	Golden Bell Products, Inc	Time blocks to dissolve roots in sewers		1,136.20
36137	8/10	Gsolutionz Professional Services	Land line support 08/2017	275.54	91.84
36138	8/10	Haaker Equipment Company	Misc supplies for unit #54	52.66	17.56
36139	8/10	Harrington Ind Plastics LLC	1/4"fluid pressure regulators for chlorinators	708.56	
36140	8/10	HD Supply Waterworks Ltd	Flooding Meter	752.61	
36141	8/10	Lagerlof, Senecal, Gosney & Kr	Public Water Agencies Group for 06/2017	575.25	191.75
36142	8/10	Northern Safety Co., Inc	Safety vests marked"CVWD"	265.19	88.40
36143	8/10	Plumbers Depot Inc	Manhole hooks and weld repair on 6" suction tube on Vactor		287.95

<u>Check#</u>	<u>Check Date</u>	<u>Payable To</u>	<u>Purpose</u>	<u>Water Amount</u>	<u>Wastewater Amount</u>
36144	8/10	Robert Brkich Const. Corp	Refund deposit for flooding meter	925.00	
36145	8/10	Robert Brkich Const. Corp	E-733-CS retention payment	2,116.31	
36146	8/10	Royal Wholesale Electric	E-977 - ENC lock kit	66.10	
36147	8/10	Scap	Membership renewal		538.00
36148	8/10	Scotty's Industrial Products	Cut off wheel for masonry saw	58.50	58.50
36149	8/10	Southwestern Bag Co.	Extra large trash bags	182.20	182.20
36150	8/10	Sully-Miller Contracting Co.	Minimum load charge	883.96	
36151	8/10	Toro Kitchen Restuaurant Equip.	Ice cube maker for lab	3,012.20	
36152	8/10	Tri-Xecutex Corp	Check security alarm, smoke detectors - Mills	893.52	297.84
36153	8/10	Underground Service Alert/SC	Underground notifications 07/2017	157.24	52.41
36154	8/10	UPS	Shipping charges	15.33	15.32
36155	8/10	Ver Sales, Inc	Misc tools	43.81	43.81
36156	8/10	Water Education Group	Water conservation educational supplies	4,390.00	
36157	8/11	David Gould	Health Reimbursement - Gould	211.20	140.80
36158	8/11	Mark Hass	Health Reimbursement - Hass	168.00	112.00
36159	8/11	Christy Joana Scott	Health Reimbursement - Scott	314.40	209.60
36160	8/14	Ron Mitchell	Health Reimbursement - Mitchell	162.49	108.32
36161	8/15	A & S Coldplaning, Inc.	Cost to recess steel plates.	950.00	
36162	8/15	Accela, Inc. #774375	Annual Sprinbrook software maintenance 07/01/17 to 06/30/18	10,881.14	3,627.05
36163	8/15	ACWA Joint Powers Ins Authority	Group Health Coverage for 08/2017	34,552.65	22,473.98
36164	8/15	ACWA Joint Powers Ins Authority	Group Health for 09/2017	32,228.58	20,924.60
36165	8/15	ADS, LLC	Monthly sewer flow monitoring 07/2017		1,670.00
36166	8/15	Adventist Health	Temp employee physicals - Wayne Boyce & Keith Howey	210.75	70.25
36167	8/15	Airgas USA, LLC	Monthly cylinder rental	178.81	178.80
36168	8/15	American Tire Depot	Unit #6 - 4 new tires	759.36	253.12
36169	8/15	Ameripride Uniform Services, Inc	Uniform rentals 07/2017	975.19	325.06
36170	8/15	ARC	Monthly MSP billing 07/2017	3,697.01	269.91
36171	8/15	Associated Soils Engineering	E-960 Well 16 Services through 04/30/2016	11,080.00	
36172	8/15	AT&T	Fax line and SCADA line	232.57	34.55
36173	8/15	California Water Environment	Collection System Grade 3 Renewal - Robert Wood	95.00	
36174	8/15	City of Glendale Water & Power	Power purchased 07/2017	34,949.48	102.42
36175	8/15	Coastline Equipment Co.	Repair ECU controller on 410J backhoe	1,627.36	542.46
36176	8/15	Dataprose LLC	Printing & postage Controls 1-4 07/2017	1,663.86	1,663.85
36177	8/15	DMC Engineering	E-957 Lower Pickens Canyon services through 06/2017	32,261.17	
36178	8/15	Do-it Center	Misc hardware 07/2017	154.46	48.38
36179	8/15	Downey Brand Attorneys LLP	ULARA services through 06/2017	245.00	

<u>Check#</u>	<u>Check Date</u>	<u>Payable To</u>	<u>Purpose</u>	<u>Water Amount</u>	<u>Wastewater Amount</u>
36180	8/15	E & R Construction, Inc.	E-957 - final progress payment	21,002.50	
36181	8/15	Empire Fleetwash, LLC	Wash District vehicles	235.50	78.50
36182	8/15	Eurofins Eaton Analytical Inc.	Water analysis	516.00	
36183	8/15	Eurofins Eaton Analytical Inc.	Water analysis	354.00	
36184	8/15	Fisher Scientific Company LLC	Refrigerator for the lab	5,996.00	
36185	8/15	Grainger	Traffic signs 18 x 12	326.21	37.14
36186	8/15	Graybar Electric Co., Inc.	Wall mounted panel enclosures; new battery packs	1,133.83	228.00
36187	8/15	Great America Leasing Corp.	Kyocera copier leases 08/2017	217.96	217.95
36188	8/15	Home Depot Credit Services	Misc hardware 07/2017	221.61	162.24
36189	8/15	J & K Welding	Welding services for Pickens Cyn. Res	1,780.00	
36190	8/15	J&R Concrete Products, Inc	Various meter boxes and lids for stock	6,769.57	
36191	8/15	Mona Kamal	Refund for over payment	899.73	
36192	8/15	L.A. County Dept. Public Works	Excavation permits	3,507.00	
36193	8/15	Lagerlof, Senecal, Gosney & Kr	Legal services 07/2017	2,135.00	1,250.00
36194	8/15	Lincoln Financial Group	Dental, Life, Disability insurance 07/2017	3,420.54	2,280.37
36195	8/15	Lincoln Financial Group	Dental, Life, Disability insurance for 08/2017	3,420.54	2,280.37
36196	8/15	Dennis A. Maxwell, Jr	Reimbursement for plastic containers (275 gals)	100.00	100.00
36197	8/15	Orchard Supply Hardware	Misc hardware 07/2017	858.50	603.23
36198	8/15	Paveco Construction Inc	Special ARHM paving at 5637 & 5360 Ocean View	18,720.00	
36199	8/15	Plumbers Depot Inc	Rebuild kit for ripsaw on unit #53		130.81
36200	8/15	Ramco	Dumping fees for spoils - 07/2017	3,600.00	
36201	8/15	Red Wing Shoe Store	Safety Boots - Jake, Wayne, Keith, Dave S	536.24	178.74
36202	8/15	Reliance Safety Consultants	Safety training course at Plant	487.50	162.50
36203	8/15	Sawyer Petroleum	397.2 gallons of diesel fuel	861.55	287.18
36204	8/15	Shell	Gas purchased 07/2017	1,622.00	540.67
36205	8/15	Staples Business Advantage	Misc supplies 08/2017	67.82	67.81
36206	8/15	Star Brite Bldg. Maintenance Inc	Janitorial service 08/2017	618.75	206.25
36207	8/15	Univar USA Inc	1,030 Gallons of bleach at Mills/Glenwood	1,831.17	
36208	8/15	Western Water Works	12.5" repair clamps; meter adapters	1,217.70	
36209	8/23	Aflac	Employee paid insurance 08/2017	1,406.69	
36210	8/23	Teresa Aley	Refund Check	98.73	
36211	8/23	Ambient Environmental, Inc.	MTBE Well sampling	4,536.00	
36212	8/23	AMEC Foster Wheeler	E-957 Pickens Slope repair - services through 06/23/17	1,033.78	
36213	8/23	Associated Soils Engineering	E-972 services through 06/30/17	770.00	
36214	8/23	AT&T Mobility	Cell phone service 08/2017	925.13	308.37
36215	8/23	AVAYA Financial Services	Land line lease 08/2017	399.71	133.23

<u>Check#</u>	<u>Check Date</u>	<u>Payable To</u>	<u>Purpose</u>	<u>Water Amount</u>	<u>Wastewater Amount</u>
36216	8/23	Cannon	S-962 Generator Sewer lift station - survey's and design		19,822.00
36217	8/23	Capital One Commercial	Misc supplies office	198.82	198.82
36218	8/23	Cerdant, Inc.	Network security services July/Aug 2017	306.05	102.02
36219	8/23	Charles P. Crowley Co.	Repair kits for chlorination pump discharge heads	1,197.34	
36220	8/23	City of Glendale	Cost to discharge water from Well 8 into storm drain	379.60	
36221	8/23	City of Glendale	Glendale utility tax from 4/1/17 to 6/30/17	32,813.68	
36222	8/23	City of Glendale	Monthly billing for Well lease and water purchase	25,776.37	
36223	8/23	City of Glendale Water & Power	Power purchased 08/2017 Markridge	302.11	
36224	8/23	Contractor Compliance & Mont Inc.	E-972 Mills pumpline - services for 07/2017	142.50	
36225	8/23	County of Los Angeles	LAFCO charges for FY 2017/18	4,403.41	
36226	8/23	Harry Daniels	Refund Check	380.38	
36227	8/23	Dodge Data & Analytics	E-956 Ad green sheet & construction.com	1,549.00	
36228	8/23	Eurofins Eaton Analytical Inc.	Water analysis	366.00	
36229	8/23	Foothill Municipal Water	Purchased water - 07/2017	323,297.66	
36230	8/23	Grainger	Storage cabinet for Glenwood Plant training center	106.68	106.68
36231	8/23	Harper & Associates Eng, Inc	Final payment for annual inspection and cleaning Ordunio, Dunsmore, Rosemont Reservoirs	2,535.00	
36232	8/23	Joseph G. Pollard Co., Inc	Pressure gauge	81.18	81.16
36233	8/23	La Canada Irrigation District	Winter water use info for sewer only customers FY17/18		323.70
36234	8/23	LA Dept Water and Power	Power purchased 08/2017	48.96	
36235	8/23	Lincoln Financial Group	Dental - Life - Disability insurance for 09/2017	3,080.18	1,819.98
36236	8/23	Mail Finance	Postage machine rental 09/2017 to 12/2017	184.64	184.63
36237	8/23	McCall's Meter Sales & Service	E-977 - Remote mounted meter at Ramsdell Mixing Station	2,326.50	
36238	8/23	Miller & Axline Corp.	Attorney's fee's for MTBE	1,448.29	
36239	8/23	Newegg, Inc.	Network wall mount hinged panel at Glenwood	380.89	126.95
36240	8/23	Newegg, Inc.	Network patch cables, brackets, tools, mounts, and racks	1,027.63	342.54
36241	8/23	Northern Safety Co., Inc	Safety glasses & equipment	300.74	100.24
36242	8/23	Paveco Construction Inc	List 2017-18-01 - various paving locations	10,427.72	
36243	8/23	Quinn Power Systems	Unit #54 - New small backhoe	53,045.00	
36244	8/23	Simpler Systems	Monthly maintenance fee 08/2017	375.00	125.00
36245	8/23	Spectrum Business	Internet for Glenwood 08/2017	209.94	70.00
36246	8/23	Sully-Miller Contracting Co.	10.07 tons of cold patch	1,004.63	
36247	8/23	The Gas Company	Gas purchased 08/2017 Office	10.72	3.58
36248	8/23	Univar USA Inc	1,560 gallons of bleach at Mills/Glenwood	2,682.76	
36249	8/23	UPS	Shipping charges	37.80	37.80

<u>Check#</u>	<u>Check Date</u>	<u>Payable To</u>	<u>Purpose</u>	<u>Water Amount</u>	<u>Wastewater Amount</u>
36250	8/23	Wells Fargo Card Services	Gould: AWWA Water Ed. Seminar -registration for 5 employees; books; AWWAD1-D2 review class for Ortega, Mortenson	827.50	
36251	8/23	Wells Fargo Card Services	Hass: Monthly recurring charges; Sprinbrook Conference -airfare, hotel, transportation, meals (Hass & Holloway); computer hardware	3,089.68	860.51
36252	8/23	Wells Fargo Card Services	Love: Board meeting dinner for staff	120.68	40.23
36253	8/23	Wells Fargo Card Services	Maxwell: Rock Jaw lifting device; safety supplies; replace window in Unit #6; repair ice machine; meals for crews working OT; safety boots	1,677.89	1,064.40
36254	8/23	Wells Fargo Card Services	Mitchell: CUEMA Leadership Summit- registration for Mitchell & Lee; hotel; lunch for WET meeting; Notary review course and materials; lunch for office	2,122.59	617.57
36255	8/23	Wells Fargo Card Services	Scott: Water conservation lunch with Daniel from FMWD; ID badges for Board members; food and materials for National Night Out	2,318.10	87.61
36256	8/23	Western Water Works	Pipe beveling tool, fire hydrants, and 1" plastic pipe	4,191.38	70.46
36257	8/23	LEIGH ANNE WILKINS	Refund Check	65.39	
Subtotals				\$ 831,968.03	\$ 110,128.57
Total Disbursements for August 2017				\$ 942,096.60	
<u>Payroll Report for August 2017</u>					
Directors				\$	810.00
Office Regular Payroll				\$	122,022.00
Office OT				\$	493.00
Plant Regular Payroll				\$	114,111.00
Plant OT & Standby				\$	9,906.00
Employer Payroll Taxes				\$	17,433.00
Payroll Service Charges				\$	367.00
Total Payroll					\$ 265,142.00

CRESCENTA VALLEY WATER DISTRICT

BOARD OF DIRECTORS - STAFF REPORT

Consent Calendar Item No. 3
September 19, 2017

To: Honorable President and Members of the Board of Directors
From: David S. Gould, P.E. – District Engineer
Subject: **Advertise for Bids - New Emergency Electrical Generator at the La Granada Wastewater Lift Station, Project S-962**

CONSENT CALENDAR:

New Emergency Electrical Generator at the La Granada Wastewater Lift Station, Project S-962 – Consideration and motion to authorize the General Manager to advertise for bids for the installation of a new emergency electrical generator at the La Granada wastewater lift station with an engineer's estimate of \$87,000 and to find said project exempt from the provisions of CEQA

BACKGROUND:

CVWD has an existing wastewater lift station located at 1901 La Granada Way which provides sewer collection service for about 30 homes. The wastewater lift station has a capacity of 3,000 gallons and the pumps typically run about an hour a day to push wastewater into the collection system.

In case of an emergency, when electrical power is lost, the lift station can hold wastewater for about 2 – 5 hours, depending on the time of day or night, before the wet-well will overflow. To prevent a sewer overflow, alarms have been set to alert the wastewater supervisor via text and phone of the potential overflow. However, there could be a time lag between when personnel are first alerted of the power outage to the time the portable emergency electrical generator is brought to the site, which could result in a sewer overflow.

Staff has been planning to install a permanent emergency electrical generator at the lift station with an automatic transfer switch as part of CVWD's continuing effort for emergency planning and prevention of sewer overflows. This project was included in the FY 17/18 Wastewater Capital Improvement Project budget. The new system will be able to switch to emergency power automatically during a power outage so that the wastewater pumps will remain in service. The system will include alarms which will alert staff of the problem and when the emergency electrical generator goes into service.

The project will also include the installation of a concrete pad for the emergency electrical generator, fencing around the generator, and electrical work to connect to a new electrical panel. CVWD will also purchase the 25kW emergency electrical generator at a cost of about \$32,000 that will be installed by the contractor.

DISCUSSION:

Staff has been working with Cannon Corporation (Cannon) and the design of the project is complete. The project is located within the Glenhaven Park which is owned by the City of La Canada Flintridge (LCF) and staff has been working with LCF permitting for the on the project. Staff anticipates permit approval before the bid opening date the permit.

Staff will also be doing public outreach to the neighborhood regarding the project. Staff will be holding a public meeting at the job site during the week of October 2, 2017 to explain the project and to get input on the aesthetics of the fencing and gate.



The anticipated project schedule is as follows:

- 9/19/17 – Advertise for Bids
- 11/01/17 – Bid Opening
- 11/07/17 – Award Contract
- 11/13/17 to 1/5/18 – Shop drawings and fabrication
- 1/8/17 – Start Construction
- 2/16/18 – End Construction

Ms. Christina Olmedo will be the project manager and Mr. Cory Whitman will provide field inspection. The construction cost estimate for the project is \$87,000 and the entire project costs including materials, soils engineer, staff engineering and inspection, and contingencies are estimated at \$130,000.

RECOMMENDATION:

It is staff's recommendation to authorize the General Manager to advertise for bids for the project. Staff will advertise the project in the McGraw-Hill Dodge Construction News and will send out plans to selected contractors near the end of this year.

ENVIRONMENTAL REVIEW:

This project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301 of the CEQA Guidelines. This exemption covers the repair of existing facilities involving negligible or no expansion of existing use.

FUNDING AVAILABILITY:

There are sufficient funds available in the following account for the project:

Account Description	Amount
FY 17/18 Wastewater CIP Program	\$147,000
Engineer's Cost Estimate for Contractor	<\$87,000>
Cost Estimate for New Emergency Electrical Generator	< <u>\$32,000</u> >
Additional costs such as material purchase by CVWD, soils engineer, engineering & inspection labor costs & contingency	< <u>\$26,500</u> >
Total Cost Estimate	<\$145,500>
Amount Remaining in Water CIP – Distribution System	\$1,500

Prepared by:

Christina Olmedo
Assistant Engineer

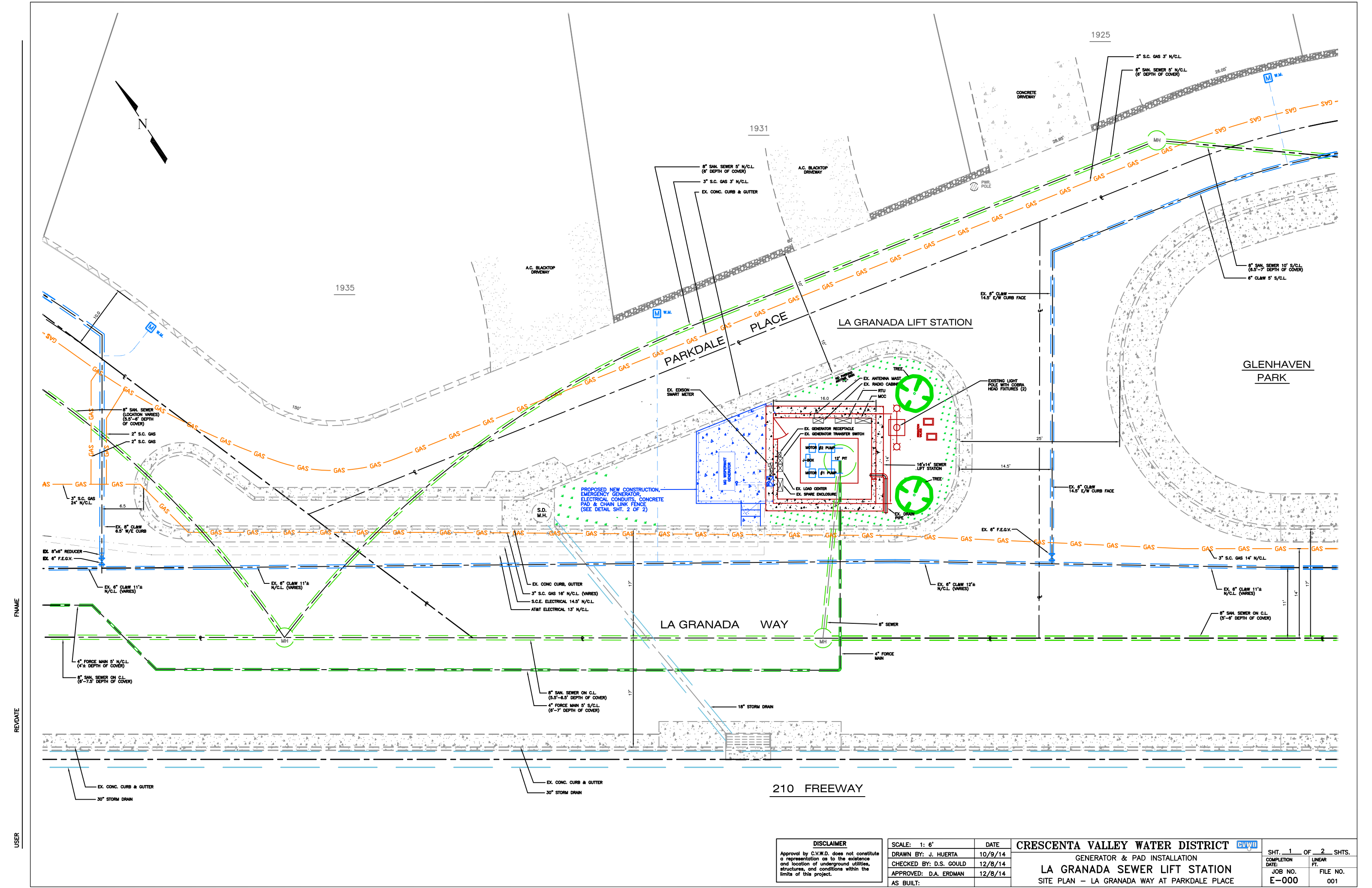
Attachments:

1. Project Location Map

Submitted by:



David S. Gould, P.E.
District Engineer



FRAME
REVDATE
USER

DISCLAIMER

Approval by C.V.W.D. does not constitute a representation as to the existence and location of underground utilities, structures, and conditions within the limits of this project.

SCALE: 1" = 6'

DRAWN BY: J. HUERTA

CHECKED BY: D.S. GOULD

APPROVED: D.A. ERDMAN

AS BUILT:

DATE: 10/9/14

12/8/14

12/8/14

CRESCENTA VALLEY WATER DISTRICT

GENERATOR & PAD INSTALLATION

LA GRANADA SEWER LIFT STATION

SITE PLAN - LA GRANADA WAY AT PARKDALE PLACE

SHT. 1 OF 2 SHTS.

COMPLETION DATE: E-000

LINEAR FT. FILE NO. 001

CRESCENTA VALLEY WATER DISTRICT

BOARD OF DIRECTORS - STAFF REPORT

Consent Calendar Item No. 4

September 19, 2017

To: Honorable President and Members of the Board of Directors

From: David S. Gould, P.E. – District Engineer

Subject: **Advertise for Bids - Water Main Replacement on the 2700, 3000 & 3100 Blocks of Brookhill Ave., Project E-982**

CONSENT CALENDAR:

8-inch Water Main Replacement on the 2700, 3000 & 3100 Blocks of Brookhill Ave., Project E-982 –

Consideration and motion to authorize the General Manager to advertise for bids for the construction of 2,700 lineal feet of pipeline replacement on the 2700, 3000 & 3100 Blocks of Brookhill Ave. with an engineer's estimate of \$624,000 and to find said project exempt from the provisions of CEQA

BACKGROUND:

The District's goal is to replace a minimum of 2,000 linear feet of pipeline which is 50 years or older, per year which was included as part of the FY 17/18 CIP budget. The pipelines planned to be replaced are on the 2700, 3000, & 3100 Blocks of Brookhill Ave and the 5000 Block of La Crescenta Ave. These pipelines are undersized (4-inch pipe), located within the parkway, have had numerous leaks over the last 5 years, and were installed in 1946 and 1947. The total amount of pipeline to be replaced will be 2,700 linear feet. In addition, the pipeline will have to be relocated outside an LA County Flood Control Channel (Quail Creek Channel) since there is only 4 inches of pavement above the top of the concrete channel. Finally, a small portion of the project is at the intersection of Pennsylvania and Brookhill that will be needed to be coordinated with the City of Glendale. Glendale has been planning to re-surface Pennsylvania Ave from the 210 Freeway to Markridge for the past 2–3 years. They released a new project schedule with the work starting in February 2018. It is staff's goal to get this portion of the work completed before Glendale's project.

DISCUSSION:

Staff has completed the design of the project, and plans have been submitted to Los Angeles County Public Works and Glendale for permit approval. Also, plans were sent to Los Angeles County Flood Control District for permit to cross the Quail Creek Channel. Staff anticipates permit approval before the bid opening date.

The anticipated project schedule is as follows:

- 9/19/17 – Advertise for Bids
- 10/11/17 – Bid Opening
- 10/17/17 – Award Contract
- 11/13/17 to 12/20/17 – Construction – 2700 Brookhill
- 12/20/17 to 1/3/18 – Holiday Break
- 1/3/18 to 2/28/18 – Construction – 3000 & 3100 Brookhill

Ms. Christina Olmedo will be the project manager, and Mr. Cory Whitman will provide field inspection. The construction cost estimate for the project is \$624,000, and the entire project costs including materials, soils engineer, staff engineering and inspection, and contingencies are estimated at \$751,400.

RECOMMENDATION:

It is staff's recommendation to authorize the General Manager to advertise for bids for the project. Staff will advertise the project in the McGraw-Hill Dodge Construction News and will send out plans to selected contractors near the end of this year.

ENVIRONMENTAL REVIEW:

This project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301 of the CEQA Guidelines. This exemption covers the repair of existing facilities involving negligible or no expansion of existing use.

FUNDING AVAILABILITY:

There are sufficient funds available in the following account for the project:

Account Description	Amount
FY 16/17 Water CIP– Water Distribution	\$760,000
Engineer's Cost Estimate for Contractor	<\$624,000>
Additional costs such as material purchase by CVWD, soils engineer, engineering & inspection labor costs & contingency	< <u>\$127,400</u> >
Total Cost Estimate	<\$751,400>
Amount Remaining in Water CIP – Distribution System	\$8,600

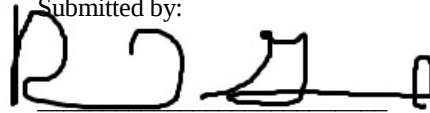
Prepared by:

Christina Olmedo
Assistant Engineer

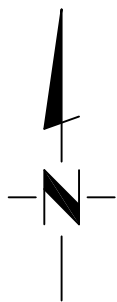
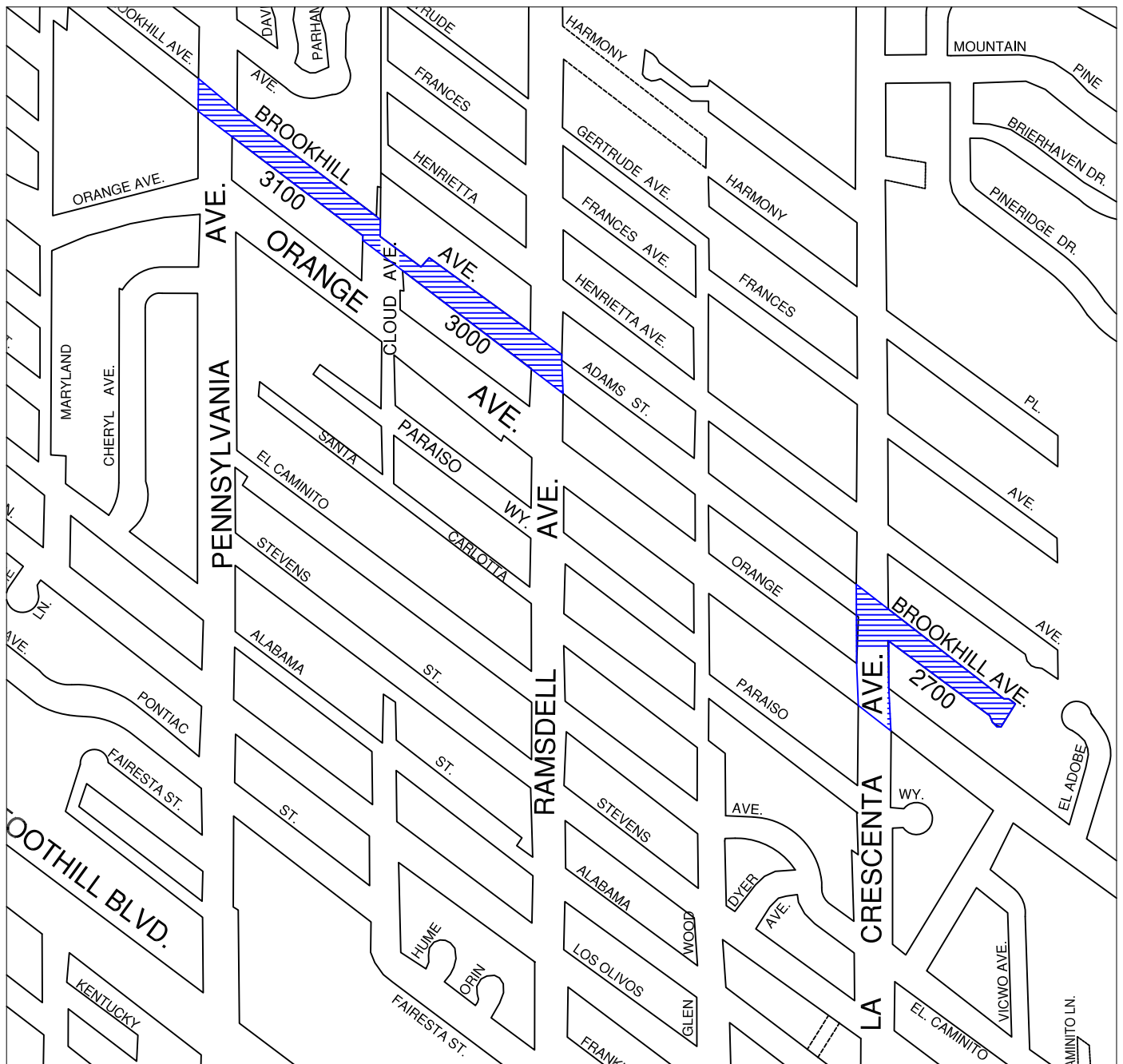
Attachments:

1. Project Location Map

Submitted by:



David S. Gould, P.E.
District Engineer



NOT TO SCALE

PROJECT LOCATION



CRESCENTA VALLEY WATER DISTRICT PROJECT LOCATION MAP

8-INCH WATER MAIN INSTALLATION ON THE 2700, 3000, 3100 BLOCKS OF BROOKHILL AVE.
AND 5000 BLOCK OF LA CRESCENTA, CA 91214. PROJECT E-982

CRESCENTA VALLEY WATER DISTRICT

BOARD OF DIRECTORS - STAFF REPORT

Action Item No. 1
September 19, 2017

To: Honorable President and Members of the Board of Directors
From: Ron L. Mitchell, Secretary-Treasurer
Subject: **ACWA Region 8 Election**

ACTION ITEM:

ACWA Region 8 Election – Consideration and motion to cast the District’s ballot for ACWA Region 8 Chair, Vice Chair, and Board members for the 2018-19 term.

DISCUSSION:

ACWA is divided into 10 geographical regions throughout the state to help them get feedback from their member agencies are various topics related to the water industry. Crescenta Valley Water District is part of Region 8 that primarily encompasses Los Angeles and Ventura Counties.

Every two years regional elections are held to elect new officers/directors to represent the issues, concerns and needs of each region. The region Chair and Vice Chair will serve on ACWA’s board of directors for the two-year term beginning on January 1, 2018. In addition, the Chair and Vice Chair will make the Region 8 committee appointment recommendations to the ACWA President for the term and one of the officers will hold a seat on the ACWA Finance Committee.

RECOMMENDATION:

It is Staff’s recommendation that the District approve the Nominating Committee’s recommended slate for Region 8 for the 2018-19 term.

Prepared by:

Ron L. Mitchell
Secretary-Treasurer

Submitted by:



Thomas A. Love
General Manager

From: ACWA Region Elections [mailto:regionelections@acwa.com]

Sent: Tuesday, August 1, 2017 4:30 PM

Subject: Polls Open! ACWA Region 8 Election Ballot



TO: ACWA REGION 8 MEMBER AGENCY BOARD PRESIDENT
AND GENERAL MANAGER

Ballot for Region 8 Board Election for the 2018-2019 Term

It is time to elect the 2018-2019 ACWA Region 8 Chair, Vice Chair, and board members who will represent and serve the members of Region 8. Attached, you will find the official ballot which includes the Region 8 Nominating Committee's recommended slate as well as individual candidates running for the Region 8 Board.

Your agency is entitled to cast only one vote. Please review the attached ballot and have your agency's authorized representative cast its vote for the slate as recommended by the Region 8 Nominating Committee or cast its vote for an individual Region 8 chair, vice chair and three to five board members.

2018-2019 ACWA Region 8 Ballot is located [HERE](#).
Region 8 Rules and Regulations are located [HERE](#).

Submit the electronic ballot to ACWA by September 29, 2017.
(Ballots received after September 29 will **not** be accepted.)

REMEMBER, YOUR VOTE IS IMPORTANT. Region 8 Board members are elected to represent the issues, concerns and needs of your region. The Region 8 chair and vice chair will serve on ACWA's board of directors for the next two-year term beginning January 1, 2018. Additionally, the newly elected chair and vice chair will make the Region 8 committee appointment recommendations to the ACWA president for the 2018-2019 term. Also, either the chair or vice chair will hold a seat on the ACWA Finance Committee.

If you have questions, please contact your Regional Affairs Representative, Brandon Ida, at brandoni@acwa.com or call 916-441-4545.

Thank you for your careful consideration and participation in the Region 8 election process.

OFFICIAL

REGION 8 Board Ballot

2018-2019
TERM



**Please return completed ballot
by September 29, 2017**

E-mail: anaj@acwa.com
Mail: ACWA
910 K Street, Suite 100
Sacramento, CA 95814

General Voting Instructions:

1 You may either vote for the slate recommended by the Region 8 Nominating Committee or vote for individual region board members (please note rules & regulations for specific qualifications). Mark the appropriate box to indicate your decision.

2 Complete your agency information. The authorized representative is determined by your agency in accordance with your agency's policies and procedures.

Region 8 Rules & Regulations:

At least one of the chair or vice chair positions must be an elected / appointed director from a member agency.

1

Nominating Committee's Recommended Slate

☐ I concur with the Region 8 Nominating Committee's recommended slate below.

CHAIR:

- **Steve Blois**, Board Member, Calleguas Municipal Water District

VICE CHAIR:

- **Gloria Gray**, Board Director, West Basin Municipal Water District

BOARD MEMBERS:

- **Brian Bowcock**, Director, Three Valleys Municipal Water District
- **William Cooper**, Director, Castaic Lake Water Agency
- **Anthony R. Fellow, Ph.D.**, Board Member, Upper San Gabriel Valley Municipal Water District
- **Melvin L. Matthews**, Director, Foothill Municipal Water District
- **Leonard (Len) Polan**, Director, Las Virgenes Municipal Water District

OR

Individual Board Candidate Nominations

(See Rules & Regulations before selecting)

☐ I do not concur with the Region 8 Nominating Committee's recommended slate. I will vote for individual candidates below as indicated.

CANDIDATES FOR CHAIR: (CHOOSE ONE)

- ☐ **Steve Blois**, Board Member, Calleguas Municipal Water District

CANDIDATES FOR VICE CHAIR: (CHOOSE ONE)

- ☐ **Gloria Gray**, Board Director, West Basin Municipal Water District

CANDIDATES FOR BOARD MEMBERS: (MAX OF 5 CHOICES)

- ☐ **Brian Bowcock**, Director, Three Valleys Municipal Water District
- ☐ **William Cooper**, Director, Castaic Lake Water Agency
- ☐ **Anthony R. Fellow, Ph.D.**, Board Member, Upper San Gabriel Valley Municipal Water District
- ☐ **Melvin L. Matthews**, Director, Foothill Municipal Water District
- ☐ **Leonard (Len) Polan**, Director, Las Virgenes Municipal Water District

2

AGENCY NAME

AUTHORIZED REPRESENTATIVE

DATE

CRESCENTA VALLEY WATER DISTRICT

BOARD OF DIRECTORS - STAFF REPORT

Action Item No. 2

September 19, 2017

To: Honorable President and Members of the Board of Directors

From: David S. Gould, P.E. – District Engineer

Subject: **Award of Contract** for the Construction of Well 2 and Related Facilities, Project E-956

ACTION ITEM:

CVWD's Well 2 and Related Facilities, Project E-956 – Consideration and motion to authorize the General Manager to award a contract to the lowest responsible bidder, California Building Evaluation & Construction, Inc. for the construction of Well 2 and related facilities at a cost of \$1,245,501 and establish a contingency amount of \$124,550 (10% of contract) to cover the cost of unforeseen or additional work.

BACKGROUND:

CVWD received a grant from the Department of Water Resources (DWR) to reactivate Well 2 and construct a new nitrate removal treatment facility. The project will utilize a local water resource, increase CVWD's ability to use its adjudicated rights within the Verdugo Basin, reduce CVWD's dependence on imported water from MWD and reduce nitrate levels within the Verdugo Basin.

The project includes installation of a new 150 gpm submersible pump and motor, onsite piping, a pre-fabricated operations building, electrical and telemetry system, on-site storm drain line, on-site sewer line drain to waste, and on-site improvements. The project also includes the installation of a nitrate removal treatment facility (by APTwater) within a pre-fabricated "carport-type" structure, which will treat the groundwater below the MCL and remove nitrates from the Verdugo Basin.

APTwater was awarded a contract on December 8, 2015 for the design and installation of the ARoNite Nitrate Removal Treatment System for a total cost of \$625,000.

Royal Wholesale Electric was awarded a contract on May 16, 2017 at a cost of \$98,547 to provide the electrical motor control center (MCC), which has a long lead-time and will assist with the project schedule.

DISCUSSION:

Bid Opening:

On July 11, 2017, the Board authorized the General Manager to advertise for bids for the subject project. A mandatory pre-bid meeting was held on August 8, 2017, which was attended by seven (7) contractors. CVWD specifications indicate that only contractors who attend this meeting are allowed to bid on the project.

On August 30, 2017, at 2:00 PM, the District opened and read the following bid proposals for this project:

	<u>Bidder</u>	<u>Total Bid Amount</u>
Low	California Building Evaluation & Construction, Inc	\$1,245,501
2	Pacific Hydrotech Corp.	\$1,472,240
3	PPC Construction	\$1,599,130

California Building Evaluation & Construction (CBEC) of Buena Park, CA was the apparent lowest responsible bidder for the project. The engineer's estimate was \$907,300 and the low bid was \$338,501 or 37% higher than the engineer's estimate. See Exhibit "A" for bid summary.

Staff has previously worked with CBEC on the construction of CVWD's Well 16 facility and the installation of the Motor Control Center (MCC) at Oak Creek Reservoir. Staff was satisfied with the progress of these projects and change orders were minimal.

Review – Bid Proposal:

Staff reviewed CBEC's bid proposal and cost breakdown and compared it to CVWD's cost estimate. In general, the engineer's cost estimate was low for the site preparation, on-site infrastructure, and pipelines, building equipment, electrical temporary power, and the nitrate bldg roof structure. Where the engineer's estimate was high was on the installation of the electrical system and the pre-fabricated operations building.

Staff also looked at reducing the limits of work of the project and/or work that could be completed by CVWD's crews. The cost savings would be about \$60,000 to \$70,000, since the project needs a specialized contractor.

Staff contacted the other contractors that did not provide a bid and the general response was that they currently had a backlog of projects and could not meet the District's deadline of May 2018.

Review – Bid Proposal Inquiry:

The 2nd lowest bidder, Pacific Hydrotech Corporation sent a request for justification to award the bid to the CBEC, the apparent lower bidder (See Exhibit "B" - E-mail from Pacific Hydrotech to CVWD).

Staff reviewed the request and requested clarification from CBEC regarding subcontractors (See Exhibit "B" - E-mail from CVWD to CBEC).

CBEC responded by providing a breakdown of bid items and of which subcontractors will be performing the work (See Exhibit "B" - E-mail from CBEC to CVWD with a breakdown of bid items).

Project Cost and Funding:

The bid proposal from CBEC was \$1,245,501, which was over the engineer's cost estimate of \$907,000. The entire project costs including the contractor's bid proposal plus construction contingency, quality control inspection services, soils engineer, additional engineering and construction support services, permitting costs with Glendale, procurement of equipment and contingencies has been adjusted to \$2,522,000. The current project budget is \$2,025,000, which is \$462,000 less than required to complete the project.

Staff reviewed the FY 17/18 CIP program to see if any other projects could be deferred to next year and determined that projects especially pipeline replacement will not be in the best interest of the District to defer.

Staff is recommending transferring \$500,000 from the MTBE reserve funds to make up the budget shortfall. Staff's reasoning is that if MTBE returns, it will most likely be detected in the existing wells along the southerly part of the basin and not in the area of Well 2. The balance in the MTBE reserve fund as of July 1, 2017 was \$5.8M and this transfer request will reduce the MTBE reserve to \$5.3M. Staff evaluated the potential cost of purchasing additional imported water if MTBE levels increased above the secondary standard of 5 ppb (parts per billion). Staff evaluation concluded that CVWD would need about \$3.7M for purchase of additional imported water and that transfer of MTBE funds should not adversely affect the District. A comprehensive technical/financial analysis of the long-term MTBE reserve fund needs will be presented to the Engineering & Finance Committees in Oct. 2017.

Local Resources Program (LRP) funding:

Staff discussed the Local Resources Program (LRP) funding application with a representative from Metropolitan Water District (MWD) and it was determined that CVWD does not qualify for LRP since the project unit cost is less than the MWD prevailing water rate.

Cost/Benefit Analysis:

The original benefit-cost analysis prepared by staff with respect to annual savings for purchasing less imported water showed a payback period of 7 years for CVWD's capital investment. Staff adjusted the benefit-cost analysis with the revised total budget and it shows a payback period of 11 years.

RECOMMENDATION:

Staff reviewed the bid proposal from CBEC, the request from Pacific Hydrotech (including the e-mails, see Exhibit "B") with Tom Bunn, CVWD's legal counsel, and suggest the following options for discussion with the Board of Directors.

Option 1: Award to the lowest responsible bidder

1. Board can wave the irregularities with respect to the project experience and the equipment/material source information.
2. Accept CBEC response to the clarification for the use of subcontractors.
3. Work or Bid items shown without the use of a subcontractor will need to be performed by CBEC.

Option 2: Award contract to 2nd lowest responsible bidder, Pacific Hydrotech

1. Reject CBEC bid based on non-responsiveness on project experience, equipment/material source information and subcontractors.
2. Accept 2nd lowest responsible bid proposal of \$1,472,270 with a 10% contingency of \$147,224.
3. Request an additional transfer for \$250,000 for the budget shortfall for a total of \$750,000.
4. Staff checked Pacific Hydrotech references and they have successfully completed a number of similar projects for El Toro Water District, City of Tustin, City of South Pasadena and Rowland Water District.

Option 3: Reject all bids and re-bid project

1. Reject all bids.
2. Re-bid the project with an emphasis to contractors regarding the required information needed for the bid proposal submittal.
3. Proposed Bidding Schedule
 - a) 9/20/17 – Re-advertise for bid
 - b) 10/11/17 – Bid Opening
 - c) 10/17/17 – Award of Contract
4. Overall project schedule will be delayed about 4-6 weeks

Option 4: Reject all bids and re-bid project in Winter/Spring 2018

1. Reject all bids.
2. Re-bid the project in winter/spring 2018 when other contractors could bid on the project.
3. Proposed Bidding Schedule
 - a) 1/8/18 – Re-advertise for bid
 - b) 2/28/18 – Bid Opening
 - c) 3/6/18 – Award of Contract
4. Overall project schedule will be delayed about 6-7 months
5. Need to request approval of adjusted project schedule with LACFCD & DWR

Staff Recommendation

It is staff's recommendation to go with Option 1, award the contract for the subject project to the lowest responsible bidder, CBEC at a cost of \$1,245,501 and establish a 10% contingency fund of \$124,550. It is also staff's recommendation to transfer \$500,000 from the MTBE reserve fund to provide the additional funding need for the project.

ENVIRONMENTAL REVIEW:

A California Environmental Quality Act (CEQA) Negative Declaration was approved on October 6, 2015.

FUNDING AVAILABILITY:

Account Description	Grant Cost Breakdown
Greater Los Angeles County IRWM 2015 Solicitation Implementation Grant	\$1,825,000
<i>Amount reimbursed from Grant (39%)</i>	<i>\$705,775</i>
<i>CVWD Costs (61%)</i>	<i>\$1,119,225</i>
Breakdown of Project Costs	
Approved Contract – SA Associated - Engineering Services	(\$197,000)
Approved Contract – APTwater for ARoNite Nitrate Treatment System	(\$625,000)
Approved Contract – Royal Wholesale Electric for MCC & Switch Board	(\$98,547)
Contractor's Bid Proposal – Well 2 Facilities	(\$1,245,501)
10% Contingency	(\$124,550)
Quality Control Inspection Services	(\$141,475)
Estimate Cost – Soil Inspection, Permitting Fees, construction staking, and Misc work	(\$89,927)
Total Estimated Cost for Design & Construction	(\$2,522,000)
Amount Remaining for Well 2 Project	(\$697,000)
Transfer of funds from Pipeline Replacement (Move the replacement of the pipeline on 3200 & 3300 Blocks of Brookhill to FY 18/19)	\$235,000
Transfer of Funds from CVWD's MTBE Reserves	\$500,000
Remaining Funds	\$38,000

Prepared by:



David S. Gould, P.E.
District Engineer

Submitted by:



Thomas A. Love
General Manager

Attachments:

1. Exhibit "A" - Bid Summary
2. Exhibit "B" - E-mail correspondence between Pacific Hydrotech, CBEC and CVWD

EXHIBIT "A"

CRESCENTA VALLEY WATER DISTRICT

Title: Well 2 and Related Facilities at 4029 Lowell Ave

BID LOCATION:

CVWD's Office

E-Job No: Project E-956

E-972

TIME:

2:00 PM

Engineer's Estimate:

\$907,000

DATE:

8/30/17

Project Manager:

David Gould

BY:

DG

CHECKED:

JR

DATE:

8/30/17

ITEM	DESCRIPTION	QUANTITY		Engineers Estimate		California Bldg Eval Const		Pacific Hydrotech		PPC Construction	
				UNIT	AMOUNT	UNIT	AMOUNT	UNIT	AMOUNT	UNIT	AMOUNT
1	Mobilization and Demobilization (5%)	1	LS	\$45,000.00	\$45,000.00	\$50,000.00	\$50,000.00	\$71,000.00	\$71,000.00	\$78,000.00	\$78,000.00
2	Site Preparation	1	LS	\$27,000.00	\$27,000.00	\$65,000.00	\$65,000.00	\$23,200.00	\$23,200.00	\$28,320.00	\$28,320.00
3	Earthworks (Grading)	1	LS	\$21,000.00	\$21,000.00	\$28,000.00	\$28,000.00	\$40,000.00	\$40,000.00	\$61,530.00	\$61,530.00
4	On Site AC Paving	7100	SF	\$3.86	\$27,400.00	\$6.25	\$44,375.00	\$6.00	\$42,600.00	\$6.60	\$46,860.00
5	On Site Concrete Paving	320	SF	\$15.16	\$4,850.00	\$20.15	\$6,448.00	\$19.00	\$6,080.00	\$15.00	\$4,800.00
6	Furnish and install Concrete Swale	110	LF	\$75.00	\$8,250.00	\$33.60	\$3,696.00	\$55.00	\$6,050.00	\$60.00	\$6,600.00
7	Furnish and install 6" AC berm	100	LF	\$15.00	\$1,500.00	\$30.80	\$3,080.00	\$36.00	\$3,600.00	\$25.00	\$2,500.00
8	1-inch Water Service with backflow device, valves, meter &	1	LS	\$5,000.00	\$5,000.00	\$21,000.00	\$21,000.00	\$6,900.00	\$6,900.00	\$14,145.00	\$14,145.00
9	12-inch PVC Storm Drain with catch basins, connections &	270	LF	\$177.78	\$48,000.00	\$229.60	\$61,992.00	\$228.00	\$61,560.00	\$272.00	\$73,440.00
10	Furnish & install 4" ABS sewer include excavation, backfill	20	LF	\$75.00	\$1,500.00	\$123.00	\$2,460.00	\$83.00	\$1,660.00	\$125.00	\$2,500.00
11	Furnish & install 6" ABS sewer including cleanouts, manholes	185	LF	\$216.22	\$40,000.00	\$308.00	\$56,980.00	\$128.00	\$23,680.00	\$289.00	\$53,465.00
12	Furnish & install Polycast Heavy Duty Sewer trench with g	50	LF	\$92.00	\$4,600.00	\$84.00	\$4,200.00	\$435.00	\$21,750.00	\$195.00	\$9,750.00
13	Furnish and install 6" Magmeter including Vault & appurte	1	EA	\$11,500.00	\$11,500.00	\$28,000.00	\$28,000.00	\$22,900.00	\$22,900.00	\$19,070.00	\$19,070.00
14	Furnish & install 36" RCP (manhole) with grate and inner c	1	EA	\$5,500.00	\$5,500.00	\$16,800.00	\$16,800.00	\$9,000.00	\$9,000.00	\$9,670.00	\$9,670.00
15	Furnish & install 150 gpm Submersible Well Pump with ap	1	LS	\$22,000.00	\$22,000.00	\$36,000.00	\$36,000.00	\$31,700.00	\$31,700.00	\$29,930.00	\$29,930.00
16	Furnish & install above ground 4-inch steel discharge pipin	1	LS	\$26,000.00	\$26,000.00	\$33,000.00	\$33,000.00	\$40,000.00	\$40,000.00	\$23,200.00	\$23,200.00
17	Furnish & install 4-inch Steel Well Bypass Piping includin	1	LS	\$7,500.00	\$7,500.00	\$20,000.00	\$20,000.00	\$21,100.00	\$21,100.00	\$17,800.00	\$17,800.00
18	Furnish & install 4-inch Steel Pipe from Nitrate Bldg to Ex	20	LF	\$250.00	\$5,000.00	\$750.00	\$15,000.00	\$509.00	\$10,180.00	\$731.00	\$14,620.00
19	Furnish & install 6-inch Steel Water Pipe, including fittin	90	LF	\$111.11	\$10,000.00	\$775.00	\$69,750.00	\$267.00	\$24,030.00	\$296.00	\$26,640.00
20	Install Concrete Foundation for Nitrate Bldg including exca	1	LS	\$20,000.00	\$20,000.00	\$36,000.00	\$36,000.00	\$68,000.00	\$68,000.00	\$60,250.00	\$60,250.00
21	Install 6-foot high chain link around Nitrate Bldg includin	90	LF	\$133.33	\$12,000.00	\$28.00	\$2,520.00	\$169.00	\$15,210.00	\$200.00	\$18,000.00
22	Contractor to coordinate, delivery and unload ARoNite Nit	1	LS	\$15,000.00	\$15,000.00	\$18,500.00	\$18,500.00	\$8,800.00	\$8,800.00	\$33,150.00	\$33,150.00
23	Install Concrete Foundations for Operations Bldg includin	1	LS	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$90,000.00	\$90,000.00	\$46,350.00	\$46,350.00
24	Furnish & install equipment for Chlorine Room including c	1	LS	\$25,000.00	\$25,000.00	\$28,000.00	\$28,000.00	\$13,600.00	\$13,600.00	\$11,700.00	\$11,700.00
25	Furnish & install 1-inch Schedule 80 PVC socket welded c	160	LF	\$55.00	\$8,800.00	\$22.50	\$3,600.00	\$84.00	\$13,440.00	\$89.00	\$14,240.00
26	Furnish & install Operations Building's ventilation, Restroc	1	LS	\$35,000.00	\$35,000.00	\$64,500.00	\$64,500.00	\$31,100.00	\$31,100.00	\$15,000.00	\$15,000.00
27	Furnish & install Electrical Transformer pad (15' x 15' x 8"	1	LS	\$13,000.00	\$13,000.00	\$14,500.00	\$14,500.00	\$15,200.00	\$15,200.00	\$12,250.00	\$12,250.00
28	Furnish & install Electrical Conduit, Junction Boxes and T	1	LS	\$37,000.00	\$37,000.00	\$7,000.00	\$7,000.00	\$17,800.00	\$17,800.00	\$26,800.00	\$26,800.00
29	Furnish & install Retaining Concrete Wall including excava	1	LS	\$48,000.00	\$48,000.00	\$48,000.00	\$48,000.00	\$77,200.00	\$77,200.00	\$91,840.00	\$91,840.00
30	Furnish and install automatic chain link swing gate includi	1	LS	\$10,000.00	\$10,000.00	\$10,500.00	\$10,500.00	\$21,800.00	\$21,800.00	\$24,840.00	\$24,840.00
31	Miscellaneous: include install H2 Generator and Air Comp	1	LS	\$4,000.00	\$4,000.00	\$22,500.00	\$22,500.00	\$9,100.00	\$9,100.00	\$21,250.00	\$21,250.00
32	Miscellaneous items include Solid metal plaque with prop	1	LS	\$1,000.00	\$1,000.00	\$11,200.00	\$11,200.00	\$6,000.00	\$6,000.00	\$900.00	\$900.00
33	Demolition - Electrical	1	LS	\$7,600.00	\$7,600.00	\$15,000.00	\$15,000.00	\$2,400.00	\$2,400.00	\$6,400.00	\$6,400.00
34	Motor Control Center and Switchboard (Labor only)	1	LS	\$25,000.00	\$25,000.00	\$8,500.00	\$8,500.00	\$14,700.00	\$14,700.00	\$11,100.00	\$11,100.00
35	Temporary Power and Controls	1	LS	\$22,000.00	\$22,000.00	\$40,000.00	\$40,000.00	\$46,000.00	\$46,000.00	\$49,730.00	\$49,730.00
36	Power Distribution & Lighting	1	LS	\$15,000.00	\$15,000.00	\$58,000.00	\$58,000.00	\$79,000.00	\$79,000.00	\$72,500.00	\$72,500.00
37	Conduits and Wires	1	LS	\$20,000.00	\$20,000.00	\$14,000.00	\$14,000.00	\$69,000.00	\$69,000.00	\$51,300.00	\$51,300.00
38	Other Electrical labor and Miscellaneous Materials	1	LS	\$8,000.00	\$8,000.00	\$22,400.00	\$22,400.00	\$12,700.00	\$12,700.00	\$15,700.00	\$15,700.00
39	Start-Up & Testing, Manuals, and Training	1	LS	\$6,000.00	\$6,000.00	\$10,000.00	\$10,000.00	\$8,200.00	\$8,200.00	\$7,000.00	\$7,000.00
40	Furnish and Install Pre-fabricated carport style structure for	1	LS	\$28,000.00	\$28,000.00	\$55,000.00	\$55,000.00	\$52,300.00	\$52,300.00	\$48,600.00	\$48,600.00
41	Furnish and Install Pre-fabrication Operations Building	1	LS	\$200,000.00	\$200,000.00	\$165,000.00	\$165,000.00	\$333,700.00	\$333,700.00	\$437,390.00	\$437,390.00
				EE	\$907,000.00	LOW	\$1,245,501.00	2ND	\$1,472,240.00	3RD	\$1,599,130.00

EXHIBIT "B"

From: [Lito Guintu](#)
To: [David Gould](#)
Cc: [Jo Baltazar](#); [Ozzie Garibaldo](#)
Subject: CCWD- Well 2 Bid Results
Date: Thursday, August 31, 2017 4:45:34 PM
Attachments: [image001.wmz](#)
[image005.png](#)

Good afternoon David. We have reviewed the bid submitted by the low bidder California Building Evaluation & Construction and we found the following as out of compliance or some requires justification.

1. Page P-8 of the Bid Docs required the Bidder to list at least 5 similar or comparable projects (in size and scope) in the last 3 years.
 - The low bidder listed 7 projects. Projects #1, #2, #3 & #5 are all electrical upgrade projects. Project #4 is also an electrical upgrade & public restroom project. Project #6 is a City Hall Improvement Project. Project #7 is only a \$176,581 project and not sure of the scope.
 - It appears that none of the listed projects are comparable in size and scope. Project Scope should have at least majority of the work such as concrete works, block wall, building, pipelines, mechanical works/pumps, fencing, paving etc.
 - The low bidder failed to meet the requirements therefore is non-responsive and non-responsible bidder.
2. We noticed that the low bidder did not list either a subcontractor or a manufacturer for the Pre-Engineered Precast Concrete Building per specs. This is a high dollar item.
3. The Sub also failed to list major subs such as Well Sub, AC Paving, Fence, Painting. Each of these subs has over ½ of 1% value of the bid amount. Please ask them of their plans on these subs.
4. Page P-10 of the Bid Docs require the bidder to subcontract an amount of no more than 40%. It appears that the original percent listed for their Sub "Consult Const. Corp" is 17% and then they changed It to 7%. Their Sub "Consult Const. Corp" was listed for Concrete, CMU, Metals and Install Prefab. This bid items covered by their scope are Bid Items 5,6,20,23,29,32,40 & maybe 41. The total amount for all these items is \$185,344 to maybe \$350,344. This is about 15% and up to 28%. If this is true, this makes their subcontracted amount to at least 46% which exceeded 40%. Kindly check on this.

Hope you will include these items in your review of the low bidder and determine if they are responsive and responsible bidder.

Thank you.

Sincerely,

EXHIBIT "B"

From: David Gould
To: [Eddie Qader](#)
Bcc: [Tom Bunn](#)
Subject: RE: CVWD - Well2 Project - Clarification of Bid Proposal and Subcontractors
Date: Friday, September 1, 2017 1:45:25 PM

Eddie –

CVWD would like to get a clarification regarding California Building Evaluations and Construction, Inc. (CBEC) Bid Proposal for CVWD's Well 2, Project E-956

1. On Page P-4 to P-6 Bid Schedule: Which bid items is CBEC planning to use subcontractors to complete the work?
2. On Page P-10: What is the percentage of the work to be performed by subcontractors based upon the bid items (from question 1) and the total dollar value of the work?
3. Provide an updated list of subcontractors and percentage of work to be performed.

We are planning to bring this item to the action calendar at CVWD's Board Meeting on 9/5/17 at 7 pm.

Please provide this information to our office via e-mail by 9/5/17 before 11 am.

Thanks,

David S. Gould, P.E.
District Engineer
Crescenta Valley Water District
2700 Foothill Blvd.
La Crescenta, CA 91214
(818) 248-3925
(818) 236-4119 (direct)
(818) 284-5813 (cell)
(818) 248-1659 (fax)

EXHIBIT "B"

From: [Eddie Qader](#)
To: [David Gould](#)
Subject: CVWD - Well2 Project - Clarification of Bid Proposal and Subcontractors
Date: Tuesday, September 5, 2017 10:39:41 AM
Attachments: [WELL-2- CBEC and Sub Percentages.pdf-DAVID.pdf](#)

Good morning Mr. Gould:

As requested, attached please find our pdf sheet with the percentages for CBEC, VES & CCC.

Response to your questions:

1. On Page P-4 to P-6 Bid Schedule: Which bid items is CBEC planning to use subcontractors to complete the work? CBEC plans on subcontracting: **2, 3, 5, 6, 20, 23, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41**
2. On Page P-10: What is the percentage of the work to be performed by subcontractors based upon the bid items (from question 1) and the total dollar value of the work? **Volt Edge Services 31% and Consult Construction 7%.**
3. Provide an updated list of subcontractors and percentage of work to be performed. **Subcontractor list as submitted with the bid proposal.**

Looking forward to start the project for the District.

If you have any questions, please let me know.

Thanks,
Eddie

--

Thank you

Eddie Qader
CALIFORNIA BUILDING EVALUATION
2115 W. CRESCENT AVE. SUITE 236
ANAHEIM, CA 92801
714-609-7625

This e-mail and all attachments to it are for the sole use of the intended recipients and may contain proprietary information and trade secrets of CALIFORNIA BUILDING EVALUATION and its subsidiaries. This e-mail may also contain information which is confidential or which is protected from disclosure by privilege. Any unauthorized use, disclosure or distribution of this e-mail and its attachments is prohibited. If you are not the intended recipient, please let us know by reply e-mail and then erase and destroy all electronic or other copies of this message.

EXHIBIT "B"

Project Crescenta - Well 2
 Bid 8/30/2017
 Time 2:00 PM

No	Item	QTY	UNIT	TOTAL	CBEC	NOTES	Volt Edge	CCC
1	Mob/Demob	0	LS	50,000	100%	\$ 50,000.00		\$ -
2	Site Prep	1	LS	65000.00	0%	\$ -	100%	\$ 65,000.00
3	Earthwork	1	LS	28000.00	0%	\$ -	100%	\$ 28,000.00
4	Onsite AC paving	7100	SF	44375.00	100%	\$ 44,375.00		\$ -
5	Concrete Paving	320	SF	6448.00	50%	\$ 3,224.00	Install By CCC	\$ -
6	Concrete Swale	110	LF	3696.00	50%	\$ 1,848.00	Install By CCC	\$ -
7	6" AC Berm	100	LF	3080.00	100%	\$ 3,080.00		\$ -
8	1" Water Service	1	LS	21000.00	100%	\$ 21,000.00		\$ -
9	12" PVC Storm Drain with CB	270	LF	61992.00	100%	\$ 61,992.00		\$ -
10	4" ABS Sewer	20	LF	2464.00	100%	\$ 2,464.00		\$ -
11	6" ABS Sewer	185	LF	56980.00	100%	\$ 56,980.00		\$ -
12	Polycast Sewer Trench	50	LF	4200.00	100%	\$ 4,200.00		\$ -
13	6" Magmeter Including Vault	1	EA	28000.00	100%	\$ 28,000.00		\$ -
14	36" RCP with Grate & Cover	1	EA	16800.00	100%	\$ 16,800.00		\$ -
15	150 gmp Pump	1	LS	36000.00	100%	\$ 36,000.00		\$ -
16	4" Steel Discharge Piping	1	LS	33000.00	100%	\$ 33,000.00		\$ -
17	4" Steel Bypass Piping	1	LS	20000.00	100%	\$ 20,000.00		\$ -
18	4" From Nitrate Building to Ex. 6" steel pipe	20	LF	15000.00	100%	\$ 15,000.00		\$ -
19	6" Steel Water Pipe	90	LF	69750.00	100%	\$ 69,750.00		\$ -
20	Concrete foundation for Nitrate Bldg	1	LS	36000.00	50%	\$ 18,000.00	Install By CCC	\$ -
21	Install 6' CL Around Nitrate Bld	90	LF	2520.00	100%	\$ 2,520.00		\$ -
22	Unload AroNite Nitrate Removal	1	LS	18500.00	100%	\$ 18,500.00		\$ -
23	Concrete foundation for Op Bldg	1	LS	25000.00	50%	\$ 12,500.00	Install By CCC	\$ -
24	Install Chlorine Room - Storage	1	LS	28000.00	100%	\$ 28,000.00		\$ -
25	1" Sch 80 Chlorine Pipe	160	LF	3600.00	0%	\$ -	100%	\$ 3,600.00
26	Op Bldg Vent, Restroom, Lab	1	LS	64500.00	0%	\$ -	100%	\$ 64,500.00
27	Install Elec Trasformer Pad 15x15x8"	1	LS	14500.00	0%	\$ -	100%	\$ 14,500.00
28	Elect. Conduits per GWP Plan	1	LS	7000.00	0%	\$ -	100%	\$ 7,000.00
29	Retaining Concrete Wall	1	LS	48000.00	50%	\$ 24,000.00	Install By CCC	\$ -
30	Entrance Gate & Motor	1	LS	10500.00	0%	\$ -	100%	\$ 10,500.00
31	Mis Include H2 Generator & Air comp	1	LS	22500.00	0%	\$ -	100%	\$ 22,500.00
32	Misc. Metal Plaque & Knox Box	1	LS	11200.00	50%	\$ 5,600.00	Install By CCC	\$ -
33	Demo Electrical	1	LS	15000.00	0%	\$ -	100%	\$ 15,000.00
34	MCC & Switchboard	1	LS	8500.00	0%	\$ -	100%	\$ 8,500.00
35	Temp Power	1	LS	40000.00	0%	\$ -	100%	\$ 40,000.00
36	Power Distribution & Lighting	1	LS	58000.00	0%	\$ -	100%	\$ 58,000.00
37	Conduits & Wires	1	LS	14000.00	0%	\$ -	100%	\$ 14,000.00
38	Other Elect Labor	1	LS	22400.00	0%	\$ -	100%	\$ 22,400.00
39	Startup & Testing	1	LS	10000.00	0%	\$ -	100%	\$ 10,000.00
40	Prefab Carport Structure	1	LS	55000.00	90%	\$ 49,500.00	Install By CCC	\$ -
41	Prefab Operations Bldg	1	LS	165000.00	90%	\$ 148,500.00	Install By CCC	\$ -
				\$ 1,245,505.00	\$ 774,833.00		\$ 383,500.00	\$ 87,172.00
					62.21%		30.79%	7.00%

CRESCENTA VALLEY WATER DISTRICT

BOARD OF DIRECTORS - STAFF REPORT

Action Item No. 3

September 19, 2017

To: Honorable President and Members of the Board of Directors

From: David S. Gould, P.E. – District Engineer

Subject: Award of Contract - Steel Reservoir Rehabilitation at Oak Creek #1 & #2 Reservoirs, Project E-970

ACTION ITEM:

Steel Reservoir Rehabilitation at Oak Creek #1 & #2 Reservoirs, Project E-970

- a) Consideration and motion to authorize the General Manager to award a contract to the lowest responsible bidder, Advanced Industrial Services, Inc. for the rehabilitation of Oak Creek #1 & #2 Reservoirs at a cost of \$869,300 including alternative bid items.
- b) Consideration and motion to authorize the General Manager to enter into an agreement with Harper & Associates Engineers, Inc for Quality Control Inspection Services for the rehabilitation of Oak Creek #1 & #2 Reservoirs a cost not-to-exceed \$80,000.

BACKGROUND:

Crescenta Valley Water District (CVWD) owns two (2) 1.6 MG steel tanks at its Oak Creek Reservoir site located at 5041 Cloud Avenue which were built in 1958 and 1961.

- 1996 Assessment performed by Harper & Associates Engineering, Inc. (Harper) determined that Oak Creek Reservoirs needed to be re-coated to extend the life of the steel tanks.
- 2001 Re-coating and seismic structural upgrades were completed for both reservoirs.
- 2005 Inspected showed random corrosion on the roof and rafters.
- 2011 Inspected showed increased corrosion on the roof and rafters above the water line and the roof and structural elements were in poor condition.
- 2016 Inspected showed that the condition of the roof, rafters and structural members above the water surface had deteriorated to a worse condition than seen in 2011.

DISCUSSION:

Bid Proposal:

On August 15, 2017, the Board authorized the General Manager to advertise for bids for the subject project. A mandatory pre-bid meeting was held on September 6, 2017, which was attended by seven (7) contractors. CVWD specifications indicate that only contractors who attend this meeting are allowed to bid on the project.

On September 13, 2017, at 2:00 PM, the District opened and read the following bid proposals for this project:

	<u>Bidder</u>	<u>Total Bid Amount</u>
Low	Advanced Industrial Services, Inc	\$869,300
2	J. Colon Coatings, Inc.	\$874,445
3	AMP United, Inc.	\$876,581

Advanced Industrial Services, Inc (AIS) was the apparent low bidder at a cost of \$869,300, which included alternative bids items as shown in the attached bid summary. The bid was 17% or \$128,500 higher than the engineers cost estimate of \$740,800.

AIS has worked on numerous steel reservoir re-coating projects throughout Southern California with such agencies as Moulton Niguel Water District, City of Long Beach, Otay Water District, and Rancho California Water Districts over the last five (5) years. Staff contacted their references and general consensus was that AIS is capable of performing the work, the majority of the projects were within the project schedule and change orders were minimal. In addition, AIS worked for CVWD on the Edmund #1 Reservoir upgrades in 2008.

Quality Control Inspection Services:

Staff requested a proposal from Harper to provide quality control inspection services for the structural modifications, removal and re-coating of the interior and exterior surfaces and the new cathodic protection system from Harper for \$80,000. CVWD's inspector will provide day to day construction administration for the project.

RECOMMENDATION:

Staff's recommendation is to award the contract for the subject project to the lowest responsible bidder, AIS for the Steel Reservoir Rehabilitation at Oak Creek #1 & #2 Reservoirs at a cost of \$869,300. Staff has been recommending in previous construction projects to include a 10% contingency for unforeseen or extra work. The bid proposal for this project included alternative bid items for work items that typically are extra work during a rehabilitation of a steel tank. Staff has included the alternative bid items in the overall cost in lieu of the 10% contingency.

Christina Olmedo will be the project manager and Cory Whitman will be the daily construction administration. Staff recommends awarding a contract to Harper for specialty quality control inspection for installation of the structural upgrades, re-coating process for the interior of the reservoir and installation of the cathodic protection system. Harper will be providing a proposal for specialty inspection services at a future Board Meeting.

It is anticipated that construction will start in November 2017 on the first reservoir and construction of second reservoir in February 2018. Construction on each reservoir should be about three (3) months each and the project should be completed by the end of May 2018.

ENVIRONMENTAL REVIEW:

This project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301 of the CEQA Guidelines. This exemption covers the repair of existing facilities involving negligible or no expansion of existing use.

FUNDING AVAILABILITY:

There are sufficient funds available in the following account for the project:

Account Description	Amount
FY 16/17 Water CIP– Water Storage	\$900,000
Construction Cost includes contingency cost for Alternative Bid Item	(\$869,600)
Specialty Quality Control Inspection Services	(\$80,000)
CVWD Construction Administration costs	(\$10,000)
Engineering Design Services	(\$21,800)
Total Cost Estimate	(\$981,400)
Transfer funds from Water Fund Reserves	\$90,000
Amount Remaining in Water CIP – Water Storage	\$8,600

Prepared by:

Christina Olmedo
Assistant Engineer

Attachments:

1. Bid Summary

Submitted by:



David S. Gould, P.E.
District Engineer

CRESCENTA VALLEY WATER DISTRICT

Title: <u>Oak Creek #1 Steel Reservoir Rehabilitation</u> E-Job No: <u>E-970</u> Engineer's Estimate: <u>\$344,000</u> Project Manager: <u>Christina Olmedo</u>	BID LOCATION: _____ TIME: <u>2:00 PM</u> DATE: <u>9/13/2017</u> BY: <u>CO</u> CHECKED: <u>DSG</u>
--	--

ITEM	OAK CREEK #1 - DESCRIPTION	QUANTITY		Engineers Estimate		Advanced Industrial Services		J. Colon Coatings		AMP United	
				UNIT	AMOUNT	UNIT	AMOUNT	UNIT	AMOUNT	UNIT	AMOUNT
1	Interior Coating: Prepare surfaces and coat interior with epoxy coatings	1	LS	\$250,000.00	\$250,000.00	\$295,000.00	\$295,000.00	\$298,500.00	\$298,500.00	\$268,628.00	\$268,628.00
2	Disinfection: Prepare surfaces and disinfect interior.	1	LS	\$3,000.00	\$3,000.00	\$3,300.00	\$3,300.00	\$3,000.00	\$3,000.00	\$1,200.00	\$1,200.00
3	Exterior Painting: Prepare and paint designated exterior surfaces with and epoxy/urethane paint	1	LS	\$15,000.00	\$15,000.00	\$21,900.00	\$21,900.00	\$10,000.00	\$10,000.00	\$30,882.00	\$30,882.00
4	Interior Caulking: Caulk all designated voids on the interior surfaces	1	LS	\$3,000.00	\$3,000.00	\$5,000.00	\$5,000.00	\$3,500.00	\$3,500.00	\$1,200.00	\$1,200.00
5	Auxiliary Vent Screen: Remove existing vent screen and install new stainless steel screen	1	LS	\$12,000.00	\$12,000.00	\$2,100.00	\$2,100.00	\$500.00	\$500.00	\$481.00	\$481.00
6	Center Vent : Remove the existing center vent and install a new 48" center vent	1	LS	\$1,500.00	\$1,500.00	\$7,600.00	\$7,600.00	\$8,606.00	\$8,606.00	\$8,606.00	\$8,606.00
7	Roof Hatch: Remove the existing roof hatch and install a new 36"x36" hatch with hinged aluminum cover	1	LS	\$4,500.00	\$4,500.00	\$4,500.00	\$4,500.00	\$3,926.00	\$3,926.00	\$3,926.00	\$3,926.00
8	Auxiliary Vents: Furnish and install three (3) new 24" auxiliary vents and modify the existing auxiliary vent for installation of the fan and solar panel	1	LS	\$15,000.00	\$15,000.00	\$9,600.00	\$9,600.00	\$16,744.00	\$16,744.00	\$16,744.00	\$16,744.00
9	Vent Fans: Furnish and install vent fans, solar panels, conduit, junction box and wiring	1	LS	\$12,000.00	\$12,000.00	\$11,900.00	\$11,900.00	\$9,048.00	\$9,048.00	\$9,048.00	\$9,048.00
10	Fall Restraint System: Install fall restraint stainless steel cables, attachments, and mounting hardware	1	LS	\$3,500.00	\$3,500.00	\$2,100.00	\$2,100.00	\$3,054.00	\$3,054.00	\$3,054.00	\$3,054.00
11	Stairway: Remove the existing exterior ladder and cage and furnish and install a new spiral stairway	1	LS	\$12,500.00	\$12,500.00	\$19,500.00	\$19,500.00	\$15,236.00	\$15,236.00	\$15,236.00	\$15,236.00
12	Cathodic Protection: Remove and dispose of the existing system and install a galvanic cathodic protection system	1	LS	\$12,000.00	\$12,000.00	\$20,000.00	\$20,000.00	\$9,800.00	\$9,800.00	\$16,466.00	\$16,466.00
Oak Creek #1 - Total - Bid Items 1 - 12					\$344,000.00		\$402,500.00		\$381,914.00		\$375,471.00

Oak Creek #1 - Alternative Bid Items				Engineers Estimate		Advanced Industrial Services		J. Colon Coatings		AMP United	
13	Dehumidification: Dehumidification system for interior work	7	wks	\$1,200.00	\$8,400.00	\$1,000.00	\$7,000.00	\$3,900.00	\$27,300.00	\$4,162.00	\$29,134.00
14	Pit/Perforation Treatment: Fill pits or weld plates over pitted or corroded areas	16	hrs	\$200.00	\$3,200.00	\$250.00	\$4,000.00	\$317.00	\$5,072.00	\$317.00	\$5,072.00
15	Grinding: Grind smooth sharp edges of the rafter and girder flanges	16	hrs	\$200.00	\$3,200.00	\$250.00	\$4,000.00	\$200.00	\$3,200.00	\$317.00	\$5,072.00
16	Inspection Spot Blasting: Abrasively blast clean severely corroded surfaces	8	hrs	\$300.00	\$2,400.00	\$600.00	\$4,800.00	\$250.00	\$2,000.00	\$365.00	\$2,920.00
17	Cathodic Protection: Remove the existing system and reinstall the system with new hand hole covers.	1	LS	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$9,000.00	\$9,000.00	\$10,029.00	\$10,029.00
Oak Creek #1 - Total - Alternative Bid Items 13- 17					\$27,200.00		\$29,800.00		\$46,572.00		\$52,227.00
Oak Creek #1 - Total - Bid Items 1 - 17				EE	\$371,200.00	LOW	\$432,300.00	2ND	\$428,486.00	3RD	\$427,698.00

CRESCENTA VALLEY WATER DISTRICT

Title: Oak Creek #2 Steel Reservoir Rehabilitation
 E-Job No: E-970
 Engineer's Estimate: \$344,000
 Project Manager: Christina Olmedo

BID LOCATION: _____
 TIME: 2:00 PM
 DATE: 9/13/2017
 BY: CO CHECKED: DSG

Page 2 of 3
 CVWD's Office

ITEM	OAK CREEK #2 - DESCRIPTION	QUANTITY		Engineers Estimate		Advanced Industrial Services		J. Colon Coatings		AMP United	
				UNIT	AMOUNT	UNIT	AMOUNT	UNIT	AMOUNT	UNIT	AMOUNT
1	Interior Coating: Prepare surfaces and coat interior with epoxy coatings	1	LS	\$250,000.00	\$250,000.00	\$295,000.00	\$295,000.00	\$309,000.00	\$309,000.00	\$270,785.00	\$270,785.00
2	Disinfection: Prepare surfaces and disinfect interior.	1	LS	\$3,000.00	\$3,000.00	\$3,300.00	\$3,300.00	\$3,000.00	\$3,000.00	\$1,200.00	\$1,200.00
3	Exterior Painting: Prepare and paint designated exterior surfaces with and epoxy/urethane paint	1	LS	\$15,000.00	\$15,000.00	\$21,900.00	\$21,900.00	\$11,000.00	\$11,000.00	\$30,882.00	\$30,882.00
4	Interior Caulking: Caulk all designated voids on the interior surfaces	1	LS	\$3,000.00	\$3,000.00	\$5,000.00	\$5,000.00	\$3,500.00	\$3,500.00	\$1,200.00	\$1,200.00
5	Lateral Braces: Move existing tie-rods and install new lateral braces	1	LS	\$12,000.00	\$12,000.00	\$13,900.00	\$13,900.00	\$7,943.00	\$7,943.00	\$7,943.00	\$7,943.00
6	Center Vent: Remove the existing center vent and install a new 48" center vent	1	LS	\$3,000.00	\$3,000.00	\$2,500.00	\$2,500.00	\$972.00	\$972.00	\$972.00	\$972.00
7	Roof Hatch: Remove the existing roof hatch and install a new 36"x36" hatch with hinged aluminum cover	1	LS	\$3,000.00	\$3,000.00	\$4,500.00	\$4,500.00	\$3,926.00	\$3,926.00	\$3,926.00	\$3,926.00
8	Auxiliary Vents: Furnish and install three (3) new 24" auxiliary vents and modify the existing auxiliary vent for installation of the fan and solar panel	1	LS	\$15,000.00	\$15,000.00	\$9,600.00	\$9,600.00	\$16,744.00	\$16,744.00	\$16,744.00	\$16,744.00
9	Vent Fans: Furnish and install vent fans, solar panels, conduit, junction box and wiring	1	LS	\$12,000.00	\$12,000.00	\$11,900.00	\$11,900.00	\$9,048.00	\$9,048.00	\$9,048.00	\$9,048.00
10	Fall Restraint System: Install fall restraint stainless steel cables, attachments, and mounting hardware	1	LS	\$3,500.00	\$3,500.00	\$2,100.00	\$2,100.00	\$3,054.00	\$3,054.00	\$3,054.00	\$3,054.00
11	Stairway: Remove the existing exterior ladder and cage and furnish and install a new spiral stairway	1	LS	\$12,500.00	\$12,500.00	\$19,500.00	\$19,500.00	\$23,000.00	\$23,000.00	\$36,972.00	\$36,972.00
12	Cathodic Protection: Remove and dispose of the existing system and install a galvanic cathodic protection system	1	LS	\$12,000.00	\$12,000.00	\$20,000.00	\$20,000.00	\$9,800.00	\$9,800.00	\$16,466.00	\$16,466.00
Oak Creek #2 - Total - Bid Items 1 - 12					\$344,000.00		\$409,200.00		\$400,987.00		\$399,192.00
Alternative Bid Items				Engineers Estimate		Advanced Industrial Services		J. Colon Coatings		AMP United	
13	Dehumidification: Dehumidification system for interior work	7	wks	\$1,200.00	\$8,400.00	\$1,000.00	\$7,000.00	\$3,900.00	\$27,300.00	\$4,162.00	\$29,134.00
14	Pit/Perforation Treatment: Fill pits or weld plates over pitted or corroded areas	16	hrs	\$200.00	\$3,200.00	\$250.00	\$4,000.00	\$317.00	\$5,072.00	\$317.00	\$5,072.00
15	Grinding: Grind smooth sharp edges of the rafter and girder flanges	8	hrs	\$200.00	\$1,600.00	\$250.00	\$2,000.00	\$200.00	\$1,600.00	\$317.00	\$2,536.00
16	Inspection Spot Blasting: Abrasively blast clean severely corroded surfaces	8	hrs	\$300.00	\$2,400.00	\$600.00	\$4,800.00	\$250.00	\$2,000.00	\$365.00	\$2,920.00
17	Cathodic Protection: Remove the existing system and reinstall the system with new hand hole covers.	1	LS	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$9,000.00	\$9,000.00	\$10,029.00	\$10,029.00
Oak Creek #2 -Total - Alternative Bid Items 13- 17					\$25,600.00		\$27,800.00		\$44,972.00		\$49,691.00
Oak Creek #2 - Total - Bid Items 1 - 17				EE	\$369,600.00	LOW	\$437,000.00	2ND	\$445,959.00	3RD	\$448,883.00

CRESCENTA VALLEY WATER DISTRICT

Page 3 of 3
CVWD's Office

Title: Oak Creek #1 & #2 Steel Reservoir Rehabilitation
 E-Job No: E-970
 Engineer's Estimate: \$284,000
 Project Manager: Christina Olmedo

BID LOCATION: _____
 TIME: 2:00 PM
 DATE: 9/13/2017
 BY: CO CHECKED: DSG

Project Cost Summary

	Engineers Estimate		Advanced Industrial Services		J. Colon Coatings		AMP United	
Oak Creek #1 & #2 - Total - Bid Items 1 - 12		\$688,000.00		\$811,700.00		\$782,901.00		\$774,663.00
Oak Creek #1 & #2 - Total - Alternative Bid Items 13- 17		\$52,800.00		\$57,600.00		\$91,544.00		\$101,918.00
Oak Creek #1 & #2 - Total - Bid Items 1 - 17		\$740,800.00	LOW	\$869,300.00	2ND	\$874,445.00	3RD	\$876,581.00

CRESCENTA VALLEY WATER DISTRICT

BOARD OF DIRECTORS - STAFF REPORT

Action Item No. 4
September 19, 2017

To: Honorable President and Members of the Board of Directors
From: Thomas A. Love, General Manager
Subject: California Water Fix

ACTION ITEM:

Update on the California Water Fix - Consideration and motion to support California Water Fix and authorize the General Manager to communicate the District support to Metropolitan Water District and other appropriate agencies.

BACKGROUND:

The California Water Fix is a \$16.7 billion investment plan proposed by Governor Brown and the CA Department of Water Resources to upgrade the state's existing water delivery system by constructing two tunnels to move water supplies underneath, rather than through the Sacramento-San Joaquin Bay Delta. Throughout the summer of 2017, MWD conducted hearings and discussions on the California Water Fix. MWD is scheduled to vote on its financial commitment to the project on Sept. 26.

Attached are factsheets from MWD on CA Water Fix. The attached are documents that highlight the history of the California Water Fix over the last 10 years and provide additional information. Detailed white papers on California Water Fix are also available (links to these white papers were provided to the Board via email on August 11, 2017).

RECOMMENDATION:

Staff recommends that the Board adopt a position of support for California Water Fix and authorize the General Manager to communicate such support to appropriate agencies.

Prepared & Submitted by:



Thomas A. Love, P.E.
General Manager

MODERNIZING THE SYSTEM: CALIFORNIA WATERFIX INFRASTRUCTURE

1

The first in a series of three policy papers prepared for the consideration of Metropolitan's Board of Directors in advance of planned summer meetings and decisions in Fall 2017.

Modernizing and improving California's water system is essential for the reliable delivery of water supplies to much of the state. About 30 percent of the water that flows out of taps in Southern California homes and businesses comes from Northern California watersheds and flows through the Sacramento-San Joaquin Delta. But the Delta's declining ecosystem and 1,100 miles of levees are increasingly vulnerable to earthquakes, flooding, saltwater intrusion, climate change and further environmental degradation.

California WaterFix is the product of more than a decade of review, planning, and rigorous scientific and environmental analysis by water experts, engineers and conservationists, as well as unprecedented public comment. The proposed project will improve the security of our water system by fixing aging infrastructure and constructing new, state-of-the-art facilities using innovative technologies and engineering practices. Significant planning work for the design and construction of the project has been performed by the state, water agencies, and construction and engineering firms, which have determined the project is buildable. Details of the project features, actions to address public comment, risk management, schedule projection and cost estimates are addressed in a new white paper and summarized below.



Approach to Design & Construction



An extensive planning process evaluated various alignments, facility configurations and system options.

- The system would be capable of diverting up to 9,000 cubic feet-per-second from the Sacramento River and capturing additional wet period water supplies after all environmental flow and water quality criteria are met.
- Proposed construction plans, including the use of dual 40-foot diameter tunnels, is well within common practices in the engineering construction industry and will provide operational redundancy.

Specific steps were taken during the design effort to reduce or eliminate the impact of the new facilities on the environment and Delta communities. As a result of input during the environmental planning process, the following changes were made:

- Reduced size of overall project
- Expanded use of tunnels for conveyance
- Revised tunnel alignment
- Reduced size and location of intermediate forebay
- Reduced pumping requirements
- Reduced construction impacts along Sacramento River

Key Project Features



DUAL CONVEYANCE:

A flexible dual intake system will deliver water to state and federal pumping plants in the south Delta. New intakes farther upstream will reduce overall adverse environmental impacts on the Delta and provide higher quality water to water contractors' service areas.

MODERNIZED FACILITIES:

The existing system will be modernized with new facilities, equipment and technologies. State-of-the-art fish screens and intake structures will reduce harm to fish.

OPERATIONAL FLEXIBILITY:

The new intake facilities will work in conjunction with the existing south Delta intake system, delivering water from just one system or both, depending on fishery and water quality conditions. Dual intakes will provide greater flexibility to protect fish when they are present.

OPERATIONAL EFFICIENCY:

Gravity-fed tunnels will move water more naturally and efficiently. This will simplify overall operations and reduce long-term system and maintenance costs.

MAXIMIZES THE USE OF PUBLIC LANDS:

The project alignment uses more public lands, reducing the impact to private property and agriculture.

REDUCED ENVIRONMENTAL FOOTPRINT:

The proposed water facilities and operations have a greatly reduced project footprint compared to earlier proposals. This will reduce community impacts.

OTHER ENVIRONMENTAL CONSIDERATIONS:

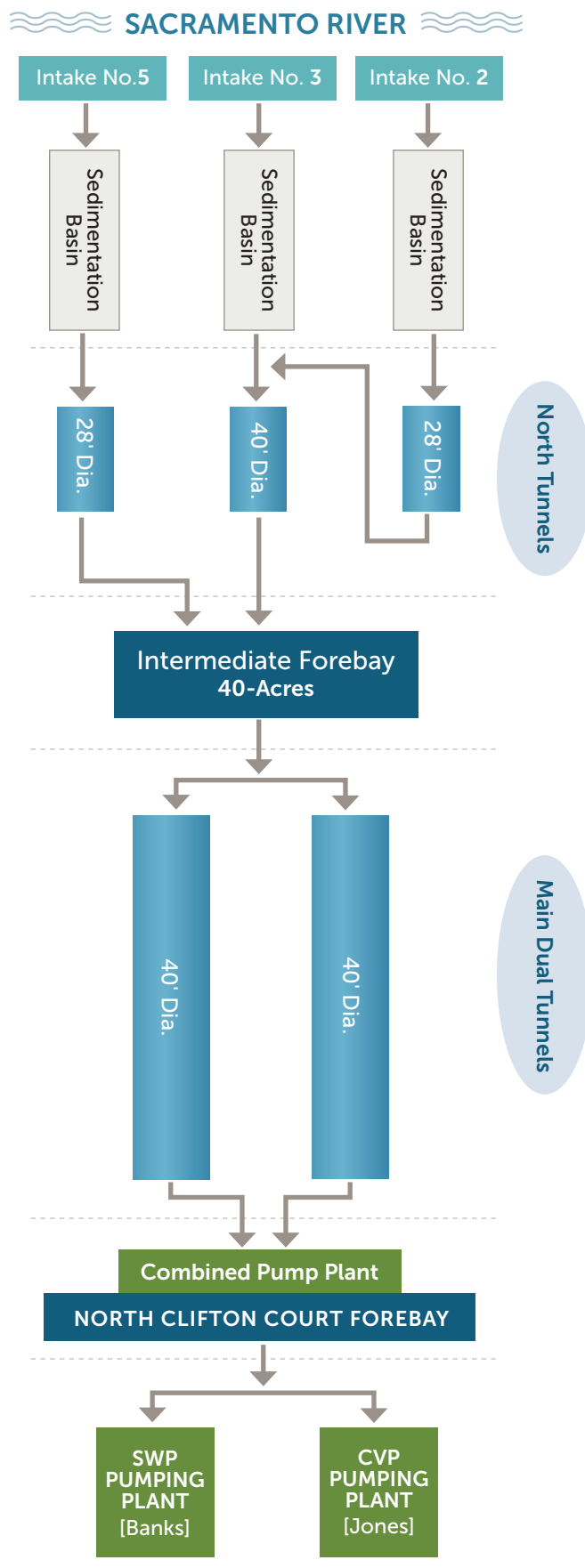
The plan allows for a more natural flow direction in the Delta during critical fish protection periods and increases water supply reliability with greater flexibility to divert water in ways that protect sensitive fish species.

WATER SUPPLY RELIABILITY:

A modernized system can more reliably capture water from peak storms and flood flows to refill reservoirs and replenish groundwater basins.

EMERGENCY PREPAREDNESS:

A modernized system will ensure that water is available for drought and emergency needs and help protect supplies from earthquakes or other natural disasters that could disrupt the current system.



Minimizing Risk

CRITICAL ISSUES RELATED TO DESIGN, CONSTRUCTION AND OPERATIONS HAVE BEEN ADDRESSED DURING THE PLANNING PROCESS:

Tunnels: Extensive work and surveys to identify best practices of large tunnel projects with similar design, construction and project management confirmed that the proposed California WaterFix tunnel boring machines are well within the existing industry knowledge and experience.

Leakage: The lining system will be designed to withstand the maximum internal pressure calculated for the conveyance system, resulting in negligible leakage.

Ground Vibration: Tunnels will be constructed at least 100 feet below ground. Material over the tunnels will dampen and absorb any energy generated during tunneling activities.

Surface Settlement: The project will use geotechnical information, monitoring and structure projection methods to mitigate the risk of settlement effects and structural damage.

Seismic Mitigation: Because the proposed tunnel alignment does not cross any major fault rupture or creep zones, the deep tunnels will not be subject to liquefaction potential. The tunnel design uses precast segmental lining systems which have been successfully used in seismically active areas around the world.

Geotechnical Considerations and Mitigations: At proposed tunnel depths, dense layers of silts, sands and clays are anticipated. This material will be suitable for the planned tunneling activities.

Flood Protection: Facilities will be engineered and designed to withstand water level rise resulting from both a 200-year storm event and from sea level rise of 18 inches in the Delta.

Construction Management



The Department of Water Resources is working with the State Water Contractors to resolve the final details of how the construction of California WaterFix will be managed to guarantee the project's safety and construction integrity and to ensure the project is delivered on time, on budget and in accordance with approved specifications, while managing risk prudently.



Cost



Cost estimates were determined through a rigorous analysis by industry professionals and will be updated as additional information becomes available.

Overall Cost	\$ 15.74 B
Conveyance System Cost	\$ 14.94 B
Program management, construction management and engineering	\$ 1.91 B
Tunnels/shafts construction	\$ 6.82 B
Remaining construction	\$ 2.68 B
Contingency (~36% for tunnel/shafts and remaining construction)	\$ 3.38 B
Land acquisition (includes 20% contingency)	\$ 0.15 B
Environmental Mitigation (includes 35% contingency)*	\$ 0.80 B

Program Estimate in 2014 Dollars

**Significant additional fishery habitat restoration will occur through California EcoRestore <http://resources.ca.gov/ecorestore/>*

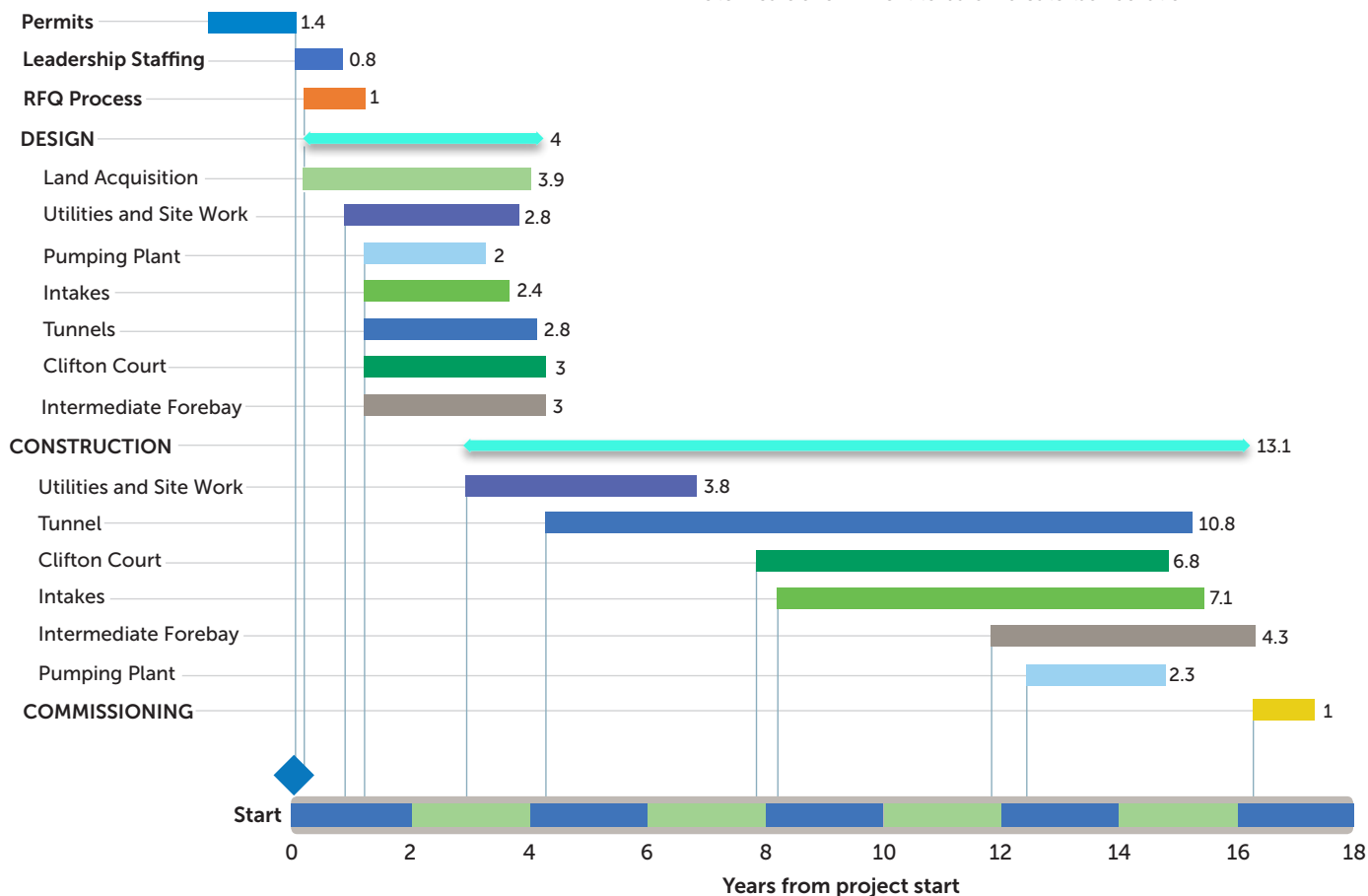
Schedule



The current schedule estimates it will take 12 to 15 months to fully staff the project, up to four years to complete the design phase and approximately 13 years to complete construction.

California WaterFix - Program Summary Schedule

Note: Years shown next to bars indicate task duration



OUR MISSION

The mission of the Metropolitan Water District of Southern California is to provide its service area with adequate and reliable supplies of high-quality water to meet present and future needs in an environmentally and economically responsible way.

ABOUT METROPOLITAN

The Metropolitan Water District of Southern California is a state-established cooperative of 26 member agencies – cities and public water agencies – that serve nearly 19 million people in six counties. Metropolitan imports water from the Colorado River and Northern California to supplement local supplies and helps its members develop increased water conservation, recycling, storage and other resource management programs.

BE INFORMED, BE INVOLVED

www.mwdh2o.com



@mwdh2o

Photos courtesy CA Department of Water Resources

The second in a series of three policy papers prepared for the consideration of Metropolitan's Board of Directors in advance of planned summer meetings and decisions in fall 2017.

Modernizing and improving California's water system are essential for the reliable delivery of water supplies to much of the state. About 30 percent of the water that flows out of taps in Southern California homes and businesses comes from Northern California watersheds and flows through the Sacramento-San Joaquin Delta. But the Delta's declining ecosystem and 1,100 miles of levees are increasingly vulnerable to earthquakes, flooding, saltwater intrusion, climate change and further environmental degradation. California WaterFix is the product of more than a decade of review, planning, rigorous scientific and environmental analysis in collaboration with fishery agencies and an unprecedented level of public comment.

Extensive analysis and work has been performed by state and federal water agencies and fish and wildlife agencies to determine conveyance system improvements and an operations framework to improve the direction of river flows in ways that will help native fish species, protect water supplies from climate change impacts and help restore the Delta ecosystem. Details of the proposed operations are addressed in Metropolitan's second white paper and summarized below.



WaterFix Operations Objectives



California WaterFix proposes a strong operations plan based on sound, collaborative science and adaptive management to meet the following objectives:

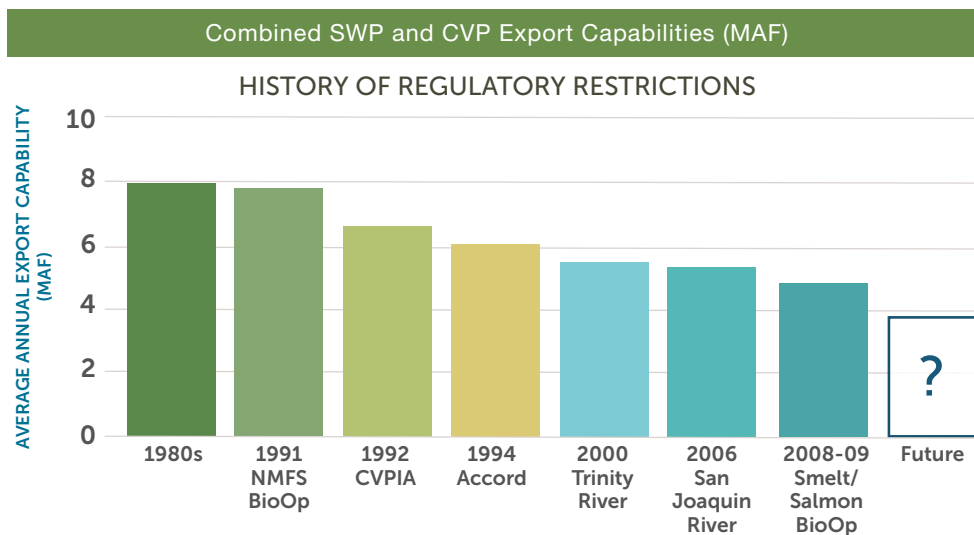
- Improve water supply reliability
- Enhance ecosystem fishery habitat throughout the Delta
- Allow flexible pumping operations in a dynamic fishery environment
- Improve export water quality
- Respond to climate change risks
- Reduce seismic risks



Regulatory Impacts



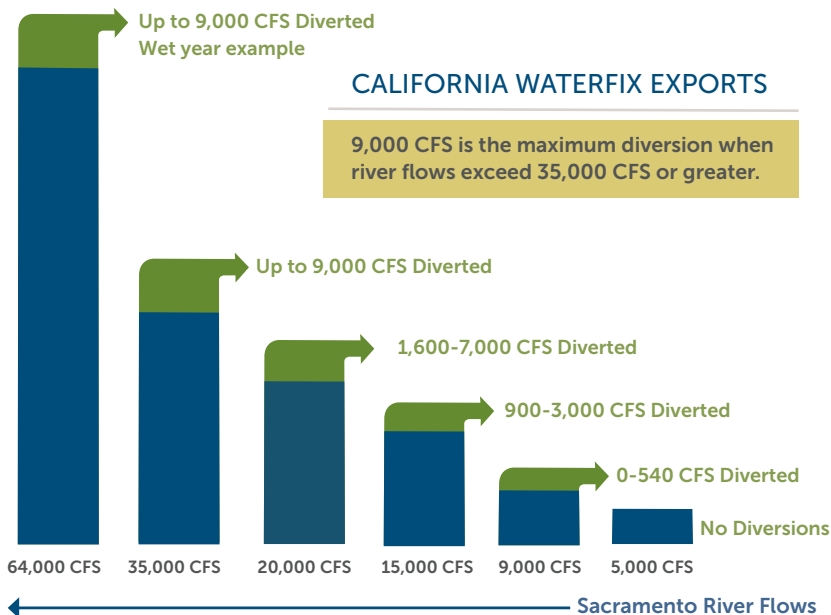
State Water Project and Central Valley Project operations have been, and continue to be, affected by regulations that seek to change flow regimes in the Delta by setting rules for outflow variables. This has decreased operational flexibility and reduced exports to 25 million Californians who receive water from the SWP and CVP south of the Delta and millions of acres of irrigated farmland.



Science-based Operations



As part of the California WaterFix planning process, extensive modeling and analysis has been done to evaluate the potential operational and water supply benefits and to determine the preferred project alternative that will advance the coequal goals of water supply reliability and protecting the Delta ecosystem. Creating a dual conveyance system with additional points of diversion for water exports in the Delta will improve river flow patterns, restore natural tidal fluctuations, reduce entrainment and improve habitat for native fish.



THE BAY-DELTA IS AN EVOLVING PLACE. UNCERTAINTY FROM CLIMATE CHANGE AND OTHER FACTORS WILL BE ADDRESSED BY CALIFORNIA WATERFIX THROUGH AN ADAPTIVE MANAGEMENT STRATEGY.

The most sensitive time of the year for Delta fisheries is December to June. Operations criteria would require a minimum Sacramento River flow before any water could be diverted at the north Delta intakes. The criteria also include biologically-based triggers to benefit fish species. A maximum possible diversion of 9,000 cfs is reached at river flows of 35,000 cfs or greater under the proposed operations.

Source: California WaterFix, State of California
CFS=cubic feet per second

Key Operational Benefits



California WaterFix is an environmentally responsible plan that improves water supply reliability and operational flexibility. Many supply and environmental benefits that have been incorporated into the proposed project operations will:

IMPROVE WATER SUPPLY RELIABILITY

New intakes in the north Delta would provide greater flexibility and reliability by capturing more water in wet and above-normal years. Predicted future water supply for SWP and CVP with California WaterFix would range from 4.7 to 5.3 million acre-feet.

PROTECT FLOWS IN THE DELTA

A more natural flow direction in the Delta during critical fish protection periods will increase water supply reliability and minimize reverse flows. North Delta diversions, fish screen designs, bypass flow criteria and real time operations will be managed to limit effects on listed fish species.

IMPROVE EXPORT AND IN-DELTA WATER QUALITY

With the new north Delta intakes, the quality of water for exports would improve. The project will also protect in-Delta agricultural water quality by maintaining standards and limiting north Delta diversions when river flows are low.

REDUCE CLIMATE CHANGE RISKS

The SWP and CVP pumps in the south Delta are vulnerable to increased salinity from rising sea levels. New northern intakes would greatly improve water quality under future changing conditions.

ADHERE TO INTEGRATED WATER RESOURCE PLAN

Improved water supply reliability would advance Metropolitan's 2015 Integrated Water Resources Plan Update strategy and leverage investments made to the regional storage portfolio over the past two decades.

MINIMIZE ADVERSE IMPACTS TO COMMUNITIES

The footprint, construction activities and proposed operations reflect numerous efforts to minimize adverse impacts to Delta communities and areas of sensitive habitat for fish and wildlife.

OPERATIONAL AND ENVIRONMENTAL BENEFITS

WATER DELIVERY FORECAST

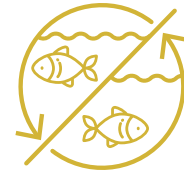
PREDICTED FUTURE WATER SUPPLY FOR SWP/CVP
WITHOUT CALIFORNIA WATERFIX
3.5 TO 3.9 MILLION ACRE-FEET/YEAR*

PREDICTED FUTURE WATER SUPPLY FOR SWP/CVP
WITH CALIFORNIA WATERFIX
4.7 TO 5.3 MILLION ACRE-FEET/YEAR**

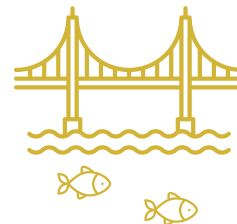
Total SWP and CVP water deliveries

* Proposed w/o northern intake (existing conditions high outflow scenario)

** California WaterFix preferred alternative 4A H3-H4



Reinstate a more natural direction of river flows in the south Delta, minimizing reverse flows.



Protect against saltwater intrusion.



Safeguard against vulnerabilities that threaten water reliability such as earthquake risk and climate change.

Environmental Benefits



MITIGATION

The biological opinions and EIR/EIS for California WaterFix outline mitigation measures related to the construction and future operations of the project. Some of the benefits of the fishery habitat that will be created and restored include:

- Improved habitat conditions along important juvenile salmon migration routes
- Restored tidal and non-tidal wetlands, and native riparian forest habitat
- Increased food production, spawning and rearing areas

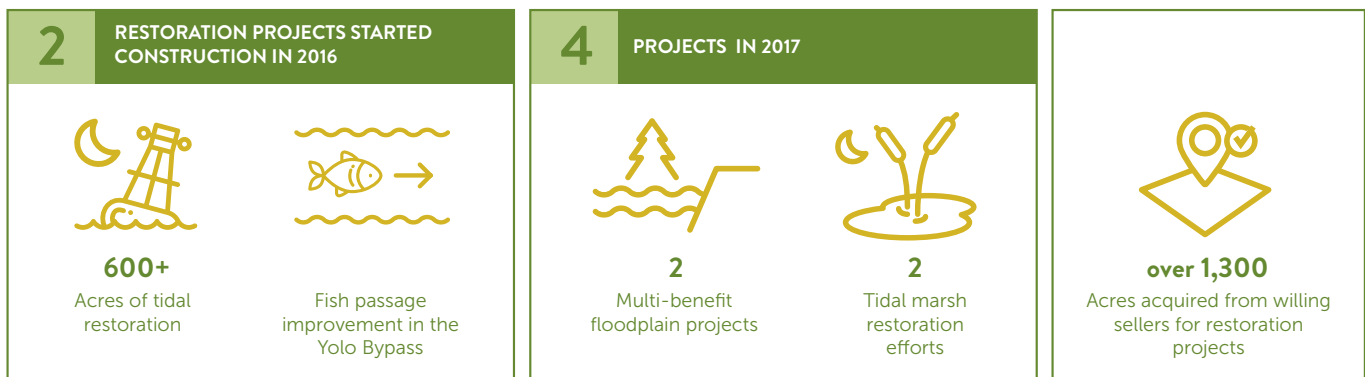
- Natural refuge from predators and changing climate conditions
- Improved connectivity between existing areas of natural habitat

These measures will enhance other state-sponsored programs to restore natural communities and ecological processes including California EcoRestore and the Delta Smelt and Sacramento Valley Salmon Resiliency Plans, both of which contain actions to improve the status of the species. Metropolitan is a strong proponent and active participant with the state on these programs.

CALIFORNIA ECORESTORE

California EcoRestore represents the state's near-term effort to accelerate habitat restoration in the Delta. California EcoRestore is being developed in parallel to California WaterFix, but separate from the mitigation requirements of the project, to improve the long-term health of the Delta. EcoRestore seeks to advance at least 30,000 acres of habitat restoration including 3,500 acres of managed wetlands, at least 17,500 acres of floodplain restoration, 9,000 acres of tidal and sub-tidal habitat restoration and at least 1,000 acres of aquatic, riparian and upland habitat projects and multi-benefit flood management projects.

AFTER TWO YEARS IN OPERATION, CALIFORNIA ECORESTORE HAS MADE SIGNIFICANT PROGRESS:



OUR MISSION

The mission of the Metropolitan Water District of Southern California is to provide its service area with adequate and reliable supplies of high-quality water to meet present and future needs in an environmentally and economically responsible way.

For a full version of the Operations Policy Paper, visit mwdh2o.com/waterfix

ABOUT METROPOLITAN

The Metropolitan Water District of Southern California is a state-established cooperative of 26 member agencies – cities and public water agencies – that serve nearly 19 million people in six counties. Metropolitan imports water from the Colorado River and Northern California to supplement local supplies and helps its members develop increased water conservation, recycling, storage and other resource management programs.

BE INFORMED, BE INVOLVED

www.mwdh2o.com



@mwdh2o

CALIFORNIA WATERFIX FINANCE AND COST ALLOCATION

The third in a series of policy papers prepared for the consideration of Metropolitan's Board of Directors in advance of planned summer meetings and decisions in fall 2017.

Modernizing and improving California's water system is essential for the reliable delivery of water supplies to much of the state. About 30 percent of the water that flows out of taps in Southern California homes and businesses comes from Northern California watersheds and flows through the Sacramento-San Joaquin Delta. But the Delta's declining ecosystem and 1,100 miles of levees are increasingly vulnerable to earthquakes, flooding, saltwater intrusion, climate change and further environmental degradation. California WaterFix is the product of more than a decade of review, planning, rigorous scientific and environmental analysis and unprecedented public comment.

This white paper provides information about the costs of the project, including adjustments of capital, mitigation and O&M costs to 2017 dollars. The financing plan is presented with financial assumptions and a range of financing scenarios. The cost allocation information covers Metropolitan's anticipated financial commitment, an estimate of member agency wholesale rate impacts, and metrics to assess retail level impacts. Using this information and when compared to costs for other local supply alternatives, California WaterFix would provide a cost-effective supply for Southern California's water portfolio.

A Cost-Effective Approach to Reliability



- California WaterFix is a sound investment to maintain a reliable source of water for Southern California.
- The proposed project would provide measureable and quantifiable water supply and water quality benefits.
- Costs will be fairly allocated among participating agencies using the 'beneficiary pays' principle.
- Metropolitan will coordinate with the California Department of Water Resources (DWR) and the other state and federal water contractors to evaluate options to optimize financing and reduce costs while minimizing risks.

Cost Estimate and Cost Allocation

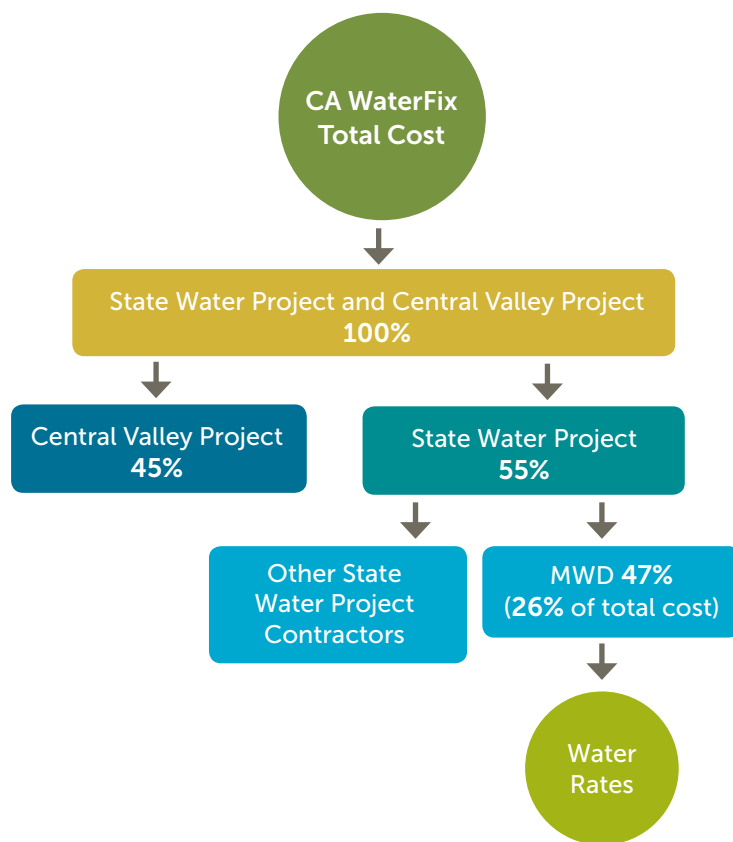


CAPITAL COSTS		
	2014 Dollars	2017 Dollars
Environmental Mitigation*	\$ 367 M	\$ 401 M
Conveyance System Cost	\$ 14.9 B	\$16.33 B
Overall Cost	\$ 15.3 B	\$ 16.7 B

*The mitigation costs for capital and O&M for 25 years equals \$796M in 2014 dollars or \$870M in 2017 dollars.

- Cost estimates were determined through a rigorous analysis by industry professionals and will be updated as additional information becomes available.
- Estimated costs for mitigation and associated environmental commitments are preliminary and will be revised as costs are refined.

CA WaterFix Cost Allocation



Costs and Financing Approach



Costs and financing considerations include the following:

- Planning, design, construction and other capital costs will be financed with revenue bonds beginning in mid-2019.
- A validation action has been filed by DWR to, among other things, provide the requisite assurance to the financial community for the sale of revenue bonds.
- Anticipated cost increases for California WaterFix have already been incorporated into Metropolitan's ten-year Financial Forecast and are included as part of the long-term projected average 4.5% rate increases.



Approximate average household cost of California WaterFix within the MWD Service Area

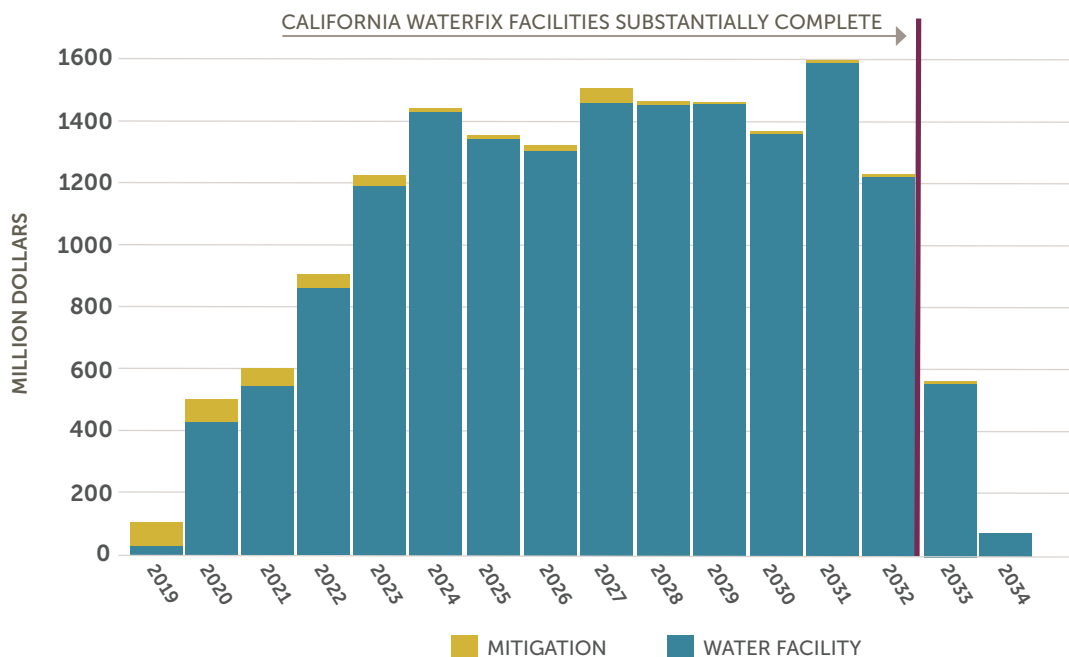
\$2-3/PER MONTH

(BASED ON 6.2 MILLION HOUSEHOLDS AND RESIDENTIAL SECTOR PAYING 70 PERCENT OF COSTS)

Financing and Funding Structure



ESTIMATED CASH FLOW FOR CAPITAL EXPENDITURES



Key Uncertainties And Mitigation Measures



FINANCING OPTIONS

In addition to revenue bonds, a range of other financing options will be evaluated to optimize financing and reduce costs, such as short-term borrowing and pursuing WIFIA (federal loan program) supplemental funding.



SWP CONTRACTOR DEFAULTS ON PAYMENTS

Mitigation is included in SWP delivery contracts, obligating contractors to make payments and if necessary compel contractor to levy taxes or assessments in the event of non-payment.



REIMBURSEMENT OF DIRECT CONTRACTOR FUNDING CONTRIBUTIONS

The first issuance of revenue bonds will include funds to reimburse contractor-provided gap funding and prior funding contributions for planning costs.



JUDICIAL DETERMINATION ON DWR AUTHORITY TO ISSUE BONDS

- Pending completion of the validation action, private placement bond sales with the Finance Joint Powers Authority (JPA) would allow funding for project implementation to proceed.
- If DWR does not have the authority, a process would be established leading to the potential conveyance of interest in the project to the Finance JPA or designee to proceed.



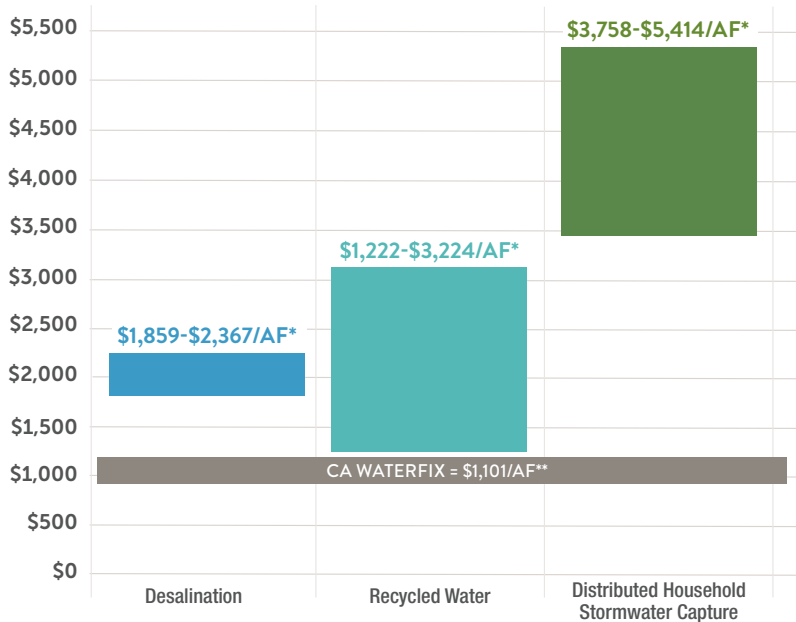
CVP CONTRACTOR PARTICIPATION

- DWR will not move forward with project implementation without the commitment of a sufficient number of SWP and CVP contractors.
- Discussions are ongoing concerning the risk of a participating CVP contractor defaulting during project implementation.

Ensuring Affordable, Reliable Water Supplies



COST OF STATE WATER PROJECT SUPPLIES COMPARED TO DEVELOPING FUTURE LOCAL SUPPLIES



* Range is based on the 25-75% percentiles of projected project costs as reported in 2015 IRP
 ** Estimated MWD Tier 1 treated water rate with Delta improvements

California WaterFix is the most cost-effective alternative

If we keep our existing imported water supply, made more reliable with California WaterFix, it would cost approximately \$2-3/mo. per average household in the Metropolitan service area.

If we tried to develop new local supplies to replace the imported water supply we would lose without California WaterFix, it would cost two or more times as much per average household in the Metropolitan service area.

JOBS AND ECONOMIC BENEFITS



SECURING CLEAN WATER SUPPLIES

4.7-5.3 MILLION

ACRE-FEET ON AVERAGE ANNUALLY
(Combined SWP and CVP)

Enough to supply 9-11 million households
with water for one year



CREATING & PROTECTING JOBS

1.1 MILLION

FULL-TIME EQUIVALENT JOBS CREATED
AND SAVED FOR CALIFORNIA

Based on a year-by-year estimate



SUPPORTING THE ECONOMY

\$1 TRILLION

SOUTHERN CALIFORNIA ECONOMY
DEPENDS ON DELTA-CONVEYED WATER

OUR MISSION

The mission of the Metropolitan Water District of Southern California is to provide its service area with adequate and reliable supplies of high-quality water to meet present and future needs in an environmentally and economically responsible way.

ABOUT METROPOLITAN

The Metropolitan Water District of Southern California is a state-established cooperative of 26 member agencies – cities and public water agencies – that serve nearly 19 million people in six counties. Metropolitan imports water from the Colorado River and Northern California to supplement local supplies and helps its members develop increased water conservation, recycling, storage and other resource management programs.

For a full version of the
Finance and Cost Allocation Paper,
visit mwdh2o.com/waterfix

BE INFORMED, BE INVOLVED

www.mwdh2o.com



@mwdh2o

Cover photo courtesy CA Department of Water Resources

water next

California WaterFix is THE best long-term solution to ensure our way of life here in Southern California.

Life

depends on water



Water sustains our homes and families



Water propels businesses and jobs that fuel Southern California.

We need an

Upgrade



Our aging water delivery system is vulnerable and in desperate need of improvement.



We are fulfilling the California promise by investing in and building modern projects that use state-of-the-art technology to deliver our water.

Flexibility for the Future



We are losing the opportunity to capture water because of our outdated water system.



Modernized infrastructure will allow us to capture more water during big storms and store it in reservoirs for drier times.

Fresh

from the mountains



Sierra Nevada snowmelt provides one of the cleanest, freshest sources of water for our homes and families.



Southern California relies on snowmelt for **30%** of its water.

California WaterFix is essential to ensure our continued vitality and quality of life. WaterFix will proactively address dangerously outdated and inefficient water infrastructure to meet today's needs and climate realities.

Water security
backed by experts.

Learn how it works →

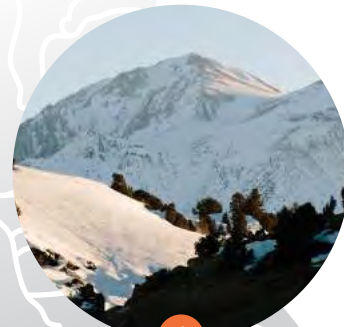
What's next for SoCal's water?

California WaterFix will modernize our water system, securing fresh water for millions in Southern California.

From the Snowpack to Your Tap

Pure snowmelt flows down from the Sierra Nevada mountains, but hits a choke point in the Sacramento-San Joaquin River Delta.

WaterFix will alleviate the bottleneck with two new tunnels to move water under, rather than through, the Delta choke point.



1

2

3

1

Tunnels take in fresh water from three intakes on the Sacramento River

2

Water moves through tunnels to existing pumping plants south of the Delta

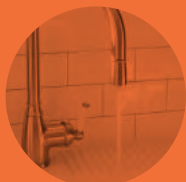
3

Fresh water is delivered to millions of Californians



WaterFix is backed by more than a decade of extensive review by water quality experts, water system engineers, environmental scientists and university researchers.

Why WaterFix?



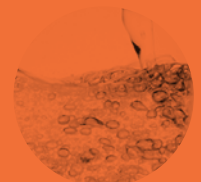
Modern upgrades
to improve our water delivery system



Reliable water supply
for Southern California



Improved flexibility
for future droughts



High-quality water
straight from the source



www.socalwater.org

Modernizing and re-routing our water delivery system is the best solution to ensure reliable, high-quality water for Southern California.

