



- **Board of Directors**
Engineering, Operations, and Technology Committee

2/13/2024 Board Meeting

7-5

Subject

Award a \$2,375,700 contract to J.F. Shea Construction Inc. for construction of a hazardous waste handling and storage facility at the La Verne site; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

Hazardous waste is generated through routine operations across the La Verne site. The existing hazardous waste handling and storage facility at the La Verne site has limited containment capacity and needs to be enlarged and enhanced with safety features, including leak detection, eyewashes, safety showers, and notification alarms. To develop an efficient and cost-effective project, the new facility will be constructed at the site of a decommissioned chemical feed facility at the La Verne site. These improvements will enhance staff safety and increase operational flexibility. Design is complete, and construction of the new facility is recommended at this time.

This action awards a \$2,375,700 construction contract to J.F. Shea Construction Inc. to construct a new hazardous waste handling and storage facility at the La Verne site. See **Attachment 1** for the Allocation of Funds, **Attachment 2** for the Abstract of Bids, **Attachment 3** for the Subcontractors for Low Bidder, and **Attachment 4** for the Location Map.

Proposed Action(s)/Recommendation(s) and Options

Staff Recommendation: Option #1

Option #1

Award a \$2,375,700 contract to J.F. Shea Construction Inc. for construction of a hazardous waste handling and storage facility at the La Verne site.

Fiscal Impact: Expenditure of \$3,400,000 in capital funds. Approximately \$200,000 will be incurred in the current biennium and have been previously authorized. The remaining funds for this action will be accounted for in the Capital Investment Plan (CIP) budget for the next biennium following board approval of the budget.

Business Analysis: This option will reduce the risk of accidental discharges to the off-site storm drain system and enhance workplace safety.

Option #2

Do not proceed with the project at this time.

Fiscal Impact: None

Business Analysis: This option would forego an opportunity to reduce the risk of potential stormwater contamination and enhance workplace safety.

Alternatives Considered

During the planning phase of this project, staff considered modifying the existing hazardous waste handling and storage facility. Extensive modifications would be required, including enlarging the secondary containment area and constructing a fixed canopy. Staff also evaluated multiple potential locations for a new facility and

determined that a nearby decommissioned sulfuric acid storage and feed facility is ideally located for waste handling and storage due to its proximity to critical facility operations, including the coating shops and the Water Quality Laboratory. In addition, the decommissioned facility has a permanent, in-ground secondary containment structure with an existing fixed canopy. The selected alternative to repurpose the decommissioned sulfuric acid facility provides the best value to Metropolitan with reduced overall project costs.

Applicable Policy

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

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

Related Board Action(s)/Future Action(s)

By Minute Item 51349, dated October 9, 2018, the Board authorized preliminary design to improve hazardous waste storage at the La Verne site.

By Minute Item 52778, dated April 12, 2022, the Board appropriated a total of \$600 million for projects identified in the CIP for Fiscal Years 2022/23 and 2023/24.

Summary of Outreach Completed

Metropolitan has coordinated with the local fire authority to confirm fire and life safety facility requirements.

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is exempt from CEQA because the action consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features involving negligible or no expansion of existing or former use and no possibility of significantly impacting the physical environment. In addition, the proposed action consists of replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced (State CEQA Guidelines Sections 15301 and 15302).

CEQA determination for Option #2:

None required

Details and Background

Background

The F.E. Weymouth Water Treatment Plant (Weymouth plant) was placed into service in 1941 and is located in the city of La Verne. In addition to the Weymouth plant, the La Verne site accommodates numerous support facilities, including the Water Quality Laboratory, the La Verne Shops, and water distribution facilities. Hazardous wastes, such as waste chemicals, oil, paint, paint thinners, and antifreeze, are generated through routine operations across the La Verne site, including regulatory sample handling and analysis, fabrication and coating of new and refurbished parts, and daily plant operations.

The existing hazardous waste handling and storage facility at the La Verne site was constructed in the early 2000s. The facility consists of a fenced-in, paved lot with portable secondary containment skids and an uncovered unloading area, which limits activity during rainy conditions. Hazardous wastes are collected and placed into either metal or plastic drums and separated by type: acid, base, flammable, oxidizer, and miscellaneous. The drums are temporarily stored on specialized pallets within a fenced, 80-foot by 60-foot area.

Following Title 22 of the California Code of Regulations, the waste-containing drums are stored on-site for no more than 90 days and must be transported off-site for appropriate disposal. Title 22 also stipulates that the hazardous waste storage area must have measures to protect stormwater runoff in the event of an accidental

discharge. While the original design complied with codes and regulations at the time of construction, the hazardous waste handling and storage facility requires several upgrades to meet increasing needs for stable long-term service and to enhance compliance with current codes.

In October 2018, Metropolitan's Board authorized preliminary design to improve hazardous waste storage at the La Verne site. During preliminary design, staff evaluated the option to repurpose a nearby sulfuric acid storage and feed facility that was decommissioned upon construction of the Weymouth plant's ozonation facilities. An assessment of the facility's condition confirmed that the containment area and structural canopy are intact, and the facility can be converted to provide a properly equipped hazardous waste handling and storage area. As a result, staff moved forward with final design to convert the decommissioned sulfuric acid facility into a hazardous waste handling and storage facility. Final design is now complete, and staff recommends the award of a construction contract at this time.

The recommended improvements will increase the capacity of the storage area, including the secondary containment area, to reduce the risk of stormwater contamination and discharge off-site. The facility will also be equipped with real-time leak detection, eyewashes, safety showers, and notification alarms to the Weymouth plant's control room. These improvements will enhance personnel safety and operational flexibility of all the functions and facilities that it supports.

La Verne Hazardous Waste Handling and Storage Facility – Construction

The scope of the construction contract consists of the following: converting the decommissioned sulfuric acid feed facility at the La Verne site into a new hazardous waste handling and storage facility featuring secondary containment areas with steel grating and exterior wall paneling; trenching and installation of electrical duct banks for lighting and power; installation of a storage container with lights, outlets, and a ramp; construction of security fencing and gates; installation of safety eyewash and shower units; and related site work including demolition, grading, and paving. Metropolitan forces will provide Supervisory Control and Data Acquisition integration for leak detection, installation of safety signage, and striping to support construction activities.

A total of \$3.4 million is allocated for this work. In addition to the amount of the contract described below, other funds to be allocated include \$297,000 for construction management and inspection; \$121,000 for Metropolitan force construction activities as described above; \$207,000 for submittals review, technical support during construction, responding to requests for information, and preparation of record drawings; \$94,000 for contract administration, environmental monitoring, and project management; and \$305,300 for the remaining budget.

Attachment 1 provides the allocation of the required funds. The total estimated cost to complete the work, including the amount appropriated to date and funds allocated for the work described in this action, is \$4.3 million.

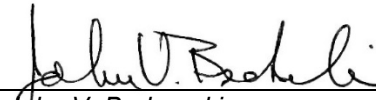
Award of Construction Contract (J.F. Shea Construction Inc.)

Specification No. 1992 for the construction of the hazardous waste handling and storage facility at the La Verne site was advertised for bids on November 14, 2023. As shown in **Attachment 2**, three bids were received and opened on December 21, 2023. The low bid from J.F. Shea Construction Inc. in the amount of \$2,375,700 complies with the requirements of the specifications. The other bids ranged from approximately \$2.80 million to \$3.36 million, while the engineer's estimate for this project was \$1.98 million. Staff investigated the difference between the engineer's estimate and the low bid and attributed the key differences to increased costs for specialty trades, including electrical and instrumentation work, as well as specialty coatings. For this contract, Metropolitan established a Small Business Enterprise participation level of at least 25 percent of the total bid amount. J.F. Shea Construction Inc. has agreed to meet this level of participation. The subcontractors for this contract are listed in **Attachment 3**.

This action awards a \$2,375,700 contract to J.F. Shea Construction Inc. for the construction of the hazardous waste handling and storage facility at the La Verne site. As described above, Metropolitan staff will perform construction management and inspection. Engineering Services' performance metric target range for construction management and inspection of projects with construction less than \$3 million is 12 to 15 percent. For this project, the performance metric goal for inspection is 11.9 percent of the total construction cost (\$2,496,700), which includes the construction contract (\$2,375,700) and Metropolitan force construction (\$121,000).

Project Milestone

June 2025 – Completion of construction



John V. Bednarski
Manager/Chief Engineer
Engineering Services

1/23/2024

Date



Adel Hagekhalil
General Manager

1/25/2024

Date

Attachment 1 – Allocation of Funds

Attachment 2 – Abstract of Bids

Attachment 3 – Subcontractors for Low Bidder

Attachment 4 – Location Map

Ref# es12700000

Allocation of Funds for La Verne Hazardous Waste Staging and Containment Facility

	Current Board Action (Feb. 2024)
Labor	
Studies & Investigations	\$ -
Final Design	-
Owner Costs (Program mgmt., envir. monitoring)	94,000
Submittals Review & Record Drwgs.	207,000
Construction Inspection & Support	297,000
Metropolitan Force Construction	90,000
Materials & Supplies	31,000
Incidental Expenses	-
Professional/Technical Services	-
Right-of-Way	-
Equipment Use	-
Contracts	-
J.F. Shea Construction Inc.	2,375,700
Remaining Budget	305,300
Total	<u>\$ 3,400,000</u>

The total amount expended to date for the hazardous waste staging and containment facility at the La Verne site is approximately \$900,000. The total estimated cost to complete the project, including the amount appropriated to date, and funds allocated for the work described in this action, is \$4.3 million.

The Metropolitan Water District of Southern California**Abstract of Bids Received on December 21, 2023, at 2:00 P.M.****Specifications No. 1992****La Verne Hazardous Waste Staging and Containment Facility**

The work consists of constructing a dedicated area for staging and containment of hazardous waste, featuring secondary containment areas with steel grating and exterior wall paneling; trenching and installation of electrical duct banks for lighting and power; a storage container with lights, outlets, and a ramp; security fencing and gates; safety eyewash and safety units; and related site work including demolition, grading, and paving.

Engineer's estimate: \$1,980,000

Bidder and Location	Total	SBE \$	SBE %	Met SBE¹
J.F. Shea Construction Inc. Walnut, CA	\$2,375,700	\$1,301,258	54.8%	Yes
R2 Build Laguna Hills, CA	\$2,807,000	-	-	-
Houalla Enterprises Ltd. Newport Beach, CA	\$3,356,295	-	-	-

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

The Metropolitan Water District of Southern California
Subcontractors for Low Bidder
Specifications No. 1992
La Verne Hazardous Waste Staging and Containment Facility

Low bidder: J.F. Shea Construction Inc.

Subcontractor	Service Category; Specialty
Alcom Fence Company Riverside, CA	Fencing
Amber Steel Company Rialto, CA	Rebar
Onyx Paving Co. Inc. Temecula, CA	Asphalt Concrete Paving
Penhall Company Anaheim, CA	Demolition
Red Wave Comm & Elec Inc. La Habra, CA	Electrical
Techno Coatings Inc. Anaheim, CA	Painting

