THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Board Action

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

9/15/2026 Board Meeting

8-2

Subject

Authorize (1) an increase of $172,849,771 to an existing design-build agreement with J.F. Shea Construction Inc. for a new not-to-exceed amount of $276,209,771 to authorize Phase 2B of the Sepulveda Pump Stations project; (2) an increase of $1.59 million to an existing agreement with Carollo Engineers Inc. for a new not-to-exceed amount of $4.89 million to serve as the owner's advisor; and (3) an increase of $857,000 to an existing agreement with Parametrix Inc. for a new not-to-exceed amount of $1.402 million for cost estimating and scheduling services; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

The statewide drought that ended in 2023 resulted in a historically low allocation of State Water Project (SWP) supplies that impacted Metropolitan's ability to deliver water to the SWP-dependent west service area. The Sepulveda Feeder Pump Stations Project will construct two new pump stations, one at the existing Venice pressure control facility and one at the existing Sepulveda Canyon Pressure Control Facility, to facilitate conveying water from Metropolitan's central pool into the SWP-dependent west service area during times of extremely low SWP allocations. The project is being implemented using the progressive design-build (PDB) project delivery method to expedite its development. The current project will enable deliveries of 30 cubic feet per second (cfs) of Colorado River Aqueduct (CRA) and Diamond Valley Lake (DVL) water supplies to SWP-dependent agencies in Metropolitan's west service area. The current project will include provisions to expand the pump stations to 160 cfs in a future project.

Construction of the first pump station at the Venice Pressure Control Structure is currently ongoing under the existing PDB agreement with J.F. Shea Construction Inc. (J.F. Shea). This action authorizes a planned amendment to this agreement to authorize construction of the second pump station at the Sepulveda Canyon Control Facility. This work, referred to as Phase 2B of the project, includes ground improvements at the Sepulveda Canyon Control Facility site, construction of the Sepulveda Pump Station, and full testing and commissioning of the two new pump stations. This action also amends two existing agreements for the owner's advisor and cost estimating/scheduling services for the project. See **Attachment 1** for the Allocation of Funds, **Attachment 2** for the List of Subcontractors, and **Attachment 3** for the Location Map.

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

Staff Recommendation: Option 1

Option #1

a. Authorize an increase of $172,849,771 to an existing design-build agreement with J.F. Shea Construction Inc. for a new not-to-exceed amount of $276,209,771 to authorize Phase 2B of the Sepulveda Pump Stations project;

b. Authorize an increase of $1.59 million to an existing agreement with Carollo Engineers Inc. for a new not-to-exceed amount of $4.89 million to serve as the owner's advisor; and
c. Authorize an increase of $857,000 to an existing agreement with Parametrix Inc. for a new not-to-exceed amount of $1.402 million for cost estimating and scheduling services.

Fiscal Impact: Expenditure of $219.75 million in capital funds. Approximately $125 million will be incurred in the current biennium and has been previously authorized. The remaining funds from this action will be accounted for in the next biennial budget.
Business Analysis: This action supports the expansion of Metropolitan's ability to serve Diamond Valley Lake and Colorado River water to a portion of the distribution system that normally receives water from the West Branch of the SWP and will provide an alternate route to deliver treated water to Metropolitan's west service area during drought, emergencies, or when major feeders are removed from service for rehabilitation. Phase 2B work will provide a turnkey delivery of the pump stations.

Option #2

Do not authorize Phase 2B of the project at this time.
Fiscal Impact: None
Business Analysis: This option will forego an opportunity to enhance drought resiliency and seismic resiliency in the western portion of Metropolitan's service area.

Alternatives Considered

Staff initially considered constructing the slope stabilization work separately from the Sepulveda Feeder Pump Stations Project. However, the required slope-stability work is more efficiently performed first, which would delay completion of the Sepulveda Feeder Pump Stations Project. To enhance the overall resiliency of deliveries through the Sepulveda Feeder, staff proposes including slope stabilization work in the Sepulveda Pump Stations PDB agreement.

Applicable Policy

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

Metropolitan Water District Administrative Code Section 8148: Alternative Project Delivery

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

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

By Minute Item 52703, dated February 8, 2022, the Board authorized the West Area Water Supply Reliability Improvements.

By Minute Item 53377, dated September 12, 2023, the Board authorized an agreement for Phase 1 design-build services for the Sepulveda Feeder Pump Stations Project.

By Minute Item 53718, dated July 9, 2024, the Board amended the agreement for design-build services for the Sepulveda Feeder Pump Stations Project to purchase long-lead electrical equipment.

By Minute Item 53791, dated September 10, 2024, the Board amended the agreement for design-build services for the Sepulveda Feeder Pump Stations Project to purchase long-lead mechanical equipment.

By Minute Item 54200, dated July 8, 2025, the Board amended the agreement for design-build services for the Sepulveda Feeder Pump Stations Project to authorize construction of the Venice Pump Station, and amended two professional services agreements to authorize owner's advisor and cost estimating and scheduling services.

By Minute Item 54446, dated April 13, 2026, the Board appropriated a total of $1.025 billion for projects identified in the Capital Investment Plan for Fiscal Years 2026/27 and 2027/28.

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 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 construction and location of limited numbers of new, small facilities or structures; installation of small new equipment and facilities in small structures; and the conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structure. Finally, the proposed action consists of minor public or private alterations in the condition of land, water, and/or vegetation, which do not involve removal of healthy, mature, scenic trees except for forestry or agricultural purposes. (State CEQA Guidelines Sections 15301, 15303, and 15304).

CEQA determination for Option #2:

None required

Details and Background

Background

Metropolitan's distribution system was initially constructed in the 1940s to deliver treated CRA water supplies throughout its service area. The system was expanded in the 1970s to connect to and distribute supplies from the SWP. The distribution system was designed to take advantage of the region's topography and primarily utilizes gravity to move water through the system. While much of Metropolitan's service area benefits from access to both sources of supply and stored water in DVL, certain portions of the system can only receive limited DVL and CRA water due to inherent hydraulic limitations of the gravity-fed system.

The western portion of Metropolitan's service area typically receives SWP water from the Joseph Jensen Water Treatment Plant (Jensen plant) through the Sepulveda Feeder and connecting pipelines. During periods of low deliveries from the West Branch of the SWP, or when the Jensen plant is out of service, the west service area can be served by the Weymouth plant through the East Valley Feeder and the Greg Avenue Pump Station. However, this pumping system is limited to a maximum capacity of approximately 50 cubic feet per second (cfs). During the multi-year drought California experienced from 2020 through 2023, SWP-dependent areas suffered disproportionately because they were unable to offset SWP supply reductions with CRA supplies or DVL stored water.

To strengthen the drought resiliency of Metropolitan's western service area, the Sepulveda Feeder Pump Stations Project will construct two pump stations in tandem along the Sepulveda Feeder: the first at the Venice Pressure Control Facility in Culver City; the second at the Sepulveda Canyon Pressure Control Facility near the Brentwood neighborhood of Los Angeles. When completed, these pump stations will reverse flows in the Sepulveda Feeder, allowing delivery of up to 30 cfs of CRA and DVL water from the central portion of Metropolitan's service area to the western portion. The initial capacity of this project was limited to 30 cfs due to pressure limitations on the Prestressed Concrete Cylinder Pipe (PCCP) sections of the feeder.

Each pump station will include pumps, motors, interconnection piping to the Sepulveda Feeder, valve control structures, mechanical equipment for surge control, and electrical equipment. The pump stations will include provisions, such as adequate site space and electrical infrastructure, to readily accommodate the expansion of the pump station capacity to 160 cfs under a future project. Future expansion to full capacity will require additional surge mitigation improvements to protect the PCCP portions of the Sepulveda Feeder from overpressurization before operating the expanded pump stations. Surge mitigations could include relining PCCP segments and upgrading steel fittings on the Sepulveda Feeder north of the pump stations or constructing surge tanks.

To expedite completion, the Sepulveda Feeder Pump Stations Project is being implemented utilizing a PDB project delivery model. The PDB model utilizes a two-phase process: Under Phase 1, the selected design-build

entity (DBE) collaboratively progresses the design and procurement specifications to approximately 70 percent complete; under Phase 2, the DBE completes final design and builds the facility for a guaranteed maximum price (GMP).

In September 2023, Metropolitan's Board authorized Phase 1 of the PDB agreement with J.F. Shea for the Sepulveda Feeder Pump Stations Project for a not-to-exceed total of $9.8 million. In July 2024 and September 2024, the Board authorized amendments to the PDB agreement to cover portions of the Phase 2 work, including the procurement of long-lead equipment such as electrical transformers, pumps, large valves, electrical switchgear, and motor control centers. In July 2025, the Board authorized the first of two Phase 2 physical construction packages (Phase 2A) to complete design and construction of the Venice pump station, and to begin Phase 2 work for the Sepulveda Canyon Pump Station, including completion of final design and demolition of an existing 11.5-million-gallon water tank at the proposed Sepulveda Canyon Pump Station site. This action increased the agreement amount to $103.36 million.

The Sepulveda Canyon Control Facility, the site of the proposed Sepulveda Canyon Pump Station, sits above a steep slope that is susceptible to liquefaction-induced slope failure during a major earthquake. A separate CIP project previously underway investigated and developed conceptual solutions to mitigate liquefaction and protect existing distribution system facilities at the site, including its two large water tanks and pressure control structure. For project efficiency, the design and construction of the soil improvements needed to mitigate liquefaction, primarily jet-grouting, will now be completed under the Sepulveda Feeder Pump Stations PDB project.

This action authorizes the Phase 2B work for the project, including completion of final design and construction of soil improvement for the Sepulveda Canyon Control Facility site, construction of the pump station at the Sepulveda site, and testing and commissioning of both pump stations (Venice and Sepulveda sites).

Staff recommends authorizing an amendment to the Sepulveda Feeder Pump Stations PDB agreement for Phase 2B design-build services for the Sepulveda Feeder Pump Stations with J.F. Shea, including a $172,849,771 increase for a not-to-exceed amount of $276,209,771. Similar to GMP No. 1, Metropolitan also utilized a third party to develop an independent cost estimate to support cost reconciliation and negotiations with J.F. Shea to achieve the best overall value for Metropolitan.

Sepulveda Feeder Pump Stations – PDB Phase 2B Agreement Amendment (J.F. Shea Construction Inc.)

The planned activities for Phase 2B include completion of final design drawings; construction of the ground improvement work at the Sepulveda Canyon Control Facility; installation of long-lead equipment for the pump station at the Sepulveda site; coordination with utility companies for electrical services to the new pump station; acquisition of permits for construction work; and construction of the new pump station including new valve vaults, electrical building, and a large concrete water tank at the Sepulveda Canyon site. J.F. Shea will perform phase 2B design-build services under an amendment to the existing PDB contract. Metropolitan force activities include dewatering the Sepulveda Feeder, establishing clearances, and returning the pipeline to service.

The provisions of the Public Contract Code authorizing the PDB project delivery model, as well as the Phase 1 agreement, permit a shared savings provision for any savings between the final cost of performance and the GMP. The shared savings provision creates an incentive for the contractor to find cost savings during the project and encourages innovation and efficiency during the construction phase. Upon completion of the work, if the total contract cost is less than the final GMP, then the savings will be divided evenly between Metropolitan and J.F. Shea. The Phase 2 agreement amendment will also include a shared savings provision for unused construction contingency. The construction contingency covers any cost of work unanticipated by J.F. Shea. Unused construction contingency will also be divided evenly between Metropolitan and J.F. Shea.

A total of $219.75 million is allocated for this Phase 2B work. Allocated funds include $172,849,771 for Phase 2B design-build services by J.F. Shea; $1,590,000 for owner's advisor services throughout Phase 2 by Carollo Engineers Inc.; $857,000 for cost estimating and scheduling services by Parametrix Inc; $500,000 for a consultant to provide onsite QA/QC services during the jet grout production phase, which will be executed under an existing agreement; and $9.768 million for electrical service by the local provider. Allocated funds for Metropolitan staff include $2.058 million for technical oversight, review of design builder's work, and

identification of technical requirements; $2.755 million for project management, contract administration, and other owners' costs; $19,352,500 for construction management and inspection; $3.085 million for submittals review and responding to requests for information; and $6,934,729 for the remaining budget. **Attachment 1** provides the allocation of the required funds.

Engineering Services' performance metric target range for construction management and inspection of projects with construction costs of more than $3 million is 9 to 12 percent. For this project, the performance metric goal for inspection is 10.6 percent of the total construction cost. The total construction cost for this project is $272.2 million, which includes previously purchased long-lead equipment ($40 million), GMP No. 1 Phase 2A construction costs ($52.96 million), Metropolitan force construction ($1.892 million), Los Angeles Department of Water and Power construction costs ($4.5 million), and GMP No. 2 Phase 2B construction costs ($172.85 million).

This action authorizes an amendment to the Phase 1 PDB agreement with J.F. Shea Construction Inc. to authorize Phase 2B design-build services, including a $172,849,771 increase for a not-to-exceed amount of $276,209,771. The PDB agreement is being conducted under the terms of Metropolitan's Project Labor Agreement. For this agreement, Metropolitan has established a Small Business Enterprise and Disabled Veteran Business Enterprise participation level of 4 percent. J.F. Shea Construction Inc. has agreed to meet this level of participation. The lead designer is Tetra Tech Inc., and the subcontractors for the Phase 2B work are listed in **Attachment 2**. The total estimated cost to complete the installation of the new pump stations, including the amount appropriated to date, and funds allocated for the work described in this action, is $352.4 million.

Owner's Advisor Services – Agreement Amendment (Carollo Engineers Inc.)

This action authorizes an increase of $1,590,000 to an existing board-authorized agreement with Carollo Engineers Inc. for a new not-to-exceed total of $4.89 million for Phase 2B owner's advisor services. For Phases 1 and 2A, Carollo was selected to provide owner's advisor services based on the firm's expertise in design-build contracts and its familiarity with the Sepulveda Feeder Pump Stations Project. The Board previously authorized an increase of $810,000 in July 2025 for Phase 2A owner's advisory services. This new increase will account for Phase 2B owner's advisor services.

The planned owner's advisor services for Phase 2B will include: (1) implementing partnering sessions between Metropolitan and J.F. Shea to identify and resolve issues; (2) facilitating project meetings and progress reviews; (3) reviewing invoices, technical plans, procedures, schedules, guidelines, and submittals; and (4) advising staff throughout the second phase of the project.

This action authorizes an increase of $1,590,000 to an existing agreement with Carollo Engineers Inc. for a new not-to-exceed amount of $4.89 million for owner's advisor services during Phase 2B of PDB for the Sepulveda Feeder Pump Stations. Due to the specialized nature of the work, no Small Business Enterprise participation level has been established.

Cost Estimating and Scheduling Services – Agreement Amendment (Parametrix Inc.)

This action authorizes an increase of $857,000 to an existing board-authorized agreement with Parametrix Inc. for a new not-to-exceed total of $1.042 million for cost estimating and scheduling services during Phase 2B. Parametrix was prequalified via Request for Qualification No. 1363 and selected for this project based on its experience supporting alternative delivery projects. Parametrix developed an independent estimate to support cost reconciliation and negotiations with J.F. Shea for GMP Nos. 1 and 2. The Board previously authorized an increase of $296,000 in July 2025 for cost estimating and scheduling services during Phase 2A.

Parametrix will now provide cost estimating and scheduling services during construction, including, but not limited to, evaluating costs associated with extra work orders, assisting with construction disputes and formal change order resolutions, and assisting with risk management and analysis. It will also evaluate associated schedules for cash flow projections.

This action authorizes a $857,000 amendment to an existing agreement with Parametrix Inc. for a new, not-to-exceed total of $1.402 million for cost estimating and scheduling services during Phase 2B for the

Sepulveda Feeder Pump Stations. The subconsultants planned for this agreement include Griffin Hill and Associates LLC and Tanner Pacific Inc. Due to the specialized nature of the work, no Small Business Enterprise participation level has been established.

Project Milestone

Spring 2030 – Start-Up and Commissioning

8/26/2026
Mai M. Hattar *Date*
Chief Engineer
Engineering Services

8/26/2026
Shivaji Deshmukh *Date*
General Manager

Attachment 1 – Allocation of Funds

Attachment 2 – List of Subcontractors

Attachment 3 – Location Map

Ref# es12710210

Allocation of Funds for Sepulveda Feeder Pump Stations Project – Phase 2B

	Current Board Action (Sep. 2026)
Labor	
Studies & Investigations	$ -
Final Design	2,058,000
Owner Costs (Program mgmt., contract admin.)	2,755,000
Submittals Review & Record Drwgs.	3,085,000
Construction Inspection & Support	19,352,500
Metropolitan Force Construction	-
Materials & Supplies	-
Incidental Expenses (Electrical service)	9,768,000
Professional/Technical Services	
Carollo Engineers Inc.	1,590,000
Parametrix Inc.	857,000
Jet Grout Consultant	500,000
Right-of-Way	-
Equipment Use	-
Contracts	
J.F. Shea Construction Inc.	172,849,771
Remaining Budget	6,934,729
Total	**$ 219,750,000**

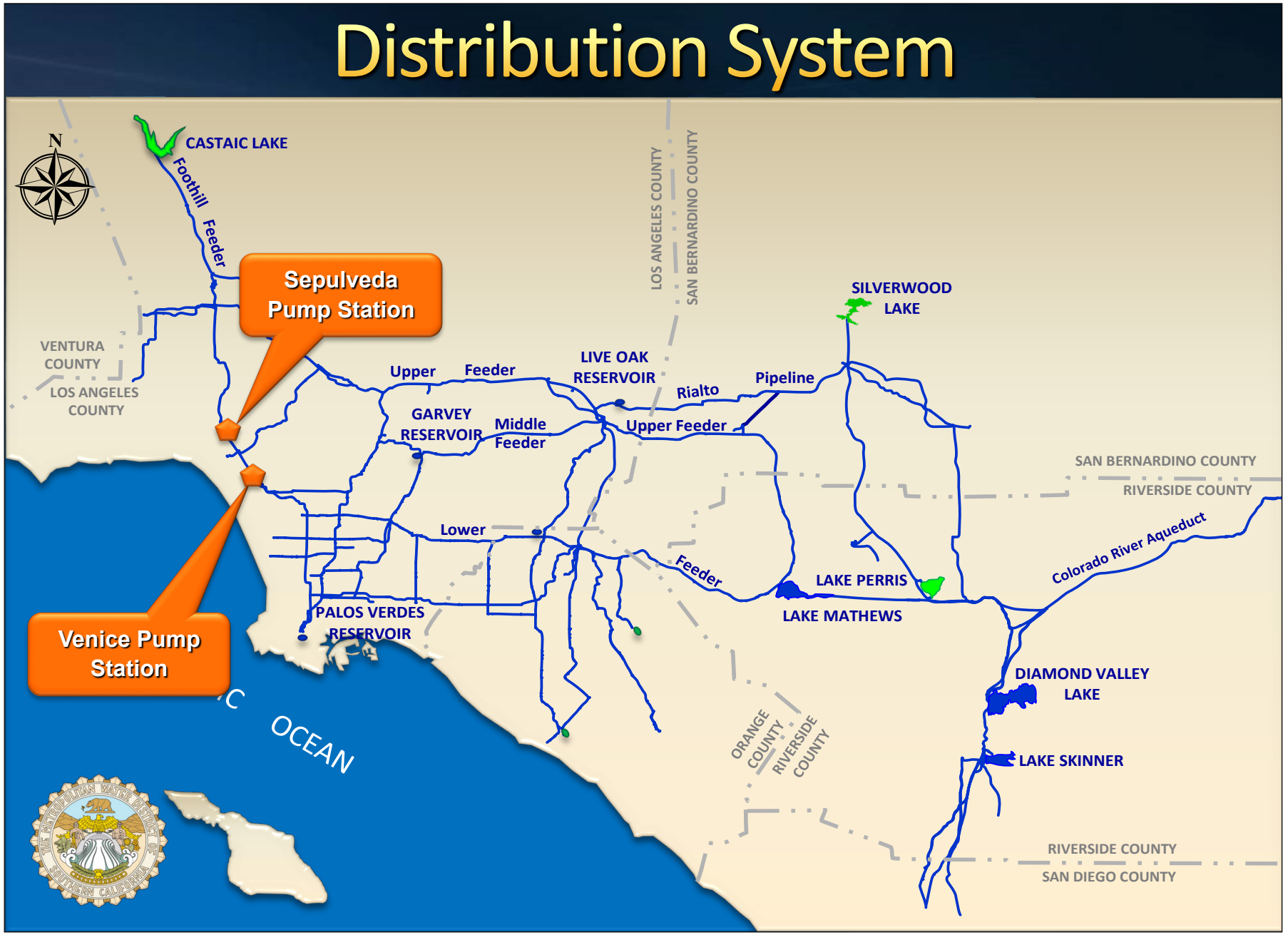
The total amount expended to date is approximately $44.7 million. The total estimated cost to complete the installation of the new pump stations, including the amount appropriated to date, and funds allocated for the work described in this action, is $352.4 million.

The Metropolitan Water District of Southern California

Subcontractors for Progressive Design Build Agreement with J.F. Shea Construction Inc.

Specifications No. 2060
Sepulveda Feeder Pump Stations

Subcontractor/ Subconsultant	Service Category; Specialty
United Mechanical Contractors Simi Valley, CA	HVAC
Morrow Meadows Corp. City of Industry, CA	Electrical
Frank S. Smith Masonry Pomona, CA	Masonry
GTE Metal Erectors Canby, OR	Metals
Courtney Inc. Irvine, CA	Roof and Sheet Metal
MC Painting Oceanside, CA	Painting
CMC Rebar San Bernardino, CA	Rebar
Concrete Coring Company Paramount, CA	Wire Saw
Western Paving Irwindale, CA	Paving
Tetra Tech Inc. Irvine, CA	Design
Condon Johnson & Associates Inc. Los Angeles, CA	Jet Grouting
Deans Welding Temecula, CA	Welding
Fireside Experts Rancho Cucamonga, CA	Overhead Doors
DN Tank San Diego, CA	Post Tensioned Tank Walls
Superior Gunite Sylmar, CA	Shotcrete
Los Angeles Signal Construction, Inc. San Dimas, CA	Traffic Signal


Distribution System
N
CASTAIC LAKE
Foothill Feeder
Sepulveda Pump Station
Venice Pump Station
VENTURA COUNTY
LOS ANGELES COUNTY
LOS ANGELES COUNTY
SAN BERNARDINO COUNTY
SILVERWOOD LAKE
LIVE OAK RESERVOIR
Upper Feeder
Rialto Pipeline
GARVEY RESERVOIR
Middle Feeder
Upper Feeder
SAN BERNARDINO COUNTY
RIVERSIDE COUNTY
Lower Feeder
Colorado River Aqueduct
LAKE PERRIS
LAKE MATHEWS
PALOS VERDES RESERVOIR
DIAMOND VALLEY LAKE
ORANGE COUNTY
RIVERSIDE COUNTY
LAKE SKINNER
OCEAN
RIVERSIDE COUNTY
SAN DIEGO COUNTY