

OTAY WATER DISTRICT
ENGINEERING, OPERATIONS & WATER RESOURCES COMMITTEE MEETING
and
SPECIAL MEETING OF THE BOARD OF DIRECTORS

2554 SWEETWATER SPRINGS BOULEVARD
SPRING VALLEY, CALIFORNIA
Board Room

Tuesday
June 17, 2008
4:00 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

INFORMATION / ACTION ITEMS

3. ADOPT RESOLUTION NO. 4127 OF THE BOARD OF DIRECTORS OF OTAY WATER DISTRICT FIXING TERMS AND CONDITIONS FOR THE ANNEXATION TO OTAY WATER DISTRICT IMPROVEMENT DISTRICT OF THOSE LANDS DESCRIBED AS "McCARTHY SEWER ANNEXATION" (APN 517-190-05) AND ANNEXING SAID PROPERTY TO OTAY WATER DISTRICT IMPROVEMENT DISTRICT NO. 18 FOR SEWER SERVICE (WO 0210-20.302) (POSADA/CHARLES) [5 minutes]
4. AWARD A PURCHASE ORDER TO KIRK PAVING IN AN AMOUNT NOT TO EXCEED \$190,000 FOR AS-NEEDED ASPHALT PAVING SERVICE FROM JULY 1, 2008 THROUGH JUNE 30, 2009 (HENDERSON/PORRAS) [5 minutes]
5. APPROVE THE REQUEST TO REIMBURSE MCMILLIN OTAY RANCH, LLC FOR THE COMPLETED CAPITAL IMPROVEMENT PROJECT, MCMILLIN OTAY RANCH SPA 2, VILLAGE 6 DEVELOPMENT, PL 16-INCH, 711 ZONE, BIRCH ROAD AND SR 125 IN THE AMOUNT OF \$185,047.80 AND 12-INCH 944 ZONE, BIRCH AND LA MEDIA / EASTLAKE PHASES 1, 2, AND 3 IN THE AMOUNT OF \$325,383.45 (POSADA/CHARLES) [10 minutes]

6. AWARD A CONTRACT TO PACIFIC METER SERVICES, INC. IN AN AMOUNT NOT TO EXCEED \$179,505 FOR RETROFITTING UP TO 4,500 EXISTING MANUAL READ METERS WITH NEW AUTOMATED METER READ (AMR) METERS (HENDERSON/DOBRAWA/PORRAS) [10 minutes]
7. REJECT A CONSTRUCTION CONTRACT BID FROM PRIME TIME CONSTRUCTION INC. IN THE AMOUNT OF \$225,902 FOR THE CONSTRUCTION OF THE AGENCY INTERCONNECTIONS PROJECT (RIPPERGER/GRUNOW/KAY) [10 minutes]
8. AWARD OF A CONSTRUCTION CONTRACT TO ARRIETA CONSTRUCTION INC. IN THE AMOUNT OF \$844,485.90 FOR THE RALPH W. CHAPMAN WATER RECYCLING FACILITY FORCEMAIN AIR/VAC REPLACEMENTS AND ACCESS ROAD IMPROVEMENTS PROJECT (GRUNOW/KAY/RIPPERGER) [5 minutes]
9. ADJOURNMENT

BOARD MEMBERS ATTENDING:

Jose Lopez, Chair
Gary Croucher

All items appearing on this agenda, whether or not expressly listed for action, may be deliberated and may be subject to action by the Board.

If you have any disability that would require accommodation in order to enable you to participate in this meeting, please call the District Secretary at 670-2280 at least 24 hours prior to the meeting.

Certification of Posting

I certify that on June 12, 2008 I posted a copy of the foregoing agenda near the regular meeting place of the Board of Directors of Otay Water District, said time being at least 24 hours in advance of the meeting of the Board of Directors (Government Code Section §54954.2).

Executed at Spring Valley, California on June 12, 2008.



Connie Rathbone, Asst. District Secretary



AGENDA ITEM 3

STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	July 2, 2008
SUBMITTED BY:	David Charles, <i>MC</i> Public Services Manager	W.O./G.F. NO:	0210- 20.302
		DIV. NO. 5	
APPROVED BY: (Chief)	Rod Posada, <i>R Posada</i> Chief, Engineering		
APPROVED BY: (Asst. GM):	Manny Magana, Asst. GM Engineering & Operations <i>M Magana</i>		
SUBJECT:	McCarthy Sewer Annexation to ID 18		

GENERAL MANAGER'S RECOMMENDATION:

Adopt Resolution No. 4127, the annexation of the property owned by Kevin and Leann McCarthy to Improvement District No. 18.

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

The purpose of the proposed annexation is to provide sewer service to a parcel located at 1915 Townsend Place, El Cajon, California. (APN 517-190-05-00).

ANALYSIS:

A written request and Petition signed by Kevin McCarthy, has been received for annexation of APN 517-190-05-00 into Improvement District No. 18 for sewer service. The total acreage to be annexed is 0.50 acres. The property is within the sphere of Otay Water District and will be part of Improvement District 18 after the Board of Directors approves this request. The property is located at 1915 Townsend Place, in the city of El Cajon and County of San Diego.

FISCAL IMPACT:

RUB

The property owners will be charged \$10 per year for availability fees.

STRATEGIC GOAL:

Provide sewer service to meet increasing customer needs.

LEGAL IMPACT: _____

No legal impact.



General Manager



ATTACHMENT A

SUBJECT/PROJE CT:	McCarthy Sewer Annexation to ID 18
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COMMITTEE ACTION:

The Engineering, Operations and Water Resources Committee reviewed this item at the meeting held on June 17, 2008. 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.

G:\UserData\DistSec\WINWORD\ANNEX\McCarthy Sewer Annexation 7-2-2008\BD Mtg 7-2-08, Staff Rpt, McCarthy Sewer Annex.doc

LOCATION MAP

Kevin & Leann McCarthy

Address: 1915 Townsend Pl
El Cajon CA 92019

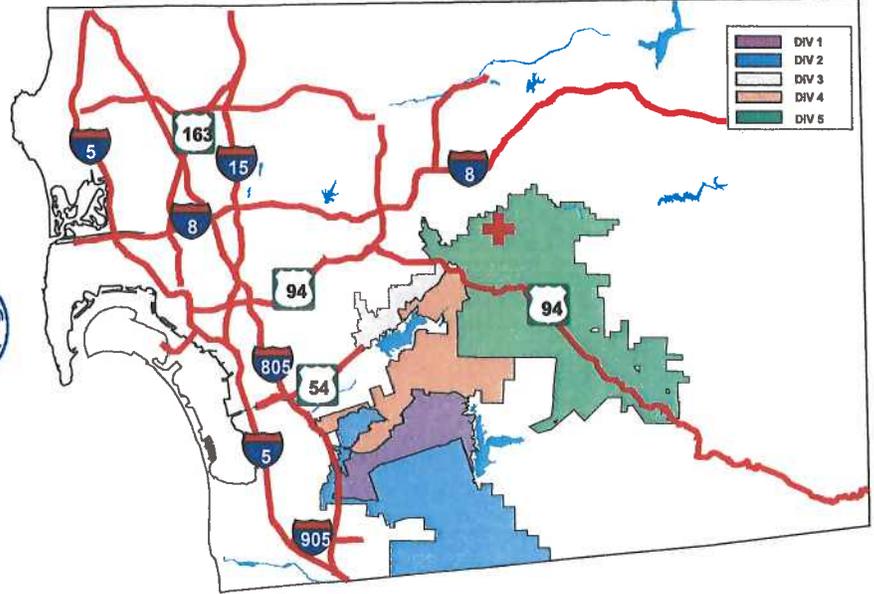
APN: 517-190-05-00

File No: 0210-20.302

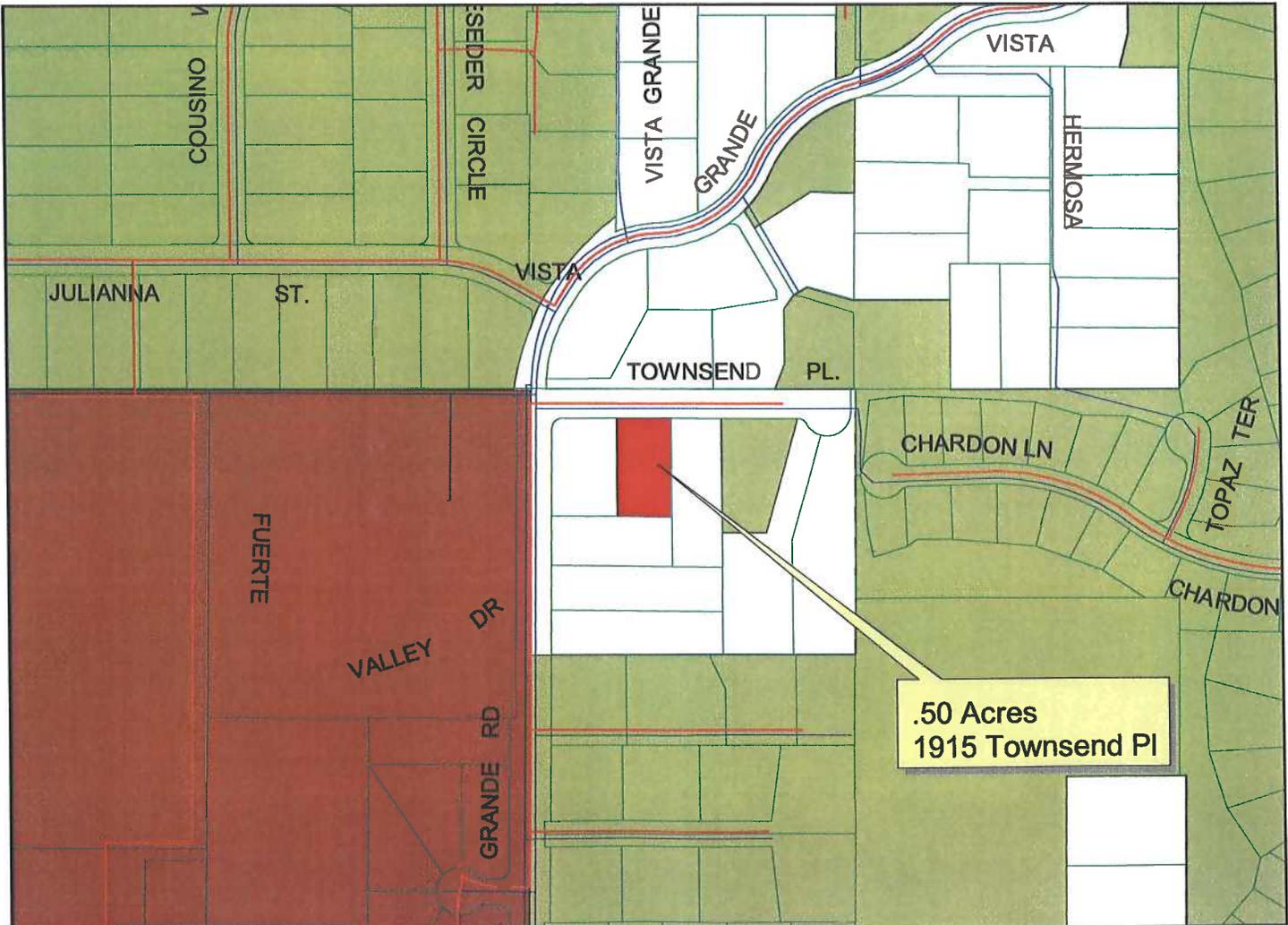


Sewer I.D.: 18

DIR.DIV.: Division 5



VICINITY MAP



APN: 517-190-05-00

RESOLUTION NO. 4127

A RESOLUTION OF THE BOARD OF DIRECTORS OF OTAY WATER DISTRICT APPROVING THE ANNEXATION TO OTAY WATER DISTRICT IMPROVEMENT DISTRICT NO. 18 OF THOSE LANDS DESCRIBED AS "MCCARTHY SEWER ANNEXATION" (WO 0210-20.302/DIV. 5)

WHEREAS, a letter has been submitted by Kevin McCarthy, the owner and party that has an interest in the land described in Exhibit "A," attached hereto, for annexation of said land to Otay Water District Improvement District No. 18 pursuant to California Water Code Section 72670 et seq.; and

WHEREAS, pursuant to Section 72680.1 of said Water Code, the Board of Directors may proceed and act thereon without notice and hearing.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE OTAY WATER DISTRICT FINDS, RESOLVES, ORDERS AND DETERMINES as follows:

1. A depiction of the area proposed to be annexed, and the boundaries of ID 18 following the annexation, is set forth on a map filed with the Secretary of the District, which map shall govern for all details as to the area proposed to be annexed.

2. The purpose of the proposed annexation is to make sewer service available to the area to be annexed, which availability constitutes a benefit to said area.

3. The Board finds and determines that the area proposed to be annexed to ID 18 will be benefited by such annexation and that the property currently within ID 18 will also be benefited and not injured by such annexation because after the annexation a larger tax base will be available to finance the sewer facilities and improvements of ID 18.

4. The Board of Directors hereby declares that the annexation of said property is subject to the owners complying with the following terms and conditions:

(a) The petitioners for said annexation shall pay to Otay Water District the following:

- (1) Standard processing fee in the amount of \$682.00;
- (2) State Board of Equalization filing fees in the amount of \$300;
- (3) A sewer annexation fee of \$5,119 per EDU to be collected at the time of connection to the Otay Water District sewer system;
- (4) Yearly assessment fees will be collected through the County Tax Assessor's office in the amount of \$10 for APN 517-190-05-00;
- (5) In the event that water service is to be provided, Petitioners shall pay the then applicable annexation fees per EDU at the time the meter is purchased; and
- (6) Payment by the owners of APN 517-190-05-00 of all other applicable local or state agency fees or charges.

(b) The property to be annexed shall be subject to taxation after annexation thereof for the purposes of the improvement district, including the payment of principal and interest on bonds and other obligations of the improvement district, authorized and outstanding at the time of annexation,

the same as if the annexed property had always been a part of the improvement district.

5. The Board hereby declares the property described in Exhibit "A" shall be considered annexed to ID 18 upon passage of this resolution.

6. The Board of Directors further finds and determines that there are no exchanges of property tax revenues to be made pursuant to California Revenue and Taxation Code Section 95 et seq., as a result of such annexation.

7. The annexation of APN 517-190-05-00 to the District is hereby designated as the "MCCARTHY SEWER ANNEXATION."

8. Pursuant to Section 572029(c) of the Government Code, the effective date of the MCCARTHY SEWER ANNEXATION shall be the date this Resolution is adopted by the Board of Directors of the Otay Water District.

9. The General Manager of the District and the Secretary of the District, or their respective designees, are hereby ordered to take all actions required to complete this annexation.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 2ND day of July, 2008.

President

ATTEST:

District Secretary

Exhibit A

MCCARTHY SEWER ANNEXATION ANNEXATION TO OTAY WATER DISTRICT

GEOGRAPHIC DESCRIPTION

All that certain real property, situated in the West Half of the Northeast quarter of the Southeast quarter of Section 19, Township 16 South, Range 1 East, San Bernardino Base and Meridian, in the City of El Cajon, County of San Diego, State of California, being known also as Lot 5 of Map 7565 recorded February 27th, 1973 as file no. 73-051419 of official records, and described as follows:

COMMENCING at the centerline intersection of Vista Grande Road and Townsend Place, as said intersection is shown on said Map 7565;

Thence (1) North 89° 50'00" East, 281.40 feet along the centerline of said Townsend Place;

Thence (2) leaving said centerline South 00°10'00" East, 30.00 feet to a point on the Southerly right of way line of Townsend place, being also the Northeast corner of said Lot 5 and the **TRUE POINT OF BEGINNING**;

Thence (3) leaving said right of way line South 00° 10'00" East, 199.47 feet to the Southeast corner of said Lot 5;

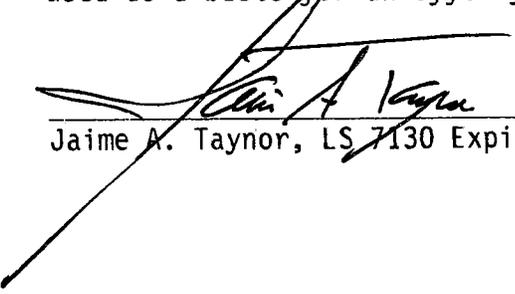
Thence (4) North 89°29'06" West, 110.01 feet to the Southwest corner of said Lot 5;

Thence (5) North 00° 10'00" West, 198.16 feet to the Northwest corner of said Lot 5, being also a point on said Southerly right of way line of Townsend Place;

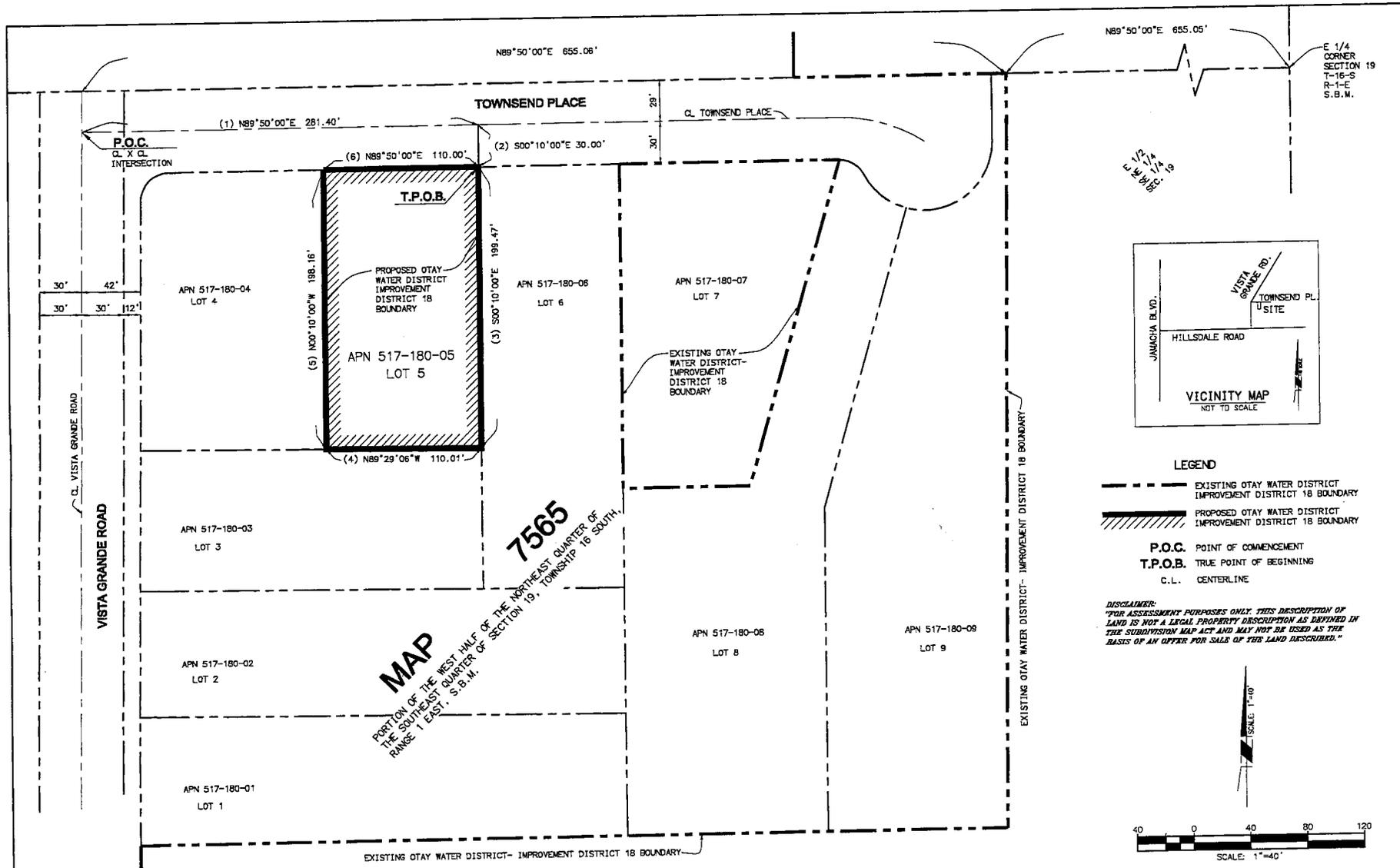
Thence (6) North 89° 50'00" East, 110.00 feet along said right of way line to the Northeast corner of lot 5 and the **TRUE POINT OF BEGINNING**

CONTAINING: 21,870 square feet or 0.50 acres more or less.

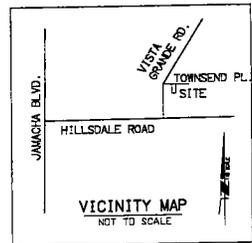
For assessment purposes only. This description of land is not a legal property description as defined in the subdivision map act and may not be used as a basis for an offer for sale of the land described.


Jaime A. Taynor, LS 7130 Expires 12/31/08





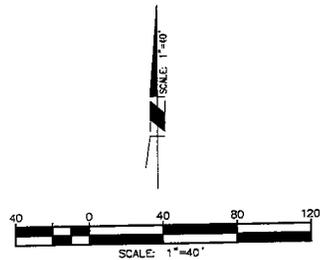
1/4
 1/4
 1/4
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LEGEND

- EXISTING OTAY WATER DISTRICT IMPROVEMENT DISTRICT 18 BOUNDARY
- PROPOSED OTAY WATER DISTRICT IMPROVEMENT DISTRICT 18 BOUNDARY
- P.O.C.** POINT OF COMMENCEMENT
- T.P.O.B.** TRUE POINT OF BEGINNING
- C.L.** CENTERLINE

DISCLAIMER:
 "FOR ASSESSMENT PURPOSES ONLY. THIS DESCRIPTION OF LAND IS NOT A LEGAL PROPERTY DESCRIPTION AS DEFINED IN THE SUBDIVISION MAP ACT AND MAY NOT BE USED AS THE BASIS OF AN OFFER FOR SALE OF THE LAND DESCRIBED."



JAIME A. TAYNOR LS 7130
 EX. 12/31/08

PREPARED FOR: OWNERS: KEVIN R. AND LEANN M MCCARTHY PROJECT SITE: 1915 TOWNSEND PLACE EL CAJON, CA 92019 MCCARTHY SEWER ANNEXATION	ASSESSORS PARCEL NUMBER: 517-180-05-00 AREA: 0.6 ACRE (26,870 SF) LOT 5 OF MAP 7565, CITY OF EL CAJON, COUNTY OF SAN DIEGO, STATE OF CALIF. BEING A PORTION OF THE W. 1/2, NE 1/4, SEC. 19, T-16-S, R-1-E, S.B.M.
OTAY WQ RESOLUTION NO.: RBF JOB NO.	DATE: SCALE:
25-103495	JUNE 10, 2008 1"=40'



PLANNING ■ DESIGN ■ CONSTRUCTION
 9785 CLAREMONT MESA BOULEVARD, SUITE 100
 SAN DIEGO, CALIFORNIA 92124-8204
 619.645.2000 • FAX 619.645.2001 • www.RBF.com

SHEET
 1 OF 1
SHEET

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AGENDA ITEM 4

STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	July 2, 2008
SUBMITTED BY:	Don Henderson, <i>DH</i> Construction Maintenance Manager	W.O./G.F. NO:	DIV. NO. All
APPROVED BY:	Pedro Porras, Chief of Water Operations <i>P</i> (Chief)		
APPROVED BY:	Manny Magana, Asst. General Manager, Engineering & Operations <i>M Magana</i> (Asst. GM):		
SUBJECT:	AWARD PURCHASE ORDER TO KIRK PAVING FOR ANNUAL AS NEEDED PAVING SERVICES		

GENERAL MANAGER'S RECOMMENDATION:

That the Board authorize issuing a blanket purchase order to Kirk Paving in an amount not to exceed \$190,000 for as-needed asphalt paving service from July 1, 2008 through June 30, 2009.

COMMITTEE ACTION: _____

See "Attachment A"

PURPOSE:

To present bid results and request that the Board authorize issuing a blanket purchase order to Kirk Paving for as-needed asphalt paving services from July 1, 2008 through June 30, 2009 in an amount not to exceed \$190,000.

ANALYSIS:

As a regular course of business, the District is required to maintain and repair its water delivery infrastructure. Routinely this work requires the removal and re-installation of asphalt paving in public roadways. The District uses outside contractors for its asphalt paving work.

As-needed paving service has been included in the Proposed FY 2009 Operating Budget under Contracted Services. The Proposed FY 2009 budget for Contracted Services is \$200,000.

In accordance with public purchasing requirements, a notice was published and bids were solicited for this work. Six (6) contractors attended a mandatory pre-bid meeting held on May 13,

2008. Four (4) bids were submitted, opened and read during a public bid opening that was held On May 22, 2008.

A comparative analysis sheet (Attachment B) was created and the low bidder was determined to be Kirk Paving, Lakeside, CA.

Kirk paving is the current as needed paving service contractor and the District is confident that they will be able to perform the required work.

FISCAL IMPACT:

RUB

The Proposed FY 2009 budget for the Operations Department's Contracted Services needs (which including as-needed asphalt paving and repair) is \$200,000. The proposed contract for this work is for an amount not to exceed \$190,000.

STRATEGIC GOAL:

Strategy: Stewards of Public Infrastructure
Goal: Conduct best practice preventative maintenance activities

LEGAL IMPACT:

None.


General Manager



ATTACHMENT A

SUBJECT/PROJECT:	Award Purchase Order to Kirk Paving for Annual as Needed Paving Services
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COMMITTEE ACTION:

The Engineering, Operations and Water Resources Committee reviewed this item at the meeting held on June 17, 2008. 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.

ATTACHMENT B

Score Sheet As Needed Paving Bid FY09 Bid Opening 5/22/2008

Item	Wght.	Type of Service	<u>Months 1-6</u>							
			<u>Kirk Paving</u>		<u>Koch-Armstrong</u>		<u>Frank & Son</u>		<u>Angus Paving</u>	
			<u>Bid Price</u>	<u>Total Score</u>	<u>Bid Price</u>	<u>Total Score</u>	<u>Bid Price</u>	<u>Total Score</u>	<u>Bid Price</u>	<u>Total Score</u>
1	10	Asphalt 0"-6"	\$ 19.15	191.5	\$ 19.75	197.5	\$ 22.00	220	\$ 32.00	320
2	5	Asphalt 7"-12"	\$ 23.10	115.5	\$ 25.50	127.5	\$ 25.00	125	\$ 38.50	192.5
3	5	Cap/Sheet 0"-1"	\$ 4.25	21.25	\$ 5.50	27.5	\$ 6.00	30	\$ 10.00	50
4	1	Satin Seal	\$ 10.00	10	\$ 25.00	25	\$ 2.25	2.25	\$ 45.00	45
5	1	Traffic Stripping	\$ 3.00	3	\$ 4.00	4	\$ 3.75	3.75	\$ 10.00	10
6	1	Grinding	\$ 8.00	8	\$ 13.50	13.5	\$ 15.00	15	\$ 25.00	25
7	1	Traffic Loops	\$ 40.00	40	\$ 775.00	775	\$ 850.00	850	\$ 1,000.00	1000
8	1	Sand/Seal	\$ 5.00	5	\$ 25.00	25	\$ 25.00	25	\$ 40.00	40
9	1	Base Rem/Rep	\$ 275.00	275	\$ 500.00	500	\$ 600.00	600	\$ 800.00	800
10	10	Saw Cut 0"-6"	\$ 7.00	70	\$ 7.50	75	\$ 7.50	75	\$ 15.00	150
11	10	Saw Cut 6"-12"	\$ 11.00	110	\$ 12.00	120	\$ 10.00	100	\$ 17.00	170
12	1	Saw Cut 12" +	\$ 12.00	12	\$ 14.00	14	\$ 10.25	10.25	\$ 28.00	28
Total Score Month 1-6				861.25		1904		2056.25		2830.5

Item	Wght.	Type of Service	<u>Months 7-12</u>							
			<u>Bid Price</u>	<u>Total Score</u>	<u>Bid Price</u>	<u>Total Score</u>	<u>Bid Price</u>	<u>Total Score</u>		
1	10	Asphalt 0"-6"	\$ 20.00	200	\$ 21.00	210	\$ 23.00	230	\$ 35.00	350
2	5	Asphalt 7"-12"	\$ 24.00	120	\$ 27.75	138.75	\$ 26.00	130	\$ 42.00	210
3	5	Cap/Sheet 0"-1"	\$ 5.00	25	\$ 6.50	32.5	\$ 7.50	37.5	\$ 14.00	70
4	1	Satin Seal	\$ 10.00	10	\$ 30.00	30	\$ 3.00	3	\$ 47.00	47
5	1	Traffic Stripping	\$ 3.00	3	\$ 4.00	4	\$ 3.75	3.75	\$ 15.00	15
6	1	Grinding	\$ 8.00	8	\$ 13.75	13.75	\$ 16.00	16	\$ 28.00	28
7	1	Traffic Loops	\$ 40.00	40	\$ 800.00	800	\$ 900.00	900	\$ 1,150.00	1150
8	1	Sand/Seal	\$ 5.00	5	\$ 25.00	25	\$ 26.00	26	\$ 45.00	45
9	1	Base Rem/Rep	\$ 350.00	350	\$ 550.00	550	\$ 650.00	650	\$ 1,000.00	1000
10	10	Saw Cut 0"-6"	\$ 8.00	80	\$ 8.50	85	\$ 8.00	80	\$ 20.00	200
11	10	Saw Cut 6"-12"	\$ 12.00	120	\$ 12.75	127.5	\$ 10.50	105	\$ 25.00	250
12	1	Saw Cut 12" +	\$ 13.00	13	\$ 16.00	16	\$ 13.50	13.5	\$ 32.00	32
Total Score Month 7-12				974		2032.5		2194.75		3397
Total Score				1835.25		3936.5		4251		6227.5

AGENDA ITEM 5



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	July 2, 2008		
SUBMITTED BY:	David Charles <i>DC</i> Public Services Manager	W.O./G.F. NO:	D0297-xx9481 D0032-xx9482 D0171-xx9637	DIV. NO.	4
APPROVED BY: (Chief)	Rod Posada <i>RP</i> Chief, Engineering				
APPROVED BY: (Asst. GM):	Manny Magaña <i>Manny Magaña</i> Assistant General Manager, Engineering and Operations				
SUBJECT:	Reimbursement Request with McMillin Otay Ranch, LLC, for the completed Capital Improvement Project, McMillin Otay Ranch Spa 2, Village 6 Development, PL 16-Inch, 711 Zone,, Birch Road - SR 125 (CIP P2134), for the amount of \$185,047.80 and 12-Inch 944 Zone, Birch Road - La Media/Eastlake Ph. 1, 2, & 3 (CIP R2033), for the amount of \$325,383.45				

GENERAL MANAGER'S RECOMMENDATIONS:

That the Otay Water District (District) Board approve the request to reimburse McMillin Otay Ranch, LLC, for the completed Capital Improvement Project, McMillin Otay Ranch Spa 2, Village 6 Development, PL 16-Inch, 711 Zone,, Birch Road - SR 125 (CIP P2134), for the amount of \$185,047.80 and 12-Inch 944 Zone, Birch Road - La Media/Eastlake Ph. 1, 2, & 3 (CIP R2033) for the amount of \$325,383.45.

COMMITTEE ACTION: _____

Please see Attachment A.

PURPOSE:

That the Board authorizes the General Manager to reimburse McMillin Otay Ranch, LLC, for work completed and associated with McMillin Otay Ranch Village Spa 2 Village 6 Development, PL 16-Inch, 711 Zone,, Birch Road - SR 125 (CIP P2134), for the amount of \$185,047.80 and 12-Inch 944 Zone, Birch Road - La Media/Eastlake Ph. 1, 2, & 3 (CIP R2033) for the amount of \$325,383.45. At the May 1, 2002 Board Meeting, the Board authorized the General Manager to enter into a

Reimbursement Agreement (Exhibit 1) with McMillin Otay Ranch, LLC, for the various pipeline capital improvements associated with Otay Ranch Spa 2, Village 6 Development.

ANALYSIS:

On May 29, 2002, the District entered into a Reimbursement Agreement with McMillin Otay Ranch, LLC (the "Reimbursement Agreement") for regional water facilities within the Otay Ranch Spa 2, Village 6 Development, PL 16-Inch, 711 Zone,, Birch Road - SR 125 (CIP P2134) and 12-Inch 944 Zone, Birch Road - La Media/Eastlake Ph. 1, 2, & 3 (CIP R2033) McMillin Rolling Hills Ranch Development. CIPs P2134, R2033 were included within the Sub-Area Master Plan (SAMP) dated September 2001 and subsequently included in the Reimbursement Agreement.

McMillin Otay Ranch, LLC submitted its reimbursement request on July 2, 2007, along with the necessary invoices from the lowest responsive bidder for a total amount of \$193,027.80 (CIP P2134) and \$325,383.45 (CIP R2033). After Staff evaluation, Staff concurred with the \$325,383.45 (CIP R2033), however staff will only recommend reimbursing McMillin \$185,047.80 for CIP P2134. This project was listed in the District's Five-Year CIP Plan, as well as on the approved SAMP.

Staff used the following methodology to evaluate the reimbursement request submitted by McMillin Otay Ranch, LLC:

- (a) prepared a quantity take-off (see Attachment 1);
- (b) price verification comparison (see Attachment 2).

After completion of the analysis, Staff prepared a spreadsheet to support its recommendation for reimbursement (see Attachment 3).

After reviewing the budget for the CIP projects included in the McMillin Otay Ranch, LLC request dated July 2, 2007, Staff compared the budget for FY09 and found that this project had sufficient funds to be reimbursed.

FISCAL IMPACT:



The total budget for CIP P2134, as approved in the FY2009 budget, is \$210,000 and CIP R2033 is \$330,000. Expenditures to date are \$287.00 for CIP P2134 and nothing for CIP R2033. The Project Manager anticipates that based on the attached spreadsheets the budgets will be sufficient to support this project.

Finance has determined that 100% of the funding is currently available from the Expansion Fund.

STRATEGIC GOAL:

This project supports the District's strategic goal of satisfying current and future recycled water needs. The pipeline will transmit recycled water to central area system market areas.

LEGAL IMPACT: _____

None.



General Manager

P:\Public-s\STAFF REPORTS\2008\BD 07-02-08, Staff Report, McMillin Otay Ranch Spa 2, Village 6 Dev., Reimbursement Agmt, (DC-RP).doc

DC/RP:jf

Attachments: Attachment A
CIP P2134: Attachment 1
Attachment 2
Attachment 3
CIP R2033: Attachment 1
Attachment 2
Attachment 3



ATTACHMENT A

SUBJECT/PROJECT: 9481, 9482	Reimbursement Request with McMillin Otay Ranch, LLC, for the completed Capital Improvement Project, McMillin Otay Ranch Spa 2, Village 6 Development, PL 16-Inch, 711 Zone,, Birch Road - SR 125 (CIP P2134), for the amount of \$185,047.80 and 12-Inch 944 Zone, Birch Road - La Media/Eastlake Ph. 1, 2, & 3 (CIP R2033), for the amount of \$325,383.45
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COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at the meeting held on June 17, 2008. The Committee supported Staff's recommendation.

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 1

QUANTITY TAKE-OFFS MCMILLIN REIMBURSEMENT AGREEMENT CIP P2134

PROJECT: McMillin Otay Ranch Village 6, Birch Road Phase 3 (WO #D0171-XX9637)

CONTRACTOR: HAZARD CONSTRUCTION

Description	McMillin Requests	OWD Quantity	Staff Recommendation
Main PVC CL 165 16"	1,834	1,834	
Fire Hydrant	0	0	Not Part of Reimbursement Agreement
Water Test Station OWD 858	0	0	Not Part of Reimbursement Agreement
Water ARV 04"	2	2	
Water Blow Off 04"	2	2	
Water Blow Off Assembly Misc	4	0	Not Part of Reimbursement Agreement
Water Butterfly Valve 16"	4	3	
Water Connect to Exist	2	2	
Water end Cap 20" Temp & 04" B	0	0	Not Part of Reimbursement Agreement
Water Gate Valve Adjust	6	0	Not Part of Reimbursement Agreement

Reviewed By: David T. Charles
David Charles
Public Services Manager

Date: 6/9/08

Reviewed By: Brandon DiPietro
Brandon DiPietro
Inspection Supervisor

Date: 6/9/08

ATTACHMENT 2

PRICE VERIFICATION MCMILLIN REIMBURSEMENT AGREEMENT CIP P2134

PROJECT: McMillin Otay Ranch Village 6, Birch Road Phase 3 (WO #D0171-XX9637)

CONTRACTOR: HAZARD CONSTRUCTION

Description	McMillin Requests	OWD Verification	Comments
Main PVC CL 165 16"	\$54	\$54	
Fire Hydrant	\$0	\$0	Not Part of Reimbursement Agreement
Water Test Station OWD 858	\$0	\$0	Not Part of Reimbursement Agreement
Water ARV 04"	\$10,000	\$10,000	
Water Blow Off 04"	\$7,800	\$7,800	
Water Blow Off Assembly Misc	\$785	\$0	Not Part of Reimbursement Agreement
Water Butterfly Valve 16"	\$7,600	\$7,600	
Water Connect to Exist	\$9,400	\$9,400	
Water end Cap 20" Temp & 04" B	\$0	\$0	Not Part of Reimbursement Agreement
Water Gate Valve Adjust	\$431	\$0	Not Part of Reimbursement Agreement

Reviewed By: David T. Charles
David Charles
Public Services Manager

Date: 6/9/08

Reviewed By: Brandon DiPietro
Brandon DiPietro
Inspection Supervisor

Date: 6/9/08

REIMBURSEMENT SUMMARY SHEET - McMillin Otay Ranch Village 6, PL - 16-Inch, 711 Zone, Birch Road - SR 125/EastLake (WO #D0171-XX9637)

	OWD		Soft Cost		McMillin Unit			OWD Estimated Costs	Reimbursement Amt. Per CIP	Staff's Proposed Reimbursement			
	QTY.	Price	OWD Cost	@ 5%	OWD Total	QTY.	Cost				McMillin Cost	Soft Cost 5%	McMillin Total
CIP P2134 PL - 16-Inch, 711 Zone, Birch Road - SR 125/EastLake WO #D0171-XX9637													
Main PVC CL 165 16"	1834	\$54.00	99,036.00	4,951.80	103,987.80	1834	\$54.00	\$99,036.00	\$4,951.80	\$103,987.80			
Fire Hydrant	0	\$0.00	0.00	0.00	0.00	0	\$0.00	\$0.00	\$0.00	\$0.00			
Water Test Station OWD 858	0	\$0.00	0.00	0.00	0.00	0	\$0.00	\$0.00	\$0.00	\$0.00			
Water ARV 04"	2	\$10,000.00	20,000.00	1,000.00	21,000.00	2	\$10,000.00	\$20,000.00	\$1,000.00	\$21,000.00			
Water Blow Off 04"	2	\$7,800.00	15,600.00	780.00	16,380.00	2	\$7,800.00	\$15,600.00	\$780.00	\$16,380.00			
Water Blow Off Asseby Misc	0	\$785.00	0.00	0.00	0.00	4	\$785.00	\$3,140.00	\$157.00	\$3,297.00			
Water Butterfly Valve 16"	3	\$7,600.00	22,800.00	1,140.00	23,940.00	4	\$7,600.00	\$30,400.00	\$1,520.00	\$31,920.00			
Water Connect to Exist	2	\$9,400.00	18,800.00	940.00	19,740.00	2	\$9,400.00	\$18,800.00	\$940.00	\$19,740.00			
Water Cend Cap 20" Temp & 04" B	0	\$0.00	0.00	0.00	0.00	0	\$0.00	\$0.00	\$0.00	\$0.00			
Water Gate Valve Adjust	0	\$431.00	0.00	0.00	0.00	6	\$431.00	\$2,586.00	\$129.30	\$2,715.30			
				TOTAL	185,047.80				TOTAL	\$199,040.10	\$185,047.80	\$412,000.00	\$185,047.80

Total OWD Estimated Costs	\$185,047.80
Total Requested by McMillin	\$193,027.80
Recommended Reimbursement	\$185,047.80
McMillin is requesting Reimbursement	
In the amount of:	\$193,027.80
Difference Between Recommended and Requested:	\$38,230.50

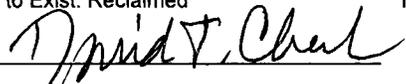
ATTACHMENT 1

QUANTITY TAKE-OFFS MCMILLIN REIMBURSEMENT AGREEMENT CIP R2033 - Phase 1-2

PROJECT: RECPL 12", 944 ZONE, BIRCH ROAD - LA MEDIA/EASTLAKE

CONTRACTOR: TC CONSTRUCTION

Description	McMillin Requests	Otay Quantity	Staff Recommendation
Main PVC CI 200 12" Reclaimed Birch Ph. 1	1,501	1,501	
Main PVC CI 200 12" Reclaimed Birch Ph. 2	2,088	2,088	
Water ARV 02" Birch Ph. 1	1	1	
Water ARV 02" Birch Ph. 2	2	2	
Water Blow Off 02" Birch Ph. 1	2	2	
Water Blow Off 02" Birch Ph. 2	1	1	
Water Gate Valve 12" Birch Ph.1	3	3	
Water Gate Valve 12" Birch Ph.2	2	2	
Water End Cap 12" Birch Ph.2	1	1	
Water Connect to Exist. Reclaimed	1	1	

Reviewed By: 
David Charles
Public Services Mafanger

Date: 6/9/08

Reviewed By: 
Brandon DiPietro
Inspection Supervisor

Date: 6/9/08

ATTACHMENT 2

PRICE VERIFICATION MCMILLIN REIMBURSEMENT AGREEMENT CIP R2033 - Phase 1-2

PROJECT: RECPL 12", 944 ZONE, BIRCH ROAD - LA MEDIA/EASTLAKE

CONTRACTOR: TC CONSTRUCTION

Description	McMillin Requests	Otay Verification	Comments
Main PVC CI 200 12" Reclaimed Birch Ph. 1	\$39	\$39	As bid-as billed.
Main PVC CI 200 12" Reclaimed Birch Ph. 2	\$36	\$36	As bid-as billed.
Water ARV 02" Birch Ph. 1	\$3,240	\$3,240	As bid-as billed.
Water ARV 02" Birch Ph. 2	\$3,000	\$3,000	As bid-as billed.
Water Blow Off 02" Birch Ph. 1	\$1,900	\$1,900	As bid-as billed.
Water Blow Off 02" Birch Ph. 2	\$1,900	\$1,900	As bid-as billed.
Water Gate Valve 12" Birch Ph.1	\$1,600	\$1,600	As bid-as billed.
Water Gate Valve 12" Birch Ph.2	\$1,600	\$1,600	As bid-as billed.
Water End Cap 12" Birch Ph.2	\$150	\$150	As bid-as billed.
Water connect to Exist. Reclaimed	\$7,500	\$7,500	As bid-as billed.

Reviewed By: David T. Charles
David Charles
Public Services Manager

Date: 6/9/08

Reviewed By: Brandon DiPietro
Brandon DiPietro
Inspection Supervisor

Date: 6/9/08

ATTACHMENT 1

QUANTITY TAKE-OFFS MCMILLIN REIMBURSEMENT AGREEMENT CIP R2033 - Phase 3

PROJECT: McMillin Otay Ranch Village 6, Birch Road Phase 3 (WO #9481,9482)

CONTRACTOR: HAZARD CONSTRUCTION

Description	McMillin Requests	OWD Quantity	Staff Recommendation
12' PVC CL 200 DR-14	1,771	1,771	
2" AIR VAC	3	2	
2" B.O.	3	3	
12" R.S.G.V.	7	7	
Connect to Existing	2	2	

Reviewed By: David T. Charles
David Charles
Public Services Manager

Date: 6/9/08

Reviewed By: Brandon DiPietro
Brandon DiPietro
Inspection Supervisor

Date: 6/9/08

ATTACHMENT 2

PRICE VERIFICATION MCMILLIN REIMBURSEMENT AGREEMENT CIP R2033 - Phase 3

PROJECT: McMillin Otay Ranch Village 6, Birch Road Phase 3 (WO #9481,9482)

CONTRACTOR: HAZARD CONSTRUCTION

Description	McMillin Requests	OWD Verification	Comments
12' PVC CL 200 DR-14	\$52	\$52	
2" AIR VAC	\$4,300	\$4,300	
2" B.O.	\$3,400	\$3,400	
12" R.S.G.V.	\$2,200	\$2,200	
Connect to Existing	\$7,500	\$7,500	

Reviewed By: David T. Charles
David Charles
Public Services Manager

Date: 6/9/08

Reviewed By: Brandon DiPietro
Brandon DiPietro
Inspection Supervisor

Date: 6/9/08

REIMBURSEMENT SUMMARY SHEET - McMillin Otay Ranch Village 6, Birch Road (WO #9481,9482)

	OWD QTY.	OWD Unit Price	OWD Cost	Soft Cost @ 5%	OWD Total	McMillin QTY.	McMillin Unit Cost	McMillin Cost	Soft Cost 5%	McMillin Total	OWD Estimated Costs	Reimbursement Amt. Per CIP	Staff's Proposed Reimbursement
CIP R2033 12" 944 Zone, Birch Road- La Media/Eastlake PHASE 1&2 WO# D0297xx9481 TC Construction													
Main PVC CI 200 12" Reclaimed Birch Ph.1	1,501	\$39.00	58,539.00	2,926.95	61,465.95	1,501	\$39.00	58,539.00	2,926.95	61,465.95			
Main PVC CI 200 12" Reclaimed Birch Ph.2	2,088	\$36.00	75,168.00	3,758.40	78,926.40	2,088	\$36.00	75,168.00	3,758.40	78,926.40			
Water ARV 02" Birch Ph.1	1	\$3,240.00	3,240.00	162.00	3,402.00	1	\$3,240.00	3,240.00	162.00	3,402.00			
Water ARV 02" Birch Ph.2	2	\$3,000.00	6,000.00	300.00	6,300.00	2	\$3,000.00	6,000.00	300.00	6,300.00			
Water Blow Off 02" Birch Ph.1	2	\$1,900.00	3,800.00	190.00	3,990.00	2	\$1,900.00	3,800.00	190.00	3,990.00			
Water Blow Off 02" Birch Ph.2	1	\$1,900.00	1,900.00	95.00	1,995.00	1	\$1,900.00	1,900.00	95.00	1,995.00			
Water Gate Valve 12" Birch Ph.1	3	\$1,600.00	4,800.00	240.00	5,040.00	3	\$1,600.00	4,800.00	240.00	5,040.00			
Water Gate Valve 12" Birch Ph.2	2	\$1,600.00	3,200.00	160.00	3,360.00	2	\$1,600.00	3,200.00	160.00	3,360.00			
Water End Cap 12" Birch Ph.2	1	\$150.00	150.00	7.50	157.50	1	\$150.00	150.00	7.50	157.50			
Water Connect to Exist Reclaim	1	\$7,500.00	7,500.00	375.00	7,875.00	1	\$7,500.00	7,500.00	375.00	7,875.00			
				TOTAL	\$172,511.85					\$172,511.85	\$172,511.85	\$300,000.00	\$172,511.85
CIP R2033 12" 944 Zone, Birch Road- La Media/Eastlake PHASE 3 WO# D0297xx9482 Hazard Construction													
Main PVC C1 200 12"	1771	\$52.00	92,092.00	4,604.60	96,696.60	1771	\$52.00	\$92,092.00	\$4,604.60	\$96,696.60			
Water ARV 02" Reclaim	3	\$4,300.00	12,900.00	645.00	13,545.00	3	\$4,300.00	\$12,900.00	\$645.00	\$13,545.00			
Water Blow Off 2" Reclaim	2	\$3,400.00	6,800.00	340.00	7,140.00	3	\$3,400.00	\$10,200.00	\$510.00	\$10,710.00			
Water Butterfly Valve 12" Reclaim	7	\$2,200.00	15,400.00	770.00	16,170.00	7	\$2,200.00	\$15,400.00	\$770.00	\$16,170.00			
Water Connect to Exist Reclaim	2	\$7,500.00	15,000.00	750.00	15,750.00	2	\$7,500.00	\$15,000.00	\$750.00	\$15,750.00			
				TOTAL	149,301.60				TOTAL	\$152,871.60	\$149,301.60	\$300,000.00	\$152,871.60

Total OWD Estimated Costs	\$321,813.45
Total Requested by McMillin	\$325,383.45
Recommended Reimbursement	\$325,383.45
McMillin is requesting Reimbursement	
In the amount of:	\$325,383.45
Difference Between Recommended and Requested:	\$0.00



AGENDA ITEM 6

STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	July 2, 2008
SUBMITTED BY:	Don Henderson, <i>DH</i> Construction Maintenance Manager Steve Dobrawa, <i>SD</i> Purchasing and Facilities Manager	W.O./G.F. NO:	DIV. NO. All
APPROVED BY: (Chief)	Pedro Porras, <i>P</i> Chief, Water Operations		
APPROVED BY: (Asst. GM):	Manny Magana, <i>M Magana</i> Asst. General Manager, Engineering & Operation		
SUBJECT:	AWARD OF CONTRACT TO PACIFIC METER SERVICES, INC. FOR MANUAL WATER METER RETROFIT TO RADIO READ METERS		

GENERAL MANAGER'S RECOMMENDATION:

That the Board award a contract to Pacific Meter Services, Inc., in an amount not to exceed \$179,505.00 for retrofitting up to 4,500 existing manual-read meters with new automated-meter-read (AMR) meters.

COMMITTEE ACTION:

Please see attachment A.

PURPOSE:

To provide bid results and obtain authorization to award a contract to retrofit up to 4,500 ¾" and 1" manual-read meter with AMR meters.

ANALYSIS:

As identified within the District's strategic plan, manual-read water meters are being retrofitted with radio-read water meters.

Included in the proposed FY-09 Capital Improvement Budget (CIP P2548) is \$1,250,000 to retrofit approximately 4,500 meters of various sizes, including parts and labor.

In accordance with District purchasing requirements, a notice soliciting bids for the work was advertised. On April 16, 2007 twelve (12) contractors attended a mandatory pre-bid meeting and on

June 5, 2008 five (5) bids were received and publicly opened with the following results:

Bidder	Amount
Pacific Meter Services, Inc.	\$179,505.00
Vulcan Construction and Maintenance	\$196,950.00
Underground Utilities, Inc.	\$250,500.00
A. B. Hasmi, Inc.	\$285,000.00
Triton Water Technologies of CA, INC.	\$324,000.00

Pacific Meter Services, Inc. (Pacific), the low bidder, has performed similar work in the States of Washington, Nevada, New Jersey, and Arizona. Pacific is California licensed contractor, authorized to do work within in the state. Their bid is responsive and, based on recent past experience and a review of references, they are a responsible contractor.

Once notified that they have been awarded the contract, Pacific will have (10) days to furnish the required Performance Bond and Labor and Materials Bond.

It is recommended that the Board award a contract to Pacific in an amount not to exceed \$179,505.00 to cover the cost for retrofitting approximately 4,500 meters from manual to radio-read meters.

FISCAL IMPACT: *lab*

The total budget for this six (6) year CIP is \$9,368,000. For FY 2009 staff budgeted and the Board approved \$1,250,000. The value of this contract is \$179,505 which staff feels is sufficient to cover the costs of contract labor for replacing approximately 4,500 meters for fiscal year 2009.

Total costs and commitments on this CIP to date, including this contract, is approximately \$1,521,671. Therefore, the remaining approved CIP will be \$8,025,884.

Staff has evaluated this CIP and feels that the current approved budget is sufficient to cover the costs for completing the remaining approximately 29,968 $\frac{3}{4}$ " thru 2" meter retrofits through 2014.

STRATEGIC GOAL:

Strategy: Implement Field Technology solutions.
Objective: Convert all District meters to AMR.

LEGAL IMPACT: _____

None.

A handwritten signature in black ink, appearing to be "M. W. W.", written over a horizontal line.

General Manager

Attachments:

"Attachment A", Committee Action



ATTACHMENT A

SUBJECT/PROJECT:	AWARD OF CONTRACT TO PACIFIC METER SERVICES, INC. FOR MANUAL WATER METER RETROFIT TO RADIO READ METERS
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COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on June 17, 2008. 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.

AGENDA ITEM 7



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	July 2, 2008
SUBMITTED BY:	Ron Grunow <i>RR</i> Sr. Civil Engineer	PROJECT/	P2422/ DIV. 2&5
		SUBPROJECT:	001103 NO.
	Daniel Kay <i>DK by RR</i> Associate Civil Engineer		
	Ron Ripperger <i>RR</i> Engineering Manager		
APPROVED BY:	Rod Posada <i>Rod Posada</i> (Chief), Engineering		
APPROVED BY:	Manny Magaña <i>M Magaña</i> (Asst. GM): Assistant General Manager, Engineering and Operations		
SUBJECT:	Reject the bid of a Construction Contract for the Agency Interconnections Project		

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board reject a construction contract bid from Prime Time Construction Inc. (Prime Time) in the amount of \$225,902 for the construction of the Agency Interconnections project (see Exhibits A & B for project locations).

COMMITTEE ACTION: _____

Please see Attachment A.

PURPOSE:

To obtain Board rejection of the bid submitted by Prime Time in an amount not to exceed \$225,902 for the Agency Interconnections project.

ANALYSIS:

The District has identified an opportunity and a beneficial need for the construction of two interconnections with neighboring water districts.

The first interconnection is with Helix Water District (Helix) located on Sir Francis Drake Drive in La Mesa. This is a new connection and consists of installing a vault, meter, blow-offs, and a pressure reducing valve. The interconnection will benefit only the District in the event of an emergency situation by allowing water to be transferred from Helix's system to the District's.

The second interconnection is with California American Water Company (Cal-Am) located on Otay Valley Road in Chula Vista. This is an existing interconnection that needs rehabilitation. Currently, the interconnection only provides water from the District's system to Cal-Am. The rehabilitation to benefit the District includes upgrading to a bi-directional meter, new telemetry and a new SCADA system. These upgrades will provide emergency supply to and from both agencies as well as a data collection system during the emergency.

Both facilities will be used mainly when the District (or Cal-Am) experiences an emergency situation. In previous outages and emergencies, these interconnections have proven to provide increased reliability and flexibility. The Board previously approved the interconnection agreements with Helix and Cal-Am at the May 7th Board Meeting.

The design for this project was performed by an outside consultant to take advantage of specialty design disciplines. J.C. Heden & Associates provided these design services.

The project was advertised for bid on the District's website and several other publications including the Union Tribune and San Diego Daily Transcript.

A non-mandatory Pre-Bid Meeting was held on May 21, 2008. A presentation was given by the District Staff to explain the project and discuss any questions or concerns from the contractors. There was one (1) contractor that attended the meeting and meeting minutes were published.

Bids were publicly opened on June 4, 2008 with the following results:

<u>CONTRACTOR</u>	<u>TOTAL BID AMOUNT</u>	<u>CORRECTED BID AMOUNT</u>
1. Prime Time Construction	\$225,902	-

The Engineer's Estimate is \$94,545.

The evaluation process included reviewing one bid submitted for conformance to the contract documents.

Staff has determined that receiving only one bid isn't sufficient to properly evaluate this bid. Staff believes that the lack of response is due to multiple projects advertised at the same time. These projects include the Air/Vac Replacement Project (R2086) and the Operations Meter Replacement Project (P2458). There was confusion among contractors between these projects due to the similar names and scopes of work.

Staff is proposing to re-advertise this project. The expected delay in the completion of this project will be three months. This delay will not cause any critical delay in other projects.

FISCAL IMPACT:

RUB

The total budget for CIP P2422, as approved in the FY2009 budget, is \$1,600,000. Total expenditures, plus outstanding commitments and forecast to date, are \$450,590. See Attachment B for budget detail.

STRATEGIC GOAL:

This project supports the District's Mission Statement, "To provide safe, reliable water, recycled water and wastewater services to our community in an innovative, cost efficient water wise and environmentally responsible manner," as well as the General Manager's vision, "...prepared for the future..." by guaranteeing the District will always be able to meet future water supply obligations and plan, design, and construct new facilities.

LEGAL IMPACT:

None.

Michael Watts

General Manager

C:\My Documents\BD 7-2-08, Staff Report, Reject of a Construction Contract for Agency Interconnections Project, (RG-RR).doc

RG/DK/RR/RP:jf

Attachments: Attachment A
Attachment B
Exhibit A
Exhibit B



ATTACHMENT A

SUBJECT/PROJECT: P2422/001103	Award of a Construction Contract for the Agency Interconnections Project
---	--

COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on June 17, 2008. 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.

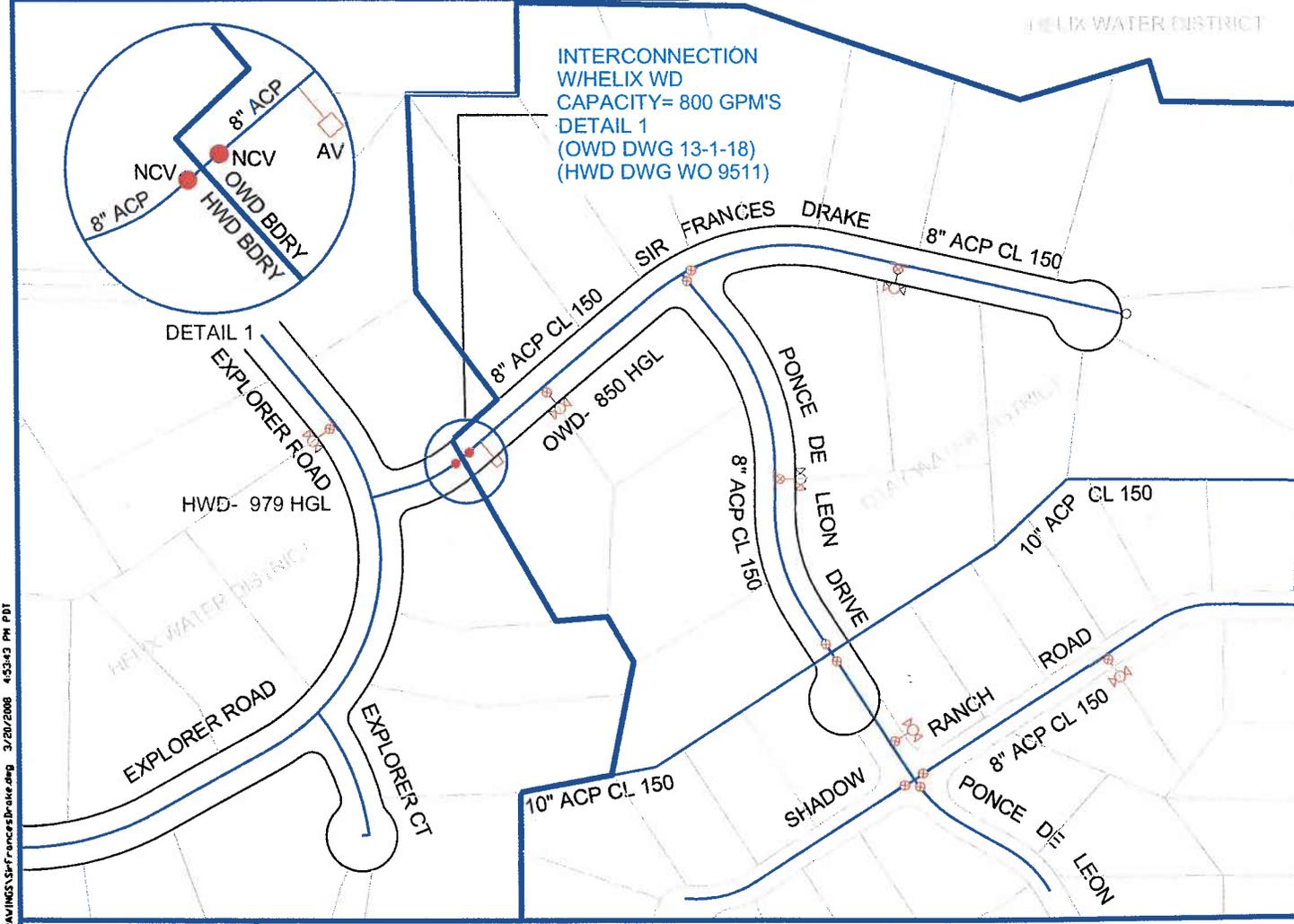
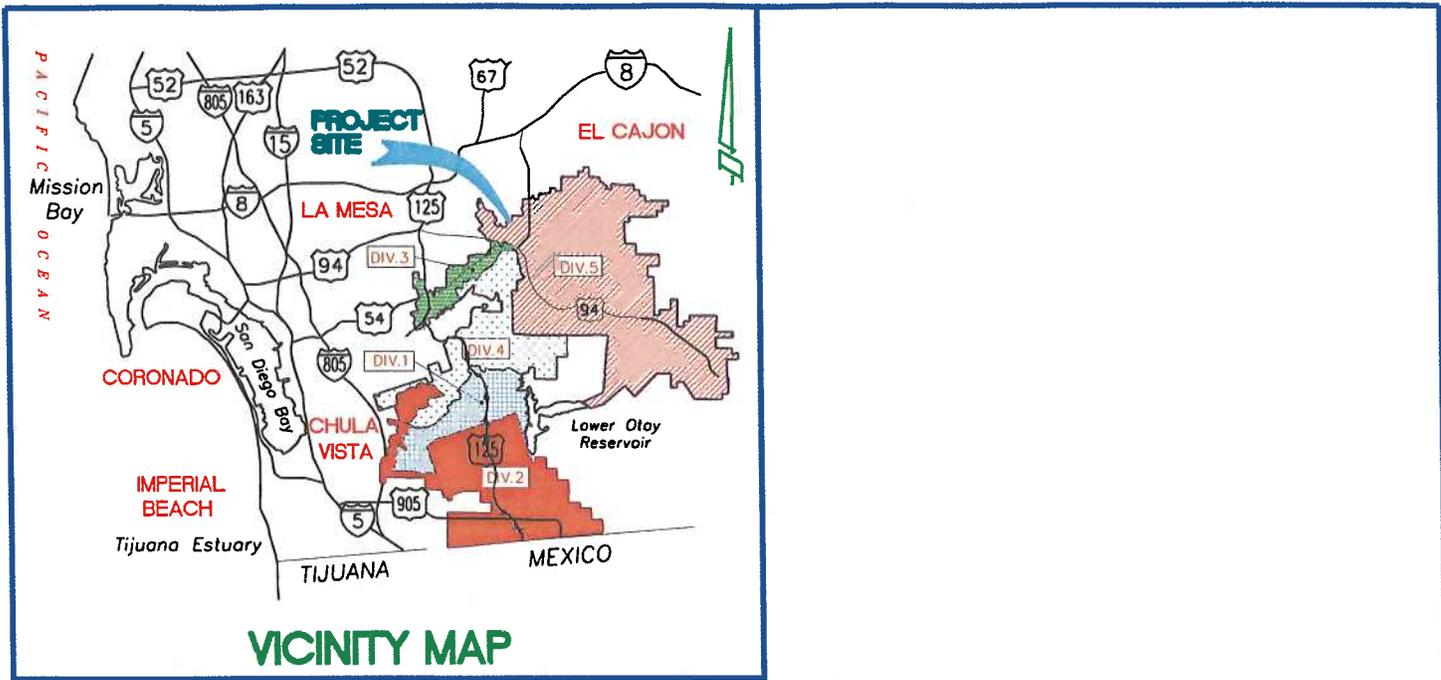


ATTACHMENT B

Otay Water District
P2422 - Agency Interconnections

Date Updated: May 31, 2008

Budget	Committed	Expenditures	Outstanding Commitment & Forecast	Projected Final Cost	Vendor / Comments
\$1,600,000					
Planning					
In House/Labor	15,217	15,217		15,217	
Professional Legal Fees	175	175		175	Burke, Williams & Sorensen, LLP
	874	874		874	Garcia, Calderon & Ruiz LLP
Service Contracts	754	754		754	OCB Reprographics
	15	15		15	Petty Cash Custodian
Advertisement/Bid	144	144		144	San Diego Daily Transcripts
	504	504		504	Union Tribune Publishing
	250	250		250	Mcgraw-Hill Construction
Infrastructure, Materails & Supplies	2,844	2,844		2,844	Mccrometer Inc.
Helix Water District's share (50% less \$9,423 adjustment for labor)	(9,158)	(9,158)		(9,158)	Inv# 422-30093 Ck# 137134
			-	-	
Total Planning	\$ 11,618	\$ 11,617	\$ -	\$ 11,617	
Design					
In House/Labor	97,053	97,053		97,053	
Consultant Contracts	12,800	12,800		12,800	J.C. Heden & Associates
	465	465		465	BRG Consulting Inc
	3,980	3,980		3,980	CAL-AM Intergrated Meter
	1,280	1,280		1,280	Swinerton Management
Special Projects	32	32		32	Sedona Staffing Services
Infrastructure, Materails & Supplies	442	442		442	Penhall Company
	125	125		125	Best Rentals Inc.
	212	212		212	Frank & Son Paving Inc.
Helix Water District's share (50% less \$9,423 adjustment for labor)	(30,541)	(30,541)		(30,541)	Inv# 422-30093 Ck# 137134
			-	-	
			-	-	
Total Design	\$ 85,847	\$ 85,847	\$ -	\$ 85,847	
Construction					
In House/Labor	40,000	27,523	12,477	40,000	
Construction Contracts	129,884	129,884		129,884	Arrieta Consturction Inc
	225,902		225,902	225,902	Prime Time Construction
Service Contracts	756	756		756	Clarkson Lab & Supply Inc
	65	65		65	OCB Reprographics
Consultant Cosntruction Support	5,000		5,000	5,000	J.C. Heden & Associates
Helix Water District's share (50% less \$9,423 adjustment for labor)	(65,353)	(65,353)		(65,353)	Inv# 422-30093 Ck# 137134
Inventory	311	311		311	Copper Tubing
	126	126		126	Stop Meter
	140	140		140	Blow-off Assembly-Nipple,Flange, Elbow
Acceptance/Closeout	5,000		5,000	5,000	
Contingency (5%)	11,295		11,295	11,295	Prime Time Construction contract only
Total Construction	\$ 353,126	\$ 93,452	\$ 259,674	\$ 353,126	
Grand Total	\$ 450,591	\$ 190,916	\$ 259,674	\$ 450,590	



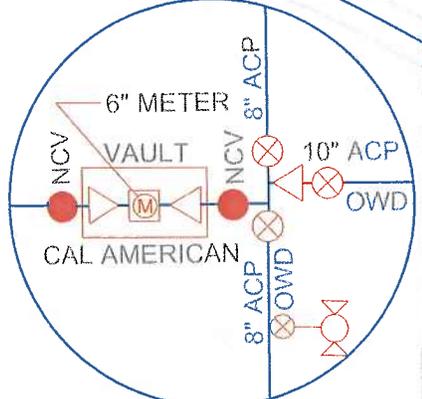
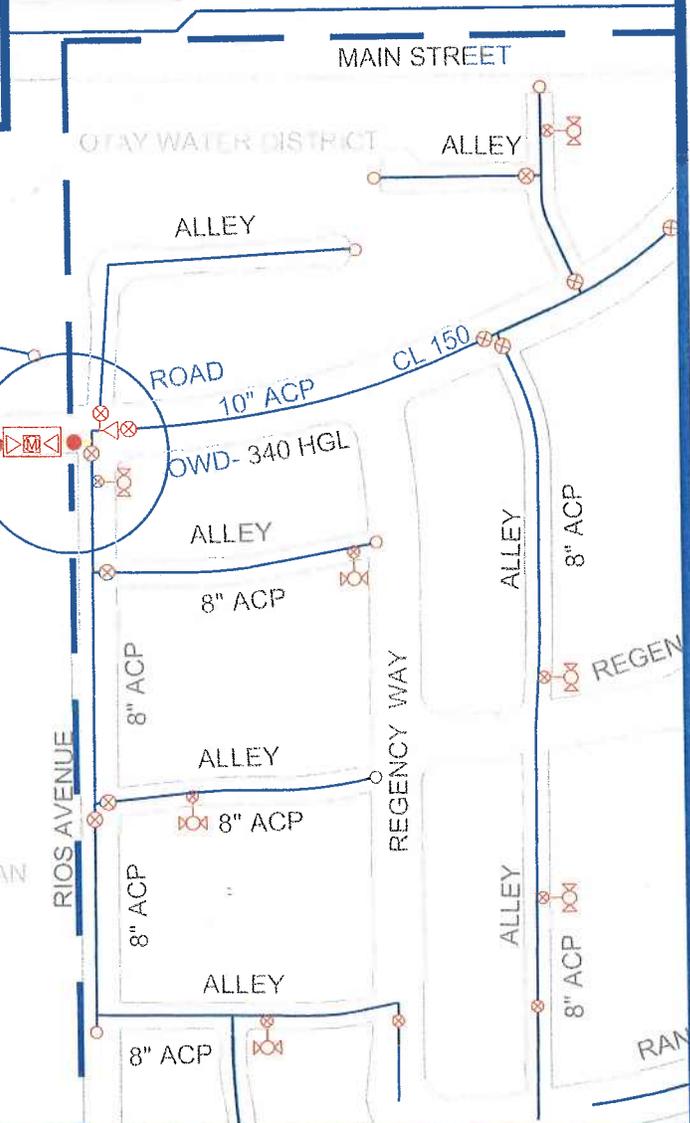
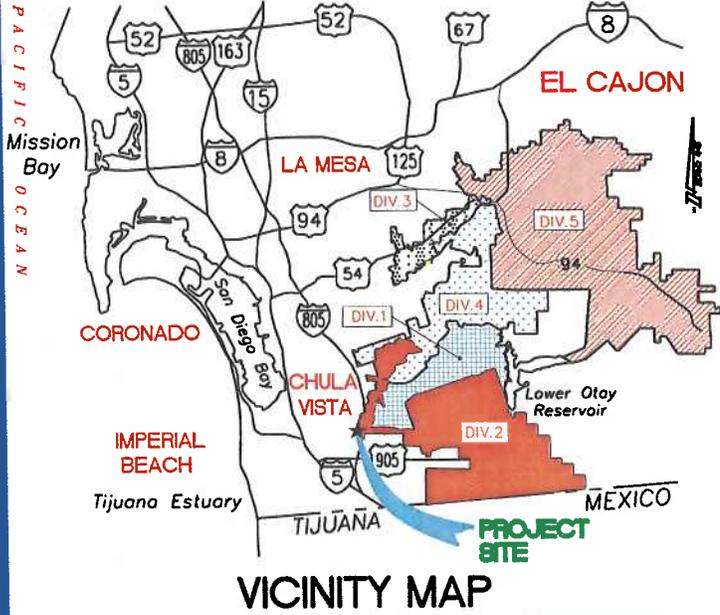
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OTAY WATER DISTRICT
SIR FRANCES DRAKE DRIVE / EXPLORER ROAD
INTERCONNECTION
WITH HELIX WATER DISTRICT

P2422

EXHIBIT A



INTERCONNECTION
W/CAL AMERICAN
CAPACITY- 1,000 GPM'S
DETAIL 1
(OWD DWG 45-2-10)
(CAL AM DWG WO A303 83)



OTAY WATER DISTRICT
OTAY VALLEY ROAD / RIOS AVENUE
INTERCONNECTION
WITH CAL AMERICAN

CIP P2422

EXHIBIT B

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AGENDA ITEM 8



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	July 2, 2008
SUBMITTED BY:	Ron Grunow <i>RG</i> Sr. Civil Engineer	PROJECT/ SUBPROJECT:	R2086/ DIV. 4 001103 NO.
	Daniel Kay <i>DK</i> Associate Civil Engineer		
	Ron Ripperger <i>RR</i> Engineering Manager		
APPROVED BY: (Chief)	Rod Posada <i>RP</i> Chief, Engineering		
APPROVED BY: (Asst. GM):	Manny Magaña <i>MM</i> Assistant General Manager, Engineering and Operations		
SUBJECT:	Award of a Construction Contract for the Ralph W. Chapman Water Recycling Facility Forcemain Air/Vac Replacements and Access Road Improvements Project		

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board awards a construction contract to Arrieta Construction Inc. (Arrieta) in the amount of \$844,485.90 for the Ralph W. Chapman Water Recycling Facility Forcemain Air/Vac Replacements and Access Road Improvements Project (See Exhibit A for project location).

COMMITTEE ACTION: _____

Please see Attachment A.

PURPOSE:

To obtain Board approval authorizing the General Manager to enter into a construction contract, in an amount not to exceed \$844,485.90, with Arrieta for the Ralph W. Chapman Water Recycling Facility Forcemain Air/Vac Replacements and Access Road Improvements Project.

ANALYSIS:

This project will replace twenty (20) air and vacuum release valves and seven (7) section (in-line) valves on a 3.1-mile long, 14-inch diameter recycled water pipeline located between the Ralph W. Chapman Water Recycling Facility (Treatment Plant) and the Jamacha Basin Water Reclamation Site (Use Area).

Currently, the existing air/vac valves along the existing recycled water pipeline are corroded and unreliable. They pose a risk of damage to the recycled water system and could cause an unauthorized recycled water discharge. Historically, failure of the valves is attributed to the combined effects of corrosion caused by the high chlorine residual of the effluent and high pipeline operating pressures. The new air/vac valves will have corrosion resistance features, higher rated pressure and improved air flow capacity to improve reliability. The project will also include replacement of the existing manholes that cover the air/vac valves with fiberglass vaults and vented covers. These measures will reduce corrosion and facilitate easier maintenance.

The section valves are also difficult to operate due to the corrosion, age, and because they are in a concrete vault which limits accessibility. In order to operate the valves, staff needs a confined space entry permit to climb into the vault. The new section valves will be stainless steel and have a high pressure rating to reduce the corrosion and mediate the high operating pressures. The project will also include replacing the concrete lids on the existing vaults with a new operating system that allows staff to operate the valve outside of the vault, avoiding confined space entry.

The approximate 3.6 mile long access road is in poor condition. The accessibility of the pipeline and appurtenances is poor due to steep grades, narrow road width, and substandard road surfacing. The access road crosses several large drainages and is eroded following periods of significant rainfall. The road improvements are intended to improve safety for District staff, reduce damage to District equipment and vehicles, reduce maintenance of the road, and improve the reliability of the pipeline system.

This project is located in the San Diego National Wildlife Habitat Refuge area. A Habitat Conservation Plan (HCP) has been prepared and is being reviewed by the U.S. Fish and Wildlife Service (USFWS). Arrieta will be required to follow all the rules and regulations imposed by the USFWS and all requirements specified in this HCP.

A non-mandatory Pre-Bid Meeting was held on May 21, 2008. A presentation was given by the District's staff to explain the project and discuss any questions or concerns from the contractors.

There were eight (8) contractors that attended the meeting and meeting minutes were published.

Subsequently, one addendum was sent out to all bidders and planhouses to address questions and clarifications to the contract documents during the bidding period. Bids were publicly opened on June 5, 2008. Five (5) bids were received and the following are the bid results:

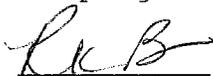
<u>CONTRACTOR</u>	<u>TOTAL BID AMOUNT</u>
1 Arrieta Construction Inc.	844,485.90
2 Zondiros	888,209.00
3 Weir Construction	921,642.00
4 SCW Contracting	1,081,922.00
5 LB Civil Construction	1,189,190.00

The Engineer's Estimate was \$848,725.

The evaluation process included reviewing all bids submitted for conformance to the contract documents. The lowest bidder, Arrieta, submitted a responsible bid and holds a Class A Contractors license which expires on May 31, 2009.

References were checked and Arrieta was found to be a highly rated company. Staff also verified that it can comply with the bonding requirements for this project.

FISCAL IMPACT:



The total budget for CIP R2086, as approved in the FY 2009 budget, is \$1,300,000. Total expenditures, plus outstanding commitments and forecast, are \$1,247,753. See Attachment B for budget detail. Based on a review of the financial budget, the Project Manager has determined the budget will be sufficient to support this project.

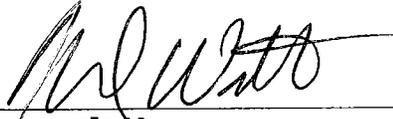
Finance has determined that 100% of the funding is available from the Replacement Fund.

STRATEGIC GOAL:

This project supports the District's Mission Statement, "To provide safe, reliable water, recycled water and wastewater services to our community in an innovative, cost efficient waterwise and environmentally responsible manner", as well as the General Manager's vision, "...prepared for the future..." by guaranteeing the District will always be able to meet future water supply obligations and plan, design and construct new facilities.

LEGAL IMPACT: _____

A written bid protest was submitted by SCW Contracting (see Attachment 1). Staff with Legal Counsel has reviewed and staff will be sending a response to SCW, stating the protest has no merit and is requesting SCW withdraw the protest (see Attachment 2).



General Manager

P:\WORKING\CIP R2086\Staff Reports\Staff Report_Construction_Arrieta.doc

RG/DK/RR/RP:jf

Attachments: Attachment A
Attachment B
Exhibit A
Attachment 1
Attachment 2



ATTACHMENT A

SUBJECT/PROJECT:	Award of a Construction Contract for the Ralph W. Chapman Water Recycling Facility Forcemain Air/Vac Replacements and Access Road Improvements Project
R2086	

COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on June 17, 2008. 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.



ATTACHMENT B

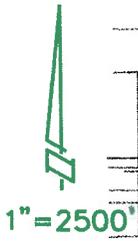
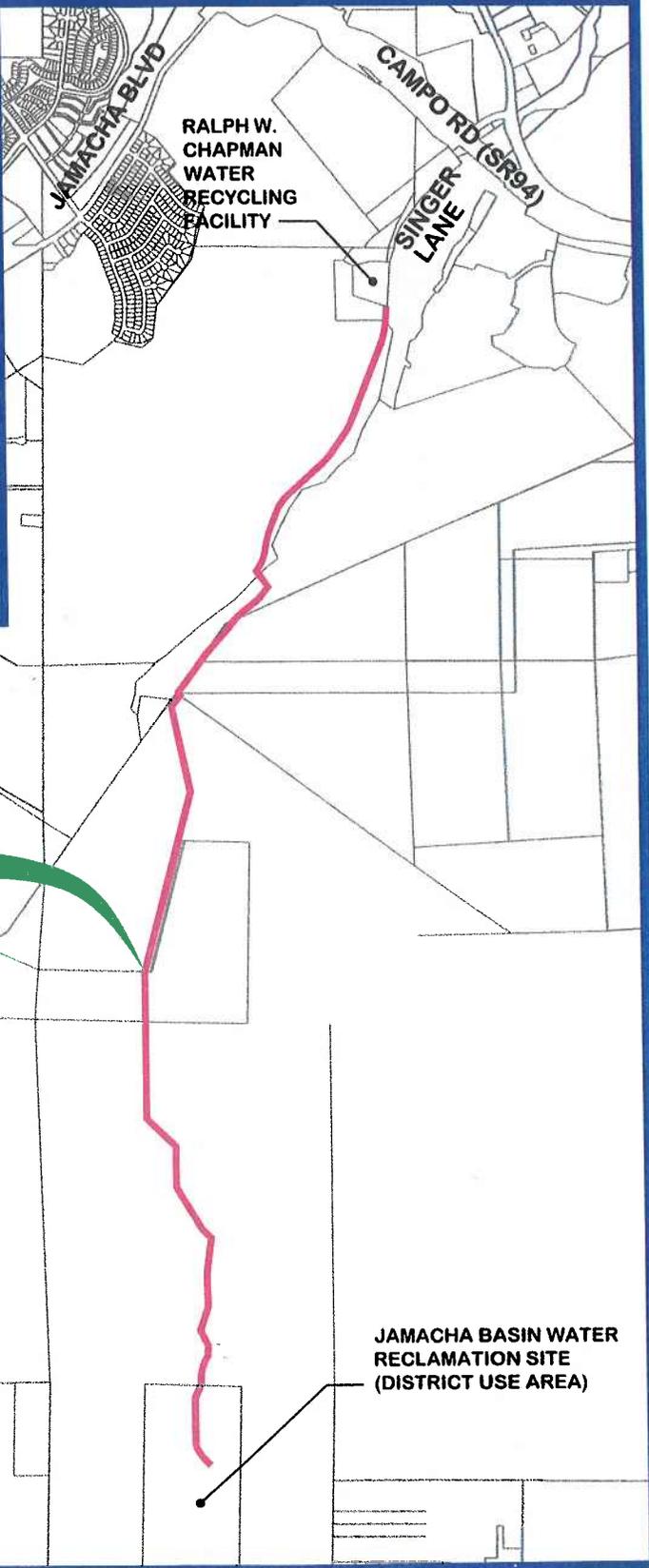
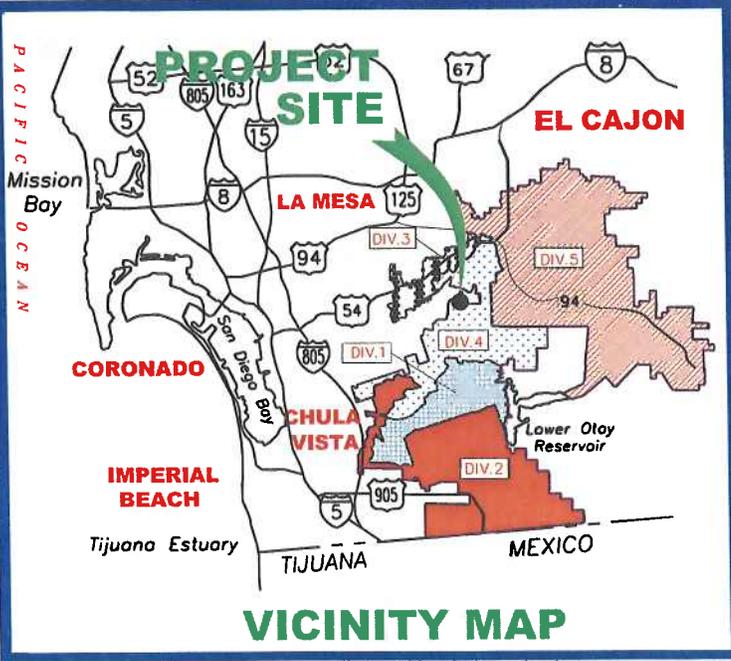
Otay Water District

Date Updated: May 31, 2008

R2086 -RWCWRF Force main AirVac Replace & Improvements Project

<i>Budget</i>	<i>Committed</i>	<i>Expenditures</i>	<i>Outstanding Commitment & Forecast</i>	<i>Projected Final Cost</i>	<i>Vendor / Comments</i>
\$1,300,000					
Planning					
In House/Labor	80,287	80,287		80,287	
Consultant Contracts	54,371	54,371	-	54,371	Jones & Stokes Associates
Professional Legal Fees	4,793	4,793	-	4,793	Jones & Stokes Associates
	355	355	-	355	Garcia, Calderon & Ruiz LLP
Regulatory Agency Fees	100	100	-	100	US Fish & Wildlife Service
Infrastructure, Materails & Supplies	1,778	1,778	-	1,778	Armorcast Products Company
				-	
Total Planning	\$ 141,684	\$ 141,684	\$ -	\$ 141,684	
Design					
In House/Labor	114,410	114,410		114,410	
Consultant Contracts	19,960	19,960	-	19,960	Jones & Stokes Associates
	42,036	42,036	-	42,036	Lee & Ro Inc.
Professional Legal Fees	203	203	-	203	Garcia, Calderon & Ruiz LLP
Inventory	236	236	-	236	Di-Electric Coupling
				-	
				-	
Total Design	\$ 176,845	\$ 176,845	\$ -	\$ 176,845	
Construction					
In House/Labor	20,000	465	19,535	20,000	
Construction Contracts	844,486	-	844,486	844,486	Arrieta Construction Inc.
Infrastructure, Materails & Supplies	1,483	1,483	-	1,483	Ferguson Waterworks
Consultant Construction Support	11,030	-	11,030	11,030	Lee & Ro Inc.
Acceptance/Closeout	10,000	-	10,000	10,000	
Contingency (5%)	42,224	-	42,224	42,224	Arrieta Construction Inc.
Total Construction	\$ 929,224	\$ 1,949	\$ 927,275	\$ 929,224	
Grand Total	\$ 1,247,752	\$ 320,478	\$ 927,275	\$ 1,247,753	

P:\WORKING\CIP_R2086\Graphics\Exhibits-figures\Exhibit A 6-4-08.dwg 6/2/2008 10:02:44 AM PDT



OTAY WATER DISTRICT
 RWCWRF FORCEMAIN AIR/VAC REPLACEMENTS
 AND ACCESS ROAD IMPROVEMENTS

LOCATION MAP

CIP R2086

EXHIBIT A



2525 N. Old Hwy. #395
Fallbrook, CA 92028
(760) 728-1308
FAX (760) 728-2517

GENERAL ENGINEERING CONTRACTOR

Lic. #530435-A

Otay Water District
Attn: Mr. Daniel Kay P.E.
2554 Sweetwater Springs Boulevard
Spring Valley, Ca 91978-2096

June 5, 2008

Re: Ralph W. Chapman Water Recycling Facility Forcemain Air / Vac
Replacements And Access Road Improvements.

Dear Mr. Kay

Today we submitted a bid for the above referenced project. The contractor who submitted the low bid did not list any subcontractors. It is our opinion that this proposal is non responsive. Section 00100 "INSTRUCTIONS TO BIDDERS" paragraph 16, requires that anyone performing work under this contract in excess of half of one percent be listed in the bid. Paragraph 16 also references Public Contract Code , Section 4100 which reads *4104 (a) "The name and the location of the place of business of each subcontractor who will perform work or labor or render service to the prime contractor in or about the construction of the work or improvement, or a subcontractor licensed by the State of California who, under subcontract to the prime contractor, specially fabricates and installs a portion of the work or improvement according to detailed drawings contained in the plans and specifications, in an amount in excess of one-half of 1 percent of the prime contractor's total bid or,.....". This project will require the subcontracting of work, labor and services from a biological and a geotechnical firm that will each exceed one half of one percent. The law is clearly written and supports our position that the apparent low bidder's proposal is not responsive and any subsequent bids that are found to have the same error should be rejected.

Please advise.

If you have any questions do not hesitate to call me @ 760-728-1308 ext 18.

Sincerely,



Kirt Bjoin
SCW Contracting Corp

[District Letterhead]

6-12-08

(R2086)

VIA U.S. MAIL & FAX to (760) 728-2517

Mr. Kirt Bjoin
SCW Contracting Corp
2525 N. Old Hwy, #395
Fallbrook, CA 92028

***Re: Ralph W. Chapman Water Recycling Facility Forcemain Air/Vac Replacements
and Access Road Improvements - CIP R2086 May 2008***

Dear Mr. Bjoin:

We have received and reviewed your correspondence on behalf of SCW Contracting Corp (SCW) to the Otay Water District (District), dated June 5, 2008 (Protest), protesting the bid responses of Arrieta Construction Inc. (Arrieta), Zondiros Corporation and Weir Construction (collectively, the "Three Low Bidders"). District staff has reviewed relevant provisions of the referenced bid package (Bid Package) as well as relevant provisions of the law, as discussed below, and intends to recommend to the Board of Directors of the District that it reject the Protest and award the contract for the Bid Package to Arrieta, who submitted the lowest Bid in accordance with the requirements of the Bid Package and applicable law.

In the Protest, you point out that Section 00100 "Instructions to Bidders", paragraph 16, requires the bidder to identify and list subcontractors performing work under the Contract in excess of one-half (0.5) of one (1) percent of the total amount, in accordance with the requirements of the Public Contracts Code, commencing with Section 4100. You further point out that Section 4104(a) of the Public Contracts Code requires the identification of each subcontractor that "will perform work or labor or render service to the prime contractor in or about the construction of the work or improvement. . ." The District staff has determined that, while it would be best practice to require bidders to list any entities rendering professional services to the prime contractor, which are the kind of services to be required of the firm rendering biological, geotechnical and/or compaction services, such information was not required by the Bid Package or by the Public Contract Code.

Public Contract Code, Section 4113 provides that a "subcontractor" shall mean a "contractor" within the meaning of the provisions of the Business & Profession Code,

commencing with Section 7000. Section 7055 of the Business & Profession Code provides that the classifications for contractors, and therefore for subcontractors within the meaning of Public Contract Code Section 4113, include general engineering contracting, general building contracting, and specialty contracting. Thus, the professional services to be provided by the biological or geotechnical firm(s) are not included and the District must require those sub-consultants to be listed separately if it desires such information to be provided as part of the bids. ***Therefore, the bids submitted by the Three Low Bidders were responsive and, even if irregularities exist, they are minimal and may be waived by the District.***

The District has the ability to waive the perceived irregularities cited by SCW. An agency may waive a minor irregularity that does not give a competitive advantage to another bidder. "A bid which substantially conforms to a call for bids may, though it is not strictly responsive, be accepted if the variance cannot have affected the amount of the bid or given a bidder an advantage or benefit not allowed other bidders or, in other words, if the variance is inconsequential. [Citations Omitted.]" (*Ghilotti Constr. Co. v. City of Richmond* (1996) 45 Cal.App.4th 897, 904.) To be considered inconsequential, a deviation must neither give the bidder an unfair competitive advantage nor otherwise defeat the goals of insuring economy and preventing corruption in the public contracting process. (*Id.* at 898.) An irregularity is of a substantial nature if it gives the bidder an advantage over other bidders or affects the price. In the situation presented here, the District can determine that the Three Low Bidder's lack of specific identification of the biological and geotechnical firm that will provide professional services under the Bid Package is an irregularity that does not provide any competitive advantage or affect the contract price and thus may be waived.

None of the Three Low Bidders believes that the professional firm is a subcontractor and that is why none of them listed such firms as subcontractors. However, the District has confirmed that the entity that will be designated to perform the professional services required by the contract was included by the apparent low bidder, Arrieta, in determining its bid price and the work to be provided by such entity will not result in a request for a change order or affect the bid price in any manner. Furthermore, the other two low bidders also included the professional work required in their bid estimates.

The District does thank you for bringing to our attention an item of additional information that would be of benefit to the District to require in the future. Under the present circumstances, however, the District believes that it can make the determination that any of the Three Low Bidders is qualified to perform the scope of work for the Bid Package and can award the contract to the lowest responsive bidder, as required by law. I have forwarded copies of this correspondence and the Protest to each of the Three Low Bidders to allow them time to prepare for the hearing, if any.

If you wish to be heard further on this matter, please notify me within five (5) days of the date of this letter, in writing or at (619) 670-2209, so that I can arrange for a

formal hearing to be conducted by the Board at the July 2, 2008 Board meeting. Otherwise, please confirm in writing that you are withdrawing the Protest.

Sincerely,

Ronald D. Grunow, P.E.
Sr. Civil Engineer

Cc: Mark Watton, General Manger
Yuri Calderon, General Counsel

DRAFT