

OTAY WATER DISTRICT
FINANCE, ADMINISTRATION AND COMMUNICATIONS
COMMITTEE MEETING
and
SPECIAL MEETING OF THE BOARD OF DIRECTORS

2554 SWEETWATER SPRINGS BOULEVARD
SPRING VALLEY, CALIFORNIA
BOARDROOM

TUESDAY
November 15, 2016
12:00 P.M.

This is a District Committee meeting. This meeting is being posted as a special meeting in order to comply with the Brown Act (Government Code Section §54954.2) in the event that a quorum of the Board is present. Items will be deliberated, however, no formal board actions will be taken at this meeting. The committee makes recommendations to the full board for its consideration and formal action.

AGENDA

1. ROLL CALL
2. PUBLIC PARTICIPATION – OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO SPEAK TO THE BOARD ON ANY SUBJECT MATTER WITHIN THE BOARD'S JURISDICTION BUT NOT AN ITEM ON TODAY'S AGENDA

DISCUSSION ITEMS

3. APPROVE THE PURCHASE OF A PERMANENT UTILITY EASEMENT AT THE RANCHO SAN DIEGO VILLAGE SHOPPING CENTER FROM REGENCY CENTERS FOR THE CAMPO ROAD SEWER REPLACEMENT PROJECT IN AN AMOUNT NOT-TO-EXCEED \$125,000 (BEPPLER) [5 minutes]
4. APPROVE THE ISSUANCE OF A PURCHASE ORDER TO VOLVO CONSTRUCTION EQUIPMENT IN THE AMOUNT NOT-TO-EXCEED \$269,764 FOR THE PURCHASE OF TWO (2) REPLACEMENT PORTABLE EMERGENCY GENSETS (MARTINEZ) [5 minutes]
5. APPROVE A TWO-YEAR FIXED AGREEMENT, PLUS THREE (3) ONE-YEAR OPTIONS, WITH T&T JANITORIAL, INC. FOR JANITORIAL SERVICES IN AN AMOUNT-NOT-TO-EXCEED \$286,800 (PAYNE) [5 minutes]
6. APPROVE THE FIRST AMENDMENT TO THE JOINT POWERS AGENCY WATER CONSERVATION GARDEN OPERATION AGREEMENT, EXTENDING THE EXPIRATION DATE AN ADDITIONAL SIX MONTHS FROM DECEMBER 31, 2016 TO JUNE 30, 2017 (OTERO) [5 minutes]
7. ADJOURNMENT

AGENDA ITEM 3



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	December 7, 2016
SUBMITTED BY:	Stephen Beppler Senior Civil Engineer	PROJECT:	S2024- DIV. NO. 5 001102
	Bob Kennedy Engineering Manager		
APPROVED BY:	<input checked="" type="checkbox"/> Rod Posada, Chief, Engineering <input checked="" type="checkbox"/> German Alvarez, Assistant General Manager <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Authorization to Acquire an Easement at Rancho San Diego Village Shopping Center from Regency Centers for the Campo Road Sewer Replacement		

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District Board of Directors (Board) authorize the General Manager to acquire a permanent utility easement at the Rancho San Diego Village Shopping Center from Regency Centers for the Campo Road Sewer Replacement Project in an amount not to exceed \$125,000 (See Exhibit A for location of the easement).

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

To obtain Board approval authorizing the General Manager to acquire a permanent utility easement at the Rancho San Diego Village Shopping Center from Regency Centers for the Campo Road Sewer Replacement Project (Project) in an amount not to exceed \$125,000.

ANALYSIS:

The District is in the process of replacing a section of sanitary sewer main known as the Campo Road Sewer, identified in the Wastewater Management Plan as being deficient in capacity. Design

and Permit phases of the Project are complete, with the Project awaiting easement procurements prior to beginning the bidding phase.

A permanent utility easement is required across Assessor Parcel Number 502-150-18 (Rancho San Diego Village), owned by Regency Centers and its subsidiary CA Rancho San Diego Village, LLC (Regency), to construct the replacement sanitary sewer line as designed, which reflect significant road improvements along SR-94 since the original sewer was constructed in 1974. The easement, irregular shaped to conform to the property boundary and existing District easements on the property, is approximately 24 feet in width and 280 feet in length (see Attachment B for full description).

The District, through the project designer Rick Engineering, retained the appraisal services of Colliers International, an independent real estate appraiser, to estimate the "Fair Market Value" of the proposed Permanent Utility Easement acquisition, as that value is defined in Section 1263.320 of the California Code of Civil Procedure. An offer was presented to Regency by letter dated June 1, 2016 (Attachment C) for an amount of \$72,400.

Based upon the appraised value of the property and Regency's disagreements with it, the District's General Counsel and Regency's attorney have determined through negotiation that the amount of \$125,000 constitutes just compensation. A revised offer letter (Attachment D) was then sent to Regency on October 31, 2016 for their written acceptance of the offer.

FISCAL IMPACT: Joe Beachem, Chief Financial Officer

The total budget for CIP S2024, as approved in the FY 2017 budget, is \$8,500,000. Total planning and design phase expenditures to date, plus outstanding commitments and forecast, are \$1,382,860.69. See Attachment E Budget Detail. Forecasted bidding, additional easement acquisition, and construction phase costs are approximately \$6,900,000, for a total project expense currently estimated at about \$8,300,000.

Based on a review of the financial budget, the Project Manager anticipates that the budget for CIP S2024 will be sufficient to support the Project.

Finance has determined that, under the current rate model, 50% of the funding will be available from the Betterment Fund and 50% will be available from the Replacement Fund.

STRATEGIC GOAL:

This Project supports the District's Mission statement, "To provide high quality and reliable water and wastewater services to the customers of the Otay Water District, in a professional, effective, and efficient manner" and the General Manager's Vision, "A District that is innovative in providing water services at competitive rates, with a reputation for outstanding customer service."

LEGAL IMPACT:

None.

SB/BK/RP:mlc

P:\WORKING\CIP S2024 Campo Road Sewer Replacement\Staff Reports\Regency Easement\BD 12-07-16, Staff Report, Campo Rd Sewer Easement Aquisition - Regency (SB-BK).docx

- Attachments:
- Attachment A - Committee Action
 - Attachment B - Easement Description
 - Attachment C - Original Offer Letter to Regency
 - Attachment D - Revised Offer Letter to Regency
 - Attachment E - Budget Detail
 - Exhibit A - Location Map



ATTACHMENT A

SUBJECT/PROJECT: S2024-001102	Authorization to Acquire an Easement at Rancho San Diego Village Shopping Center from Regency Centers for the Campo Road Sewer Replacement
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COMMITTEE ACTION:

The Finance, Administration, and Communications Committee (Committee) reviewed this item at a Committee Meeting held on November 15, 2016. The Committee supported Staff's recommendation.

NOTE:

The "Committee Action" is written in anticipation of the Committee moving the item forward for Board approval. This report will be sent to the Board as a Committee approved item, or modified to reflect any discussion or changes as directed from the Committee prior to presentation to the full Board.

RECORDING REQUESTED BY
AND AFTER RECORDATION
MAIL TO:

For Recorder's Use

OTAY WATER DISTRICT
2554 SWEETWATER SPRINGS BOULEVARD
SPRING VALLEY, CA 91978-2004

APN: 502-150-18

Documentary Transfer Tax: None
(Exempt under Rev & Tax Code Section 11922)

**GRANT OF EASEMENT OF RIGHT-OF-WAY TO
OTAY WATER DISTRICT**

For good and valuable consideration, receipt of which is hereby acknowledged, the Undersigned **FW CA Rancho San Diego Village, LLC, Delaware Limit Liability Company** as **Grantor(s)** hereby GRANT(S) to **OTAY WATER DISTRICT**, a municipal water district formed under the Municipal Water District Law of 1911, as amended, situated in the County of San Diego, State of California, as **Grantee**, a permanent easement of right-of-way of variable feet in width for the purpose of laying underground water and sewer pipelines and laterals, trunk lines, collection lines and laterals, sewer manholes and other underground structures appurtenant to said water or sewer lines, including but not limited to pumps, regulators, and valves within said easement, hereinafter referred to as "said facilities," together with the right to construct, operate, maintain, repair and replace said facilities to the extent it does not unreasonably interfere with Grantor's use of said land, and the right of ingress and egress for such purposes. Said easement is described and/or depicted as follows:

(See Exhibit(s) "A" and "B" attached hereto and made a part hereof)

Grantor reserves the right to use said land at Grantor's own risk for any and all purposes not unreasonably conflicting, interfering or inconsistent with Grantee's use of, and access to, said facilities. Grantor waives any right under Civil Code section 845, and any right to compel Grantee to grade, surface or otherwise improve or maintain said easement area as a roadway.

To the extent it will cause damage to or unreasonably threaten the safety of any of said facilities of Grantee placed within the easement, Grantor shall not increase or decrease or permit to be increased or decreased the ground elevations of said easement existing at the time this document is executed, nor construct or permit to be constructed any permanent building, structures, improvements or other encroachment upon said easement.

OWD EASEMENT NO. _____

Grantee may remove from the easement any building, structure, improvement or other encroachments thereon unreasonably conflicting, interfering or inconsistent with its use for the purposes hereby granted. Grantee shall have the right to install its own gates and locks in any fence, barrier or other enclosure which now crosses or may hereafter cross said easement.

Grantee agrees on its own behalf and on behalf of its successors in interest that it will indemnify and hold harmless Grantor for any damages to the property which result from maintenance and repair operations by the Otay Water District of its pipeline within the easement.

Grantor may use said land as a driveway and to the extent of such use may surface or pave the area, subject to the restrictions as to changes in existing ground elevations and indemnifications set forth above.

Grantor may, at Grantor's expense, and subject to Grantee's prior written consent, relocate the above mentioned facilities in the event such conflict with future development of said property, provided that Grantor does not cause discontinuance of service to any area, and provided, further, that Grantee receives, without expenses to Grantee, an easement comparable to this easement for said relocated facilities. Grantee shall never be required to relocate or alter in any way the facilities installed pursuant to this grant of easement, or to bear any cost in connection therewith as a result of changes in the location of any said facilities.

Grantee shall have the right to transfer and assign all or a portion of this easement to its successor in interest, or to any other political subdivision or public utility for use of the above stated purpose.

Date: _____

Grantor(s): _____

Print Name/Corporation/Entity _____

[Each signature of Grantor must be acknowledged in the form attached hereto]

DISTRICT CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the Grant of Easement of Right of Way to Otay Water District dated _____, _____ from _____ to OTAY WATER DISTRICT, a municipal water district, is hereby accepted by order of the Board of Directors pursuant to the authority conferred by Resolution No. 1829, adopted on February 23, 1981, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: _____

By: _____

Susan Cruz, District Secretary
Otay Water District

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

GRANTOR'S SIGNATURE ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
) ss
County of _____)

On _____ before me, _____
DATE NAME, TITLE OF OFFICER - E.G., "JANE DOE, NOTARY PUBLIC"

personally appeared

NAME(S) OF SIGNER(S)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) , or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

(Notary Seal)

EXHIBIT "A"

SEWER EASEMENT

Being a portion of Parcel 7 of Parcel Map No. 9113 in the County of San Diego, State of California, filed in the Office of the County Recorder of San Diego County August 30, 1979 said portion being more particularly described as follows:

Beginning at the southwest corner of said Parcel 7; thence along the South line of said Parcel 7 North 85°49'50" East 6.44 feet to the **TRUE POINT OF BEGINNING**; thence leaving said Southerly line North 04°09'41" West 23.67 feet to the Westerly line of said Parcel 7; thence along said Westerly line North 11°03'16" East 1.51 feet; thence leaving said westerly line North 85°50'19" East 257.57 feet to the southwesterly line of that Sewer Easement Granted to Otay Water District Recorded April 29, 1976 as Document No. 128932; thence along said southwesterly line South 54°13'04" East 48.06 feet; thence leaving said southwesterly line South 86°39'50" West 133.03 feet to a point on the southerly line of said Parcel 7, said point being the beginning of a non-tangent 1530.00 foot radius curve concave Southerly to which a radial line bears North 00°06'44" West; thence along said southerly line Westerly along the arc of said curve through a central angle of 04°03'26" a distance of 108.34 feet; thence continuing along said southerly line South 85°49'50" West 53.55 feet to the **TRUE POINT OF BEGINNING**.

Containing 0.175 acres, more or less.


Patrick A. McMichael, L.S. 6242 5-20-2016



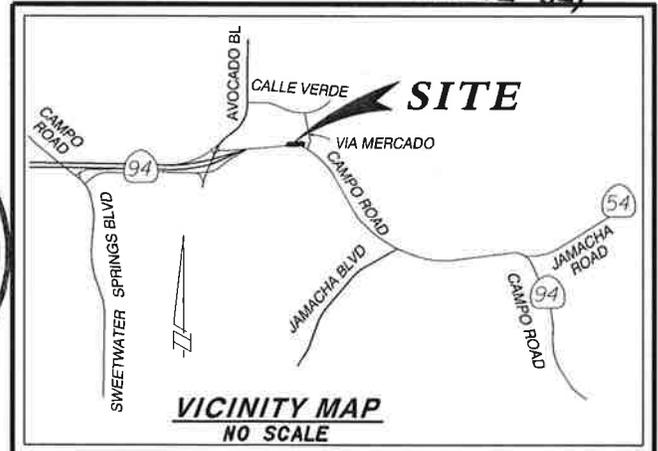
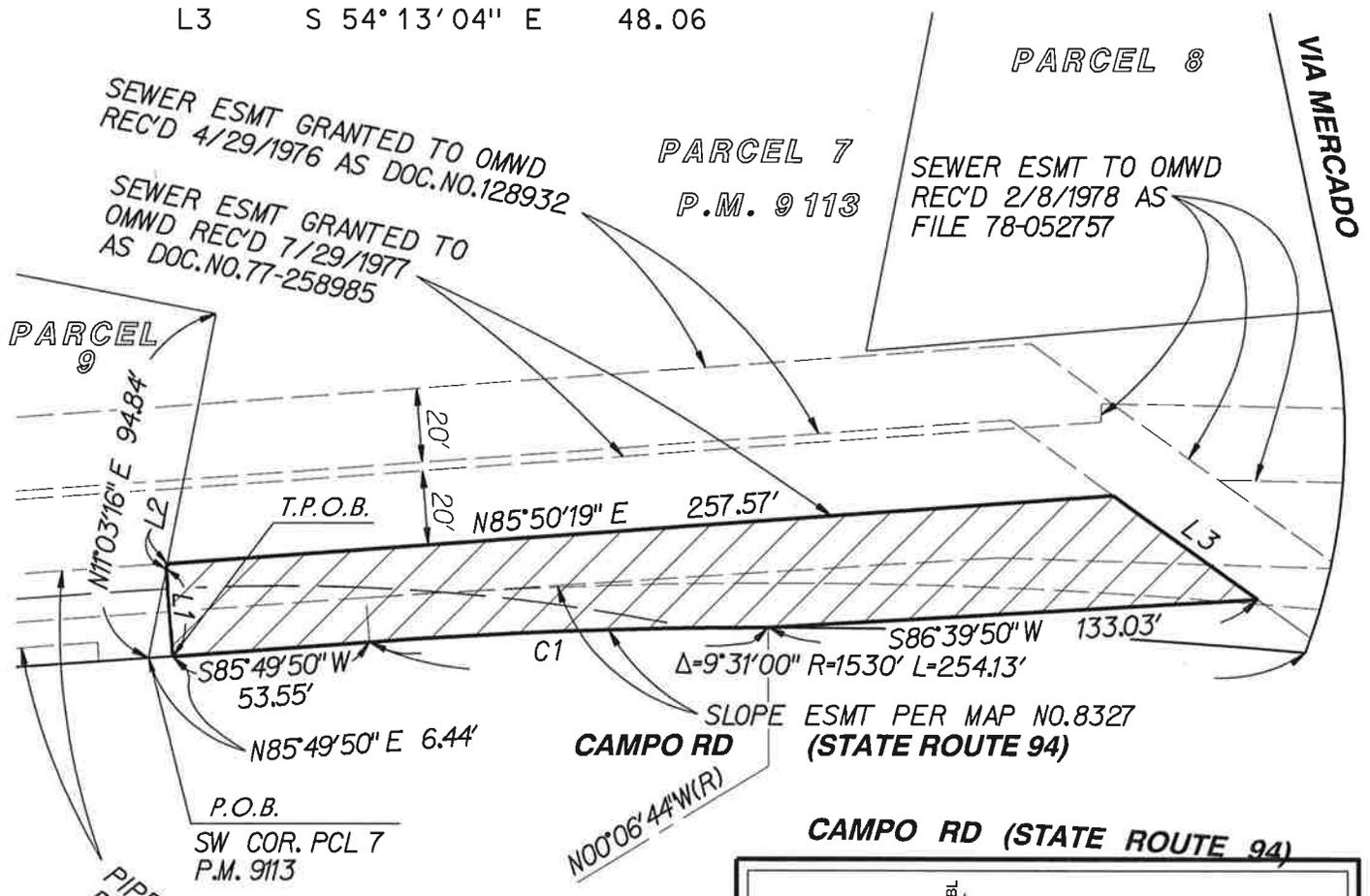
SCALE 1" = 50'

CURVE TABLE

LINE TABLE

NAME	DIRECTION	LENGTH
L1	N 04° 09' 41" W	23.67
L2	N 11° 03' 16" E	1.51
L3	S 54° 13' 04" E	48.06

NAME	DELTA	RADIUS	ARC
C1	4° 03' 26"	1530.00	108.34



 SEWER EASEMENT ACQUIRED, 0.175 ACRES

EXHIBIT 'B'

SEWER EASEMENT

PORTIONS OF PARCEL 7 OF PARCEL MAP NO. 9113
 COUNTY OF SAN DIEGO, STATE OF CALIFORNIA

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...Dedicated to Community Service

2554 SWEETWATER SPRINGS BOULEVARD, SPRING VALLEY, CALIFORNIA 91978-2004
TELEPHONE: 670-2222, AREA CODE 619

www.otaywater.gov

June 1, 2016

Project No.: S2024-001102

FW CA Rancho San Diego Village, LLC, A Delaware Limited Liability Company
c/o John Mehigan
915 Wilshire Blvd., #2200
Los Angeles, CA 90017

SUBJECT: Permanent Utility Easement - APN # 502-150-18;
Otay Water District - Campo Road Sewer Replacement Project;
Statutory Offer Pursuant to Government Code Section 7267.2(a)

Dear Property Owner:

The Otay Water District (District) is in the process of relocating District Sewer facilities along Campo Road (SR 94) ("Campo Road Sewer Replacement Project"). In connection with the Campo Road Sewer Replacement Project, the District hereby offers to acquire a Permanent Utility Easement across a portion of your real property located at 3681 Avocado Blvd. and identified by Assessor Parcel Number 502-150-18 (the "Real Property"). It is our understanding that you are currently the only owner of record of the Real Property. If you are not the owner of the Real Property, or if anyone else owns any portion of, or interest in, the Real Property, please contact us immediately.

The District wishes to acquire the Permanent Utility Easement amicably, expeditiously, and by negotiation, pending the approval by the Board of Directors ("Board") of the District. To accomplish this, the District is required to (i) establish an amount that the District believes to be "just compensation," (ii) make an offer to the owner(s) of record to acquire the Permanent Utility Easement for the full amount so established, and (iii) provide the owner(s) with a written statement of, and summary of the basis for, the amount established as "just compensation." The District's offer cannot be less than the District's appraisal of the value of the property interest to be acquired, (see California Government Code Section 7267.2(a)).

The District retained the appraisal services of Colliers International, an independent real estate appraiser, to estimate the "Fair Market Value" of the proposed Permanent Utility Easement acquisition, as that value is defined in Section 1263.320 of the California Code of Civil Procedure. The appraiser's Fair Market Value Estimate is shown on the enclosed "Summary of the Basis for the Amount Established as Just Compensation" and "Summary

FW CA Rancho San Diego Village, LLC
Permanent Utility Easement - APN # 502-150-18
June 1, 2016
Page 2 of 3.

of Salient Facts and Conclusions.” Based upon this independent appraisal, the District has determined that the amount of \$72,400.00 constitutes Just Compensation for the proposed purchase of a Permanent Utility Easement which is described and depicted in the enclosed legal description and plat.

If you are agreeable with the above offer, an escrow will be opened by or at the direction of the District. Escrow will facilitate the conveyance of the Permanent Utility Easement to the District free and clear of any and all liens, encumbrances, and options or claims for leasehold interests for a total consideration of \$72,400.00. The acquisition of the Permanent Utility Easement and access rights is subject to District reviewing the escrow Preliminary Title Report, if any, and accepting the conveyance document. The District will pay all eligible incidental expenses associated with the escrow closing, including any recording fees.

Please note that the proceeds related to the purchase of the Permanent Utility Easement may be subject to payment demands for county taxes, assessment liens, federal and state tax liens, creditor judgements, and beneficiaries of trust deeds. Please note further that if a condemnation action is approved and filed, the District may continue to discuss a negotiated purchase based upon the offer set forth herein.

This offer will be deemed revoked, if it has not been accepted before the earlier of (i) the date on which the Board of Directors of the District holds a public hearing on a possible condemnation action, if any, or (ii) within 45 days of the date of this letter.

If the above offer meets with your approval, please sign this letter on Page 3 under the heading “Offer Accepted” and return it to my attention. A duplicate copy of this letter is enclosed for your records. Please review all the enclosed documents prior to making a decision. If you accept our offer, please be ready to execute and deliver the Permanent Utility Easement enclosed with this offer.

If you have any questions regarding the project or the terms of the Permanent Utility Easement acquisition proposal, please contact the District’s Project Manager, Stephen Beppler, P.E., Senior Civil Engineer, at (619) 670-2209 or by e-mail at steve.beppler@otaywater.gov.

Sincerely,
OTAY WATER DISTRICT



Mark Watton
General Manager

MW:jf

FW CA Rancho San Diego Village, LLC
Permanent Utility Easement - APN # 502-150-18
June 1, 2016
Page 3 of 3.

Enclosures:

- Summary of the Basis for the Amount Established as Just Compensation
- Appraisal Summary Statement
- Proposed Permanent Utility Easement with Exhibit A & B – Legal and Plat
- The Public Acquisition Process
- Copy of this Offer Letter

OFFER ACCEPTED: FW CA Rancho San Diego Village, LLC

Dated: _____

By: _____
Signature

Print

**Summary of the Basis for the
Amount Established as Just Compensation**
(Pursuant to Section 1255.010 of the California Code of Civil Procedure)
(Accompanying the offer made pursuant to Government Code Section 7267.2)

The following is a summary of the basis for the amount established as Just Compensation for the Permanent Utility Easement the District desires to acquire on a portion of the Real Property described in the Offer to which this Summary is attached. The appraisal was made in accordance with accepted appraisal principles, consistent with California valuation law. An identification of the parcel, the project for which the Permanent Utility Easement is required, the required property rights, and the valuation analysis which was the basis for the valuation conclusion is as follows:

PROJECT: Otay Water District Campo Road Sewer Replacement Project

ASSESSOR PARCEL NUMBER: 502-150-18

SUBJECT PROPERTY LOCATION: 3681 Avocado Blvd, La Mesa, CA 91941

OWNER OF RECORD: FW CA Rancho San Diego Village, LLC, a Delaware limited liability company
PO BOX 790830, SAN ANTONIO, TX 78279
Telephone: 213-553-2273 (John Mehigan)

INTEREST BEING VALUED: Permanent Utility Easement

AREA AFFECTED: Approximately 7,611 square feet, or 0.175 acres

DATE OF VALUE: February 12, 2016

SUMMARY OF VALUE CONCLUSIONS AND DESCRIPTION OF THE LARGER PARCEL:

Refer to enclosed copy of Appraisal Summary Statement

PROPOSED PROJECT:

The purpose of the Otay Water District Campo Road Sewer Replacement Project is for the District to replace its facilities that are no longer meeting the District's needs. The District anticipates using the Permanent Utility Easement as a means to access the trench for the pipe to be realigned. After the realignment of the pipe is accomplished, the District will return the easement to its condition prior to the access.

DESCRIPTION OF THE PERMANENT UTILITY EASEMENT USE:

The Permanent Utility Easement has an area of approximately 7,611 square feet. The District will construct a 15" sewer within the Easement. Upon completion, the District will return the Easement to its condition prior to the access, and, thereafter, will access the sewer through manholes.

REMAINDER OF PARCEL:

The Permanent Utility Easement is not anticipated to have significant impact on the Real Property.

VALUATION OF THE LARGER PARCEL

Definition of Fair Market Value

Fair Market Value is defined under California law as the highest price on the date of valuation that would be agreed by a seller willing to sell but under no particular or urgent necessity to sell and a buyer being ready, willing and able to buy but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available.

Definition of Highest and Best Use

Highest and best use is defined as the reasonably probable use of land that is legally permissible, physically possible, financially feasible, and maximally productive resulting in the highest value. The Highest and Best Use Analysis is used in the appraisal process to identify comparable properties and, where applicable, to determine whether the existing improvements should be retained, renovated, or demolished. The results of the Highest and Best Use Analysis are discussed below.

HIGHEST AND BEST USE

The Highest and Best Use for the Real Property was determined to be industrial building, as zoned.

METHODOLOGY

The Sales Comparison Approach was used to estimate the fair market value of the Real Property and the Permanent Utility Easement.

SALES COMPARISON APPROACH

The following is a summary of the principal sales considered applicable to the valuation of the larger parcel:

SUMMARY OF IMPROVED TRANSACTIONS					
No.	Location	Sale Date	Size in AC	Price	Price/SF
1	5900 Severin Dr., La Mesa	Pending 2/4/2016	0.46	\$400,000	\$19.96
2	1338 E. Main St., El Cajon	8/28/2014	1.31	\$1,020,000	\$17.87
3	714 Grand Ave., Spring Valley	4/3/2015	0.27	\$230,000	\$19.56
4	230 El Cajon, El Cajon	7/21/2015	0.80	\$500,000	\$14.35
5	1164 Coughatta, Spring Valley	10/12/2015	1.42	\$885,000	\$14.31

Broker opinion of value varies from \$15 to \$20 per square foot depending on size and location of the parcel. The property at Avocado Blvd, consisting of 3.42 acres, has an estimated value of \$19 per square foot.

VALUATION OF PERMANENT UTILITY EASEMENT

The compensation for the Permanent Utility Easement which encumbers 7,611 square feet was based on the fee simple interest of the property, and is a percentage of the fee simple value based on the fact that it is shared property with some rights retained by the current property owner. The fee simple value of the land was established at \$19 per square foot. The Permanent Utility Easement takes 50% of the rights to the land. Therefore, the value of the part taken is \$72,305 (\$19.00 per square foot x 50% shared rights x 7,611 square feet).

VALUE OF THE REMAINDER

The District will return the Real Property which is subject to the Permanent Utility Easement to its prior condition following the proposed relocation of the District's facilities. No significant adverse impact is anticipated from the Project. The Permanent Utility Easement will not change the zoning or other land use regulations applicable to the Real Property. Based on the investigation, there are no damages occasioned by the Project to the remainder of the Real Property.

BENEFIT

The proposed sewer line continues to be underground and will be available through manholes for use on the Real Property. There is no market evidence suggesting that the Permanent Utility Easement will be a benefit to the Real Property. Therefore, there are no demonstrable benefits to the Real Property directly resulting from the Project.

Appraisal Summary Statement
Permanent Utility Easement Acquisition
FW CA Rancho San Diego Village, LLC

This is a summary of the appraisal prepared by Matthew VanEck MAI to be used by the Otay Water District to comply with Code of Civil Procedure 1263.320 defines “**Fair Market Value**” as the highest price on the date of valuation that would be agreed to by a seller, being willing to sell but under no particular or urgent necessity for so doing, nor obligated to sell, and a buyer, being ready, willing, and able to buy but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available. The fair market value of property taken for which there is no relevant, comparable market is its value on the date of valuation as determined by any method of valuation that is just and equitable.

The fair market value of the property taken shall not include any increase or decrease in the value of the property that is attributable to the following: (a) The project for which the property is taken; (b) The eminent domain proceeding in which the property is taken; (c) Any preliminary actions of the plaintiff relating to the taking of the property. (California Code of Civil Procedure section 1263.330).

In arriving at an opinion of value of the land and improvements, the independent appraiser considered highest and best use of the property, its size, location, zoning, and other factors affecting fair market value.

“**Highest and Best Use**” is defined as the reasonably probable and legal use of vacant land or an improved property, that is physically possible, appropriately supported, and financially feasible, and that results in the highest value.

Property Identification

	Location 3681 Avocado Blvd, La Mesa Ca 94941 (APN 502-150-18)
Property Rights Appraised	Permanent Utility Easement
Site Size	148,975 square feet
Shape	Irregular
Improvements	The Subject property
Ownership	FW CA Rancho San Diego Village, LLC
Zoning	C-36
Highest and Best Use	Existing Retail Use

Date of Value	February 12, 2016
Dates of Inspection	February 12, 2016
Date of Report	May 11, 2016
Sales Comparison Approach	\$19.00 per square foot x 148,975 square feet = \$2,830,525
Income Approach	N/A
Cost Approach	N/A
Just Compensation	\$19.00 per square foot x 50% shared rights x 7,611 square feet = \$72,305

The above is a summary of Matthew VanEck MAI appraisal, which was made in accordance with accepted appraisal principles, consistent with California Valuation Law.



Mike Harris



...Dedicated to Community Service

2554 SWEETWATER SPRINGS BOULEVARD, SPRING VALLEY, CALIFORNIA 91978-2004
TELEPHONE: 670-2222, AREA CODE 619 www.otaywater.gov

October 31, 2016

Project No.: S2024-001102

FW CA Rancho San Diego Village, LLC, A Delaware Limited Liability Company
c/o K. Erik Friess
Allen Matkins Leck Gamble Mallory & Natsis LLP
1900 Main Street, 5th Floor
Irvine, CA 92614-7321

SUBJECT: Permanent Utility Easement - APN # 502-150-18;
Otay Water District - Campo Road Sewer Replacement Project;
Statutory Offer Pursuant to Government Code Section 7267.2(a)

Dear Property Owner:

The Otay Water District (District) hereby presents a revised statutory offer to acquire a Permanent Utility Easement across a portion of your real property located at 3681 Avocado Blvd. and identified by Assessor Parcel Number 502-150-18 (the "Real Property") upon which the District initially offered in a letter dated June 1, 2016. The easement is related to the District's relocation of sanitary sewer facilities along Campo Road (SR 94) ("Campo Road Sewer Replacement Project").

Based upon negotiations between the District's legal counsel and your legal representative, Mr. K. Erik Friess, and considering the appraised value and your disagreements with it, an amount of \$125,000.00 has been deemed as Just Compensation for the proposed purchase of the Permanent Utility Easement, which is described and depicted in the enclosed legal description and plat. The description has been revised from the original version provided in the June 1, 2016 offer to reflect agreed upon changes.

Upon acceptance of this offer, an escrow will be opened by or at the direction of the District. Escrow will facilitate the conveyance of the Permanent Utility Easement to the District free and clear of any and all liens, encumbrances, and options or claims for leasehold interests for a total consideration of \$125,000.00. The acquisition of the Permanent Utility Easement and access rights is subject to District reviewing the escrow Preliminary Title Report, if any, and accepting the conveyance document. The District will pay all eligible incidental expenses associated with the escrow closing, including any recording fees.

FW CA Rancho San Diego Village, LLC, A Delaware Limited Liability Company
c/o K. Erik Friess
Permanent Utility Easement - APN # 502-150-18
October 31, 2016
Page 2 of 2.

Please note that the proceeds related to the purchase of the Permanent Utility Easement may be subject to payment demands for county taxes, assessment liens, federal and state tax liens, creditor judgements, and beneficiaries of trust deeds.

This offer will be deemed revoked, if it has not been accepted before the earlier of (i) the date on which the Board of Directors of the District holds a public hearing on a possible condemnation action, if any, or (ii) within 30 days of the date of this letter.

Please sign this letter below under the heading "Offer Accepted" and return it to my attention at your earliest convenience. A duplicate copy of this letter is enclosed for your records. Please also be prepared to execute and deliver the Permanent Utility Easement enclosed with this offer.

Sincerely,
OTAY WATER DISTRICT



Mark Watton
General Manager

MW:mlc

Enclosures: Proposed Permanent Utility Easement with Exhibit A & B – Legal and Plat
Copy of this Offer Letter

OFFER ACCEPTED: FW CA Rancho San Diego Village, LLC

Dated: _____

By: _____

Signature

Print



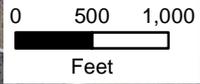
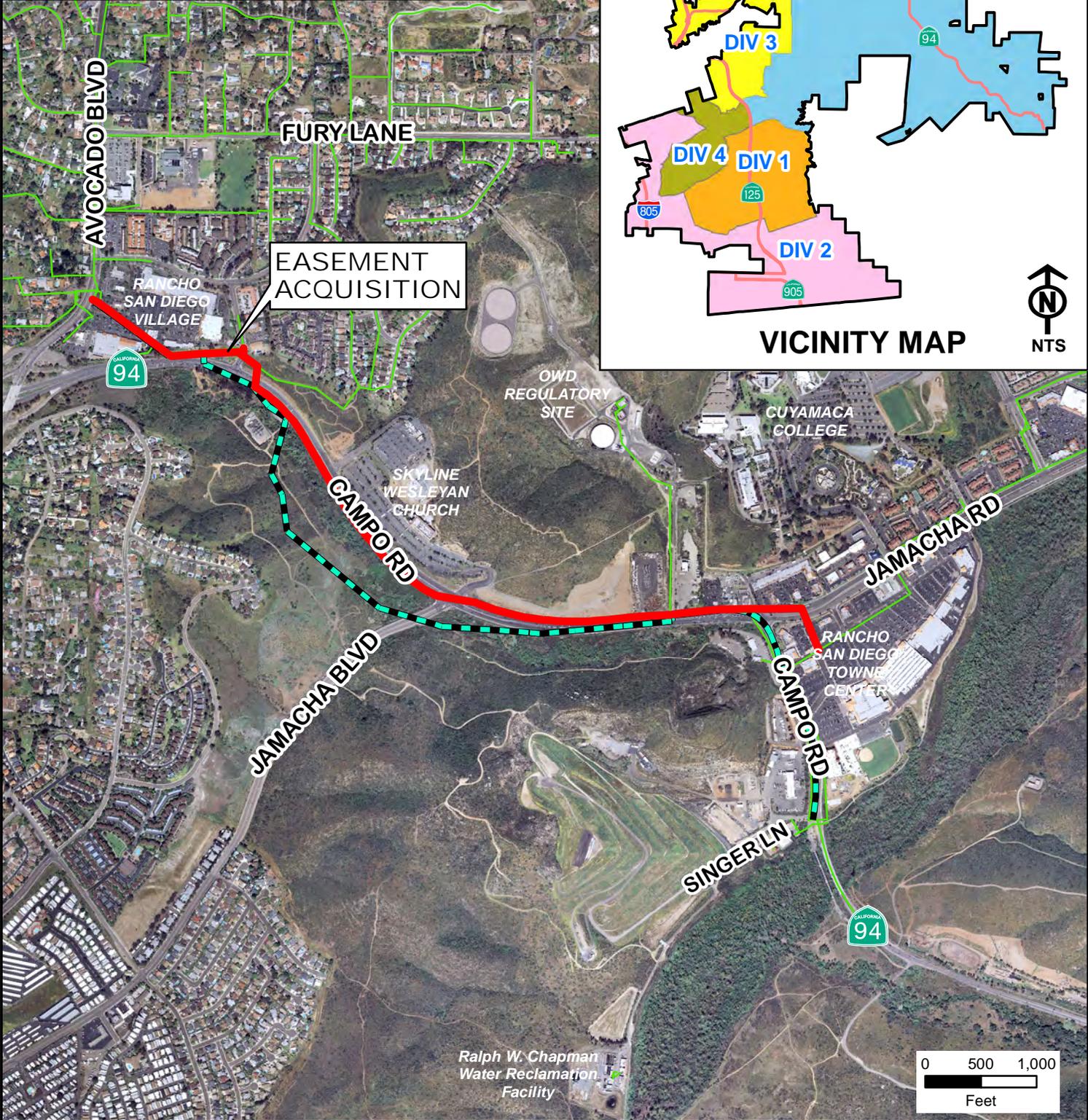
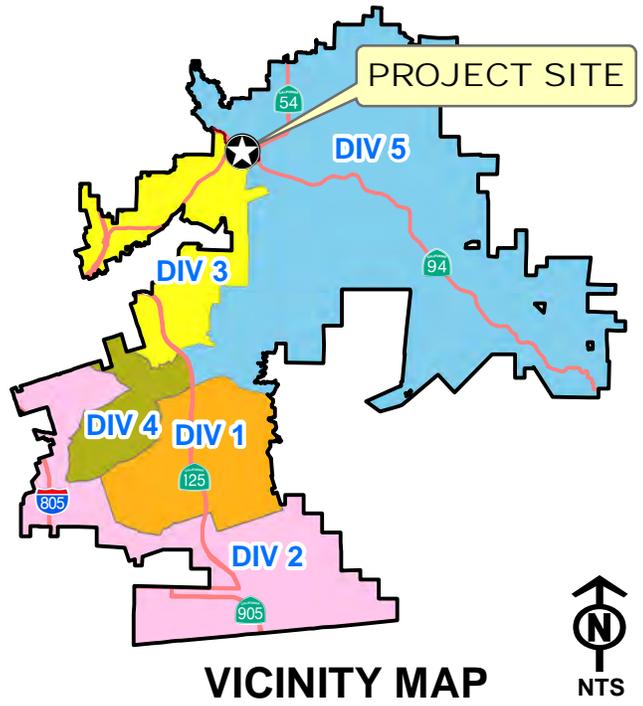
ATTACHMENT E – Budget Detail

SUBJECT/PROJECT:	Authorization to Acquire an Easement at Rancho San Diego Village Shopping Center from Regency Centers for the Campo Road Sewer Replacement
S2024-001102	

Project Budget Detail						
S2024-Campo Road Sewer Main Replacement						
Level	Title1	Committed	Expenditures	Outstanding Commitment	Projected Final Cost	Vendor
Planning	Consultant Contracts	\$20,020.00	\$20,020.00	\$0.00	\$20,020.00	AEGIS ENGINEERING MGMT INC
	Regulatory Agency Fees	\$132.00	\$132.00	\$0.00	\$132.00	US BANK
		\$2,260.00	\$2,260.00	\$0.00	\$2,260.00	COUNTY OF SAN DIEGO
	Service Contracts	\$161.70	\$161.70	\$0.00	\$161.70	SAN DIEGO DAILY TRANSCRIPT
		\$42.50	\$42.50	\$0.00	\$42.50	EAST COUNTY GAZETTE
	Standard Salaries	\$138,106.13	\$138,106.13	\$0.00	\$138,106.13	
Total	\$160,722.33	\$160,722.33	\$0.00	\$160,722.33		
Design	Consultant Contracts	\$9,315.00	\$9,315.00	\$0.00	\$9,315.00	WATER SYSTEMS CONSULTING INC
		\$763,244.35	\$687,231.45	\$76,012.90	\$763,244.35	RICK ENGINEERING COMPANY
		\$3,500.00	\$3,500.00	\$0.00	\$3,500.00	MICHAEL D KEAGY REAL ESTATE
		\$3,507.75	\$3,507.75	\$0.00	\$3,507.75	NINYO & MOORE GEOTECHNICAL
	Professional Legal Fees	\$182.32	\$182.32	\$0.00	\$182.32	STUTZ ARTIANO SHINOFF
		\$1,910.00	\$1,910.00	\$0.00	\$1,910.00	ARTIANO SHINOFF
	Regulatory Agency Fees	\$956.00	\$956.00	\$0.00	\$956.00	COUNTY OF SAN DIEGO
	Service Contracts	\$158.20	\$158.20	\$0.00	\$158.20	SAN DIEGO DAILY TRANSCRIPT
	Easement Acquisition	\$125,000.00	\$0.00	\$125,000.00	\$125,000.00	REGENCY CENTERS
	Standard Salaries	\$241,409.46	\$241,409.46	\$0.00	\$241,409.46	
	Total	\$1,149,183.08	\$948,170.18	\$201,012.90	\$1,149,183.08	
Construction	Consultant Contracts	\$42,460.65	\$0.00	\$42,460.65	\$42,460.65	RICK ENGINEERING COMPANY
		\$12,258.00	\$12,258.00	\$0.00	\$12,258.00	NINYO & MOORE GEOTECHNICAL
		\$17,400.00	\$17,400.00	\$0.00	\$17,400.00	ALYSON CONSULTING
	Standard Salaries	\$836.63	\$836.63	\$0.00	\$836.63	
	Total	\$72,955.28	\$30,494.63	\$42,460.65	\$72,955.28	
Budget	\$8,500,000.00					
Total		\$1,382,860.69	\$1,139,387.14	\$243,473.55	\$1,382,860.69	

Legend

- Proposed 15-Inch Sewer Main Alignment
- Existing 10-inch Gravity Sewer to be Replaced
- Existing Sewer Mains



OTAY WATER DISTRICT

CAMPO ROAD SEWER MAIN REPLACEMENT LOCATION MAP



P:\WORKING\CIP_S2024_Campo_Road_Sewer_Replacement\Graphics\Exhibits\Figures\Exhibit A_Location Map_RSD Village_Oct 2016.mxd

AGENDA ITEM 4



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	December 7, 2016
		PROJECT:	DIV. NO. All
SUBMITTED BY:	<input checked="" type="checkbox"/> Jose Martinez, Asst. Chief of Water Operations		
	<input checked="" type="checkbox"/> Pedro Porras, Chief Water Operations		
APPROVED BY:	<input checked="" type="checkbox"/> German Alvarez, Assistant General Manager		
	<input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Approval to Purchase two (2) Replacement Portable Emergency Gensets		

GENERAL MANAGER'S RECOMMENDATION:

That the Board authorize the General Manager to issue a purchase order to Volvo Construction Equipment in the amount not to exceed \$269,764 for the purchase of two (2) replacement portable emergency gensets.

COMMITTEE ACTION: _____

See Attachment A.

PURPOSE:

To obtain Board authorization to purchase two (2) replacement portable emergency gensets.

ANALYSIS:

Included in the approved FY 2017 budget, as Item 2 under Capital Purchases, are two (2) replacement portable emergency gensets. The two gensets are a replacement for existing gensets, Unit No. 736 and Unit No. 2143.

The existing gensets were manufactured in 1977 (Unit No. 736) and 1986 (Unit No. 2143) and will be 40 and 31 years old, respectively,

at the time of replacement. These gensets are currently classified as TIER 0 generator emission levels which indicate they were permitted prior to the State mandated emission limits on portable gensets. In order to comply with State regulatory mandates the gensets must be removed from service and replaced with gensets that are certified to the current emissions levels of the State of California. The new portable gensets will be mounted on trailers with enclosures similar to the existing gensets. The two new gensets will be in compliance with the State TIER 4 emission standards.

The specified replacement portable emergency gensets are designed to operate as a backup power source for the District's various critical facilities, including but not limited to: pump stations, hydro pneumatic stations, lift stations and the emergency operations center (EOC).

The replacement gensets support the District's Strategic Performance Objectives 1.1.2.3 and 4.1.1.9 and Measure 5.3.519 associated with emergency preparedness. As a reminder, Performance Measure 5.3.519 (Emergency Facility Power Testing) is a readiness indicator of the District's facilities to perform as intended in the event of an emergency.

Currently, Operations staff conducts annual testing of the District's emergency gensets, which include but are not limited to the following:

- Simulation of an actual loss of utility power
- Observation of proper start up, operation and shutdown of the generator and associated Automatic Transfer Switch (ATS)
- Ability to monitor and operate the facility locally and remotely via the District's SCADA system
- Use of a "Load Bank" which places actual power demands on the gensets to evaluate their performance (temperature, pressure, power output, etc.) when operating near rated capacities
- Additionally, exercising engines near their capacities is also part of the recommended maintenance for the gensets

This testing is part of the ongoing efforts performed by staff to help ensure the District's ability to supply water in the event of an emergency.

Based on system operation evaluations of workflow by the water systems supervision and management, it is recommended that two (2) new portable emergency gensets be purchased and the two older gensets be declared surplus.

In accordance with District policy, bids were solicited for the portable gensets. Three (3) bids were received. Prices received include all applicable fees, taxes, delivery, testing and training.

Dealer	Bid Price
Volvo Construction Equipment	\$269,764
Cummins Pacific	\$277,796
Hawthorne Power Systems	\$300,092

FISCAL IMPACT: Joe Beachem, Chief Financial Officer

Projected purchase budget for the two (2) portable gensets is \$300,000 based on preliminary research. The purchase of the gensets will cost \$269,764, which will be charged against the APCD Retrofits and Replacements CIP P2366. The total cost in this account will not exceed budgeted funding.

Based on staff's evaluation, the CIP P2366 budget is sufficient to complete this purchase. Total budget for FY17 is \$820,000, of which \$520,000 has been previously allocated and staff is now requesting to use the remaining \$300,000.

The Finance Department has determined that 100% of the funds are available in the replacement fund.

Expenditure Summary:

CIP 2366 FY17 APCD Retrofits and Replacements Budget:	\$820,000
Equipment Purchased: Two (2) portable pumps	\$326,160.00
Proposed Replacement: Two (2) portable gensets	\$269,764.00
Total, Projected Expenditures of Equipment Replacements FY17, CIP P2366 Budget:	\$224,076

STRATEGIC GOAL:

Operate the system to meet demand twenty-four hours a day, seven days a week.

LEGAL IMPACT:

None.

General Manager

Attachment A, Committee Action



ATTACHMENT A

SUBJECT/PROJECT:	Approval to Purchase two (2) Replacement Portable Emergency Gensets
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COMMITTEE ACTION:

The Finance, Administration and Communications Committee reviewed this item at a meeting held on November 15, 2016, and the following comments were made:

Note:

The ``Committee Action`` is written in anticipation of the Committee moving the item forward for Board approval. This report will be sent to the Board as a committee approved item, or modified to reflect any discussion or changes as directed from the committee prior to presentation to the full board.

AGENDA ITEM 5



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	December 7, 2016
		PROJECT:	Various DIV. NO. ALL
SUBMITTED BY:	Kent Payne Purchasing and Facilities Manager		
APPROVED BY:	<input checked="" type="checkbox"/> Adolfo Segura, Chief, Administrative & IT Services <input checked="" type="checkbox"/> German Alvarez, Assistant General Manager <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	AUTHORIZE A TWO-YEAR FIXED AGREEMENT, PLUS THREE (3) ONE-YEAR OPTIONS, WITH T&T JANITORIAL, INC., FOR JANITORIAL SERVICES AT A NOT-TO-EXCEED TOTAL AMOUNT OF \$286,800		

GENERAL MANAGER'S RECOMMENDATION:

That the Board authorize a two-year fixed agreement, plus three (3) one-year options, with T&T Janitorial, Inc. of San Diego, CA (T&T), for janitorial services at the Administration, Operations, Warehouse and Treatment Plant buildings, plus five remote facility restrooms at a not-to-exceed total amount of \$286,800. Monthly and annual fees, which represent an 11% reduction from the current contract, are as follows:

Calendar Year	Monthly Fee	Annual Fee
Current Contract	\$5,370.00	\$64,440
T&T Janitorial, Inc.		
2017	\$4,780.00	\$57,360
2018	\$4,780.00	\$57,360
2019 - Option 1	\$4,780.00	\$57,360
2020 - Option 2	\$4,780.00	\$57,360
2021 - Option 3	\$4,780.00	\$57,360
Contract Total		\$286,800

COMMITTEE ACTION:

See "Attachment A".

PURPOSE:

To obtain authorization for the General Manager to enter into a two-year fixed agreement, plus three (3) one-year options, with T&T for janitorial services at a not-to-exceed total amount of \$286,800.

ANALYSIS:

The District utilizes a multi-year contract for janitorial services at its main facilities and five remote sites. A scope of work matrix is provided ("Attachment B").

Staff issued a Request-for-Quotation through its online solicitation portal, BidSync. Forty-three (43) firms and organizations viewed the solicitation; fourteen (14) downloaded the bid packet; and, eleven (11) firms attended a mandatory pre-proposal meeting and site walk held at the main campus and Treatment Plant.

The District received nine (9) quotes; one of which was non-responsive and four exceeded the maximum acceptable fee and were not evaluated. The remaining four (4) were evaluated by a review panel and scored on firm qualifications, personnel experience, completeness of the submittal, proposed method to perform the work, proposed hours per year, and proposed monthly fee for each year of the contract ("Attachment C").

Firm	Five-Year Fee	Total Score
Prizm Janitorial Service , Inc.	\$236,166	311
T&T Janitorial, Inc.	\$286,600	344
Merchants Building Maintenance	\$351,568	226
Priority Building Services, LLC*	\$389,892	231

*Incumbent contract holder for Admin, Operations and Warehouse buildings.

T&T's proposal received the highest score and was determined to be the best value for the required scope of work. Staff checked their references which includes the County of San Diego, the City of Coronado, and Southwest Fisheries Science Center - NOAA. All rated T&T as excellent in both job performance and customer service. An internet search revealed no negative ratings or complaints. T&T is a locally owned certified disadvantaged business enterprise incorporated in 2003, with approximately 50 full and part-time employees.

FISCAL IMPACT:

Joe Beachem, Chief Financial Officer

The annual janitorial services operating budget is \$63,000, which is sufficient to cover the yearly cost of the contract.

STRATEGIC GOAL:

Supports the Districts Strategy: Ensure financial health through formalized policies, prudent investing, and efficient operations.

LEGAL IMPACT:

None.

ATTACHMENTS:

- Attachment A - Committee Action Report
- Attachment B - Scope of Work Matrix
- Attachment C - Scoresheet



ATTACHMENT A

SUBJECT/PROJECT:	AUTHORIZE A TWO-YEAR FIXED AGREEMENT, PLUS THREE (3) ONE-YEAR OPTIONS, WITH T&T JANITORIAL, INC., FOR JANITORIAL SERVICES AT A NOT-TO-EXCEED TOTAL AMOUNT OF \$286,800
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COMMITTEE ACTION:

The Finance, Administration, and Communications Committee reviewed this item at a meeting held on November 15, 2016. The Committee supports presentation to the full Board for their consideration.

NOTE:

The "Committee Action" is written in anticipation of the Committee moving the item forward for Board approval. This report will be sent to the Board as a Committee approved item, or modified to reflect any discussion or changes as directed from the Committee prior to presentation to the full Board.



ATTACHMENT B

SUBJECT/PROJECT:	AUTHORIZE A TWO-YEAR FIXED AGREEMENT, PLUS THREE (3) ONE-YEAR OPTIONS, WITH T&T JANITORIAL, INC., FOR JANITORIAL SERVICES AT A NOT-TO-EXCEED TOTAL AMOUNT OF \$286,800
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SCOPE OF WORK MATRIX*

#	Task Description	Administration Operations				Central Warehouse				Treatment Plant			
		D	W	M	Q	D	W	M	Q	D	W	M	Q
Common Areas, Meeting Rooms, Offices & Cubicles													
1	Empty all waste containers; clean containers as necessary; replace liners as necessary; and place trash in dumpsters. (Liners to be supplied by owner.)	X				X				X			
2	Remove smudges from doors, doorframes & elevator doors.	X				X				X			
3	Spot-clean partition glass and door glass.	X				X				X			
4	Clean, disinfect and polish drinking fountains.	X											
5	Disinfect door handles.	X				X				X			
6	Return furniture to neat and orderly position.	X				X				X			
7	Dust & wipe clean meeting room conference tables.	X											
8	Sweep non-carpeted traffic patterns including hallways, aisles & copy stations.	X				X				X			
9	Sweep debris from exterior of main entrance doors.	X											
10	Vacuum all carpet traffic patterns including primary hallways, aisles & copy stations.	X											
11	Mop and disinfect all non-carpeted floors, including main stairwell in Administration Building. For Warehouse location, delivery area only.		X				X			X			
12	Empty all paper recycling containers and place paper in central recycling bins.		X				X				X		
13	Dust, and wipe clean with a treated cloth all desktops (do not disturb tenant papers), meeting room furniture, file cabinets, bookcases, shelves, counters, and fixtures.		X				X				X		
14	Spot-clean all wall switches and door facings.		X				X				X		
15	Dust baseboards, ledges, and window sills.		X				X				X		
16	Remove cobwebs from ceiling corners.		X				X				X		
17	Vacuum all carpeted floors including offices, workstations, meeting rooms, training room and board room.		X										
18	Dust picture frames.			X				X				X	

D – Daily; W – Weekly; M – Monthly; Q – Quarterly

#	Task Description	Administration Operations				Central Warehouse				Treatment Plant			
		D	W	M	Q	D	W	M	Q	D	W	M	Q
19	Brush down or vacuum wall-ceiling vents.			X				X				X	
20	Detail vacuum all carpeted areas.				X				X				X
21	Remove spillage spots from carpets.				X				X				X
22	Dust high-reach areas including partition tops, door tops, and air conditioning vents.				X				X				X
23	Clean and polish executive office furniture.				X				X				X
24	Brush or vacuum upholstered furniture.				X				X				X
25	Wipe down plastic and leather furniture.				X				X				X
26	Vacuum chairs.				X				X				X
27	Spot-clean painted partitions and painted walls.				X				X				X
Kitchen, Kitchenettes & Break Room/Lunch Room													
1	Empty all waste containers, clean containers as necessary, replace liners, and place trash in dumpsters. (Liners to be supplied by owner.)	X				X				X			
3	Clean and disinfect kitchen, kitchenettes, and lunchroom & break rooms including sinks,	X				X				X			
4	Clean inside of microwaves.	X				X				X			
5	Clean & wipe down exterior surfaces of coffee machines.	X				X				X			
6	Sweep floors.	X								X			
7	Mop and disinfect floors.		X								X		
8	Clean & disinfect exterior surfaces of kitchen appliances including microwaves, coffee machines, toaster ovens, stove/oven, refrigerators, and vending machines.		X				X				X		
9	Clean lunchroom furniture.		X										
10	Spot-clean all wall switches and door facings.		X								X		
11	Dust baseboards, ledges, and window sills where applicable.		X								X		
12	Remove cobwebs from ceiling corners where applicable.		X				X				X		
Restrooms													
1	Empty all waste containers, clean containers as necessary, replace liners, and place trash in dumpsters. (Liners to be supplied by owner.)	X				X				X			
2	Empty sanitary napkin containers and replace insert.	X				X				X			
3	Polish all metal and clean mirrors.	X				X				X			
4	Clean and disinfect all dispensers.	X				X				X			
5	Clean and disinfect washbasins, toilet bowls and urinals.	X				X				X			
6	Disinfect underside and tops of toilet seats.	X				X				X			
7	Refill soap, towel, tissue containers, and seat cover dispensers.	X				X				X			
8	Mop & disinfect floors.	X				X				X			
9	Brush down vents.		X				X				X		
10	Wash down ceramic tile walls and toilet compartment partitions.		X				X				X		
11	Pour clean water down floor drains to prevent sewer gases.		X				X				X		
12	Replace urinal screens.			X				X				X	

D – Daily; W – Weekly; M – Monthly; Q – Quarterly

#	Task Description	Regulatory Site		Central Area Pump Station		30MG Reservoir		944-1 Reservoir-1296 Pump Station		Buena Vista Pump Station		450/680 Recycled Pump Station	
		2W	W	2W	W	2W	W	2W	W	2W	W	2W	W
Restrooms													
1	Empty all waste containers, clean containers as necessary, replace liners, and place trash in dumpsters. (Liners to be supplied by owner.)	X		X		X		X		X		X	
2	Empty sanitary napkin containers and replace insert.	X		X		X		X		X		X	
3	Polish all metal and clean mirrors.	X		X		X		X		X		X	
4	Clean and disinfect all dispensers.	X		X		X		X		X		X	
5	Clean and disinfect washbasins, toilet bowls	X		X		X		X		X		X	
6	Disinfect underside and tops of toilet seats.	X		X		X		X		X		X	
7	Refill soap, towel, tissue containers, and seat cover dispensers.	X		X		X		X		X		X	
8	Mop & disinfect floors.	X		X		X		X		X		X	
9	Brush down vents.		X		X		X		X		X		X
10	Wash down ceramic tile walls and toilet compartment partitions.		X		X		X		X		X		X
11	Pour clean water down floor drains to prevent sewer gases.		X		X		X		X		X		X

2W - Twice-Weekly; W - Weekly

*Duties may be modified from time-to-time as circumstances require.



ATTACHMENT C

SUBJECT/PROJECT:	AUTHORIZE A TWO-YEAR FIXED AGREEMENT, PLUS THREE (3) ONE-YEAR OPTIONS, WITH T&T JANITORIAL, INC., FOR JANITORIAL SERVICES AT A NOT-TO-EXCEED TOTAL AMOUNT OF \$286,800
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SCORESHEET

		Qualification Experience of the Firm	Qualification Experience of Assigned Personnel	Completeness, Addressed Requested Information	Proposed Method to Accomplish Work	Hours Proposed	Proposed Monthly Fee	Total Score	References
SCORE		20	10	10	15	20	25	100	
Prizm Janitorial Services, Inc.	A Carey	20	10	10	15	6	25	86	
	S Chen	14	8	7	8			68	
	K Payne	18	9	10	14			81	
	F Conchas	17	8	9	12			77	
T&T Janitorial, Inc.	A Carey	20	10	10	15	17	20	92	Excellent
	S Chen	16	8	7	11			79	
	K Payne	19	10	10	14			90	
	F Conchas	16	8	9	14			84	
Merchants Building Maintenance	A Carey	18	7	6	2	6	10	49	
	S Chen	16	7	7	8			54	
	K Payne	18	9	7	10			60	
	F Conchas	18	9	9	13			65	
* Priority Building Services, LLC.	A Carey	20	6	5	6	15	1	53	
	S Chen	18	8	9	12			63	
	K Payne	14	7	7	9			53	
	F Conchas	18	8	8	12			62	

*Incumbent

AGENDA ITEM 6



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	December 7, 2016
		PROJECT:	Various DIV.NO. ALL
SUBMITTED BY:	Tenille Otero Communications Officer		
APPROVED BY:	<input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Amendment to Extend the Joint Powers Agency Water Conservation Garden Operation Agreement		

GENERAL MANAGER'S RECOMMENDATION:

That the Board of Directors approve the first amendment to the Joint Powers Agency (JPA) Water Conservation Garden Operation Agreement (Operation Agreement) [Attachment B], extending the expiration date an additional six months from December 31, 2016 to June 30, 2017.

COMMITTEE ACTION:

See Attachment A.

PURPOSE:

To request that the board consider extending the Operation Agreement to allow sufficient time for the Water Conservation Garden Joint Powers Agency (JPA) to thoroughly review and evaluate the Operation Agreement and develop a new agreement that is strategically beneficial for JPA members who provide funding to operate the Garden.

ANALYSIS:

Members of the JPA funded the construction of the Garden and continue to fund a majority of its operational costs. The original Operation Agreement, dated October 13, 2010, expires on December 31, 2016. The JPA expected to have a revised Operation Agreement completed prior to

the expiration date. However, the JPA members determined that since a revised agreement would need to be approved by each of the individual member agencies' boards, the deadline of December 31 could not be met. The JPA members also agreed that they need adequate time to carefully consider the revisions.

In addition, the Funding Agreement is due to expire in June 2017, whereas the Operation Agreement is on a calendar year. Members of the JPA and Friends of the Garden (Friends) Board have concurred that the two agreements' schedules should be aligned since the funding of the Garden is so closely tied to the Operational Plan.

Two District board members, Mark Robak as the District representative and Mitch Thompson as the alternate, support the District on the JPA committee. At the committee's November 9, 2016 meeting, all members voted to extend the Operation Agreement an additional six months, from December 31, 2016 to June 30, 2017. Extending the agreement will provide the committee sufficient time to thoroughly review and revise the Operation Agreement. This will allow members of the JPA to evaluate their participation in funding and/or operating the Garden so it continues to provide valuable water conservation programs and utilize the facilities constructed at the Garden as intended by its founders.

FISCAL IMPACT: Joe Beachem, Chief Financial Officer

None.

STRATEGIC GOAL:

Supports the objective in the District's Strategic Plan to evaluate and enhance the District's water conservation programs and services.

LEGAL IMPACT:

None.

Attachments: Attachment A - Committee Action
Attachment B - First Amendment to Water Conservation Garden Operation Agreement



ATTACHMENT A

SUBJECT/PROJECT:	Amendment to Extend the Joint Powers Agency Water Conservation Garden Operation Agreement
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COMMITTEE ACTION:

This attachment will be updated with notes from the discussion of the Finance, Administration and Communications Committee meeting scheduled on Tuesday, Nov. 15, 2016.

FIRST AMENDMENT TO
WATER CONSERVATION GARDEN OPERATION AGREEMENT
The WATER CONSERVATION GARDEN

The Water Conservation Garden Operation Agreement dated October 13, 2010 between the Water Conservation Authority and Friends of the Water Conservation Garden (collectively Parties) is amended as follows.

1. Paragraph 1, DEFINITIONS, section 1.58 SCHEDULED EXPIRATION DATE is amended to mean June 30, 2017. The Agreement is amended for continued operation and maintenance services, and to align the Friends of the Water Conservation Garden’s Operations budget with the budgets of the agencies which make up the Joint Powers Agency.
2. Paragraph 4, TERM, is amended to reflect the extension of the Agreement.
3. Pursuant to Paragraph 14, INSURANCE, Friends of the Water Conservation Garden shall provide updated insurance documents to the Water Conservation Authority as required.
4. All other terms, covenants, and conditions in the original Agreement as amended shall remain in full force and effect, and shall be applicable to this Amendment.

The individuals executing this amendment to Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

IN WITNESS WHEREOF, the Parties have executed this First Amendment to the Agreement on the date set forth below.

AUTHORITY
WATER CONSERVATION AUTHORITY,
a Joint Powers Authority

OPERATOR
FRIENDS OF THE WATER
CONSERVATION GARDEN,
a California nonprofit benefit corporation

By: _____
Board President

By: _____

Name: _____

Title: _____

DATED: _____

ATTEST:

By: _____
Board Secretary

By: _____

Name: _____

Title: _____