

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

Wednesday
December 2, 2009
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

INFORMATION / ACTION ITEMS

3. APPROVE A SIX-MONTH BLANKET PURCHASE ORDER TO BRENNTAG PACIFIC, INC. IN AN AMOUNT NOT-TO-EXCEED \$175,000 FOR THE PURCHASE OF SODIUM HYPOCHLORITE (VACLAVEK) [5 minutes]
4. APPROVE A CONTRACT TO FRANK AND SON PAVING, INC. IN THE AMOUNT OF \$88,884 FOR ASPHALT PAVING SERVICES TO REPAIR PAVEMENT DAMAGE CAUSED BY A RECYCLED WATER MAIN BREAK ON RANCHO DEL REY PARKWAY, CHULA VISTA (ANDERSON) [5 minutes]
5. APPROVE THE ISSUANCE OF A PURCHASE ORDER TO MIRAMAR TRUCK CENTER IN THE AMOUNT OF \$107,582.13 FOR THE PURCHASE OF A TEN-WHEELER DUMP TRUCK (ANDERSON) [5 minutes]
6. AWARD A PROFESSIONAL SERVICES AGREEMENT WITH AEGIS ENGINEERING MANAGEMENT IN AN AMOUNT NOT-TO-EXCEED \$300,000 FOR THE RECYCLED WATER PLAN CHECKING, RETROFIT, AND INSPECTION SERVICES FOR DEVELOPER PROJECTS DURING FISCAL YEARS 2010, 2011, AND 2012 (ENDING JUNE 30, 2012) [CHARLES] (5 minutes)

7. APPROVE A PROFESSIONAL SERVICES CONTRACT WITH TRAN CONSULTING ENGINEERS FOR THE SEWER SYSTEM INSPECTION AND ASSESSMENT PROJECT IN AN AMOUNT NOT-TO-EXCEED \$560,025 DURING FISCAL YEARS 2010, 2011, 2012 AND 2013 (ENDING JUNE 30, 2013) [KENNEDY] (5 minutes)
8. AWARD AN AS-NEEDED TRAFFIC ENGINEERING SERVICES CONTRACT TO DARNELL & ASSOCIATES IN AN AMOUNT NOT-TO-EXCEED \$175,000 DURING FISCAL YEARS 2010 AND 2011 (ENDING JUNE 30, 2011) [KENNEDY] (5 minutes)
9. AWARD A PROFESSIONAL ENGINEERING SERVICES CONTRACT TO AECOM FOR THE RANCHO DEL REY GROUNDWATER WELL DEVELOPMENT PROJECT IN THE AMOUNT OF \$1,561,625 (PEASLEY) [5 minutes]
10. INFORMATIONAL REPORT ON A NEWLY IMPLEMENTED PREVENTATIVE MAINTENANCE PROGRAM THAT EVALUATES THE CONDITION OF EQUIPMENT TO AVOID FAILURES (ANDERSON) [5 minutes]
11. INFORMATIONAL REPORT ON THE STATUS OF THE 36-INCH PIPELINE PROJECT (RIPPERGER) [5 minutes]
12. FISCAL YEAR 2010 FIRST QUARTER CAPITAL IMPROVEMENT PROGRAM UPDATE REPORT (RIPPERGER) [10 minutes]
13. APPROVE CREDIT CHANGE ORDER NO. 1 TO THE EXISTING CONTRACT WITH CCL CONTRACTING, INC. FOR THE CONSTRUCTION OF THE 36-INCH PIPELINE PROJECT IN THE AMOUNT OF <\$243,847> (RIPPERGER) [5 minutes]
14. APPROVE REIMBURSEMENT AGREEMENTS FOR THE CONVERSION OF POTABLE TO RECYCLED WATER IRRIGATION SYSTEMS WITH THREE HOMEOWNER ASSOCIATIONS: 1) TAPESTRY & MOSIAC (\$21,000); 2) AGAVA & SEGUARO (\$40,000); AND 3) ARISTATA (\$20,000) (CHARLES) [5 minutes]
15. APPROVE AN AGREEMENT WITH THREE JWA PARTNERS (SWEETWATER AUTHORITY, HELIX, AND PADRE DAM); AND INCREASING THE PROJECT BUDGET BY \$604,000 FOR A TOTAL BUDGET OF \$830,000 (COBURN-BOYD) [5 minutes]
16. ADJOURNMENT

BOARD MEMBERS ATTENDING:

Gary Croucher, Chair
Larry Breitfelder

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.

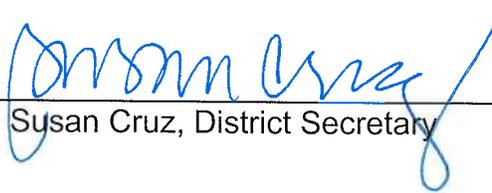
The Agenda, and any attachments containing written information, are available at the District's website at www.otaywater.gov. Written changes to any items to be considered at the open meeting, or to any attachments, will be posted on the District's website. Copies of the Agenda and all attachments are also available through the District Secretary by contacting her at (619) 670-2280.

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 November 25, 2009 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 November 25, 2009.



Susan Cruz, District Secretary



AGENDA ITEM 3

STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	January 6, 2010
SUBMITTED BY:	Jake Vaclavek, Water Systems <i>JV</i> Supervisor	W.O./G.F. NO:	DIV. NO.
APPROVED BY: (Chief)	Pedro Porras, Chief of Operations <i>P</i>		
APPROVED BY: (Asst. GM):	Manny Magaña, <i>Manny Magaña</i> Assistant General Manager of Engineering and Water Operations		
SUBJECT:	Blanket Purchase Order Award, Water Treatment Chemicals		

GENERAL MANAGER'S RECOMMENDATION:

That the Board authorize issuing a six-month blanket purchase order to Brenntag Pacific, Inc. in an amount not-to-exceed \$175,000 for sodium hypochlorite.

COMMITTEE ACTION: _____

See Attachment "A".

PURPOSE:

To obtain Board authorization to issue a six-month blanket purchase order to Brenntag Pacific, Inc. to cover the purchase of sodium hypochlorite used to treat (disinfect) potable and recycled water.

ANALYSIS:

Sodium hypochlorite is used by the District to treat potable and recycled water to provide a safe water supply. It is recommended that the Board issue a blanket purchase order to Brenntag Pacific, Inc. for a six-month period beginning in January, 2010 and ending on June 30, 2010.

Blanket purchase orders identify specific items, their associated prices, and establish a not-to-exceed expenditure limit. Only those materials, supplies, and services identified within the purchase order may be released to the District under the purchase order number issued.

Issuing blanket purchases:

- Aids in minimizing time and cost of obtaining needed materials and supplies
- Aids in minimizing inconvenience to customers
- Stabilizes prices for a defined period of time
- Reduces staff costs associated with processing multiple requisitions and purchase orders
- Allows field supervisors and staff to focus on more critical tasks

As required by District's purchasing policy, quotes were solicited and received as follows:

<u>Vendor</u>	<u>Per Unit Bid</u>
Brenntag Pacific Inc, 4545 Ardine Street, South Gate, CA 90280	\$1.14/gallon
Abcana Industries, 545 West Bradley Avenue, El Cajon, CA 92020	\$1.24/gallon
Olin Chlor Alkali Products, 27475 Ynez Road Suite 116, Temecula, CA 92591	\$1.68/gallon

The District receives approximately four deliveries per week at various locations, averaging 1,100 gallons per delivery. The maximum delivery received at any one time is 3,000 gallons. The highest delivery quantities are made through the summer/hot weather months.

FISCAL IMPACT:

RKB

Funds for this blanket purchase order are included in the FY 2010 budget; \$225,000 for potable water and \$162,000 for recycled water.

STRATEGIC GOAL:

This blanket purchase order is in alignment with the Strategic Goal to "Optimize the District's Operating Efficiency" by streamlining the purchasing process of goods procured on a regular basis.

LEGAL IMPACT:

None

General Manager



ATTACHMENT A

SUBJECT/PROJECT:	Blanket Purchase Order Award, Water Treatment Chemicals
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COMMITTEE ACTION:

This item will be presented to the Engineering and Operations Committee on December 2, 2009.

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 4



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	January 6, 2010
SUBMITTED BY:	Frank Anderson, Utility Services Manager	W.O./G.F. NO:	DIV. NO. All
APPROVED BY: (Chief)	Pedro Porras,  Chief, Water Operations		
APPROVED BY: (Asst. GM):	Manny Magaña,  Assistant General Manager, Engineering and Water Operations		
SUBJECT:	Award Contract to Frank & Son Paving for Asphalt Paving Services		

GENERAL MANAGER'S RECOMMENDATION:

That the Board award a contract to Frank and Son Paving, Inc., 1019 3rd Ave., Chula Vista, CA, in the amount of \$88,884.00 for asphalt paving services to repair approximately 28,000 sq. ft. of pavement damage to Rancho Del Rey Parkway, Chula Vista, caused by a recycled water main break.

COMMITTEE ACTION: _____

Please see Attachment "A".

PURPOSE:

To present bid results and request that the Board award a contract to Frank and Son Paving, Inc. in the amount of \$88,884.00 for asphalt paving services to repair approximately 28,000 sq. ft. of road damage caused by a recycled water main break.

ANALYSIS:

On Monday, August 24, 2009 a recycled water line ruptured, causing major pavement damage to Rancho Del Rey Parkway in Chula Vista. This rupture resulted in damage to approximately 28,000 square feet of asphalt paving.

Typical repairs to the road surface include the removal and re-installation of asphalt paving and potentially road-base material, striping, and re-installation of traffic signal loops.

In accordance with public purchasing requirements, a notice was published and bids were solicited for this work. Thirteen contractors attended a mandatory pre-bid meeting held on November 5, 2009. On November 19, 2009 a public bid opening was held and eight bids were submitted as follows:

Contractor	Bid
Frank and Son Paving, Inc., Chula Vista, CA	\$88,884.00
Kirk Paving, El Cajon, CA	\$93,493.00
Stammerrama General Engineering, El Cajon, CA	\$97,270.00
Koch-Armstrong, Lakeside, CA	\$99,500.00
Angus Asphalt, Santee, CA	\$101,000.00
Ramona Paving, Ramona, CA	\$127,000.00
International Paving Service, Menton, CA	\$108,800.00
J.D. Paving, San Marcos, CA	\$133,578.72

Included in the bid is all labor, materials, traffic control, traffic loop replacement, striping, sealing, scarification, soils testing, and permitting required to remove and replace the identified asphalt to the specifications required by the City of Chula Vista. The District's insurance carrier, SDRMA, assigned an adjuster to this claim and has coordinated with the District and the City of Chula Vista to identify the requirements to repair the damage to the City's property.

Frank and Son Paving has performed other similar paving projects for the District and the District's experience with them has been positive. The District is confident that they will be able to perform the required work.

FISCAL IMPACT: RUB

Based on the bids submitted, the cost of repair to the pavement is \$88,884.00. Anticipated return from insurance is 100 percent of the paving cost, less the District's \$2,000.00 deductible.

The FY 09 Operating Budget for miscellaneous insurance expenses is \$ 3,300.00. To date, nothing has been charged to this budget and there will be sufficient funds to cover the expected \$2,000.00 insurance deductible.

STRATEGIC GOAL:

Strategy: "Stewards of Public Infrastructure"

Goal: "Conduct the best practice preventative maintenance activities."

LEGAL IMPACT:

None.



General Manager

Attachment "A", Committee Action



ATTACHMENT A

SUBJECT/PROJECT:	Award Contract to Frank & Son Paving for Asphalt Paving Services
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COMMITTEE ACTION:

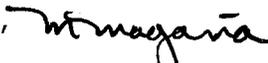
The Engineering/Operations and Water Resources Committee reviewed this item at a meeting held on December 2, 2009. The Committee supported Staff's recommendation.

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.



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	January 6, 2010
SUBMITTED BY:	Frank Anderson, Utility Services Manager	W.O./G.F. NO:	DIV. NO. All
APPROVED BY: (Chief)	Pedro Porras,  Chief, Water Operations		
APPROVED BY: (Asst. GM):	Manny Magaña,  Assistant General Manager, Engineering and Water Operations		
SUBJECT:	Approval to Purchase Ten-Wheeler Dump Truck		

GENERAL MANAGER'S RECOMMENDATION:

That the Board authorize the General Manager to issue a purchase order to Miramar Truck Center in the amount of \$107,582.13 for the purchase of one ten-wheeler dump truck.

COMMITTEE ACTION:

See Attachment "A".

PURPOSE:

To obtain Board authorization to purchase a ten-yard dump truck that is APCD/CARB compliant while designating two older non-compliant ten-wheeler dump trucks for surplus auction.

ANALYSIS:

On December 6, 2000 the Board authorized the General Manager to initiate CIP P2366 that provided funding for the repair, retrofit or replacement of District Assets in order to comply with APCD air standard requirements. The retrofit or replacement of give gen-set engines has been completed with some of the fleet engines being modified with devices to scrub the Diesel exhaust; however, two existing District ten-wheeler dump truck

vehicles still require replacement due to their age and/or engine exhaust displacement.

Based on system operation evaluations of work-flow history by Construction/Maintenance supervision and management, it is recommended that one new ten-wheeler dump truck be purchased and the two older units be designated for surplus auction.

It should be noted that these two existing dump trucks are 24 and 15 years old with over 163,000 and 148,000 miles on them, respectively. This replacement activity will noticeably reduce the District's Diesel emissions output.

FISCAL IMPACT:

RUB

The purchase of this vehicle will cost \$107,582.13 which will be charged against the APCD Engine Replacements and Retrofits CIP P2366.

The total budget for the CIP P2366 APCD Engine Replacements and Retrofits is \$2,834,000. Current expenditures and encumbrances for the CIP, including the vehicle purchased under this request if approved, are \$1,754,647.

It is expected that the funding from this CIP account would be sufficient to complete these projects.

Expenditure Summary:

APCD Engine Replacement CIP 2366 Budget:		\$ 2,834,000
Expenditures and Encumbrances to Date:	\$1,647,065	
Proposed Vehicle Purchase:	\$107,582.13	
Total Expenditures and Encumbrances:		\$1,754,647.13
Projected Balance of APCD Engine Replacement CIP 2366 Budget:		\$ 1,079,353.00

Purchase and balance total confirmed by Frank Anderson P.P.

STRATEGIC GOAL:

Implementation of the APCD engine compliance program per schedule.

LEGAL IMPACT: _____

None.



General Manager

Attachment "A", Committee Action



ATTACHMENT A

SUBJECT/PROJECT:	Approval to Purchase 10 Yard Dump Truck
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COMMITTEE ACTION:

The Engineering/Operations and Water Resources Committee met on December 2, 2009 and supported staffs' 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.



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	January 6, 2010
SUBMITTED BY:	David Charles <i>DC</i> Public Services Manager	PROJECT NO./	P1438- DIV.NO. 1, 2, SUB-PROJECT: 010000 & 4
APPROVED BY: (Chief)	Rod Posada <i>R Posada</i> Chief, Engineering		
APPROVED BY: (Asst. GM):	Manny Magaña <i>M Magaña</i> Assistant General Manager, Engineering and Operations		
SUBJECT:	Award of a Professional Services Contract for Recycled Water Plan Checking, Retrofit, and Inspection Services for Developer Projects		

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board of Directors (Board) authorizes the General Manager to enter into a Professional Services agreement with AEGIS Engineering Management (AEGIS), in an amount not-to-exceed \$300,000 for the recycled water plan checking, retrofit, and inspection services for developer projects during Fiscal Years 2010, 2011, and 2012 (ending June 30, 2012) (see attached Exhibit A for project locations.)

COMMITTEE ACTION: _____

Please see Attachment A.

PURPOSE:

That the Board authorizes the General Manager to enter into a Professional Services agreement with AEGIS for recycled water plan checking, retrofit, and inspection services for developer projects, in an amount not-to-exceed \$300,000 during Fiscal Years 2010, 2011, and 2012.

ANALYSIS:

The District requires the services of a consulting firm to provide professional services for recycled water plan checking, retrofit, and inspection services for developer projects. The Consultant assists

the Public Services Division of the Engineering Department in processing and performing plan check review and approvals for developer recycled irrigation projects. These services are also required to perform inspections and participate in "coverage, as well as cross-connection tests," as mandated by the Department of Health Services. Last year the District reviewed and processed thirty (30) plan checks with twenty (20) new inspection recycled projects that consisted of approximately ten (10) sheets of on-site irrigation and landscaping plans per project totaling approximately \$155,000. For the remainder of Fiscal Year 2010 through the end of Fiscal Year 2012, it is anticipated that the Consultant will review and inspect approximately sixty (60) projects. Over the same period, staff estimates the cost to perform this responsibility to be approximately \$300,000.

On October 27, 2009, the District solicited recycled water plan checking, retrofit, and inspection services for developer projects by placing an advertisement on the District's website and several other publications, including the Union Tribune and San Diego Daily Transcript.

On November 2, 2009, the District issued a formal Request for Proposal (RFP) to ten (10) consultants:

- AEGIS
- Dudek
- Harris & Associates
- Lee and Ro
- Malcolm Pirnie
- MTGL, Inc.
- PBS&J
- Snipes-Dye
- Trevet, Inc.
- Vanir Construction Management

Only one (1) proposal was received. The other nine (9) declined to propose. A letter of interest was received by all ten (10) consultants. Staff contacted the nine (9) consultants and inquired as to why a proposal was not received. Six (6) consultants had indicated that since the inspection services required cross-connection speciality, they had no technical resources qualified to perform the inspections on these projects and the scope was out of their area of expertise. Two (2) consultants indicated that it was a business decision and wanted to focus on other opportunities for future RFP's that were in-line with their business goals. One (1)

consultant indicated that they did not have enough time to complete a detailed proposal, and therefore, chose not to submit.

After holding an interview with AEGIS, staff concluded that AEGIS would be the most qualified consultant to provide the District with plan checking and inspection services.

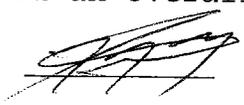
In accordance with District Policy 21, staff evaluated the proposal submitted by AEGIS. The AEGIS project manager and AEGIS team members listed in the proposal are all American Water Works Association (AWWA) certified cross-connection control specialists and have vast plan checking and inspection experience. In addition, some of the members were formerly employed by AECOM, who has been currently providing the District with professional services since November 2005 and decided to form their own company. From our experience, services provided by AECOM and staff have been very good, thorough, and professional and the District has had no issues or problems with either of the team members and AECOM. AECOM chose not to submit a proposal or letter of interest because they felt that they have been providing services for numerous years and wanted to give other companies an opportunity.

In addition with the District's plan to optimize recycled water use to internal irrigation for multi-family dwellings, having experienced AEGIS' cross-connection specialists on-board is crucial in obtaining proper inspection, thus avoiding any misconnections. Staff also evaluated estimate for plan checking and inspection provided by AEGIS. The project manager rate compared to our current contract with AECOM's staff is less (see table below.)

AEGIS		AECOM	
Description	Rate	Description	Rate
Project Manager	\$135	Project Manager	\$158
Assistant Engineer	\$115	Assistant Engineer	\$ 90
Admin. Specialist	\$ 80	Admin. Specialist	\$ 95

Staff estimated that an average of \$6,500 will be needed per project to perform the plan check review and inspections. The District recuperates these funds by billing directly to the developer. Staff recommends the award of a two and a half-year professional services contract to AEGIS in an overall amount not-to-exceed \$300,000.

FISCAL IMPACT:



Plan check and inspection services are an on-going effort provided by the District to developers. This particular expense is completely

funded by developer deposits and does not affect the District's operating budget.

STRATEGIC GOAL:

This project supports the District's Mission Statement, "To provide the best quality of water and wastewater service to the customers of the Otay Water District, in a professional, effective, and efficient manner," and the Otay Strategic Goal "to develop and improve infrastructure for increased recycled water use."

LEGAL IMPACT: _____

None.



General Manager

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DC/RP:mlc

Attachments: Attachment A
Exhibit A

QA/QC Approval:

Name: Roy Tipperger

Date: 11-20-09



ATTACHMENT A

SUBJECT/PROJECT: P1438-010000	Award of a Professional Services Contract for Recycled Water Plan Checking, Retrofit, and Inspection Services for Developer Projects
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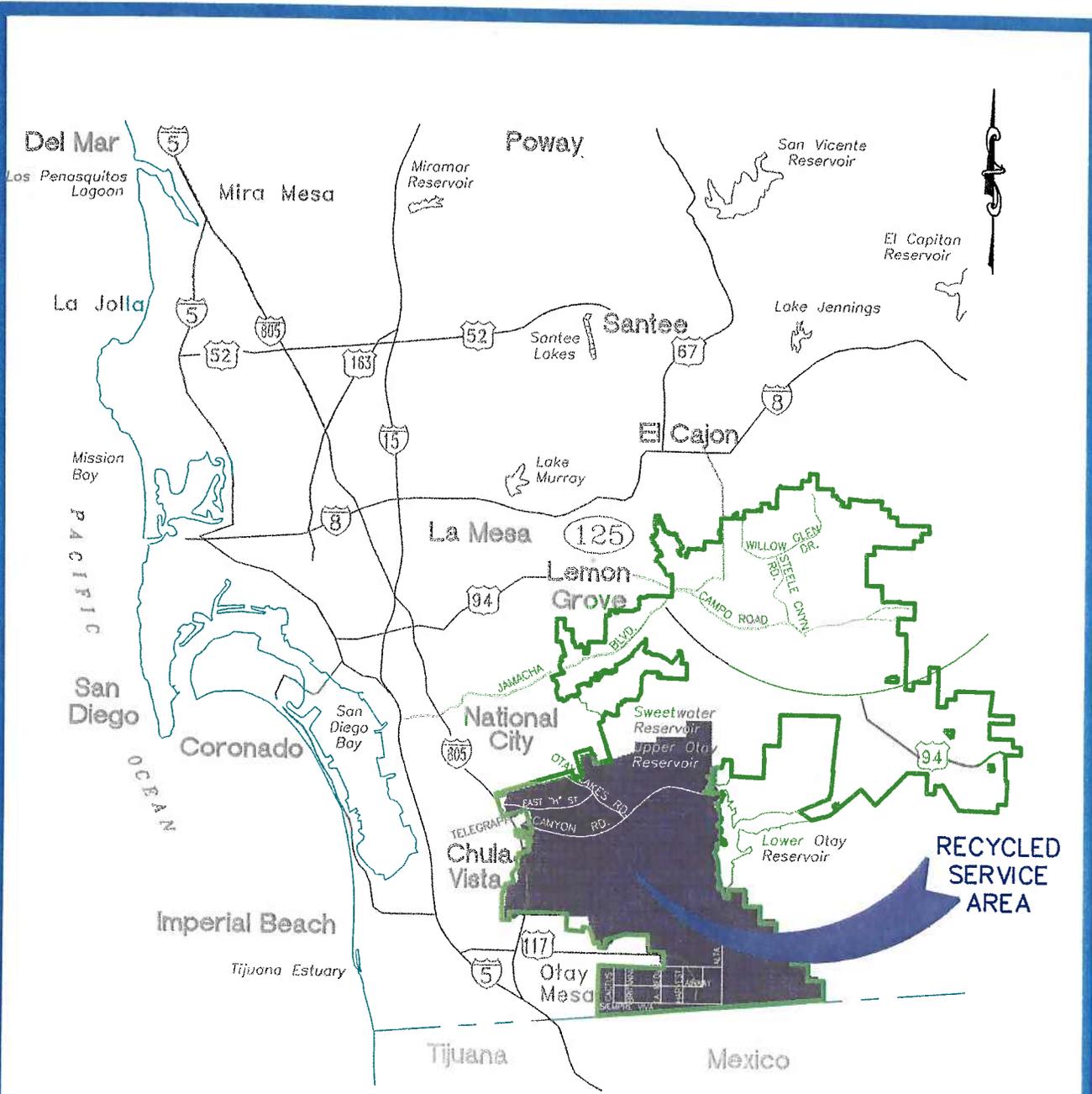
COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on December 2, 2009. 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.

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RECYCLED SERVICE AREA



OTAY WATER DISTRICT
IRRIGATION PLAN CHECK

EXHIBIT A

AGENDA ITEM 7



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	January 6, 2010
SUBMITTED BY:	Bob Kennedy <i>BK</i> Associate Civil Engineer	PROJECT/ SUBPROJECT:	P1210- DIV.NO. 3, 025000 4,5
	Ron Ripperger <i>rr</i> Engineering Manager		
APPROVED BY: (Chief)	Rod Posada <i>Rod</i> Chief, Engineering		
APPROVED BY: (Asst. GM):	Manny Magaña <i>M. Magaña</i> Assistant General Manager, Engineering and Operations		
SUBJECT:	Award of a Professional Services Contract for the Sanitary Sewer CCTV Inspection and Condition Assessment Project		

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board of Directors (Board) award a professional services contract to Tran Consulting Engineers for the Sewer System Inspection & Assessment Project, and authorize the General Manager to execute an agreement with Tran Consulting Engineers in an amount not-to-exceed \$560,025 during Fiscal Years 2010, 2011, 2012, and 2013 (see Exhibit A for project locations).

COMMITTEE ACTION: _____

Please see Attachment A.

PURPOSE:

That the Board authorizes the General Manager to enter into a professional services agreement with Tran Consulting Engineers for the Sanitary Sewer CCTV Inspection and Condition Assessment Project. The contract amount is not to exceed \$560,025 for Fiscal Years 2010, 2011, 2012, and 2013.

ANALYSIS:

The Sewer System Management Plan (SSMP), approved by the Board on July 1, 2009, requires the District to prepare a rehabilitation and replacement plan, to identify and prioritize system deficiencies, and implement short-term and long-term rehabilitation actions to address each deficiency. As such, the District requires the services of a professional engineering consulting firm to assist with the field evaluation of the District's existing system by performing Sanitary Sewer CCTV Inspection and Condition Assessment.

In Fiscal Year 2008, the District awarded a contract to RBF Consulting to perform the sewer CCTV inspection and condition assessment on approximately 34,600 feet of sewer at a cost of approximately \$3.50 per foot of sewer. The remaining 400,000 feet of sewer has not been inspected. This program will televise and inspect sewer lines and provide a condition assessment of the remaining sewer system. After this assessment, they will provide rehabilitation recommendations for operational improvements of the District's pipelines and manholes. The rehabilitation priority list will be used by the District to develop and initiate an annual "Rehabilitation and Replacement Program."

To reduce cost, staff looked at ways to do the condition assessment on the remaining sewer system more efficiently. The Request for Proposal solicited costs for a four (4) year inspection program by dividing up the remaining uninspected sewer system into four (4) geographic areas. The Fixed Fee proposal submitted by Tran Consulting Engineers reduced this cost to \$1.41 per foot of sewer.

The agreement with Tran Consulting Engineers will include a variety of tasks that will assist staff in effectively managing the SSMP. Their scope of services is as follows:

- Review District provided data, identify properties requiring access permission and public relations and confirm inspection, condition assessment, and rating system.
- Integrate all data collected into the District's IMS and GBA database.
- Provide the necessary traffic control and acquire the proper permits.
- Manhole locating and inspection.

- CCTV televising of sewer pipelines. Red flag critical conditions for immediate response.
- Review inspection data and compile condition assessment of sewer system.
- Provide final report and digital video files.

The project was advertised on the District's website and other publications, including the Union Tribune and San Diego Daily Transcript. Ten (10) firms submitted a letter of interest and a statement of qualifications. On August 27, 2009, the District issued a formal Request for Proposal (RFP) to the ten (10) consulting firms, who submitted a letter of interest, and who specialize in sewer system CCTV inspection and assessment. On September 22, 2009, six (6) proposals were received from the following firms:

- RBF Consulting
- Tran Consulting Engineers
- PBS&J
- CivilSource
- Psomas
- Brown and Caldwell

The four (4) firms that chose not to propose are AECOM, Lee & Ro, Inc., Dibble Engineering, and ITF and Associates, Inc.

In accordance with the District's Policy 21, staff evaluated and scored all written proposals. Tran Consulting Engineers received the highest rating based on their written proposal. On October 13, 2009, staff interviewed two (2) firms, RBF Consulting and Tran Consulting Engineers. The overall evaluation summary sheet indicates how each firm was scored (see Attachment B). Tran Consulting Engineers received the highest overall score based on their cost, experience, proposed method to accomplish the work, and their ability to complete projects on schedule. The District has no past experience with Tran Consulting Engineers, however, references were checked and Tran Consulting Engineers was found to be a highly rated company and are readily available to provide the services required.

It is anticipated that Tran Consulting Engineers' scope of services will take six (6) months to complete the work for this Fiscal Year.

FISCAL IMPACT: 

The SSMP is an on-going maintenance effort in the District. As such, this expenditure is funded in the Operating Budget. Based on a review of the budget and the Project Manager evaluation, Tran Consulting Engineers will be able to complete half of the sewer system CCTV inspection and assessment this Fiscal Year within the Fiscal Year 2010 budget amount of \$260,000. The remaining balance of \$300,025 will be budgeted between Fiscal Years 2011, 2012, and 2013 in the budget process.

The Project Manager anticipates that the Fiscal Years 2010, 2011, 2012, and 2013 budgets will be sufficient to support the professional services required for the Sanitary Sewer CCTV Inspection and Condition Assessment Project.

STRATEGIC GOAL:

This project supports the District's Mission Statement, "To provide the best quality of water and wastewater service to the customers of the Otay Water District, in a professional, effective and efficient manner," and the District's Strategic Goal, "To satisfy current and future water needs for potable, recycled, and wastewater services."

LEGAL IMPACT: _____

No legal impact is anticipated.



General Manager

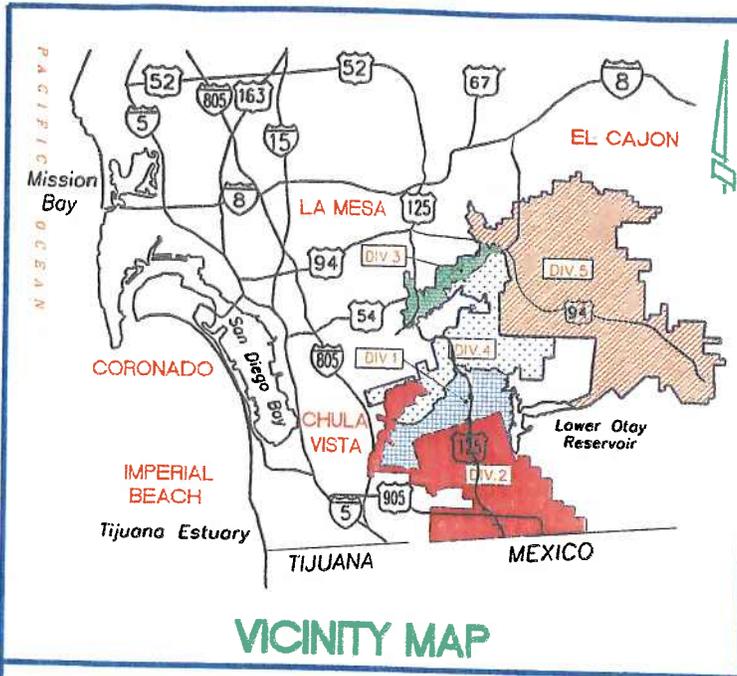
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Attachments: Exhibit A
Attachment A
Attachment B

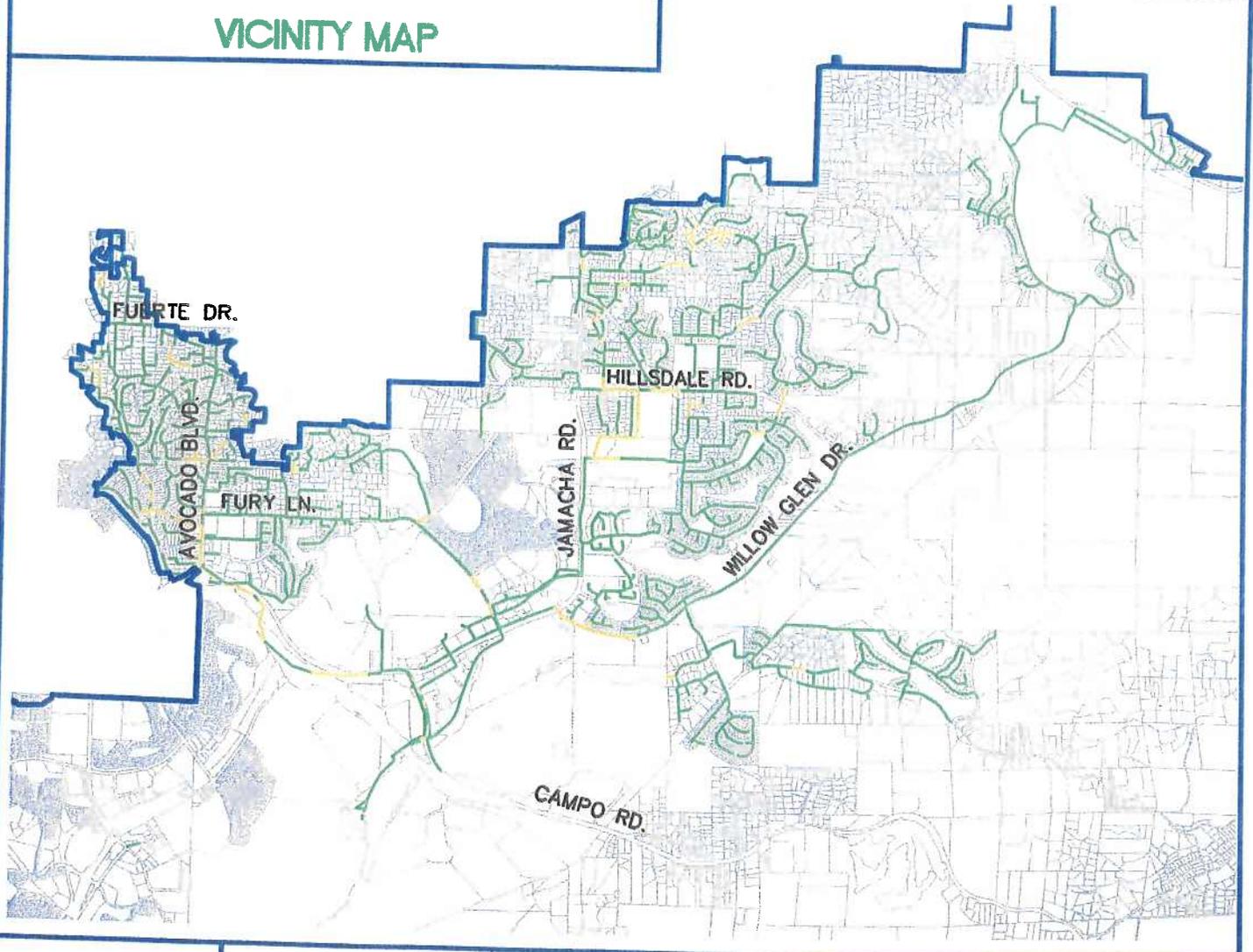
QA/QC Approval:

Name: Lisa Colburn-Boyd Date: 11-9-09



SEWER CCTV FY 2010 - FY 2013

- █ (TO BE COMPLETED IN FY 2010–FY 2013)
- █ (COMPLETED IN FY 2009)



OTAY WATER DISTRICT

SANITARY SEWER CCTV INSPECTION
& CONDITION ASSESSMENT
LOCATION MAP

P1210-025000

EXHIBIT A



ATTACHMENT A

SUBJECT/PROJECT: P1210-025000	Award of a Professional Services Contract for the Sanitary Sewer CCTV Inspection and Condition Assessment Project
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COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on December 2, 2009. 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

SUMMARY OF PROPOSAL RANKINGS BY PANEL MEMBERS

Sanitary Sewer CCTV Inspection and Condition Assessment

		WRITTEN					ORAL				TOTAL SCORE	AVERAGE SCORE	References		
		Qualifications of Staff	Understanding of scope, schedule, resources	Soundness and Viability of Proposed Project Plan	Proposed Fee	Consultant's commitment to DBE	SUBTOTAL	AVERAGE SUBTOTAL SCORE	Additional creativity, insight to issues	Strength of project manager				Presentation, communication skills	Quality of response to questions
SCORE		20	20	25	35	Y/N	100		15	15	10	10			
Brown and Caldwell	Bob Kennedy	18	18	23	17	Y	76	74	NOT INTERVIEWED.				76	74	
	Rod Posada	18	18	20	17		73						73		
	Gary Stalker	16	16	22	17		71						71		
	Brandon DiPietro	18	17	20	17		72						71		
	Daniel Kay	18	18	23	17		76						72		
Civil Source, Inc.	Bob Kennedy	14	16	18	25	Y	73	74	NOT INTERVIEWED.				76	74	
	Rod Posada	12	15	15	25		67						73		
	Gary Stalker	12	15	18	25		70						67		
	Brandon DiPietro	17	17	19	25		78						70		
	Daniel Kay	17	17	22	25		81						78		
PBS&J	Bob Kennedy	15	17	18	21	Y	71	74	NOT INTERVIEWED.				81	74	
	Rod Posada	18	16	22	21		77						71		
	Gary Stalker	14	16	19	21		70						77		
	Brandon DiPietro	18	16	20	21		75						70		
	Daniel Kay	20	16	18	21		75						75		
Psomas	Bob Kennedy	16	16	17	17	N	66	69	NOT INTERVIEWED.				66	69	
	Rod Posada	17	17	20	17		71						71		
	Gary Stalker	13	16	19	17		65						66		
	Brandon DiPietro	17	15	20	17		69						65		
	Daniel Kay	16	19	21	17		73						69		
RBF Consulting, Inc.	Bob Kennedy	19	18	22	25	Y	84	84	14	14	9	9	130	129	
	Rod Posada/Ron Ripperger	18	19	24	25		86		12	12	8	8	126		
	Gary Stalker/Dale Kreinbring	17	18	23	25		83		10	15	10	10	128		
	Brandon DiPietro	18	19	22	25		83		14	15	10	10	132		
	Daniel Kay	17	20	23	25		85		14	14	9	9	131		
Tran Consulting Engineers	Bob Kennedy	17	19	20	35	Y	91	89	14	15	9	9	138	135	Pass
	Rod Posada/Ron Ripperger	18	17	22	35		92		13	13	8	9	135		
	Gary Stalker/Dale Kreinbring	15	16	20	35		86		15	15	8	8	132		
	Brandon DiPietro	17	16	19	35		87		15	15	10	10	137		
	Daniel Kay	19	17	20	35		91		13	14	9	8	135		

Fee Evaluation

Consultants	Proposed Fee	% Above Lowest Fee	Score
Tran Consulting Engineers	\$560,025	Lowest Fee	35
RBF Consulting Inc.	\$807,057	41-50%	25
CivilSource	\$818,598	41-50%	25
PBS&J	\$946,799	61-70%	21
Brown & Caldwell	\$1,011,716	81-90%	17
Psomas	\$1,026,938	81-90%	17

Project Manager: BO [Signature] Date: 10/26/09

QC: [Signature] Date: 10/26/09

Engineering Manager: [Signature] Date: 10/26/09

ATTACHMENT B

	Unit Price	Total Length	Total Cost	% Higher	Score
Tran Consulting Engineers	1.40498	398,601	560,025.00	0%	35
RBF Consulting	2.02472	398,601	807,057.00	44%	25
CivilSource	2.05368	398,601	818,598.00	46%	25
PBS&J	2.37525	398,601	946,779.00	69%	21
Brown & Caldwell	2.53817	398,601	1,011,716.00	81%	17
Psomas	2.57636	398,601	1,026,938.00	83%	17

Proposed Fee Scoring Chart

% Higher	Score	Fee Range
Lowest Fee	35	560,025.00
0-10%	33	\$616,027.50
11-20%	31	\$672,030.00
21-30%	29	\$728,032.50
31-40%	27	\$784,035.00
41-50%	25	\$840,037.50
51-60%	23	\$896,040.00
61-70%	21	\$952,042.50
71-80%	19	\$1,008,045.00
81-90%	17	\$1,064,047.50
91-100%	15	\$1,120,050.00
101-110%	13	\$1,176,052.50
111-120%	11	\$1,232,055.00
121-130%	9	\$1,288,057.50
131-140%	7	\$1,344,060.00
141-150%	5	\$1,400,062.50
151-160%	3	\$1,456,065.00
161-170%	1	\$1,512,067.50
171-180%	0	\$1,568,070.00

Project Manager:  Date: 10/26/09

QC:  Date: 11/13/09

Engineering Manager:  Date: 11/12/09



AGENDA ITEM 8

STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	January 6, 2010
SUBMITTED BY:	Bob Kennedy <i>BK</i> Associate Civil Engineer	PROJECT/ SUBPROJECT:	Various DIV. NO. ALL
	Ron Ripperger <i>m</i> Engineering Manager		
APPROVED BY: (Chief)	Rod Posada <i>Rod</i> Chief, Engineering		
APPROVED BY: (Asst. GM):	Manny Magaña <i>m magaña</i> Assistant General Manager, Engineering and Operations		
SUBJECT:	Award of As-Needed Traffic Engineering Services Contract for Fiscal Years 2010 and 2011		

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board of Directors (Board) authorizes the General Manager to enter into an Agreement for Professional Services for As-Needed Traffic Engineering Services with Darnell & Associates in an amount not-to-exceed \$175,000 during Fiscal Years 2010 and 2011 (ending June 30, 2011).

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

To obtain Board authorization for the award of a professional services contract for traffic engineering services on an as-needed basis in support of the District's Capital Improvement Program (CIP). The contract amount is not-to-exceed \$175,000 for Fiscal Years 2010 and 2011.

ANALYSIS:

The District will require the professional services of a traffic engineering consultant in support of the District's CIP projects for Fiscal Years 2010 and 2011. The As-Needed Traffic Engineering Services contract will provide the District with the ability to obtain consulting services in a timely and efficient manner and on an as-needed basis.

The District will require the expertise of a traffic engineering consultant to provide traffic control plans, traffic signal modification plans, stripping plans, and traffic control permits for a variety of CIP projects. It is more efficient and cost effective to issue a contract on an as-needed basis. This concept has also been used in the past for other disciplines like civil engineering, geotechnical, electrical, and environmental services.

The District will issue task orders to the Consultant for specific projects during the contract period. The Consultant will then prepare a detailed scope of work, schedule, and cost estimate for each task order assigned under the contract. Upon written task order authorization from the District, the Consultant shall then proceed with the project as described in the scope of work.

The CIP projects that are estimated to require traffic engineering services for Fiscal Years 2010 and 2011, at this time, are listed below:

CIP	DESCRIPTION	ESTIMATED COST
P2496	Otay Lakes Road Utility Relocations	\$15,000
R2048	Otay Mesa Distribution Pipelines and Conversions	\$25,000
R2058	Airway Road Recycled Water Pipeline	30,000
R2077	Alta Road Recycled Water Pipeline	20,000
R2087	Wueste Road Recycled Water Pipeline	20,000
S2019	Avocado Blvd. 8-inch Sewer Replacement	\$10,000
S2020	Calavo Drive 8-inch Sewer Replacement	\$10,000
S2021	Jamacha Road 8-inch Sewer Replacement	\$10,000
S2022	Hidden Mesa Drive 8-inch Sewer Rehabilitation	\$10,000
	TOTAL:	\$150,000

The traffic engineering services scopes for the above projects are estimated from preliminary information and past projects. Therefore, staff believes that a \$175,000 cap on the As-Needed Traffic Engineering Services contract is adequate, while still providing a buffer.

The contract is not-to-exceed \$175,000 for all task orders. Fees for professional services will be charged to the CIP Projects for which the traffic engineering services are performed.

This As-Needed Traffic Engineering Services contract does not commit the District to any expenditure until a task order is approved to perform work on a CIP Project. The District does not guarantee work

to the consultant, nor does the District guarantee to the consultant that it will expend all of the funds authorized by the contract on professional services.

The District solicited traffic engineering services by placing an advertisement on the OWD website, San Diego Union Tribune, and the San Diego Daily Transcript on September 24, 2009. Fifteen (15) firms submitted a letter of interest and a statement of qualifications. The Request for Proposal (RFP) for As-Needed Traffic Engineering Services was sent to all fifteen (15) firms resulting in eight (8) proposals received on October 20, 2009. They are as follows:

- RCE Traffic Engineering
- Linscott, Law & Greenspan, Engineers
- Darnell & Associates, Inc.
- Fehr & Peers Transportation Consultants
- Kimley-Horn and Associates
- Harris & Associates
- RBF Consulting
- KOA Corporation

The seven (7) firms that chose not to propose are Rick Engineering Company, Parsons, TPR, Construction Testing & Engineering, Willdan, Psomas, and LSA.

In accordance with the District's Policy 21, staff evaluated and scored all written proposals. Darnell & Associates received the highest score for their services based on their experience, understanding of the scope of work, proposed method to accomplish the work, and their composite hourly rate. Darnell & Associates was the most qualified consultant with the best overall proposal. The District has experience with Darnell & Associates on two projects. They worked on the 36-inch Jamacha Road Pipeline project and the Recycled Pipeline project from the Southbay Water Reclamation Plant to the District's 450-1 Reservoir as a subconsultant to Lee & Ro, Inc. They are a highly rated company and are readily available to provide the services required. A summary of the complete evaluation is shown in Attachments B & C.

FISCAL IMPACT:



The funds for this contract will be expended from the CIP projects noted previously. The fees for professional services requested herein are available in the authorized CIP project budgets. This contract is for professional services based on the District's need

and schedule, and expenditures will not be made until a task order is approved by the District for the consultant's professional services on a specific CIP project.

The Project Manager anticipates that the budget will be sufficient to support the professional services required for the specific CIP projects previously noted.

STRATEGIC GOAL:

This project supports the District's Mission statement, "To provide the best quality of water and wastewater service to the customers of the Otay Water District, in a professional, effective, and efficient manner," and the District's Strategic Goal, in planning for infrastructure and supply to meet current and future potable water demands.

LEGAL IMPACT:

None.



General Manager

P:\WORKING\As Needed Services\Traffic Engineer\Staff Report\BD 01-06-10, As-Needed Traffic Engineering Services.doc

BK/RR/RP:jf

Attachments: Attachment A
Attachment B
Attachment C

QA/QC Approved:

Lisa Colman-Boyd
NAME

11/23/09
DATE



ATTACHMENT A

SUBJECT/PROJECT: Various	Award of As-Needed Traffic Engineering Services Contract for Fiscal Years 2010 and 2011
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COMMITTEE ACTION:

The Engineering, Operations, and and Water Resources Committee reviewed this item at a meeting held on December 2, 2009. 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

SUMMARY OF PROPOSAL RANKINGS BY PANEL MEMBERS

Professional As-Needed Traffic Engineering Design Services

SCORE		WRITTEN					TOTAL SCORE	AVERAGE SCORE	References
		Qualifications of Staff	Understanding of scope, schedule, resources	Soundness and Viability of Proposed Project Plan	Composite Hourly Rate ¹	Consultant's commitment to DBE			
		20	20	25	35	Y/N	100		Pass/Fail
RCE Traffic Engineering	Lisa Coburn-Boyd	18	17	20	34	Y	89	84	
	Ron Ripperger	18	16	20	34		88		
	Jerry Munoz	15	15	15	34		79		
	Bob Kennedy	18	15	18	34		85		
	David Charles	10	14	19	34		77		
Linscott, Law & Greenspan, Engineers (LLG)	Lisa Coburn-Boyd	18	18	23	34	Y	93	91	
	Ron Ripperger	18	18	22	34		92		
	Jerry Munoz	20	20	23	34		97		
	Bob Kennedy	17	16	19	34		86		
	David Charles	17	17	21	34		89		
Darnell & Associates	Lisa Coburn-Boyd	17	17	20	35	Y	89	93	PASS
	Ron Ripperger	18	18	23	35		94		
	Jerry Munoz	18	20	21	35		94		
	Bob Kennedy	19	18	23	35		95		
	David Charles	18	17	23	35		93		
Fehr & Peers Transportation Consultants	Lisa Coburn-Boyd	16	17	20	25	Y	78	78	
	Ron Ripperger	17	16	20	25		78		
	Jerry Munoz	20	20	23	25		88		
	Bob Kennedy	16	17	18	25		76		
	David Charles	12	12	19	25		68		
Kimley-Horn and Associates, Inc.	Lisa Coburn-Boyd	18	18	23	28	Y	87	85	
	Ron Ripperger	17	17	20	28		82		
	Jerry Munoz	20	20	23	28		91		
	Bob Kennedy	17	17	21	28		83		
	David Charles	16	16	22	28		82		
Harris & Associates	Lisa Coburn-Boyd	17	17	21	27	Y	82	83	
	Ron Ripperger	17	17	20	27		81		
	Jerry Munoz	20	20	24	27		91		
	Bob Kennedy	17	16	19	27		79		
	David Charles	16	16	21	27		80		
RBF Consulting	Lisa Coburn-Boyd	17	18	21	30	Y	86	86	
	Ron Ripperger	18	17	20	30		85		
	Jerry Munoz	20	20	23	30		93		
	Bob Kennedy	17	17	21	30		85		
	David Charles	16	16	20	30		82		
KOA Corporation	Lisa Coburn-Boyd	18	17	21	32	Y	88	88	
	Ron Ripperger	17	17	21	32		87		
	Jerry Munoz	18	20	21	32		91		
	Bob Kennedy	17	17	22	32		88		
	David Charles	17	17	22	32		88		

1. See Attachment "C"

PM Signature: 

QC: 

Engineering Manager: 

ATTACHMENT C

As-Needed Design Services Fee Evaluation

Design	Max Rate	RCE Traffic Engineering	Linscott, Law & Greenspan, Engineers (LLG)	Darnell Associates	Fehr & Peers Transportation Consultants	Kimley-Horn and Associates, Inc.	Harris & Associates	RBF Consulting	KOA Corporation
		Rate	Rate	Rate	Rate	Rate	Rate	Rate	Rate
Principal Engineer	\$ 225.00	\$ 130.00	\$ 185.00	\$ 175.00	\$ 225.00	\$ 195.00	\$ 200.00	\$ 185.00	\$ 195.00
Associate Principal Engineer	\$ 175.00	\$ 130.00	\$ 160.00	\$ 150.00	\$ 170.00	\$ 158.00	\$ 170.00	\$ 165.00	\$ 175.00
Senior Transportation Engineer	\$ 155.00	\$ 130.00	\$ 140.00	\$ 130.00	\$ 150.00	\$ 120.00	\$ 155.00	\$ 140.00	\$ 135.00
Engineering II	\$ 125.00	\$ 125.00	\$ 90.00	\$ 100.00	\$ 125.00	\$ 115.00	\$ 115.00	\$ 125.00	\$ 95.00
Engineering I	\$ 115.00	\$ 115.00	\$ 85.00	\$ 90.00	\$ 100.00	\$ 115.00	\$ 100.00	\$ 95.00	\$ 90.00
Technician/Drafter	\$ 115.00	\$ 115.00	\$ 80.00	\$ 80.00	\$ 95.00	\$ 115.00	\$ 100.00	\$ 79.00	\$ 80.00

Hourly Rate Calculation Formula = $35 - \frac{(\text{Consultant Rate} - \text{Min. Rate}) * 10}{(\text{Max. Rate} - \text{Min. Rate})}$

Sample Hourly Rate Calculation Formula = $35 - \frac{(770.00 - 725.00) * 10}{(865.00 - 725.00)} = 31.8$
(For KOA)

Total:	\$ 745.00	\$ 740.00	\$ 725.00	\$ 865.00	\$ 818.00	\$ 840.00	\$ 789.00	\$ 770.00
Score:	33.6	33.9	35.0	25.0	28.4	26.8	30.4	31.8

Notes

- Rates shown in **bold** indicate that the maximum rate from all of the proposals was used for that item because the rate was omitted from the proposal.
- The score for proposed fee is weighted between the minimum and maximum fees with a minimum of 25 points for the highest fee and a maximum of 35 points for the lowest fee.

Min. Max.
\$ 725.00 \$ 865.00

QA/QC Approved:

NAME: Lisa Ceburn Boyd

DATE: 11-4-09

AGENDA ITEM 9



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	January 6, 2010
SUBMITTED BY:	James Peasley <i>[Signature]</i> Engineering Manager	PROJECT No.	P2434- DIV. No. 2 001101
APPROVED BY: (Chief)	Rod Posada <i>[Signature]</i> Chief, Engineering		
APPROVED BY: (Asst. GM):	Manny Magaña <i>[Signature]</i> Assistant General Manager, Engineering and Operations		
SUBJECT:	Award of a Professional Engineering Services Contract for the Rancho del Rey Groundwater Well Development Project		

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board of Directors (Board) award a professional engineering services contract to AECOM and authorize the General Manager to execute an agreement with AECOM in the amount of \$1,561,625.00 for the Rancho del Rey Groundwater Well Development (RDR Groundwater Well) Project.

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

That the Board awards a professional engineering services contract to AECOM and authorizes the General Manager to execute an agreement with AECOM in the amount of \$1,561,625.00 for the RDR Groundwater Well Project. See Attachment B for the location of the project site.

ANALYSIS:

The purpose of the RDR Groundwater Well Project scope of work is to firmly establish the feasibility of developing a groundwater resource production system, including sustainable well yield, groundwater quality, and to determine and assess any limitations or constraints that may arise. This will be accomplished with

construction and testing of a full scale production and monitoring wells.

The RDR Groundwater Well Project scope of work will accomplish the following:

- Regulatory and agency coordination, compliance, and permitting.
- Groundwater well water and brine disposal discharge analysis.
- Multiple level groundwater monitoring well installation.
- Planning, design, construction, and testing of a production well.
- Monitoring well and production well completion report.

The primary desired outcome of the RDR Groundwater Well Project is for the engineering consultant to determine and make recommendations if it is physically feasible to develop a long term (i.e. 30 years more or less) groundwater well production system and what would be the maximum sustainable yield. It is hoped that maybe more than 400 acre-feet per year of well production could be possible as feed water to a reverse osmosis treatment system to obtain a local potable water resource.

Refer to Attachment C for additional information.

In accordance with Policy 21, the District solicited professional engineering services from consulting firms to accomplish the RDR Groundwater Well Project scope of work by placing an advertisement on the District's website on July 23, 2009 and with the following publications:

Date of Advertisement	Publication
7-26-2009	San Diego Union Tribune
7-24-2009	Bid America
7-24-2009	Engineering and General Contractors Assoc.
7-27-2009	San Diego Daily Transcript
7-24-2009	Construction Bid Source

Thirteen (13) firms submitted a letter of interest along with a statement of qualifications. The request for proposal and scope of work for professional engineering services was sent to all thirteen firms resulting in three (3) written proposals received

on or before September 23, 2009 from the following consulting firms:

Consulting Firms	Original Proposed Fee	Revised Proposed Fee
AECOM	\$1,545,817.00	\$1,561,625.00
Geoscience	\$1,418,549.00	\$1,506,949.00
Richard Brady	\$983,925.00	n/a

Richard Brady & Associates, after their own further detailed review of their submitted written proposal, determined that their drilling subcontractor had made some assumptions which were inconsistent with the original intent and requirements of the request for proposal and hence were unable to honor their proposed fee. Consequently, they respectfully withdrew their proposal from any further consideration by the District. See Attachment D for a copy of their withdrawal letter dated October 7, 2009.

The selection panel evaluated and scored the remaining two written proposals. The selection panel was comprised of four staff members and Dr. Michael Welch. Staff invited the two firms to make a presentation and be interviewed. After completion of the presentations and interviews, the panel completed the consultant ranking process and concluded that AECOM was very well qualified, with the best overall proposal, projected a level of professionalism and cooperation, and will provide the best overall value. References for AECOM were checked and they received high ratings. A summary of the complete evaluation is shown in Attachment E. Staff recognizes that the selection panel rankings were extremely close and that both firms are very well qualified. AECOM projected to the selection panel that an open and direct approach will be brought forth in dealing with any issues and changes to the scope of work that may arise as the project progresses.

Geosciences submitted their written proposal generally in compliance with the request for proposal requirements except for as follows:

1. Their submitted fee level used a carbon based steel in lieu of the required stainless steel for casing materials in the top 260 feet of the well which represents at least an \$88,400 lower fee. Geosciences had not disclosed this exception within their written proposal nor at the

interview until staff pointed out to them that this was indeed the case.

2. The written proposal did not acknowledge the request for proposal requirement that the work on the project is required to be prevailing wage.
3. Their schedule for project completion exceeded the requirement of the request for proposal. Geosciences had not disclosed this exception within their written proposal nor at the interview until staff pointed out to them that this was indeed the case.

Staff and Dr. Michael Welch met with AECOM on October 27, 2009 to review and discuss the scope of work, schedule, and negotiate the proposed fee. Mutual understanding of the District's expectations and desired outcomes were achieved resulting in minor scope of work and fee revisions that will enhance the project outcomes. Staff added \$2,700 for video logging and evaluation of the existing well and casing materials, added \$7,300 to remove the existing pump and equipment within the existing well for video logging, and added \$5,808 for City of Chula Vista sewer system brine disposal capacity analyses, totaling \$15,808. Staff is confident that AECOM will perform at a high level of standard of care. Staff anticipated that the fee level for the RDR Groundwater Well Project scope of work would be on the order of \$1,500,000.

It is anticipated that opportunities to lower the overall cost of the scope of work may be possible as the work progresses, in items such as well installation material types and well diameter recommendations consistent with the findings. These types of items cannot be determined with certainty at this time and will be known as the work progresses and completes to certain milestones.

FISCAL IMPACT:



The total budget for capital improvement program (CIP) project P2434, Rancho del Rey Groundwater Well Development, as part of the approved FY 2010 CIP budget, is \$3,650,000. Expenditures to date are \$596,638.10. Total expenditures, plus outstanding commitments, including this contract, totals \$2,158,263.10.

Based on a review of the budget, the Project Manager anticipates that the budget will be sufficient to support this project.

Finance has determined that 40% of the funding is available from the Expansion Fund and 60% of the funding is available from the Betterment Fund.

STRATEGIC GOAL:

The RDR Groundwater Well Development Project supports the District's Mission Statement, "To provide the best quality of water and wastewater service to the customers of the Otay Water District, in a professional, effective, and efficient manner" and the Otay strategic goal, "in planning for infrastructure and supply to meet current and future potable water demands."

LEGAL IMPACT: _____

None.



General Manager

P:\jpeasley\BD 01-06-10, Staff Report, Consultant Selection Award RDR Well AECOM, (JP-RP).doc

JP/RP:jf

Attachments: Attachment A
Attachment B
Attachment C
Attachment D
Attachment E

QA/QC Approved:

Name: Bul hwe

Date: 11/20/09



ATTACHMENT A

PROJECT No.:	SUBJECT:
P2434-001101	Award of a Professional Engineering Services Contract for the Rancho del Rey Groundwater Well Development Project

COMMITTEE ACTION:

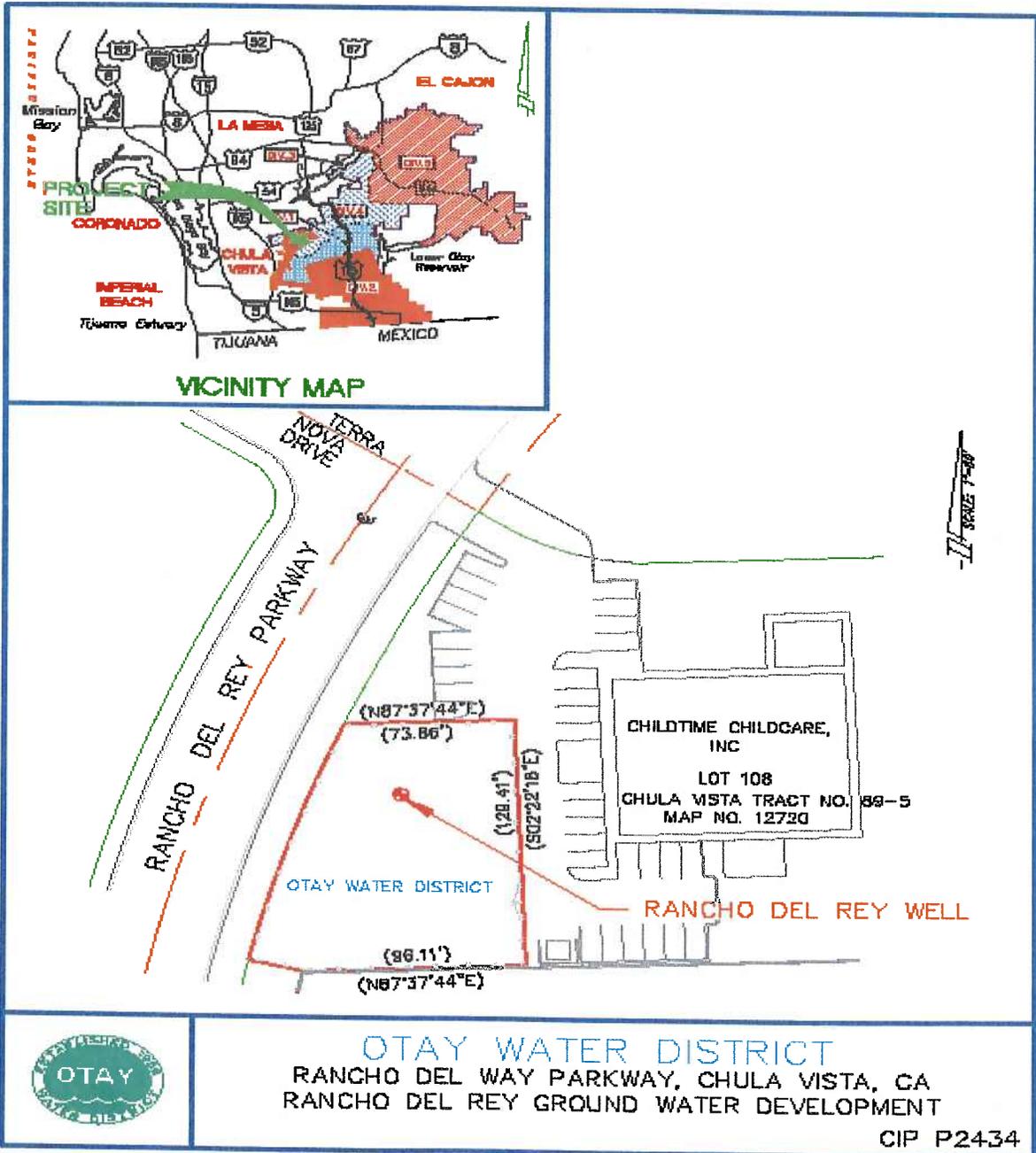
The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on December 2, 2009. The Committee supported Staff's recommendation.

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



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OTAY WATER DISTRICT
 RANCHO DEL WAY PARKWAY, CHULA VISTA, CA
 RANCHO DEL REY GROUND WATER DEVELOPMENT

CIP P2434



ATTACHMENT C

The development and/or acquisition of potential groundwater supply projects by the District have evolved and has been resurrected in response to the regional water supply issues related to climatological, environmental, legal, imported water costs, and other challenges that have impacted regional water source supply conditions, such as the court rulings regarding the Sacramento-San Joaquin Delta and the spiraling retail water pricing pressures. Local ground water supply projects will allow for less reliance upon imported water, achieve a level of independence of the regional wholesale water agencies, and diversify the District's water supply portfolio consistent with the District's March 2007 Integrated Water Resources Plan.

Also, proposed land use development projects planned to be served by the District, that are not currently within the jurisdictions of the San Diego County Water Authority (Water Authority) and the Metropolitan Water District of Southern California, will likely be require as a condition of annexation, to be supplied by alternative water resources to 100% offset their projected potable water supply requirements.

As a result, and in recognition of the need to develop sufficient alternative water supplies, the District is taking the next step towards development of a production groundwater well at the Rancho del Rey groundwater well site.

The District owns the Rancho del Rey groundwater well site which is located at the site McMillin used for grading and dust control. This new additional water supply project had been thoroughly studied and documented in the 1990's.

The ultimate objective of the District is to develop a groundwater well production and treatment system at the Rancho del Rey site capable of producing a sustainable yield as a local potable water supply.



ATTACHMENT D

Richard Brady & Associates
Engineering and Construction

October 7, 2009

Mr. Jim Peasley, P.E.
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, Ca 91978-2096

Subject: Rancho Del Rey Groundwater Well Development Project

Dear Mr. Peasley,

After further detailed review of our proposal submitted for the above noted project, we have determined our subcontractor (Layne Christensen Company) made some assumptions, which were inconsistent with the original intent and requirements of the RFP. For this reason, we are unable to honor our price as submitted.

We are therefore respectfully withdrawing our proposal from any further consideration by the Otay Water District. We appreciate this opportunity to be of service and thank you for the invitation to bid this project.

Your attention to this letter and its content is appreciated. You are welcomed to contact me on any further information you may require.

Sincerely,

A handwritten signature in black ink, appearing to read "Nick Kapetis".

Nick Kapetis, P.E.
Senior Vice President

Cc: File

ATTACHMENT E

SUMMARY OF PROPOSAL RANKINGS BY PANEL MEMBERS Rancho del Rey Groundwater Well Development Project (P2434)

		← WRITTEN →						← ORAL →				TOTAL SCORE	AVERAGE SCORE	References	
		Experience and Qualifications of Staff	Understanding of Scope of Work, Schedule, Resources	Soundness and Viability of Proposed Project Plan and Drilling Methods	Proposed Fee	Consultant's commitment to DBE	SUBTOTAL	AVERAGE SUBTOTAL SCORE	Additional creativity, insight to issues	Strength of project manager	Presentation, communication skills				Quality of response to questions
SCORE		20	20	25	35	Y/N	100		15	15	10	10	150 **		Pass/Fail
AECOM	<i>Rod Posada</i>	19	18	22	34	Y	93	91	14	15	10	10	142	136	Pass
	<i>Frank Anderson</i>	19	18	18	34		89		14	13	8	9	133		
	<i>Jim Peasley</i>	18	19	25	34		96		14	14	8	9	141		
	<i>Lisa Colburn-Boyd</i>	18	17	20	34		89		14	13	8	8	132		
	<i>Michael Welch</i>	17	16	21	34		88		12	15	7	9	131		
Geoscience	<i>Rod Posada</i>	18	18	20	35	Y	91	91	12	12	8	5	128	132	
	<i>Frank Anderson</i>	16	18	18	35		87		12	14	9	8	130		
	<i>Jim Peasley</i>	20	16	25	35		96		12	13	8	6	135		
	<i>Lisa Colburn-Boyd</i>	17	17	23	35		92		13	14	9	8	136		
	<i>Michael Welch</i>	16	15	23	35		89		11	12	10	9	131		

Oral Interviews required for projects with fees over \$200,000.

** If fees are less than \$200,000, then total score is 100 points.

PM Signature: *Jim Peasley*

QC: *Bob Dwyer 11/20/08*

Engineering Manager: *Jim Peasley*

Fee Scoring Chart				
Consulting Firm	Proposed Fee	% Higher of Lowest Fee	Fee Range	Score
Geoscience	\$1,506,949.00	0%	Lowest fee at \$1,506,949.00	35
AECOM	\$1,561,625.00	0% - 5%	\$1,506,949.01 - \$1,582,296.45	34

Notes:

1. This methodology assumes that the proposal with the lowest proposed fee is a responsible and responsive price for the scope of work as provided in the request for proposal.
2. The Geoscience proposal did not comply with the stainless steel required within the top 260 feet of the well depth. As a result a cost of \$88,400 was added to the Geoscience fee proposal in order to have a proper comparison of the AECOM and Geoscience fee proposals.
3. The AECOM proposed fee includes the additional tasks outlined in the staff report adding \$15,808.00 to their submitted fee proposal.
4. The AECOM total proposed fee is within 3.6% of the Geoscience proposed fee.
5. Geoscience did not acknowledge the prevailing wage statement as required of the request for proposal.



AGENDA ITEM 10

STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	January 6, 2010
SUBMITTED BY:	Don Anderson, Pump Electric Supervisor <i>DA</i>	W.O./G.F. NO:	DIV. NO.
APPROVED BY: (Chief)	Pedro Porras, Chief of Operations <i>PP</i>		
APPROVED BY: (Asst. GM):	Manny Magaña, <i>M Magaña</i> Assistant General Manager of Engineering and Water Operations		
SUBJECT:	Vibration Monitoring Program		

GENERAL MANAGER'S RECOMMENDATION:

This is an informational item and requires no Board action.

COMMITTEE ACTION:

See Attachment "A"

PURPOSE:

This is to inform the Board of a new preventive maintenance program recently started in Operations. Vibration monitoring and analysis is a specialized field that evaluates conditions of equipment, recognizes misalignment, a defective bearing, bent or loose parts on any rotating equipment.

ANALYSIS:

Regular vibration testing is a "Predictive Maintenance" that allows the District to evaluate the condition of equipment and avoid failures. Vibration monitoring and analysis help to detect defects in pump and motor bearings, shafts and impellers so repairs can be planned prior to failure.

The recycled system has ten Recycled pumps and motors and the potable system has 75 pumps and motors.

This year Predictive Maintenance Solutions (PDMS) has been contracted by the Otay Water District to evaluate vibration data on 30 potable pumps and motors. The specific project objectives include the collection of data on selected machinery, evaluate its condition, and to provide recommendations for the repair and improvement of the

equipment. Vibration monitoring sensors are strategically mounted on each pump and motor to be tested. Vibration data is collected for several days every three months by District personnel. The data is downloaded from the sensors to a computer supplied by PDMS. The computer is returned back to PDMS for analysis and they email the District a detailed report of the results from the testing.

Steve Matthews, Business Manager of PDMS, complimented staff on how well the pumps and motors are maintained. He stated that generally, when they start a new vibration analysis program, the initial report often contains a relatively high percentage of machines that are in alarm, with faults identified that require immediate attention. Only after the program matures and corrective actions are taken, does the percentage of faulty equipment come down.

For the District's initial testing, there were three pieces of equipment that displayed moderate fault characteristics. While no immediate action is required, this equipment has been placed on a watch list and the defects will be repaired under planned maintenance in the winter when water demands are low. Mr. Matthews stated this is a testament to the quality of work the District team is performing. He also stated that starting from such a strong position of well maintained equipment will allow this program to maximize success and continue to remain proactive rather than reactive.

The initial cost of this program was \$6,700 for the first year, which includes installation of the sensors, initial software set-up, staff training, and quarterly analysis of data. The future cost will be reduced to \$3,600 per year. Staff plans to budget for additional pumps and motors to be included in the program in FY 2011.

FISCAL IMPACT:

RUB

None

STRATEGIC GOAL:

Meet Districts strategic goal to "Minimize the Districts total life cycle assets costs."

LEGAL IMPACT:

Not applicable.

Mr. [Signature]

General Manager



ATTACHMENT A

SUBJECT/PROJECT:	Vibration Monitoring Program
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COMMITTEE ACTION:

This item will be presented to the Engineering and Operations Committee on December 2, 2009.

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 11



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	January 6, 2010
SUBMITTED BY:	Ron Ripperger <i>[Signature]</i> Engineering Manager	PROJECT/ SUBPROJECT:	P2009- DIV. 5 001103 NO.
APPROVED BY: (Chief):	Rod Posada <i>[Signature]</i> Chief, Engineering		
APPROVED BY: (Asst. GM):	Manny Magaña <i>[Signature]</i> Assistant General Manager, Engineering and Operations		
SUBJECT:	Informational Item - An update on the 36-Inch Pipeline Project		

GENERAL MANAGER'S RECOMMENDATION:

No recommendation. This is an informational item only.

COMMITTEE ACTION: _____

Please see Attachment A.

PURPOSE:

To update the Otay Water District (District) Board of Directors (Board) on the progress, highlights, and any significant issues relating to the 36-Inch Pipeline Project.

ANALYSIS:

At the June 3, 2009 Board Meeting, CCL was awarded the construction contract for the 36-Inch Pipeline Project. The project construction began in July 2009 and is progressing well. The smaller portions of the project, which include replacement of an 8-inch pipe within a private road and replacement of an existing 12-inch pipe within Jamacha Road, are 90% complete. Both pipelines are scheduled to be tied into the District's system in February 2010.

The main scope of work to install 36-inch pipe began in early October within Cuyamaca College. The work within the College includes trenchless technology to cross under a riparian area and is estimated to be completed no later than mid-February 2010. The work within the College is going well.

CCL is scheduled to begin construction within Jamacha Road the end of November. This component of work will begin at the intersection of Jamacha Road and Brahbam Street in Rancho San Diego and continue north to Gustavo Street within the City of El Cajon. Concurrent to the Jamacha Road installation, CCL intends to install the 36-inch pipe in residential side streets. The overall project is estimated to be complete in August 2010.

Staff is continuing its public outreach activities to a variety of community stakeholders. We have continued advising the local schools on the project's schedule, to deliver fliers to homeowners and HOAs, and deliver door hangers. The dedicated website for the project continues to be updated to reflect traffic impacts and detours along with providing updated information in general.

FISCAL IMPACT:



None.

STRATEGIC GOAL:

This project supports the District's Mission statement, "To provide the best quality of water and wastewater service to the customers of the Otay Water District, in a professional, effective, and efficient manner." This project fulfills the District's Strategic Goals No. 1 - Community and Governance, and No. 5 - Potable Water, by maintaining proactive and productive relationships with the project stakeholders and by guaranteeing that the District will provide for current and future water needs.

LEGAL IMPACT:

None.



General Manager

P:\WORKING\CIP P2009 36-inch PL - FCF 14 to Reg Site\Staff Reports\BD 01-06-10, Staff Report, Info Item 36-inch PL, (RR-RP).doc

RR/RP:jf

Attachments: Attachment A
Attachment B - PowerPoint

QA/QC Approved:

NAME: Bul Husel

DATE: 11/20/09



ATTACHMENT A

SUBJECT/PROJECT: P2009-001103	Informational Item - An update on the 36-Inch Pipeline Project
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COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on December 2, 2009. The Committee supported Staff's recommendation.

NOTES:

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: P2009-001103	Informational Item - An update on the 36-Inch Pipeline Project
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36-Inch Pipeline Project

Informational Update

January 6, 2010

Steel Canyon Bridge

Mexican Canyon

PROJECT HIGHLIGHTS

Overview:

- Component of East County Regional Agreement
- 36" Steel Pipe Installation (26,870 LF)
- 8" (826 LF) & 12" (3,672) PVC Pipe Replacement
- \$16M Construction Contract to CCL Contracting

Permits:

- Caltrans Encroachment Permit
- Habitat Conservation Plan Take Permit
- Others (County, OSHA, CWA, Mining & Tunneling, etc.)

Progress:

- 8" & 12" Pipe Replacement 90% Complete
- 36" Pipe Installation 19% Complete

PROJECT HIGHLIGHTS

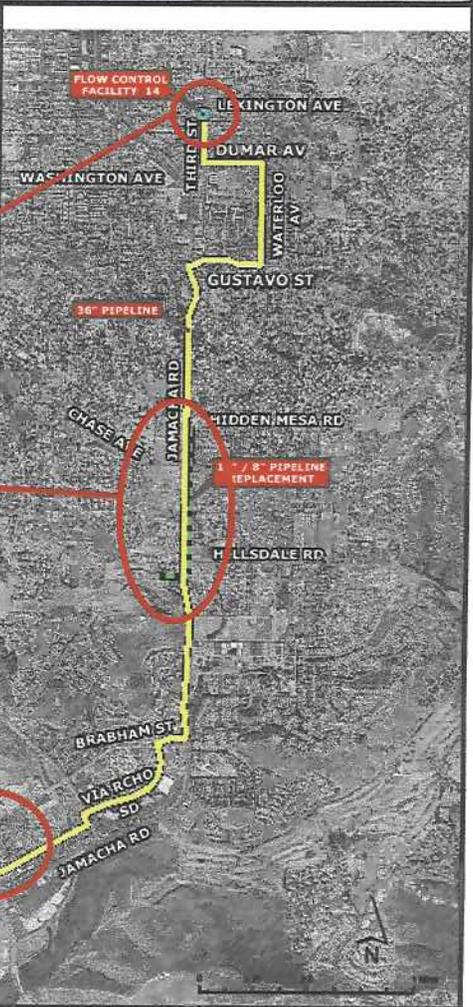
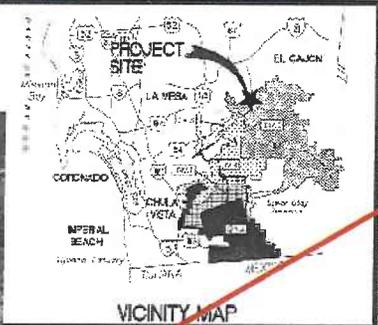
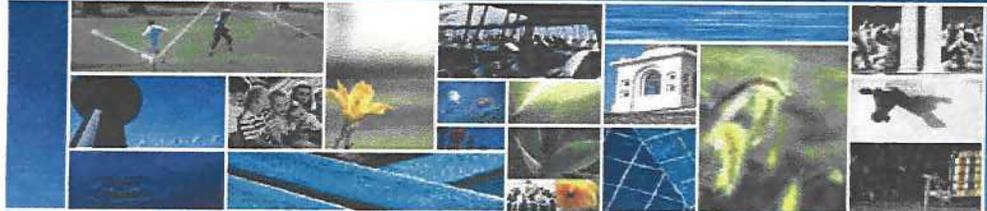
Cont'd

Plan:

- Complete 36" Pipe Installation in Cuyamaca College Mid-February
- Begin 36" Pipe Installation in Jamacha Rd Early December
- Tie-In 8" & 12" Pipe January/February 2010
- Work on Residential Side Streets within Rancho San Diego and City of El Cajon. Concurrent to Jamacha Rd Work
- Tie-In New 36" Pipe June/July 2010

Overall Schedule:

- June 2009 Start
- August 2010 Completion



OTAY WATER DISTRICT
 PIPELINE 36-INCH,
 SDCWA FCF NO. 14 TO REGULATORY SITE

CIP P2009
 CIP P2038

EXHIBIT A

Classic Canyon Bridge

PUBLIC OUTREACH

- **Community Meetings**
 - **Stakeholders**
 - City of El Cajon, County of San Diego, HWD, CWA, Cuyamaca College, Caltrans
 - **Elected Officials**
 - County Supervisor Diane Jacob
 - Assemblyman Joel Anderson
 - Congressman Duncan Hunter
 - **Others**
 - Schools, Churches, HOAs
 - Community Planning Groups
- **Getting the Information to the Public**
 - Informational Brochure by Mail
 - Quarterly Newsletters
 - Door Hangers
 - Information Cards

Putting public resources to work

JAMACHA ROAD PIPELINE PROJECT

Estimated Completion – Fall 2010

This public works project represents a \$30 million investment in improved water reliability for the region, and will create good paying jobs and support the local economy.



For more information or alternate driving routes, please visit
www.jamachapipeline.com
Information Hotline: 619-670-2552

CONTRACTOR: Contractor Phone Number	OWNER: Otay Water District Spring Valley, CA Information Hotline: 619-670-2552 www.otaywater.gov	CONSTRUCTION MANAGER: RBF Consulting Construction Manager
--	--	--

Please Drive Carefully!

Dedicated Website and Hotline

Questions?

Maxima Canyon

AGENDA ITEM 12



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	January 6, 2010
SUBMITTED BY:	Ron Ripperger <i>WR</i> Engineering Manager	PROJECT:	Various DIV. NO. ALL
APPROVED BY: (Chief)	Rod Posada <i>R Posada</i> Chief, Engineering		
APPROVED BY: (Asst GM)	Manny Magaña <i>M Magaña</i> Assistant General Manager, Engineering and Operations		
SUBJECT:	Informational Item - First Quarter Fiscal Year 2010 Capital Improvement Program Report		

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board of Directors (Board) accepts the First Quarter Fiscal Year 2010 Capital Improvement Program (CIP) Report for review and receives a summary via PowerPoint presentation.

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

To update the Board about the status of all CIP project expenditure highlights, significant issues, progress, and milestones on major projects.

ANALYSIS:

To keep up with growth and to meet our ratepayers' expectations to adequately deliver safe, reliable, cost-effective, and quality water, each year the District Staff prepares a six-year CIP Plan that identifies the District infrastructure needs. The CIP is comprised of four categories consisting of backbone capital facilities, replacement/renewal projects, developer's reimbursement projects, and capital purchases.

The First Quarter FY 2010 update is intended to provide a detailed analysis of progress in completing these projects within the allotted time and budget. Expenditures for the First Quarter totaled approximately \$5.3 million. Approximately 14% of the Fiscal Year 2010 expenditure budget was spent.

FISCAL IMPACT:



None.

STRATEGIC GOAL:

The CIP supports the District's Mission Statement, "To provide the best quality of water and wastewater service to the customers of the Otay Water District, in a professional, effective, and efficient manner," and the District's Strategic Goal, in planning for infrastructure and supply to meet current and future potable water demands.

LEGAL IMPACT:

None.



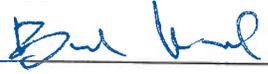
General Manager

P:\CIP\CIP Quarterly Reports\2010\Q1 FY2010\Staff Report\BD 01-06-10, First Quarter FY 2010 CIP Report, (RR-RP).doc

RR/RP:jf

Attachments: Attachment A
Presentation

QA/QC Approval:

Name: 

Date: 11/6/09



ATTACHMENT A

SUBJECT/PROJECT: Various	Informational Item - First Quarter Fiscal Year 2010 Capital Improvement Program Report
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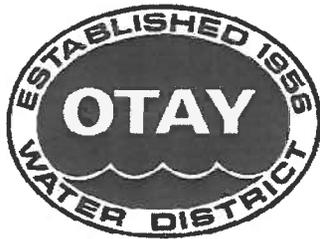
COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on December 2, 2009. The Committee supported Staff's recommendation.

NOTE:

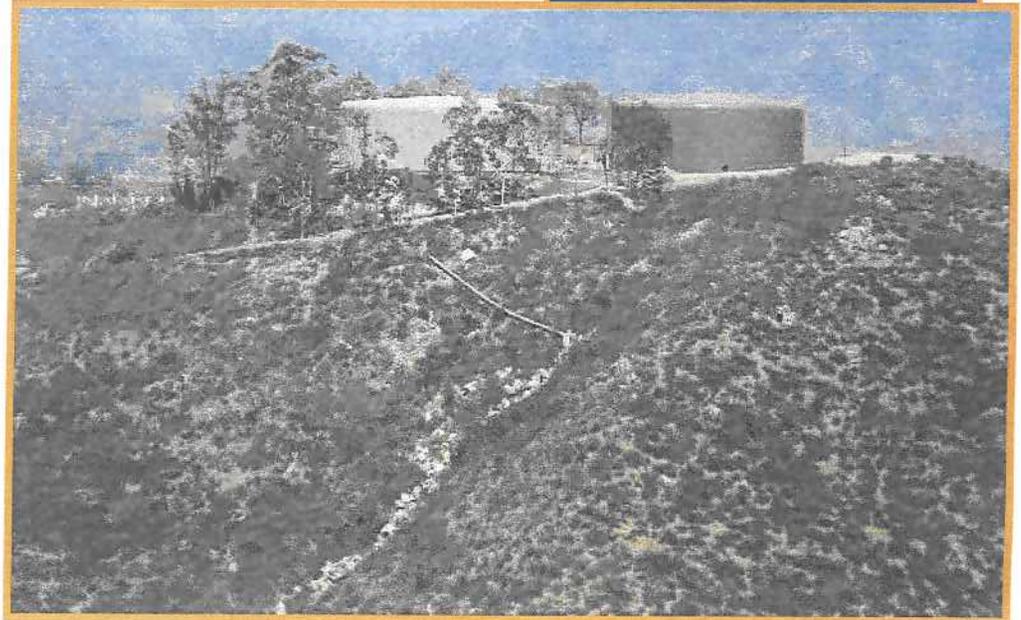
The "Committee Action" is written in anticipation of the Committee moving the item forward for Board approval. This report will be sent to the Board as a Committee approved item, or modified to reflect any discussion or changes as directed from the Committee prior to presentation to the full Board.

CAPITAL IMPROVEMENT PROGRAM

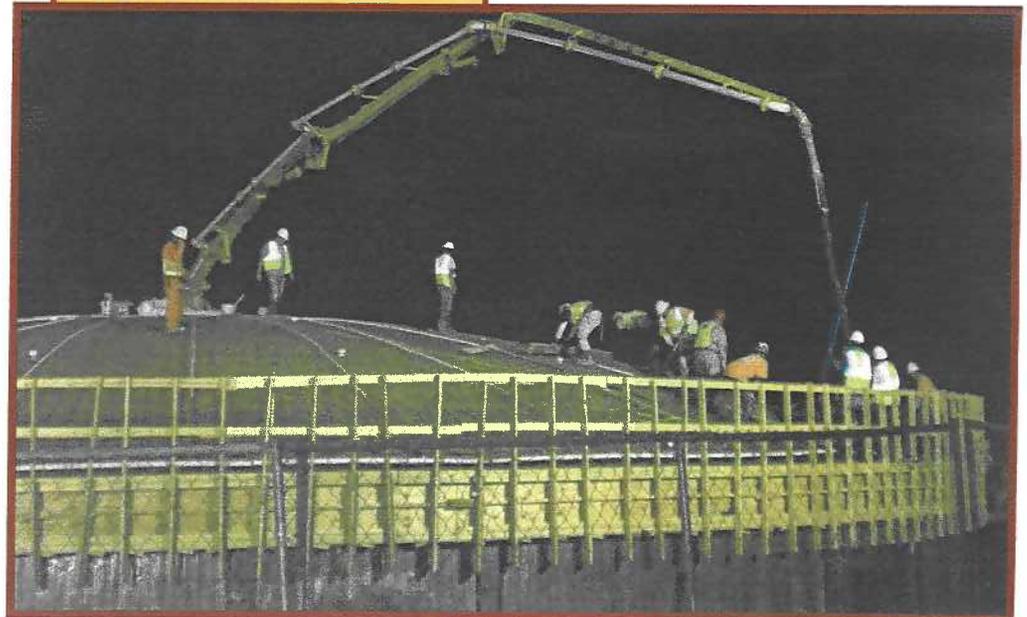


First Quarter
Fiscal Year 2010
(through September 30, 2009)

850-4 Reservoir 2.2 MG



1296-3 Reservoir 2.0 MG



Background

The approved CIP budget for Fiscal Year 2010 consists of **87** projects that total **\$37.3 million**. These projects are broken down into four categories:

1. Capital Facilities: **\$ 28.73 million**
2. Replacement/Renewal: **\$ 6.72 million**
3. Capital Purchases: **\$ 1.83 million**
4. Developer Reimbursement: **\$ 0.00 million**

Overall expenditures through the First Quarter Fiscal Year 2010 totaled **\$5.3 million** which is **14%** of the Fiscal Year 2010 budget.

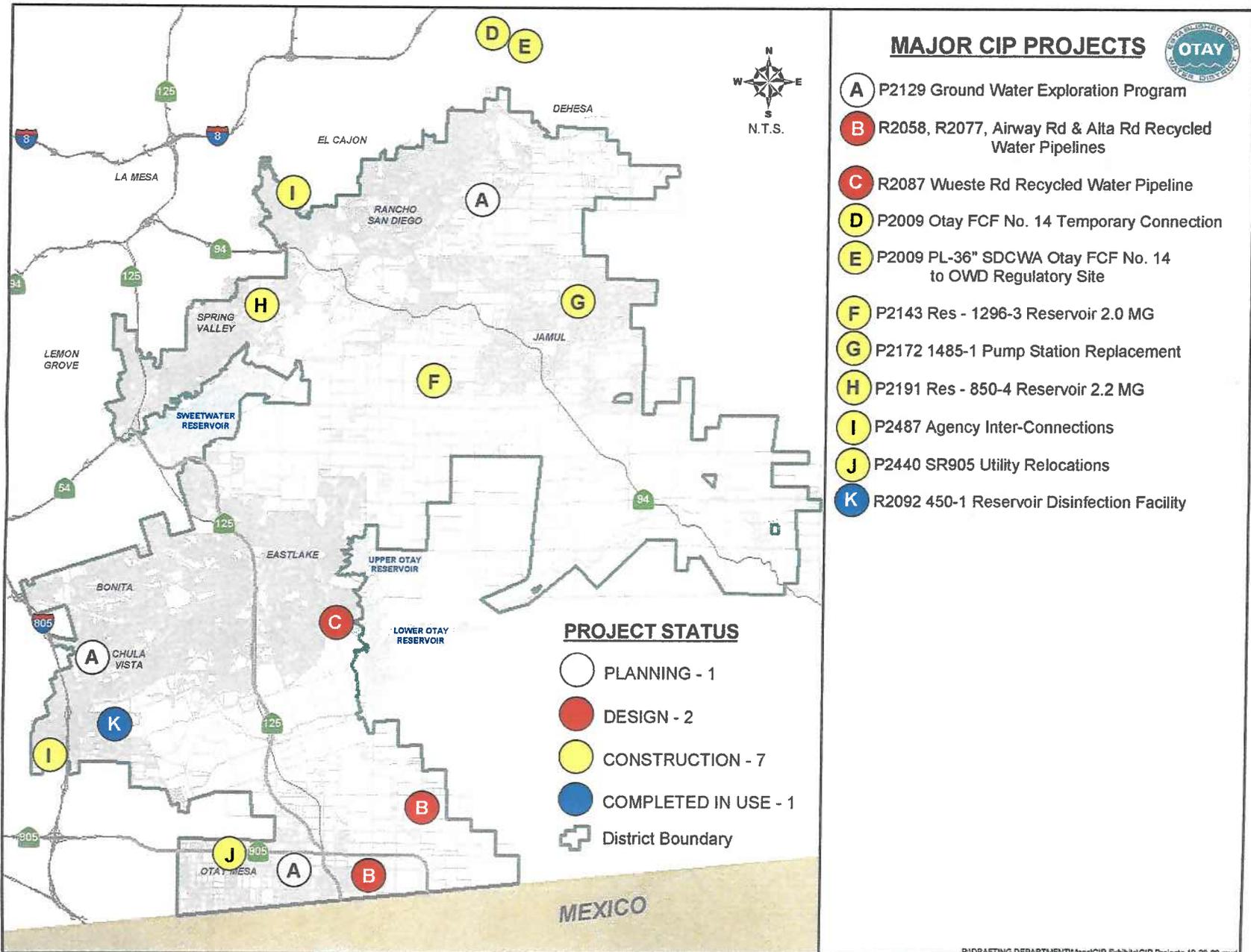
Construction change orders are at **-.52%**.

Fiscal Year 2009 Report

(through September 30, 2009)

CIP CAT	Description	FY 2010 Budget	FY 2010 Expenditures	% FY 2010 Budget Spent	Total Life-to- Date Budget	Total Life-to-Date Expenditures	% Life-to- Date Budget Spent
1	Capital Facilities	\$28,728,000	\$4,082,000	14%	\$181,692,000	\$49,454,000	27%
2	Replacement/ Renewal	\$6,716,000	\$894,000	13%	\$37,203,000	\$13,271,000	36%
3	Capital Purchases	\$1,827,000	\$366,000	20%	\$11,726,000	\$5,199,000	44%
4	Developer Reimbursement	\$1,000	\$0	0%	\$50,000	\$0	0%
	Total:	\$37,272,000	\$5,342,000	14%	\$230,671,000	\$67,924,000	29%

Major CIP Projects



Flagship CIP Project in Construction

□ 36-Inch Pipeline From FCF No. 14 to Regulatory Site Project:

Key Component: **Approximately 5 miles of 36-inch pipeline for potable water from Otay's FCF No. 14 to the Regulatory Site.**

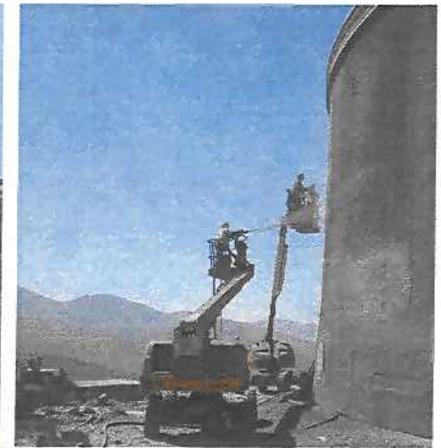
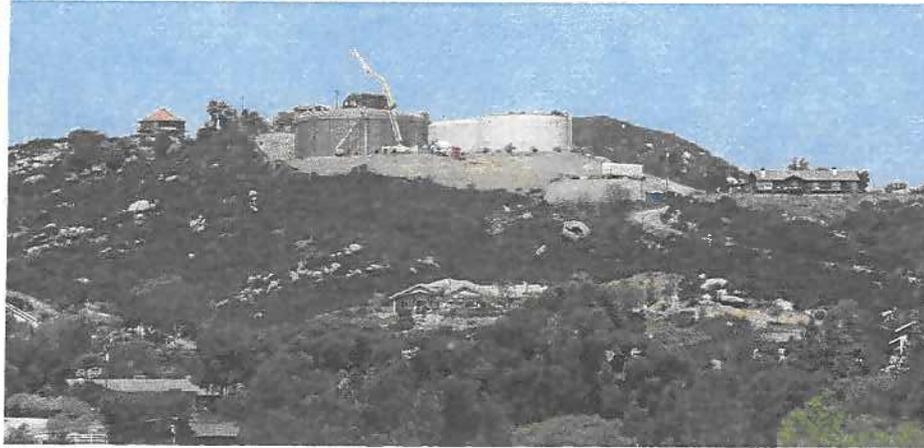
Schedule: **A construction contract was awarded to CCL Contracting (CCL) on June 3, 2009. Project completion is anticipated August, 2010.**

Cost: **The FY 2010 project budget is \$15.0 million, of which \$1.3 million, or 8% has been spent. The life-to-date project budget is \$22.2 million, of which \$5.0 million, or 23%, has been spent.**

Significant Issues: **None.**

Highlights: **CCL completed installation of both the 8-inch PVC pipeline in a private road and the 12-inch PVC pipeline in Jamacha Road. CCL is coordinating with Otay staff to tie-in both pipelines to the existing system. The next planned work is to begin installing the 36-inch pipeline within Cuyamaca College.**

Flagship CIP Project in Construction



1296-3 Reservoir 2.0 MG (P2143)

This project was awarded to Natgun Corporation in February 2009.
This project will provide additional storage in the 1296 Pressure Zone.

Flagship CIP Project in Construction

□ 1296-3 Reservoir 2.0 MG

Key

Component: A new 2.0 MG Concrete Reservoir will provide additional storage in the 1296 Pressure Zone.

Schedule: Notice to Proceed was issued to Natgun Corporation on February 10, 2009. Project is on schedule and is expected to be completed prior to February 16, 2010.

Cost: The FY 2010 project budget is \$2.0 million, of which \$.6 million, or 32% has been spent. The life-to-date project budget is \$3.64 million, of which \$2.3 million, or 64%, has been spent.

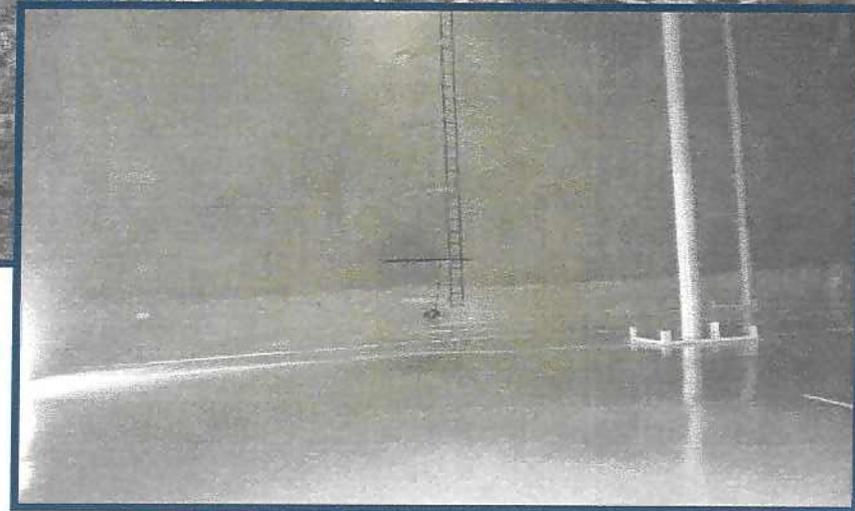
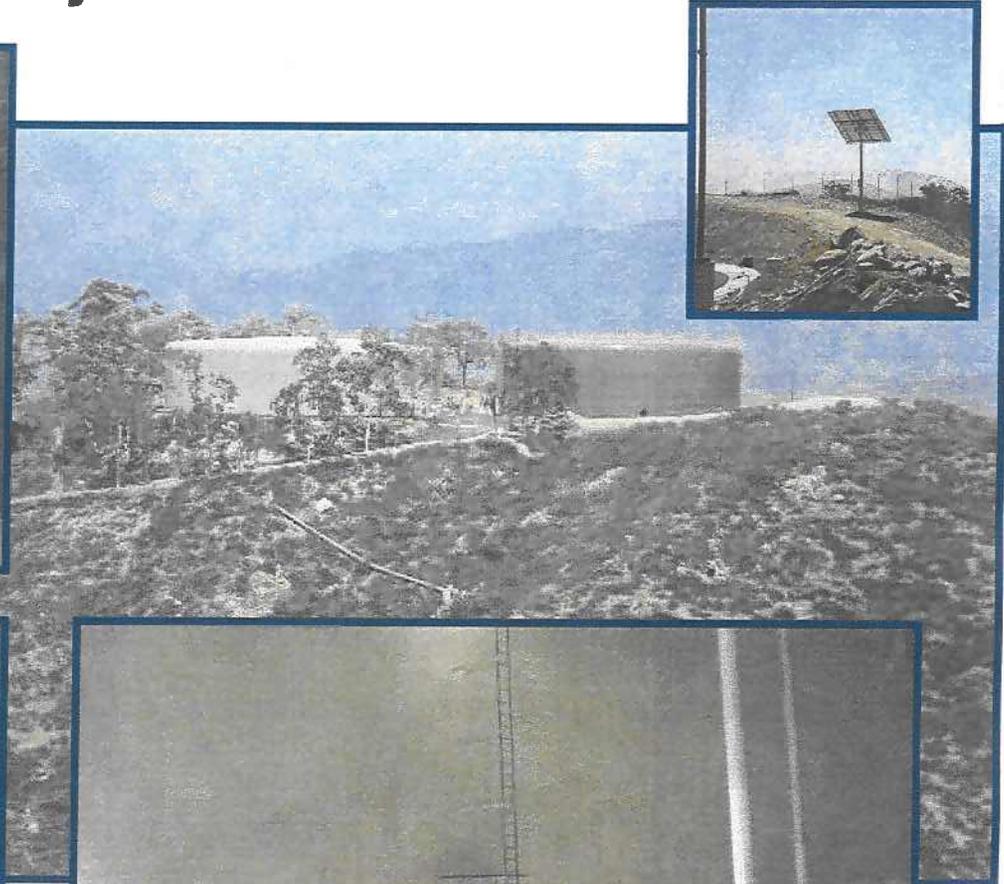
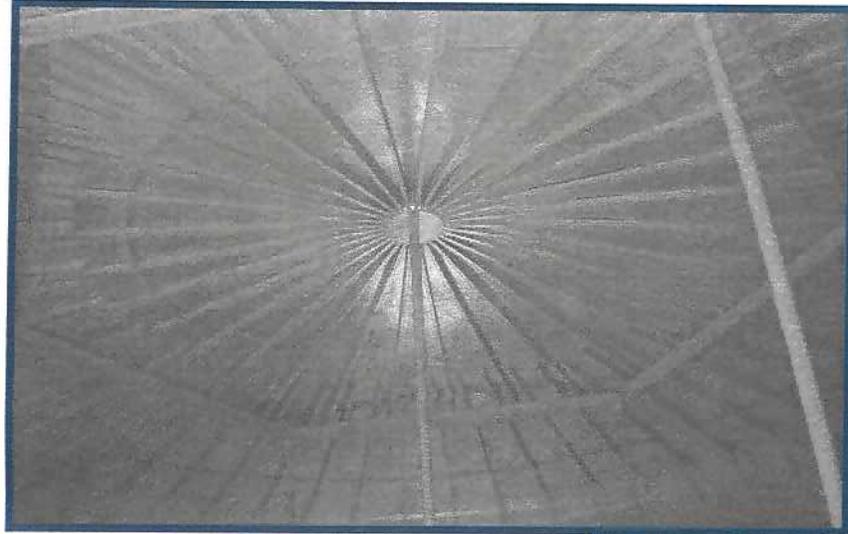
Significant

Issues: None.

Highlights: The design of this reservoir is a Type III concrete reservoir. The lifecycle cost of building a concrete reservoir is lower than a welded steel reservoir.

A solar power generating system was added to this project which includes a 75 square-foot photovoltaic panel for generating power, which is tied to the SDG&E power grid.

Flagship CIP Project in Construction



850-4 RESERVOIR (P2191)

This project was awarded to Spiess Construction and was started in February 2008.
This project includes the construction of a 2.2 MG steel reservoir.

Flagship CIP Project in Construction

❑ 850-4 Reservoir 2.2 MG

Key Component: A new 2.2 MG Steel Reservoir to meet the ultimate demand in the 850 pressure zone.

Schedule: Construction was 100% complete as of September 30, 2009. Project acceptance is anticipated to be November 2009.

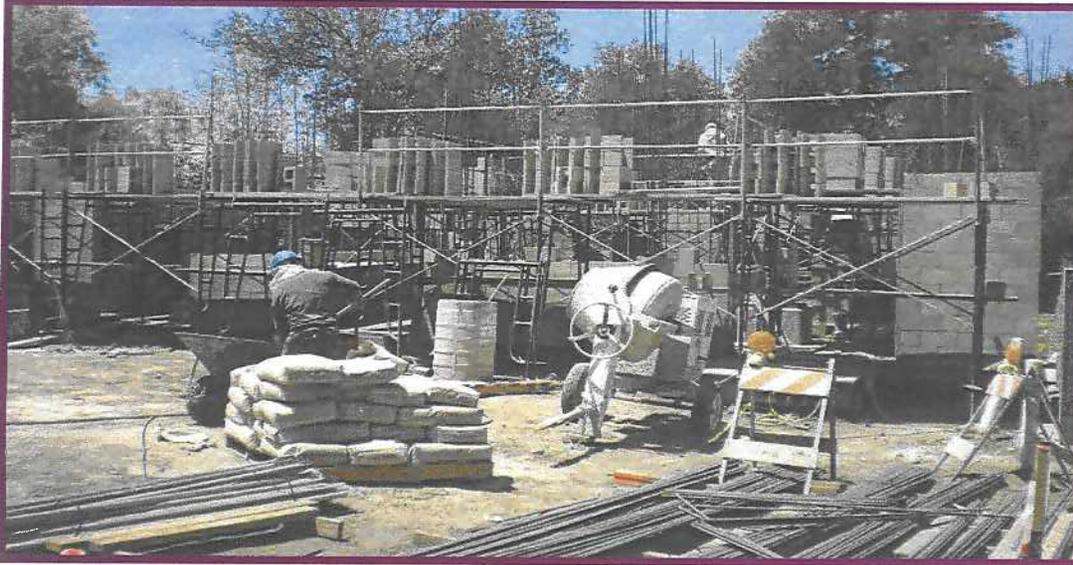
Cost: The FY 2010 project budget is \$.44 million, of which \$.18 million, or 41%, has been spent. The life-to-date project budget is \$3.44 million, of which \$3.32 million, or 97%, has been spent.

Significant Issues: None.

Highlights: The design includes a solar panel capable of producing a minimum of 1 kW that will be tied back to the grid.

Project is complete.

Flagship CIP Project in Construction



1485-1 Pump Station Replacement (P2172)

This project was awarded to SCW Contracting and was started in January 2009. This project consists of construction of a new pump station to replace the existing pump station and to expand capacity as projected within the Water Resources Master Plan.

Flagship CIP Project in Construction

□ 1485-1 Pump Station Replacement

- Key Component:** The existing pump station is near capacity and has reached the end of its useful life. The improved pump station systems and additional capacity are required to meet projected demands of the 1485 and higher pressure zones as projected within the Water Resources Master Plan.
- Schedule:** Notice to Proceed was issued to SCW Contracting on January 5, 2009. Construction started in January 2009. Project is approximately 72% complete. The project is scheduled for completion in February 2010.
- Cost:** The FY 2010 project budget is \$1.6 million, of which \$0.7 million, or 45%, has been spent. The life-to-date project budget is \$2.5 million, of which \$1.9 million, or 77%, has been spent.
- Significant Issues:** None.
- Highlights:** The new pump station will include SCADA equipment and will protect the existing equipment from the elements.

CIP Project in Construction



450-1 Reservoir Disinfection Facility (R2092)

This project was awarded to NEWest Construction in October 2008.

The recycled water will be additionally disinfected prior to delivery to District customers.
This project will supplement the disinfection provided for the South Bay Water Reclamation Plant.

CIP Project in Construction

□ 450-1 Reservoir Disinfection Facility

Key

Component: This project consists of construction of a disinfection system facility at the 450-1 Reservoir. The recycled water received from the City of San Diego South Bay Water Reclamation Plant is not planned to be sufficiently disinfected with chemicals. The recycled water will be disinfected prior to delivery to the Otay Water District customers.

Schedule: Notice to Proceed was issued to NEWest Construction Company, Inc. on November 3, 2008. Notice of Substantial Completion was issued on July 31, 2009. Project is complete.

Cost: The FY 2010 project budget is \$.07 million, of which \$.12 million, or (49%), has been spent. The life-to-date project budget is \$.83 million, of which \$.70 million, or 85%, has been spent.

Significant Issues: None.

Highlights: Project is complete.

Consultant Contract Status

(through September 30, 2009)

Consultant	CIP No.	Project Title	Original Contract Amount	Total Change Orders	Revised Contract Amount	Approved Payment To Date	% Change Orders	% Expenditures to Date	Date of Signed Contract	End Date of Contract
PLANNING										
J C HEDEN AND ASSOCIATES INC	Varies	TEMPORARY LABOR SERVICES	\$ 150,000.00	\$ -	\$ 150,000.00	\$ 111,118.00	0.0%	74.1%	1/1/2009	7/27/2009 (COMPLETE)
PBS&J	P1210	2009 MASTER PLAN UPDATE	\$ 499,748.00	\$ 46,232.00	\$ 555,970.00	\$ 533,870.09	9.3%	96.0%	8/7/2007	12/31/2009
DESIGN										
ENGINEERING PARTNERS INC, THE	P2172	1485-1 PUMP STATION REPLACEMENT	\$ 24,120.00	\$ -	\$ 24,120.00	\$ 18,542.50	0.0%	76.9%	11/3/2006	12/31/2009
HDR	Varies	TEMPORARY LABOR SERVICES	\$ 150,000.00	\$ -	\$ 150,000.00	\$ 5,600.00	0.0%	3.7%	8/14/2009	6/30/2010
LEE & RO INC	Varies	AS-NEEDED ENG DESIGN SVCS	\$ 175,000.00	\$ 15,000.00	\$ 190,000.00	\$ 177,554.03	8.6%	93.4%	3/29/2007	12/31/2009
LEE & RO INC	P2009	DESIGN OF 36-INCH PIPELINE	\$ 580,183.00	\$ 61,629.00	\$ 641,812.00	\$ 575,136.27	10.6%	89.6%	9/11/2008	12/31/2010
SAN-LO AERIAL	R2077	20-Inch RecPI - ALTA/OTAY MESA/SANYO	\$ 8,000.00	\$ -	\$ 8,000.00	\$ 8,000.00	0.0%	100.0%	6/24/2009	8/5/2009 (COMPLETE)
SAN-LO AERIAL	R2058	20-Inch RecPI - AIRWAY/LA MEDIA	\$ 3,100.00	\$ -	\$ 3,100.00	\$ 3,100.00	0.0%	100.0%	8/17/2009	9/9/2009 (COMPLETE)
SOUTHERN CALIFORNIA SOIL	Varies	ON-CALL GEOTECHNICAL SERVICES	\$ 150,000.00	\$ -	\$ 150,000.00	\$ 130,630.99	0.0%	87.1%	12/6/2006	1/31/2011
CONSTRUCTION SERVICES										
MWH CONSTRUCTORS INC	Varies	TEMPORARY LABOR SERVICES	\$ 150,000.00	\$ -	\$ 150,000.00	\$ 119,525.00	0.0%	79.7%	1/1/2009	12/31/2009
RBF CONSULTING	P2009	36-INCH PIPELINE	\$ 1,088,785.00	\$ -	\$ 1,088,785.00	\$ 380,536.25	0.0%	35.0%	1/28/2008	3/1/2010
VALLEY CONSTRUCTION MANAGEMENT	Varies	AS-NEEDED CONSTRUCTION MANAGEMENT SVCS	\$ 175,000.00	\$ 23,897.50	\$ 198,897.50	\$ 144,827.50	13.7%	72.8%	1/16/2008	6/30/2010
ENVIRONMENTAL										
BRG CONSULTING INC	P2143	1296-3 RESERVOIR ENV SVCS	\$ 125,000.00	\$ -	\$ 125,000.00	\$ 108,099.79	0.0%	86.5%	4/11/2006	6/30/2010
JONES & STOKES ASSOCIATES	Varies	PROFESSIONAL ON-CALL ENVIRONMENTAL SVCS	\$ 300,000.00	\$ 25,000.00	\$ 325,000.00	\$ 241,988.19	8.3%	74.5%	7/13/2007	6/30/2010
JONES & STOKES ASSOCIATES	P1253	SAN MIGUEL HABITAT MANAGEMENT AREA	\$ 987,807.00	\$ -	\$ 987,807.00	\$ 200,718.58	0.0%	20.3%	2/3/2009	12/31/2011
JONES & STOKES ASSOCIATES	R2058/ R2077/ R2087	OTAY MESA RECYCLED WATER SUPPLY LINK PIPELINES	\$ 213,087.00	\$ -	\$ 213,087.00	\$ 54,788.09	0.0%	25.7%	5/1/2009	6/30/2010
RECON	P1253	PREPARATION OF THE SUBAREA PLAN	\$ 270,853.00	\$ -	\$ 270,853.00	\$ 34,926.56	0.0%	12.9%	3/28/2008	3/28/2011
WATER RESOURCES										
AECOM	P2481	MIDDLE SWEETWATER RIVER BASIN GROUNDWATER WELL PILOT PROJECT	\$ 1,065,037.00	\$ -	\$ 1,065,037.00	\$ 82,941.63	0.0%	7.8%	5/21/2009	5/31/2011
CAMP DRESSER & McKEE INC	P2451	BI-NATIONAL DESALINATION FEASIBILITY STUDY	\$ 94,552.00	\$ 18,005.00	\$ 112,557.00	\$ 89,503.34	19.0%	79.5%	3/19/2008	6/30/2010
MICHAEL R. WELCH	P2481	ENGINEERING PLANNING SVCS.	\$ 40,000.00	\$ -	\$ 40,000.00	\$ 6,615.00	0.0%	16.5%	3/25/2009	3/25/2010
WESTIN ENGINEERING INC	P1210	ASSET MANAGEMENT PLAN	\$ 194,280.00	\$ 30,000.00	\$ 224,280.00	\$ 194,279.99	15.4%	86.6%	1/29/2008	6/30/2010
PUBLIC SERVICES										
AECOM USA INC	P1438	PLAN CHECKS & INSPECTION SERVICE	\$ 300,000.00	\$ -	\$ 300,000.00	\$ 207,686.73	0.0%	69.2%	9/4/2007	3/7/2010
AECOM USA INC	P1438	AS-NEEDED PLAN CHECK SERVICES	\$ 150,000.00	\$ -	\$ 150,000.00	\$ 43,829.64	0.0%	29.2%	11/13/2007	9/30/2010
Totals:			\$ 6,894,552.00	\$ 219,763.50	\$ 7,124,305.50	\$ 3,473,818.17	3.2%			

QA/QC Approved:

Name: 

Date: 11/9/09

Construction Contract Status

(through September 30, 2009)

CIP NO.	PROJECT TITLE	CONSTRUCTION CONTRACTOR	ORIGINAL CONTRACT AMOUNT	TOTAL CHANGE ORDERS	REVISED CONTRACT AMOUNT	TOTAL EARNED TO DATE	% OF CHANGE ORDERS *	% PROJECT COMPLETE	EST. COMP. DATE
P2191	850-4 Reservoir	Spiess Const Co	\$2,566,300	(\$241,456)	\$2,324,844	\$2,321,844	-9.41%	100%	Complete
P2422	Interagency Water Meter Connection	Jose Pereira Eng	\$129,542	\$32,753	\$162,295	\$162,295	25.28%	100%	Complete
R2092	450-1 Reservoir Disinfection Facility	NEWest Const	\$342,865	\$59,483	\$402,348	\$402,348	17.35%	100%	Complete
P2143	1296-3 Reservoir 2.0 MG Water Storage Facility	Natgun Corp	\$2,373,220	\$5,373	\$2,378,593	\$1,555,711	0.23%	65%	February 2010
P2172	1485-1 Pump Station Replacement	SCW	\$1,530,000	\$23,725	\$1,553,725	\$1,146,735	1.55%	74%	February 2010
P2009/ P2038	Jamacha Rd. 36-Inch Pipeline & 12-Inch Pipeline Replacement	CCL Contracting	\$16,189,243	\$0	\$16,189,243	\$1,190,053	0.00%	7%	August 2010
P2009	Otay FCF No. 14 Temporary Reconnection	TC Construction	\$14,000	\$0	\$14,000	\$14,000	0.00%	100%	Complete
TOTALS:			\$23,145,170	(\$120,122)	\$23,025,048	\$6,792,986	-0.52%		

QA/QC Approved:

NAME: Daly

DATE: 11/4/09

Expenditures

(through September 30, 2009)

(\$000)

CIP No.	Description	Project Manager	FISCAL YEAR-TO-DATE, 09/30/09			LIFE-TO-DATE		Comments
			FY 2010 Budget	Expenses	Expense to Budget %	Budget	Balance	
CAPITAL FACILITY PROJECTS								
P2009	PL - 36-Inch, SDCWA Otay FCF No. 14 to Regulatory Site	Ripperger	\$ 15,000	\$ 1,274	8%	\$ 22,200	\$ 17,161	Project under construction.
P2010	PL - 24-Inch, Sweetwater Authority Perdue WTP to 36-Inch Main	Peasley	135	18	13%	4,000	3,982	PDR in process.
P2038	PL - 12-Inch, 978 Zone, Jamacha, Hidden Mesa, and Chase Upsize and Replacements	Kay	1,100	523	48%	2,500	773	Hidden Mesa and Chase portions are complete. Jamacha portion is under construction as part of the P2009 project.
P2040	Res - 1655-1 Reservoir 0.5 MG	Ripperger	1	-	0%	2,055	1,577	Project completed.
P2143	Res - 1296-3 Reservoir 2 MG	Kay	2,000	631	32%	3,640	1,308	Project under construction.
P2172	PS - 1485-1 Pump Station Replacement	Ripperger	1,550	691	45%	2,475	581	Project under construction.
P2181	PL - 30-Inch, 1296 Zone, Proctor Valley Road - Proctor Valley PS/Millar Ranch	Ripperger	100	-	0%	4,200	4,200	PDR in process.
P2185	Res - 640-1 Reservoir 20.0 MG	Ripperger	550	4	1%	28,750	646	Pump station modifications to begin after P2009 is complete.
P2191	Res - 850-4 Reservoir 2.2 MG	Kay	435	178	41%	3,435	115	Project completed.
P2203	PL - 36-Inch, 1296 Zone, Proctor Valley Road - Millar Ranch/Pioneer	Ripperger	120	-	0%	1,500	1,500	Developer driven.
P2204	PL - 24-Inch, 1296 Zone, Pioneer Way - Proctor Valley/1296 Reservoirs	Ripperger	100	-	0%	2,000	2,000	Developer driven.
P2318	PL - 20-Inch, 657 Zone, Summit Cross-Tie and 36-Inch Main Connections	Kennedy	1	-	0%	600	530	The County has restricted trenching the newly paved streets. Ops also wanted to wait until the PRS at La Presa is constructed.
P2387	PL - 12-Inch, 832 Zone, Steele Canyon Road - Via Caliente/Campo	Kay	15	1	7%	440	8	Project completed.
P2391	PS - Perdue WTP Pump Station (5 MGD)	Peasley	200	5	3%	5,200	5,195	PDR in process.
P2430	PL - 30-Inch, 980 Zone, Proctor Valley Road - PB Bndy/Proctor Valley PS	Peasley	150	-	0%	5,200	5,200	PDR in process.
P2434	Rancho Del Rey Groundwater Well Development	Peasley	1,450	29	2%	3,650	3,070	Staff prepared a scope of work and sent out a request for proposal for development of a groundwater well at the Rancho del Rey Well site.
P2450	Otay River Groundwater Well Demineralization Project	Peasley	20	2	10%	11,030	11,023	Pending the outcome of the joint SWA/Otay study (CIP Number P2467) and environmental review, the planning work may begin to occur in about 2 to 3 years.
P2451	Rosarito Desalination Facility Conveyance System	Peasley	500	47	9%	30,000	29,782	CDM completed the revision of the feasibility study which includes three technical memorandums on the Rosarito Desal concept. A final draft scope of work for a request for proposal for a preliminary design report and environmental documentation has been prepared.

Expenditures (Continued)

CIP No.	Description	Project Manager	FISCAL YEAR-TO-DATE, 09/30/09			LIFE-TO-DATE		Comments
			FY 2010 Budget	Expenses	Expense to Budget %	Budget	Balance	
CAPITAL FACILITY PROJECTS								
P2465	Regulatory Site Material Storage Bins	Kay	10	2	20%	310	11	Project completed.
P2466	Regional Training Facility	Coburn-Boyd	90	14	16%	252	80	Environmental compliance in progress, project will be completed in FY10. This project is jointly funded by SWA and Otay. The SDCWA awarded a LISA grant to SWA to fund up to 50% of the cost of the effort. Monitoring wells in the Otay River have been completed by USGS. Data gathering on well information within the San Diego Formation continues. Otay River participation agreement between SWA and Otay has been approved.
P2467	San Diego Formation Groundwater Feasibility Study	Peasley	600	1	0%	1,800	1,189	Project in design.
P2471	850/657 PRS at La Presa Pump Station	Kennedy	80	3	4%	310	278	This project is for water supply feasibility study efforts. MWH completed the preparation a brief study including cost estimates for supply from the SWA Perdue WTP and the North District to South District Interconnection.
P2472	Water Supply Feasibility Studies	Peasley	150	-	0%	175	153	Put on hold.
P2473	PS - 711-1 Pump Station Improvement	Kennedy	325	-	0%	425	422	Oil containment for 680PS complete. PDR planned for FY10 2nd Quarter.
P2474	Fuel Storage Covers and Containment	Kennedy	100	1	1%	125	109	PDR in process.
P2475	Pump Station Fire Hydrant Installations	Kennedy	40	3	8%	50	41	Groundwater development planning efforts continue on the Middle Sweetwater River Basin Groundwater Well Pilot Project including preparation of a draft community outreach plan and analysis of imported supplied into the basin.
P2481	Middle Sweetwater River Basin Groundwater Well System	Peasley	1,000	97	10%	8,000	7,903	Groundwater development planning efforts continue on the Otay Mesa Lot 7 Well with preparation of CEQA documentation.
P2482	Otay Mesa Lot 7 Groundwater Well System	Peasley	150	-	0%	3,200	3,200	Project completed.
P2487	Sir Francis Helix and Otay Valley Cal American Agency Interconnections	Kay	200	92	46%	250	158	Project in design.
P2488	Del Rio Road Helix and Otay Agency Interconnection	Kay	25	1	4%	150	149	Project in design.
P2489	Gillespie Drive Helix and Otay Agency Interconnection	Kay	25	1	4%	150	149	Project in design.
P2497	Solar Power Feasibility Study	Kennedy	50	-	0%	150	150	Feasibility report completed.

Expenditures (Continued)

CIP No.	Description	Project Manager	FISCAL YEAR-TO-DATE, 09/30/09			LIFE-TO-DATE		Comments
			FY 2010 Budget	Expenses	Expense to Budget %	Budget	Balance	
CAPITAL FACILITY PROJECTS								
P2498	Brine Disposal Pipeline Otay River Demineralization Plant to South Bay Outfall	Peasley	5	-	0%	5,600	5,600	The City of Chula Vista and Otay WD have developed a final draft scope of work, RFP, and a participation agreement to focus on the treatment facility and related requirements. The brine line is a part of that study effort (CIP Number R2093).
R2048	RecPL - Otay Mesa Distribution Pipelines and Conversions	Ripperger	150	3	2%	2,000	1,988	In planning.
R2053	RWCWRF - R.O. Building Remodel and Office Furniture	Ripperger	15	-	0%	590	21	Project completed.
R2058	RecPL - 16-Inch, 860 Zone, Airway Road - Otay Mesa/Alta	Kennedy	350	75	21%	3,000	2,522	Construction documents 30% complete
R2077	RecPL - 24-Inch, 860 Zone, Alta Road - Alta Gate/Airway	Kennedy	295	111	38%	4,100	3,793	Construction documents 30% complete
R2081	RecPL - 20-Inch, 944 Zone, Lane Avenue - Proctor Valley/Pond No. 1	Kay	70	-	0%	1,210	52	Project completed.
R2087	RecPL - 20-Inch, 944 Zone, Wueste Road - Olympic/Otay WTP	Kennedy	350	96	27%	4,500	4,232	Construction documents 30% complete.
R2088	RecPL - 20-Inch, 860 Zone, County Jail - Roll Reservoir/860-1 Reservoir	Kennedy	5	-	0%	3,500	3,444	PDR completed. Delayed project by constructing a PRS at Roll Reservoir.
R2089	North District Recycled Water Regulatory Compliance	Coburn-Boyd	20	-	0%	220	20	Project is complete, will not use additional budgeted amount this FY.
R2091	RecPS - 944-1 Pump Station Upgrade	Kennedy	500	24	5%	550	471	Project in design.
R2092	Dis - 450-1 Reservoir Disinfection Facility	Kay	70	119	170%	830	126	Project completed.
R2093	MBR City of Chula Vista	Peasley	50	9	18%	5,000	4,983	The City of Chula Vista City Council and the Otay Board of Directors have approved the MBR participation agreement to focus on the treatment facility and related requirements. The City of Chula Vista plans on sending out a request for proposal.
R2094	Potable Irrigation Meters to Recycled Water Conversions	Charles	500	17	3%	2,000	1,983	In process.
R2097	RWCWRF - Salt Creek Live Stream Discharge	Coburn-Boyd	26	-	0%	320	320	Project will start in second half of FY.
S2018	RWCWRF - Secondary Process Automation	Stalker	50	10	20%	50	40	Consultant contract awarded to MWH.
Total Capital Facility Projects			Total:	28,728	4,082	14%	181,692	132,238
REPLACEMENT/RENEWAL PROJECTS								
P2356	PL - 12-Inch, 803 Zone, Jamul Drive Permastran Pipeline Replacement	Kay	15	2	13%	765	13	Project completed.
P2366	APCD Engine Replacements and Retrofits	Rahders	180	-	0%	2,834	1,187	Anticipating 100% expenditure pending CARB approval of current device being tested for use in on-road fleet.
P2382	Safety and Security Improvements	Cudal	70	83	119%	1,539	312	Ongoing.
P2416	SR-125 Utility Relocations	Kennedy	40	21	53%	900	12	No response from ORC. District's attorney now involved.
P2440	I-905 Utility Relocations	Ripperger	200	14	7%	3,016	1,604	Caltrans driven.
P2453	SR-11 Utility Relocations	Kennedy	75	-	0%	500	497	Caltrans driven.
P2456	Air and Vacuum Valve Upgrades	Acuna	500	89	18%	2,624	1,025	We will use forecasted budget.
P2458	AMR Manual Meter Replacement	Keeran	1,400	569	41%	10,447	7,183	Should stay on current track.

Expenditures

(Continued)

CIP No.	Description	Project Manager	FISCAL YEAR-TO-DATE, 09/30/09			LIFE-TO-DATE		Comments
			FY 2010 Budget	Expenses	Expense to Budget %	Budget	Balance	
REPLACEMENT/RENEWAL PROJECTS								
								Testing complete. Surface has accelerated oxidation, but cover life expectancy is approx. 5 years. Tab and oxidized area repaired. Layfield to repair drains and liner in November. Expect \$50K to be spent this year. Full replacement will be delayed for several years.
P2477	Res - 624-1 Reservoir Cover Replacement	Kennedy	325	2	1%	450	441	
P2483	PS - 870-1 Pump Motor and Switch Gear Replacement	Anderson	130	-	0%	130	130	Has not begun yet.
P2484	Large Water Meter Replacement Program	Keeran	135	7	5%	535	528	We expect expenditures to pick up in the 2nd quarter.
P2485	SCADA Communication System and Software Replacement	Stalker	265	2	1%	915	913	Has not begun yet.
P2486	Asset Management Plan Condition Assessment and Data Acquisition	Stevens	300	1	0%	800	799	Staff is continuing to meet.
P2490	1296-1 Reservoir Interior/Exterior Coating and Upgrades	Kay	340	6	2%	350	344	Project in design.
P2491	850-3 Reservoir Exterior Coating	Kay	290	-	0%	300	300	Delayed to FY11 due to 1296-2 Reservoir coated at same time as 1296-1.
P2492	1296-2 Reservoir Interior/Exterior Coating and Upgrades	Kay	30	4	13%	600	596	Project in design.
P2493	624-2 Reservoir Interior Coating and Upgrades	Kay	30	-	0%	950	950	In planning.
P2494	Multiple Species Conservation Plan	Coburn-Boyd	141	10	7%	226	216	Project ongoing.
P2495	San Miguel Habitat Management/Mitigation Area	Coburn-Boyd	225	21	9%	1,000	979	Project ongoing.
P2496	Otay Lakes Road Utility Relocations	Ripperger	75	8	11%	100	92	Project in design.
R2086	RWCWRF Force Main AirVac Replacements and Road Improvements	Kay	40	3	8%	1,325	23	Project completed.
R2095	RWCWRF - Filter Storage Reservoir Cover Replacement	Ripperger	75	-	0%	75	75	Consultant contract awarded to MWH.
R2096	RWCWRF - Blower System Rehabilitation/Replacement	Kennedy	800	16	2%	1,000	984	Consultant contract awarded to MWH.
S2012	SVSD Outfall and RSD Replacement and OM Reimbursement	Peasley	300	-	0%	3,030	2,532	The expenditures are typically billed by SVSD and paid within the 4th quarter of the fiscal year.
S2015	Calavo Lift Station Replacement	Kay	10	-	0%	560	1	Project completed.
S2019	Avocado Boulevard 8-Inch Sewer Main Improvement	Kay	600	19	3%	1,632	1,613	Project in design.
S2020	Calavo Drive 8-Inch Sewer Main Replacement	Kay	40	8	20%	350	342	Project in design.
S2021	Jamacha Road 8-Inch Sewer Main Replacement	Kay	30	4	13%	150	146	Project in design.
S2022	Hidden Mesa Drive 8-Inch Sewer Main Rehabilitation	Kay	5	2	40%	50	48	Project in design.
S2023	Calavo Drive Sewer Main Utility Relocation	Ripperger	50	3	6%	50	47	Driven and in design by County of San Diego storm drain project.
	Total Replacement/Renewal Projects	Total:	6,716	894	13%	37,203	23,932	

Expenditures (Continued)

CIP No.	Description	Project Manager	FISCAL YEAR-TO-DATE, 09/30/09			LIFE-TO-DATE		Comments
			FY 2010 Budget	Expenses	Expense to Budget %	Budget	Balance	
CAPITAL PURCHASE PROJECTS								
P2282	Vehicle Capital Purchases	Rahders	484	1	0%	4,311	2,504	Staff anticipates 410 to be used for Vehicle Replacements FY10.
P2285	Office Equipment and Furniture Capital Purchases	Dobrawa	40	-	0%	532	121	Expenditures anticipated in 2nd or 3rd quarter of FY10.
P2286	Field Equipment Capital Purchases	Rahders	183	4	2%	1,075	410	Staff anticipates 83 to be used for equipment replacements FY10.
P2443	Information Technology Mobile Services	Stevens	150	60	40%	1,352	630	Expect to spend 100%.
P2461	Records Management System Upgrade	Jenkins	100	-	0%	256	100	Expect to spend 100%.
P2469	Information Technology Network and Hardware	Jenkins	300	122	41%	1,900	1,393	Expect to spend 100%.
P2470	Application Systems Development and Integration	Stevens	430	67	16%	1,810	1,363	Expect to spend \$510K in FY10.
P2478	Administration Building Engine/Generator Set	Anderson	120	106	88%	120	6	Genset installed.
P2479	Operations Yard Property Acquisition	Dobrawa	20	6	30%	370	-	Expenditures are complete. This CIP will be closed unless further improvements are needed; then it will be moved to Engineering.
Total Capital Purchase Projects			Total:	1,827	366	20%	11,726	6,527
DEVELOPER REIMBURSEMENT PROJECTS								
P2325	PL - 10' to 12' Oversize, 1296 Zone, PB Road - Rolling Hills Hydro PS/PB Bndy	Charles	1	-	0%	50	50	Awaiting Developer's request for reimbursement.
Total Developer Reimbursement Projects			Total:	1	-	0%	50	50
GRAND TOTAL			\$ 37,272	\$ 5,342	14%	\$ 230,671	\$ 162,747	

QA/QC Approved:

Name: Tom Tupperger

Date: 11-6-09



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	January 6, 2010
SUBMITTED BY:	Ron Ripperger <i>[Signature]</i> Engineering Manager	PROJECT / SUBPROJECT:	P2009- DIV. 5 001103 NO. P2038- 001103
APPROVED BY: (Chief)	Rod Posada <i>[Signature]</i> Chief, Engineering		
APPROVED BY: (Asst. GM):	Manny Magaña <i>[Signature]</i> Assistant General Manager, Engineering and Operations		
SUBJECT:	Credit Change Order No. 1 to the Contract with CCL Contracting Inc. for Construction of the 36-Inch Pipeline Project		

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board of Directors (Directors) approves credit Change Order No. 1 to the existing contract with CCL Contracting Inc. (CCL) for construction of the 36-Inch Pipeline Project in the amount of <\$243,847> (see Exhibit A for project location.)

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

To obtain Board authorization for the General Manager to execute credit Change Order No. 1 (see Exhibit B) for <\$243,847> to the contract with CCL for the construction of the 36-Inch Pipeline project.

ANALYSIS:

At the June 3, 2009 Board Meeting, CCL was awarded the construction contract for the 36-Inch Pipeline Project in the amount of \$16,189,243. The project construction began in July 2009 and is currently progressing well. The smaller portions of the project, which include replacement of an 8-inch pipe within a private road and

replacement of an existing 12-inch pipe within Jamacha Road, are 90% complete. Installation of the 36-inch pipeline within Cuyamaca College began in early October 2009 and will be completed by mid-February 2010. The overall project construction is 19% complete and estimated to be completed in August 2010.

Credit Change Order No. 1 provides for a change in installation methods of the 36-inch pipe under an existing riparian area within the southeasterly portion of Cuyamaca College due to differing site conditions. Based on information provided from geotechnical borings during design, tunneling was selected as the preferred method to cross under the riparian area. However, during construction, additional borings revealed that the rock stratum conducive for the tunneling method was in fact much deeper than originally anticipated. The choice was either to continue with the tunneling method at an increased depth of 55 feet or shallow up the new pipeline with a "jack and bore" method to a depth of 18 feet to bottom of casing. To facilitate future maintenance because of the reduced depth, and to minimize the overall project cost, the jack and bore method was selected. The "tunneling" method is substantially more expensive than the "jack and bore" method. Thus, after negotiations, the District will save \$243,847 for this activity.

FISCAL IMPACT:

RUB

Funding for the overall project comes from two CIP projects, P2009, the 36-Inch pipeline installation, and P2038, the 12-Inch PVC pipeline replacement. This credit Change Order reduces the contract by <\$243,847> in CIP P2009.

The total budget for CIP P2009, as approved in the FY 2010 budget is \$22,200,000. Total expenditures, plus outstanding commitments and forecast including this credit change order, is \$20,199,232. See Attachment B-1 for budget detail.

The total budget for CIP P2038, as approved in the FY 2010 budget is \$2,500,000. Total expenditures, plus outstanding commitments and forecast, is \$2,261,645. See Attachment B-2 for budget detail.

SRATEGIC GOAL:

This project supports the District's Mission statement, "To provide the best quality of water and wastewater service to the customers of the Otay Water District, in a professional, effective, and efficient manner." This project fulfills the District's Strategic Goals No. 1 - Community and Governance, and No. 5 - Potable Water, by maintaining proactive and productive relationships with the project stakeholders

and by guaranteeing that the District will provide for current and future water needs.

LEGAL IMPACT:

None.



General Manager

P:\WORKING\CIP P2009 36-inch PL - FCF 14 to Reg Site\Staff Reports\BD 01-06-10 , Staff Report, CCL CO#1, (RR-RP).doc

RR/RP:jf

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

QA/AC Approved:

NAME: D. Dwyer

DATE: 11/24/09



ATTACHMENT A

SUBJECT/PROJECT: P2009-001103 P2038-001103	Credit Change Order No. 1 to the Contract with CCL Contracting Inc. for Construction of the 36-Inch Pipeline Project
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COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on December 2, 2009. 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-1

SUBJECT/PROJECT:

P2009-001103
P2038-001103

Change Order No. 1 to the Contract with CCL Contracting Inc. for Construction of the 36-Inch Pipeline Project

Otay Water District
P2009 - 36-Inch Pipeline from SDGWA Otay FCF No. 14 to the Regulatory Site

Date Updated: November 17, 2009

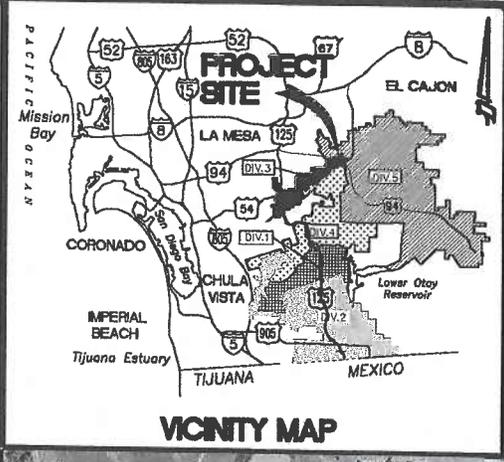
Budget \$22,200,000	Committed	Expenditures	Outstanding Commitment & Forecast	Projected Final Cost	Vendor / Comments
Planning					
Labor	259,122	259,122		259,122	
Printing	993	993		993	
Business Meetings	110	110		110	OCB REPROGRAPHS
Professional Legal Fees	49	49		49	PETTY CASH
	5,595	5,595		5,595	US BANK CORPORATE PAYMENT
Other Legal Fees	150,343	150,343		150,343	GARCIA CALDERON & RUIZ LLP
Regulatory Agency Fee	4,350	4,350		4,350	GARCIA CALDERON & RUIZ LLP
	1,927	1,927		1,927	COUNTY OF SAN DIEGO
Consultant Contracts	1,080,288	1,080,288		1,080,288	US FISH & WILDLIFE SERVICES
	25,684	25,684		25,684	INFRASTRUCTURE ENGINEERING
Service Contracts	1,100	1,100		1,100	JONES & STOKES
	398	398		398	SOUTHWESTERN COLLEGE
	957	957		957	UNION TRIBUNE
	350	350		350	SD DAILY TRANSCRIPT
Subcontract	705	705		705	RYAN BETHKE
Temporary Labor	12,266	12,266		12,266	OLLI BROS
	16	16		16	HELIX WATER DISTRICT
Total Planning	\$ 1,544,352	\$ 1,544,352	\$ -	\$ 1,544,352	SEDONA STAFFING
Design					
In House/Labor	639,447	639,447		639,447	
In House/Labor (future)					
Consultant Contracts	93,000	93,000		93,000	SAN DIEGO COUNTY WATER
	107,138	107,138	5,337	107,138	HARRIS & ASSOCIATES INC
	4,744	4,744		4,744	WRA & ASSOCIATES INC
	1,050	1,050		1,050	SOUTHLAND TITLE
	1,640	1,640		1,640	CAL TRANS
	28,175	28,175		28,175	MWH CONSTRUCTORS INC
	4,900	4,900		4,900	KEN DAROIS
	613,089	620,133	92,957	613,089	LEE & RO INC
	41,513	41,513		41,513	SOUTHERN CA SOIL
	13,440	13,440		13,440	SWINERTON MANAGEMENT
Easement	5,700	5,700		5,700	SAN DIEGO COUNTY
	700	700		700	BELLA TERRA HOA
	3,000	3,000		3,000	SUZETTE C SWANGER
	229,800	229,800		229,800	RAYMOND KEITH HANNA
Service Contracts	7,500	7,500		7,500	GROSSMONT-GUYAMACA COMMUNITY
	91	91		91	KEAGY REAL ESTATE
	90	90		90	SAN DIEGO DAILY TRANSCRIPT
	244	244		244	COUNTY OF SAN DIEGO
	349	349		349	UNION TRIBUNE
Special Projects	6,812	6,812		6,812	MCGRAW-HILL COMPANIES
Meals and Incidentals	48	48		48	REPROHAUS CORP
Mileage	162	162		162	SEDONA STAFFING
Business Meetings	69	69		69	PETTY CASH
Advertising/Bid	46	46		46	PETTY CASH
Regulatory Agency Fee	215	215		215	US BANK CORPORATE PAYMENT
Other Agency Fees	87	87		87	SAN DIEGO DAILY TRANSCRIPT
	12,830	12,830		12,830	COUNTY OF SAN DIEGO-DPW
	55	55		55	CITY OF EL CAJON
Total Design	\$ 1,816,333	\$ 1,718,039	\$ 98,294	\$ 1,816,333	COUNTY OF SAN DIEGO
Construction					
In House/Labor	157,986	157,986		157,986	
Service Contracts	818	818		818	UNION TRIBUNE PUBLISHING CO
Consultant Contracts	1,092,771	384,192	708,580	1,092,771	RBF CONSULTING
	57,918	57,918		57,918	LEE & RO INC
	18,510	18,510		18,510	SOUTHERN CA SOIL
Construction Contracts	21,406	17,535	3,872	21,406	MARSTON & MARSTON INC
	141	141		141	MAIL MANAGEMENT GROUP INC
	25,237	25,237		25,237	SAN DIEGO COUNTY WATER
	13,631,990	680,154	12,951,837	13,631,990	HELIX WATER DISTRICT
	1,814,666	68,676	1,445,989	1,514,666	CCL CONTRACTING
Service Contracts	(243,847)	(243,847)	(243,847)	(243,847)	CALIFORNIA BANK & TRUST
	266	266		266	CCL C.O. 1
	450	450		450	MCGRAW-HILL CONSTRUCTION
Postage	252	252		252	REEL 'EM IN INC
	238	238		238	SAN DIEGO NEIGHBORHOOD NEWS
Printing	49	882		49	US POSTMASTER
Meals & Incidentals	769	769	77	769	MAIL MANAGEMENT GROUP INC
Mileage Reimbursement	161	161		161	MAIL MANAGEMENT GROUP INC
Backfill	42	42		42	PETTY CASH CUSTODIAN
Regulatory Agency Fees	14,000	14,000		14,000	PETTY CASH CUSTODIAN
Inline Valve	5,756	5,756		5,756	TC CONSTRUCTION
Accept/close-out	9,400	9,400		9,400	CITY OF EL CAJON
	1,609	1,609		1,609	SAN DIEGO COUNTY WATER
					FERGUSON WATERWORKS #1082
Total Construction	\$ 16,838,548	\$ 1,971,081	\$ 14,867,466	\$ 16,838,548	
Grand Total	\$ 20,199,232	\$ 5,233,472	\$ 14,965,760	\$ 20,199,232	

QA/AC Approved:

NAME: _____

DATE: _____

11/24/09



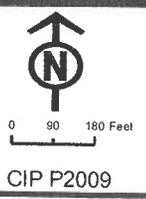
LEGEND

-  RIPARIAN HABITAT
-  PROPOSED 36-INCH PIPELINE
-  JACKING/RECEIVING PIT



OTAY WATER DISTRICT
 JAMACHA RD 36-INCH POTABLE WATER PIPELINE
 CCL CONSTRUCTION - CHANGE ORDER NO. 1

EXHIBIT A



P:\WORKING\CIP P2009\Graphics\Exhibits-Figures\Staff Reports\P2009 Exhibit A, Staff Report CO No. 1.mxd

CONTRACT/P.O. CHANGE ORDER No. 1

PROJECT/ITEM: Jamacha Rd 36-Inch Potable Water Pipeline and 12-Inch Potable Water Pipeline Replacement Project
CONTRACTOR/VENDOR: CCL Contracting REF.CIP No.: P2009 / P2038
APPROVED BY: Board REF. P.O. No: 710770 REF. W.O. No.: DATE: 11/17/2009

DESCRIPTION:

See attached page 2 of 2 for continuation.

REASON:

See attached page 2 of 2 for continuation.

CHANGE P.O. TO READ:

Revise Contract to deduct \$243,847.40 and 0 days time for a total Contract amount of \$15,945,395.60 with a Contract Duration of 420 Calendar Days.

ORIGINAL CONTRACT/P.O. AMOUNT:	\$	16,189,243.00
ADJUSTED AMOUNT FROM PREVIOUS CHANGE:	\$	16,189,243.00
TOTAL COST OF THIS CHANGE ORDER:	\$	(243,847.40)
NEW CONTRACT/P.O. AMOUNT IS:	\$	15,945,395.60
ORIGINAL CONTRACT COMPLETION DATE:		Aug 4, 2010
CONTRACT/P.O. TIME AFFECTED BY THIS CHANGE:		0 days
CONTRACT COMPLETION DATE:		Aug 4, 2010

IT IS UNDERSTOOD WITH THE FOLLOWING APPROVALS, THAT THE CONTRACTOR/VENDOR IS AUTHORIZED AND DIRECTED TO MAKE THE HEREIN DESCRIBED CHANGES. IT IS ALSO AGREED THAT THE TOTAL COST FOR THIS CHANGE ORDER CONSTITUTES FULL AND COMPLETE COMPENSATION FOR OBLIGATIONS REQUIRED BY THE CONTRACT/P.O. ALL OTHER PROVISIONS AND REQUIREMENTS OF THE CONTRACT/P.O. REMAIN IN FULL FORCE AND EFFECT.

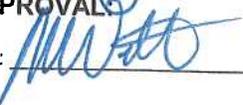
CONTRACTOR/VENDOR:


TITLE: V.P. DATE: 11.20.09
ADDRESS: CCL Contracting
1938 Don Lee Place, Escondido, CA 92029

STAFF APPROVALS:

PROJ. MGR.  DATE: 11/20/09
DIV. MGR. Non Puffer DATE: 11/20/09
CHIEF:  DATE: 11/20/09
ASSIST G.M.: mf magana DATE: 11/23/09

DISTRICT APPROVALS

GEN. MANAGER:  DATE: 11.23.2009

- COPIES: FILE (Orig.), CONTRACTOR/VENDOR, CHIEF.-ENGINEERING., ASST CHIEF.-FINANCE ENGR. MGR.
 ACCTS PAYABLE INSPECTION PROJ MGR ENGR. SECRETARY PURCHASING

Description of Work

<u>Description</u>	<u>Increase</u>	<u>Decrease</u>	<u>Time</u>
<u>Item No. 1:</u> RFP 002 This Change Order modifies the tunnel construction method from a traditional tunnel operation to a jack and bore operation resulting from discovery of a differing site condition, per RFP 002.	\$0.00	\$243,847.40	0
Sub Total Amount	\$0.00	\$243,847.40	0
Total Net Change Order Amount	<u>(\$243,847.40)</u>		

Reason:

Item No. 1: RFP 002

Subsequent to environmental clearance additional geotechnical work was initiated by the tunneling contractor as part of engineering for tunnel design. This geotechnical work revealed the absence of rock at station 133+50 and decomposed granitics the length of the specified tunnel at a depth of 18 feet. This discovery resulted in notification by the Contractor of a differing site condition. The geotechnical investigation performed during design revealed rock at this location to be 11.4 feet in depth. The differing site condition allows for a less costly method of casing installation (Jack & Bore) to be utilized than originally anticipated by the Contract (Drill & Blast). As a result, the installation parameters and depth of the casing were modified and priced as a new installation between the original stations required as part of the environmental documents. A Request for Proposal was issued and negotiations ensued. Negotiations culminated on November 13, 2009 where a cost of \$692,587.00 and zero days was reached as a fair and reasonable value for the installation of pipe via jack & bore method between Stations 133+55 and 137+59 pursuant to existing contractual provisions for a jack & bore operation. As the original tunnel operation costs were separated as a bid item it was determined that credit costs would be derived by deletion of the requirements associated with Bid Item No. 07 at a listed cost of \$936,434.40 and addition of the agreed upon Jack & Bore installation cost of \$692,587.00 to arrive at a credit to the Contract of \$243,847.40 for this Change.

CHANGE ORDER LOG

36-Inch Pipeline FCF No. 14 to Regulatory Site

Contractor: CCL Contracting

Project: P2009
Subproject: 001103

		APPROVED			
C.O.	AMOUNT	BY	DATE	DESCRIPTION	TYPE C.O.
1	(\$243,847.00)	Board		Differing Site Condition at Tunnel - Change Tunnel to Jack & Bore Operation	Contractor initiated
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					

Total C.O.'s To Date:	(\$243,847.00)		-1.5%
Original Contract Amount:	\$16,189,243.00		
Current Contract Amount:	\$15,945,396.00		

Change Order Breakdown for the Month:

Month	Net C.O.\$	Limit	Authorization	Absolute C.O. \$	Absolute C.O. %
11/09	\$0.00	\$2,000	Insp	\$0.00	0.0%
		\$5,000	PM/Supervisor	\$0.00	0.0%
		\$10,000	Manager	\$0.00	0.0%
		\$15,000	Chief	\$0.00	0.0%
		\$25,000	AGM	\$0.00	0.0%
		\$50,000	GM	\$0.00	0.0%



RBF Consulting
 9755 Clairemont Mesa Blvd, Suite 100
 San Diego, CA 92124
 (858) 614-5000
 Fax (858) 614-5001

REQUEST FOR PROPOSAL #02

Date: <u>October 21, 2009</u>	Project Name: <u>Jamacha Road 36-inch Potable and 12-inch Potable Waterlines</u>
To: <u>CCL Contracting</u> <u>1938 Don Lee Place, Escondido CA</u>	C.I.P. No.: <u>P2009 & P2038</u>
Attn: <u>Bryan Lusky</u>	Contractor: <u>CCL Contracting</u>
From: <u>Douglas Cook</u>	P.O. No.: <u>710770</u>
Subject: <u>RFP 02 – Differing Site Condition – Sta 133+55 to 137+60</u>	

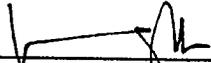
Reference Drawings: N/A
 Ref. Spec. Section: N/A
 Referenced RFI: N/A

Description: Shop drawings required
 No Shop drawings required

As you are aware from performing and witnessing additional soils investigations in preparation for tunneling activities outlined in your October 19, 2009 letter, soil conditions in this area differ from what was represented in the drawings, as hard rock was not encountered at the indicated plan depth. Resulting from these conditions, please prepare a lump sum proposal to furnish all required labor, material, and equipment necessary to implement the following items per field and office discussions:

- Modify the pipe installation technique from a hard rock tunnel as specified and shown in the Contract to a Jack & Bore operation at a depth of approximately 18 feet pursuant to specified Jack & Bore contractual provisions.
- Due to existing time constraints and lead times please proceed with procurement of required casing materials per approved Submittal 057.

- Please submit a lump sum cost proposal for this adjustment to your construction contract by **November 1, 2009**. Your proposal should include a complete detailed breakdown of labor man-hours, materials, equipment, and all other related costs which would be basis for negotiation and agreement in an adjustment to the contract price.
- Please quantify the impact, if any, the above described scope of work will have upon your project completion date, by identifying the first critical path element of your schedule which is impacted and the duration of the impact.
- Other requirements to be included are: N/A

By: 
 Construction Manager's Signature

cc:

CCL CONTRACTING, Inc.

1938 Don Lee Place
Escondido, CA 92029

October 19, 2009

RBF Consulting
Attn: Doug Cook
9755 Clairemont Mesa Blvd. Suite 100
San Diego, CA 92124

RE: Jamacha Rd. 36" Potable Water Pipeline, CIP 2009, "Differing Subsurface Conditions" (approx. station 133+55 to 137+60)

Dear Mr. Cook:

Vertical and angled drilling at the launch pit and the retrieval pit was performed on October 7th and 8th, 2009, indicates that the decomposed granitic materials may be more extensive than originally indicated in the Geotechnical Base Line Report and inferred from the plans. It appears that the decomposed granitic material may exist deeper than expected. A horizontally drilled test hole was performed on October 9th, 2009, also indicated the presence of the decomposed granitic rock across the entire reach at an approximate depth of 18 feet.

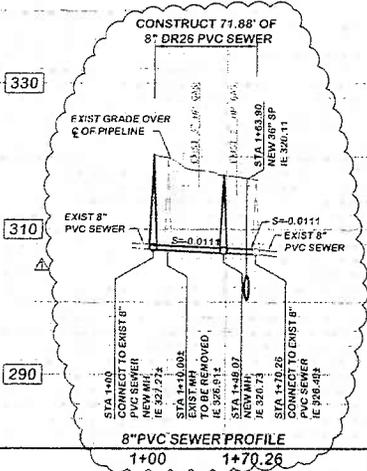
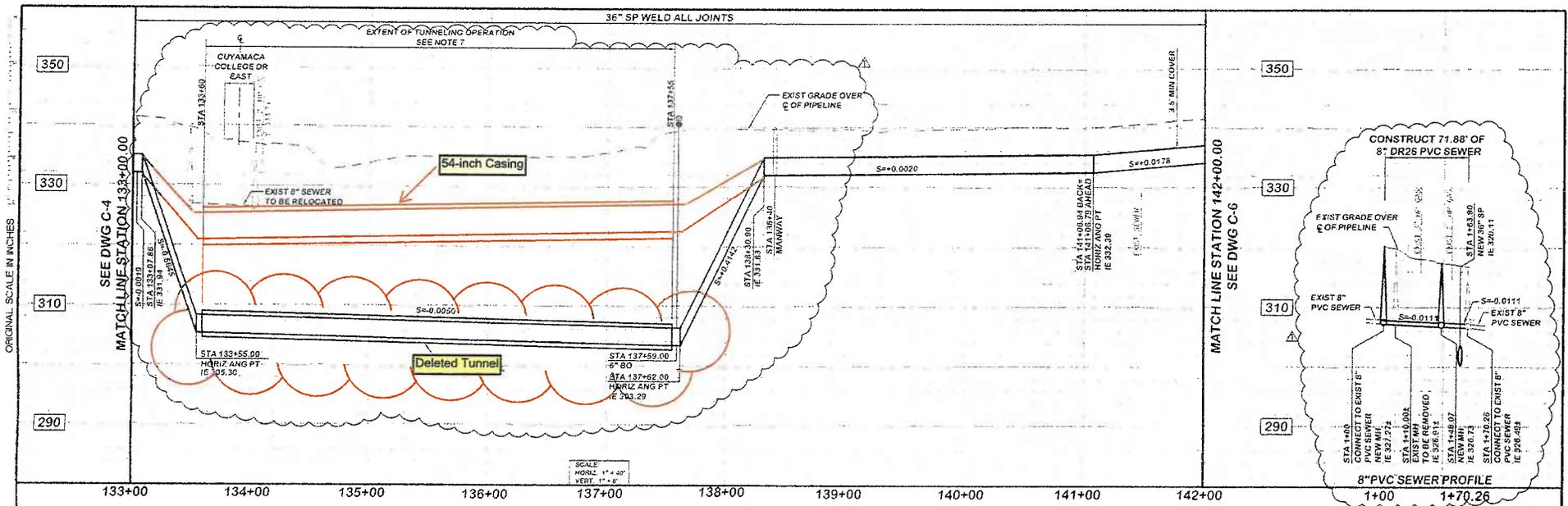
In order to construct the hard-rock tunnel using drill and shoot methods as included in our contract, the alignment would need to be approximately 10 to 15 feet lower in elevation. This requirement is based on the recent test drilling and the ground horizons necessary for ground support elements (rock bolts, etc.) to be effective.

Please advise on how to proceed.

Sincerely,



Tom Carmichael
CCL Contracting Inc

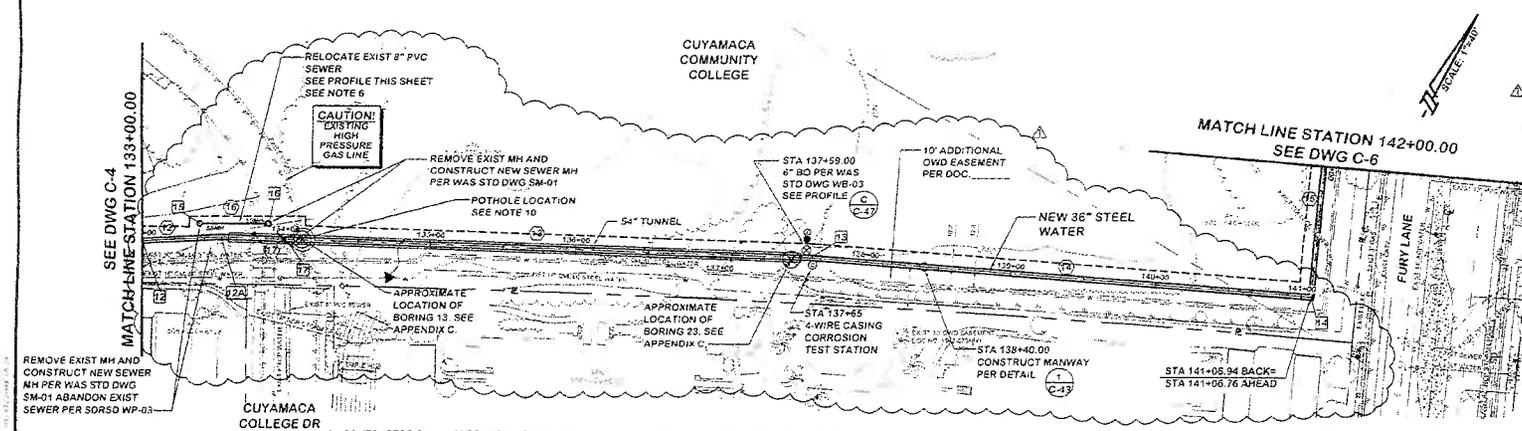


COORDINATE TABLE

NO	STATION	NORTHING	EASTING	DESCRIPTION
13	133+00.00	1850850.39	6350257.33	2.29° HORIZ ANG PT
13A	133+55.00	1850880.34	6350303.46	4.93° HORIZ ANG PT
13	137+82.00	1851071.82	6350662.60	2.51° HORIZ ANG PT
14	141+06.79	1851220.81	6350973.80	89.46° HORIZ ANG PT
15	1+00.00	1850876.10	6350299.30	SEWER MANHOLE
16	1+48.07	1850908.75	6350343.25	SEWER MANHOLE
17	1+70.26	1850899.42	6350348.47	CONN TO EXIST 8" SEWER

DATA TABLE

NO	Δ BEARING	R	L	T	DESCRIPTION
1	N57°00'21"E	-	55.00'	-	36" STL PIPE
2	N61°58'09"E	-	407.00'	-	36" STL PIPE
3	N84°28'49"E	-	311.20'	-	36" STL PIPE
4	N25°00'32"W	-	278.99'	-	36" STL PIPE
5	N59°55'50"E	-	48.07'	-	8" PVC PIPE
6	N14°55'50"E	-	22.19'	-	8" PVC PIPE



- NOTES:**
- MINIMUM COVER OVER NEW PIPELINES SHALL BE 3.5'
 - CONTRACTOR SHALL MAINTAIN MINIMUM VERTICAL CLEARANCE OF 1' TO ALL EXIST UTILITIES UNLESS OTHERWISE NOTED
 - CORROSION PROTECTION FOR ALL PIPE, FITTINGS, VALVES, AND APPURTENANCES SHALL BE AS DESCRIBED IN THE CONTRACT SPECIFICATIONS AND AS SHOWN IN THE CORROSION PLANS
 - CONTRACTOR SHALL REFER TO DWG G-3 AND SPECIFICATION SECTION 01059 FOR REQUIREMENTS IN CUYAMACA COMMUNITY COLLEGE
 - REFER TO DWGS C-104 AND C-105 FOR SITE IMPROVEMENTS
 - CONTRACTOR SHALL SUBMIT SEWER BYPASS PLAN FOR APPROVAL PRIOR TO WORK PLAN MUST INCLUDE COMPLETE REDUNDANCY. FLOW IS 122 GPM
 - TUNNELING OPERATIONS SHALL BE PER SPECIFICATION SECTION 02170
 - CONTRACTOR SHALL POTHOLE AND VERIFY ALL UTILITIES. SEE SPECIAL CONSTRUCTION NOTES ON DWG G-2
 - FOR STEEL PIPE THICKNESS SEE STEEL PIPE THICKNESSES AND TEST PRESSURES TABLE ON DWG G-2
 - POTHOLE LOCATION; THE CONTRACTOR SHALL USE THE INFORMATION IN APPENDIX G AS A GUIDE ONLY



LEE & RO, Inc.
San Diego, California

DESIGNED BY: [Signature]
CHECKED BY: JMS
DATE: 01/16/09

PROJECT: 01-16-09
SCALE: 1"=40'
DATE: 01/16/09

DESIGNED BY: [Signature]
CHECKED BY: JMS
DATE: 01/16/09

OTAY WATER DISTRICT
2024 SWEETWATER SPRINGS BOULEVARD
SPRING VALLEY, CA 92078-2006
619 270 0333

JAMACBA ROAD 36-INCH POTABLE WATER PIPELINE
36-INCH PIPELINE
PLAN AND PROFILE
STA133+00 TO STA142+00

DATE: 01/16/09
DRAWN BY: [Signature]
CHECKED BY: [Signature]
DATE: 01/16/09

HW D. W. O. 1850.1



RBF Consulting
 9755 Clairemont Mesa Blvd.
 San Diego, CA 92124
 (858) 614-5000
 (858) 614-5001(fax)

F.T.M. 003
 Date: November 16, 2009

FIELD TRANSMITTAL MEMORANDUM

CONTRACTOR
Tom Carmichael CCL Contracting Inc.

CIP NO.
P2009 and P2038

**SUBJECT: CCL November 13, 2009 RFP 002 Proposal
 OWD – 36-inch Potable Water Pipeline Project**

We have received your November 13, 2009 letter responding to RFP 002 for Construction Method Change – Sta 133+55 to 137+60 (attached).

As you are aware your written proposal follows a lengthy negotiation process that began shortly after initial geotechnical investigation work by FoxFire revealed the borings provided in the Contract did not accurately represent field conditions at this location. This discovery resulted in additional work by CCL to confirm field conditions and multiple negotiation sessions to determine a fair and reasonable value for the modified scope.

Your November 13, 2009 proposal was presented to Otay Water District for concurrence with RBF's recommendation of acceptance. The District has agreed and authorized preparation of a Change Order approving the scope modification outlined in RFP 002 and responded to via your November 13, 2009 proposal for execution at the January 6, 2010 Board Meeting.

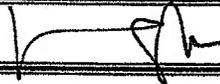
As the Change Order has an absolute value greater than fifty thousand dollars Board approval is required for execution. Arrangements are currently being made to have the Change Order prepared with a staff report recommending approval for the December 2, 2009 committee meeting. Committee approval is required prior to Board action, once approved by committee the Change Order will be placed on the Board agenda for execution on January 6, 2010.

Should you have any questions, please contact this office.

cc: OWD Ron Ripperger (electronic)
 Daniel Kay (electronic) RBF James Bassett (electronic)
 File Other

Please acknowledge receipt of this memorandum by signing and returning one copy.

RECEIVED FOR CONTRACTOR
BY:
TITLE:

RBF CONSULTING
BY: 
TITLE: CONSTRUCTION MANAGER

CCL CONTRACTING, Inc.

1938 Don Lee Place
Escondido, CA 92029

November 13, 2009

RBF Consulting
Attn: Doug Cook
9755 Clairemont Mesa Blvd. Suite 100
San Diego, CA 92124

RE: Proposal For Construction Method Change – Sta. 133+55 to 137+60

Dear Mr. Cook:

Based on the previous correspondence and at your direction outlined in RFP #02, CCL is submitting a proposal as referenced above for providing a jack and bore substitution in lieu of the hard rock tunnel as defined in our contract, for the Lump Sum amount of \$692,587. A detailed breakdown of labor man-hours, materials, equipment and other related cost is attached.

No allowance has been made for handling and blasting rock that may be encountered. This would be handled on a time and material basis.

Please let me know if you have any questions or require any additional information.

Respectfully,



Tom Carmichael
CCL Contracting, Inc.

Job Name	Otay	36" pipeline		Shift	Labor	Equip	Mater	Rental	Sub						
Bid Item	Days	Crew	Description	QTY	Unit	Unit	Unit	Unit	Unit	Labor	Equipment	Material	Rental	Sub	Total
8			Jack & Bore 54"	395	LF										
			Cuyamaca College												
			Install Jacking pit												
Labor	2	1	Foreman	8	HR	85	15			1360	240	0	0	0	1600
	2	2	Operator	8	HR	66				2112	0	0	0	0	2112
	2	1	Grade Checker	8	HR	56				896	0	0	0	0	896
	2	4	Laborers	8	HR	48				3072	0	0	0	0	3072
	2	1	Cat 928G w/forks	8	HR		81			0	1296	0	0	0	1296
	2	1	Cat 345	8	HR		198			0	3168	0	0	0	3168
	1	1	Haul off spoils 10 wheel	50	EA			85		0	0	0	4622	0	4622
	2	1	Welder	8	HR				90	0	0	0	0	1440	1440
Material	1	1	Trucking for boxes	12	EA				375	0	0	0	4894	0	4894
	1	1	Rock	80	TN		16			0	0	1392	0	0	1392
	1	1	CML&C pipe	395	LF		124			0	0	53266	0	0	53266
	1	1	Ladder system	1	LS		1500			0	0	1631	0	0	1631
	1	1	Handrail	1	LS	1500		750		1500	0	816	0	0	2316
	1	1	Engineering	1	LS				4500	0	0	0	0	4500	4500
			Bore and Install pipe							0	0	0	0	0	0
	4	1	Foreman	8	HR	85				2720	0	0	0	0	2720
	4	3	Laborers	8	HR	48				4608	0	0	0	0	4608
	4	1	Operator	8	HR	66				2112	0	0	0	0	2112
	4	1	Loader	8	HR		81			0	2592	0	0	0	2592
	4	1	welder	8	HR				90	0	0	0	0	2880	2880
	4	1	Weld Testing	8	HR				75	0	0	0	0	2400	2400
	4	2	Laborers Mud Joints	8	HR	48	8	25		3072	512	1740	0	0	5324
	20	1	Bobtail haul bore spoils	4	HR	48	32			3840	2560	0	0	0	6400
	1	1	Disposal of bore spoils	29	EA		40			0	0	1262	0	0	1262
Golden St	1	1	Jack & Bore 54"	395	LF					925	0	0	0	365375	365375
Foxfire	1	1	Tunnel Sub Close Out Cost	1	LS					49856	0	0	0	0	49856
Sub	1	1	Rock Blasting Credit	1	LS					-25000	0	0	0	0	-25000
			Dewatering Above Pit							0	0	0	0	0	0
	30	1	Labor	4	HR	48	15			5760	1800	0	0	0	7560
	1	1	Misc. pumps, hoses	1	LS		1250			0	0	1359	0	0	1359
	1	1	Filtration boxes	2	MO			1780		0	0	0	3872	0	3872
			Dewatering Pit							0	0	0	0	0	0
	30	1	Labor	4	HR	48	15			5760	1800	0	0	0	7560
	1	1	Misc. pumps, hoses	1	LS		4500			0	0	4894	0	0	4894
	30	1	Generator	24	HR		18	0		0	12960	0	0	0	12960
			Install receiving pit							0	0	0	0	0	0
	2	1	Foreman	8	HR	85	19			1360	304	0	0	0	1664
	2	2	Operator	8	HR	66				2112	0	0	0	0	2112
	2	1	Grade Checker	8	HR	56				896	0	0	0	0	896
	2	3	Laborers	8	HR	48				2304	0	0	0	0	2304
	2	1	Cat 928G w/forks	8	HR		81			0	1296	0	0	0	1296
	2	1	Cat 345	8	HR		198			0	3168	0	0	0	3168
	1	1	Haul off spoils 10 wheel	18	EA			85		0	0	0	1664	0	1664
	1	1	Trucking for boxes	3	EA			375		0	0	0	1223	0	1223

Job Name		Otay		36" pipeline												
Bid Item	Days Qty	Crew QTY	Description	Shift QTY	UT	Labor Unit Cost	Equip Unit Cost	Mater Unit Cost	Rental Unit Cost	Sub Unit Cost	Labor	Equipment	Material	Rental	Sub	Total
	1	1	Rock	40	TN			16			0	0	696	0	0	696
	1	1	Ladder system	1	LS			1500			0	0	1631	0	0	1631
	1	1	Handrail	1	LS	1000		500			1000	0	544	0	0	1544
			Remove shoring Backfill pits								0	0	0	0	0	0
	3	1	Foreman	8	HR	85	15				2040	360	0	0	0	2400
	3	2	Operator	8	HR	66					3168	0	0	0	0	3168
	3	4	Laborers	8	HR	48					4608	0	0	0	0	4608
	3	1	Cat 928G w/forks	8	HR		81				0	1944	0	0	0	1944
	3	1	Cat 325	8	HR		112				0	2688	0	0	0	2688
	3	1	Water Truck	8	HR		30				0	720	0	0	0	720
	3	2	Ten Wheeler	8	HR				85		0	0	0	4437	0	4437
	1	1	Welder	8	HR				90		0	0	0	783	0	783
	1	1	Plate repair	1	LS			750			0	0	0	816	0	816
			Incidentals								0	0	0	0	0	0
	1	1	Toilet	1	LS				400		0	0	0	435	0	435
	1	1	Safety	1	LS			250			0	0	272	0	0	272
	1	1	Fencing	1	LS				750		0	0	0	816	0	816
	1	1	Import DG	200	TN		9				0	0	1958	0	0	1958
	3	1	Environmental monitor	40	Dy					125	0	0	0	0	15000	15000
	1	1	Repair road	1	LS	1500	500	1000		2500	1500	500	1088	0	2500	5588
	1	1	Blast survey	1	LS					7800	0	0	0	0	7800	7800
	20	1	Supervision	2	HR	85	15				3400	600	0	0	0	4000
	1	1	Pressure test Pipe	1	LS	4000	500	500		600	4000	500	544	0	600	5644
	1	1	Horizontal Test bore 4"	1	LS	1300	500		2000		1300	500	0	2175	0	3975
	1	1	Survey	1	LS					2500	0	0	0	0	2500	2500
	4	1	Soil Testing	8	HR					75	0	0	0	0	2400	2400
	1	1	SWPPP maintenance	1	LS	1500	250	200			1500	250	218	0	0	1968
	1	1	Cathodic Protection	1	LS	1500	250	950			1500	250	1033	0	0	2783
			Subtotal								\$67,500.00	\$40,008.00	\$74,341.50	\$25,735.69	\$432,251.00	\$639,836.19
			Markup								1.15	1.15	1.15	1.15	1.05	
			Total								\$77,625.00	\$46,009.20	\$85,492.73	\$29,596.04	\$453,863.55	\$692,586.52

Estimate does not include: No allowance has been made for handling and blasting rock that may be encountered. To be performed on T&M Basis Standby Hourly Charge for Jack and Bore \$825/HR

GOLDEN STATE BORING & PIPE JACKING, INC.

2028 E. Cedar Street

Ontario, CA 91761

(909) 930-5811 OFFICE • (909) 930-5813 FAX



Union
Boring
Tunneling
Micro-Tunneling
Pipe Jacking
Directional Drilling

November 4, 2009

Bryan Lusky
CCL Contracting
1938 Don Lee Place
Escondido, CA 92029

RE: Cost Breakdown
Project: Jamacha Rd. 36" Pipeline – Otay Water District

Dear Bryan,

Following is the breakdown of estimated cost to install the +/- 395' of 54" X .625 wall steel casing, grout the casing exterior, and install the carrier pipe on approved materials and fill the annular space.

Material

• Casing 54" X 5/8"	\$110,600.00
• Grout exterior	\$1,500.00
• Casing spacers	\$15,000.00
• Interior backfill	\$18,500.00
• Misc. materials	<u>\$7,200.00</u>
TOTAL	<i>\$152,800.00</i>

Labor/Equipment

• Mobilization	\$15,000.00
• Installation 54" casing	\$150,200.00
• Contact grout	\$7,500.00
• Install carrier pipe	\$47,000.00
• Backfill Tunnel interior	\$12,500.00
• Demobilization	<u>\$10,000.00</u>
TOTAL	<i>\$242,200.00</i>

TOTAL of both

\$395,000.00

If you have any further questions please feel free to contact our office at 909-930-5811.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jeffrey Johnson', with a large, sweeping flourish extending to the right.

Jeffrey Johnson
President

FoxFire

CONSTRUCTORS, INC.

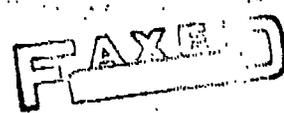
P.O. Box 74206, San Clemente, CA 92673-0141
 (949) 240-8786 (949) 443-9031 fax

Tunnels, Mines, Quarries
 CA Lic. #A705766

November 4, 2009

CCL Contracting, Inc.
 1938 Don Lee Place
 Escondido, CA 92029

Attn: Mr. Rod Chilcote

Reference: Jamacha Road 36" Potable Water Pipeline
 Otay Water District, CIP P2009 and P2038
 Costs to Close Out Drill and Blast Tunnel Subcontract

Dear Mr. Chilcote:

Foxfire Constructors, Inc. (FCI) agrees to accept the sum of \$49,856.86 to close out our subcontract for the drill and blast tunnel on the above project. No retention is to be withheld from this payment. FCI expects to be released from any liability relating to the above project, including but not limited to, schedule impacts, suitability of substituted method, costs related to the substituted method, and other costs which may become apparent later.

The breakdown of this amount is as follows:

Submittals	\$14,000.00
Explosives for this work	18,856.86
Test Drilling	<u>17,000.00</u>
TOTAL DUE	\$49,856.86

Submittals were prepared in advance due to the work site restriction start date of October 1, 2009. The submittals were corrected and revised per the Engineers review comments and resubmitted. Preliminary work was also done on the ground support design while awaiting the October start date in order to perform test drilling to complete the design. FCI expended 104 hours @ \$100/hr for the office engineering and staff and 24 hours @ \$150/hr for the principal engineer to work on the preliminary ground support design and review the submittal package.

Explosives and detonators for underground use are not in common use in Southern California. As a result these items have a 4-6 week lead time on acquisition. We maintained a sufficient amount of explosive for our account so that the Jamacha Road tunnel could be commenced and completed without a delay waiting on explosives. Due to the long lead times FCI also ordered an additional 16 cases of the presplit explosives which were not included in the original explosive inventory which was previously used for the basis of the explosive costs. The explosive supplier will not credit FCI for the explosives purchased and held for the Jamacha Road Tunnel.

Test drilling was performed October 7th and 8th at each end of the project (launch and receiving pits) to determine the elevation of the competent granitic rock. From the results of the drilling it

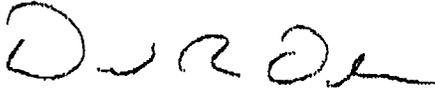
*Rod Chilcote, CCL Contracting, Inc.
Contract Close Out for Drill and Blast Tunnel
November 3, 2009
Page 2*

appeared that the tunnel needed to be lowered 15 ft to have a reasonable chance of being driven in competent rock.

Additional test drilling performed by others indicated that the project could be constructed as a conventional jack and bore tunnel. The jack and bore would be at a lesser depth from the original design at time of bid.

FCI will provide a final conditional lien release with the billing for the agreed amount. Upon receipt of payment for \$49,856.86 and upon the verification of funds in FCI's account, FCI will provide a final unconditional lien release.

Sincerely,



FOR

William F. Martin, Jr. PE
Principal Engineer
Foxfire Constructors, Inc.

Encl.

EXPLOSIVES INVENTORY RECORD

CUSTOMER : Foxfire Constructors, Inc
 ADDRESS : P.O. Box 4107
 CITY/STATE : San Clemente, CA

DATE ENDING: NOVEMBER 3, 2009

DESTINATION : Storage at Southwest Explosive, 12485 Hwy 67, Lakeside, CA

Inventory- Storage at Southwest Explosives

PRODUCT DESCRIPTION	CODE DATE/ LOT NUMBER	HAZ. CLASS	QUANTITY	TOTAL ON HAND	PRICE PER LB.	SUBTOTAL	SALES TAX 8.75%	TOTAL \$
Orica Magnafrac Plus 1.25x15"	80321	1.1D	46 cases + 67 sticks		\$1.85	\$4,765.60	\$416.99	\$5,182.59
Austin Emuline 7/8" contin.	29AP09Y3	1.1D	10 cases + 40 sticks		\$4.90	\$2,533.30	\$221.66	\$2,754.96
Orica Xactex	16MY09B4	1.1D	1 case @ 60 + 24 sticks		\$4.90	\$296.35	\$25.93	\$322.28
Orica Powerditch 1000 1.25 x 8"	28JU06J1	1.1D	2 cases @ 88 each		\$1.85	\$156.14	\$13.66	\$169.80
Hallowell Detagel Presplit 7/8"	20AU09X2	1.1D	16 cases x 55#		\$4.90	\$4,312.00	\$377.30	\$4,689.30
Austin Shock Stars LP 16 ft Detonators	09JU08S1	1.4B	14 cases @ 70 + 25 each		\$5.25	\$5,276.25	\$461.67	\$5,737.92
Grand Total							\$18,856.86	

From: Jeff Brust [Jeff@mjbaxter.com]
Sent: Tuesday, September 01, 2009 9:21 AM
To: 'Foxfire'
Subject: Southwest Order confirmation

Bill,

This is to confirm the order you placed for 16 cases- Detagel 7/8" pre-split explosives for use at the Otay Water tunnel project. Please confirm this order.

Thanks,

Jeff

DEPTH (feet)	SAMPLES		BLOWS/FOOT	MOISTURE (%)	DRY DENSITY (PCF)	SYMBOL	CLASSIFICATION U.S.C.S.	DATE DRILLED <u>6/26/07</u> BORING NO. <u>B-13</u>	
	Bulk	Driven						GROUND ELEVATION <u>340' ± (MSL)</u>	SHEET <u>1</u> OF <u>1</u>
								METHOD OF DRILLING <u>8" Hollow-Stem Auger (Scott's Drilling)</u>	
								DRIVE WEIGHT <u>140 lbs. (Auto-Trip Hammer)</u> DROP <u>30"</u>	
								SAMPLED BY <u>MAH</u> LOGGED BY <u>MAH</u> REVIEWED BY <u>RI</u>	
								DESCRIPTION/INTERPRETATION	
0							SM	<u>ALLUVIUM:</u> Brown, damp, dense, silty SAND. Cobbly. Reddish brown; moist; gravelly. Trace clay. Saturated.	
50/5"			50/5"	13.8	121.4				
5			50/4"	13.1	106.7				
10			50/5"					<u>GRANITIC ROCK:</u> Light reddish brown, saturated, weathered GRANITIC ROCK; recovered as sandy SILT with few gravel. Total Depth = 11.4 feet (Refusal on rock). Groundwater was measured at a depth of approximately 9.0 feet in the borehole during drilling. Boring was backfilled with hydrated bentonite shortly after drilling on 6/26/07.	
15								Note: Groundwater may rise to a level higher than that measured in the borehole due to seasonal variations in precipitation and several other factors as discussed in the report.	
20									



BORING LOG		
OTA Y WATER DISTRICT 36-INCH PIPELINE SAN DIEGO COUNTY, CALIFORNIA		
PROJECT NO. 105976004	DATE 5/08	FIGURE A-21



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	January 6, 2010
SUBMITTED BY:	David Charles <i>DC</i> Public Services Manager	PROJECT NO./	R2094- DIV. NO. 1, 2, SUB-PROJECT: 001101 & 3
APPROVED BY: (Chief)	Rod Posada <i>R. Posada</i> Chief, Engineering		
APPROVED BY: (Asst. GM):	Manny Magaña <i>M. Magaña</i> Assistant General Manager, Engineering and Operations		
SUBJECT:	Authorization to Execute Reimbursement Agreements with: 1.) Tapestry & Mosaic Homeowners Association, 2.) Agava & Seguaro Homeowners Association, and 3.) Aristata Homeowners Association for the Conversion of Potable Water Irrigation Systems to Recycled Water Irrigation Systems		

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board of Directors (Board) authorizes the General Manager to execute Reimbursement Agreements (see Attachments B1-B3) for the conversion of existing multi-family developments from potable water irrigation systems to recycled water irrigation systems with the following Homeowner Associations (HOAs):

- Tapestry & Mosaic HOA (\$21,000)
- Agave & Seguaro HOA (\$40,000)
- Aristata HOA (\$20,000)

COMMITTEE ACTION: _____

Please see Attachment A.

PURPOSE:

To obtain Board authorization for the General Manager to enter into an agreement with three (3) HOAs for reimbursement of conversion costs associated with retrofitting existing potable water irrigation systems to recycled water irrigation systems (see Exhibit A for locations). The three (3) HOAs are:

- Tapestry & Mosaic HOA
1824 Mosaic Street, Chula Vista, CA 91913

- Agave & Seguaro HOA
1625 Discovery Falls Drive, Chula Vista, CA 91915
- Aristata HOA
1625 Discovery Falls Drive, Chula Vista, CA 91915

ANALYSIS:

At the September 2, 2009 Board meeting, the Board approved the implementation of a pilot program to convert multi-family dwelling projects that front recycled water mains to utilize recycled water for their on-site water irrigation. The benefit to the District and its ratepayers is the decrease in the utilization of potable water use and maximizing the use of recycled water. As a result of the Board action and adoption of Resolution 4145, "District Administration of Recycled Water Retrofit Program," three (3) HOAs will be the first to enter into three (3) separate agreements for conversion.

The HOAs will, in accordance to the terms of this agreement, submit plans to the District and Department of Health Services for approval, perform the conversion, and retrofit in accordance with the District's Water Agency Standards. Upon completion and certification of these sites to utilize recycled water for on-site irrigation, staff will bring to the Board a request for reimbursement of each of these respective HOAs. The District will then reimburse the three (3) HOAs fifty percent (50%) of the approved on-site construction costs of the conversion from the lowest responsive bidder.

Staff is proposing that the Board authorize the General Manager to enter into reimbursement agreements with the three (3) HOAs for the construction costs of the conversion. This amount covers 50% of the cost of all retrofitting for this project. This amount is based on estimates provided by the HOAs.

FISCAL IMPACT:

RicB

The current approved total budget for CIP R2094 is \$2,000,000. Expenditures for this project to-date are \$32,786.58.

The Project Manager anticipates that the budget will be sufficient to support the reimbursement conversions for this CIP project (see Attachment C).

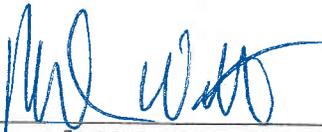
Finance has determined that funding will be available from the Expansion Fund.

STRATEGIC GOAL:

This project supports the District's Mission Statement, "To provide the best quality of water and wastewater service to the customers of the Otay Water District, in a professional, effective, and efficient manner," and the Otay Strategic Goal "to develop and improve infrastructure for increased recycled water use."

LEGAL IMPACT: _____

None.



General Manager

P:\Public-s\Staff Reports\2010\BD 01-06-10, Staff Report, Reimbursement Agreements with Tapestry & Mosaic, Agava & Seguario and Aristata, (DC-RP).doc

DC/RP:mlc

Attachments: Exhibit A
Attachment A
Attachment B-1
Attachment B-2
Attachment B-3
Attachment C

QA/QC Approval:

Name: Lisa Colman-Boyd

Date: 11-25-09



EXHIBIT A

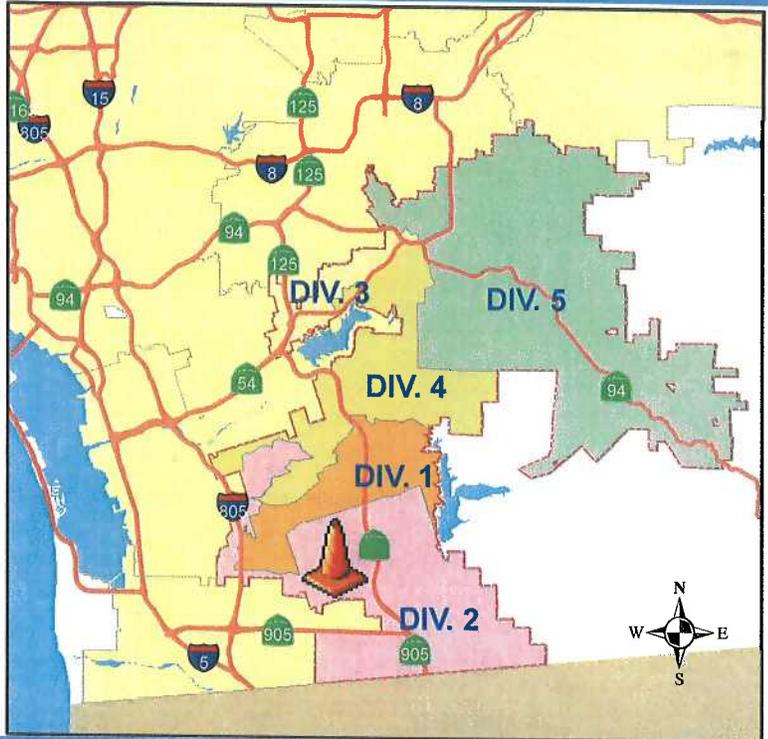


TAPESTRY & MOSAIC HOA

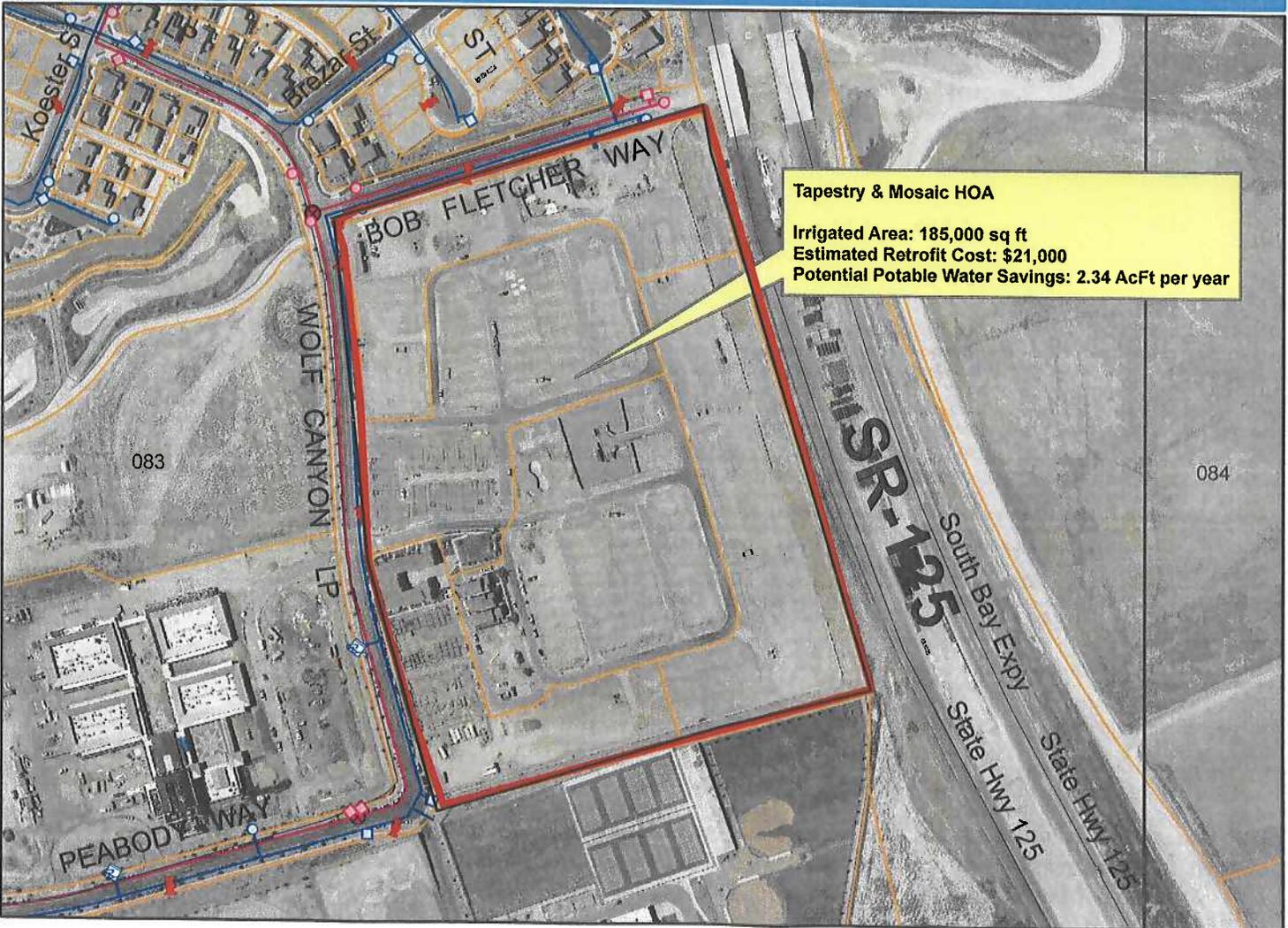
DEVELOPER: SHEA HOMES R2094
PROJECT#: 644-240-14-01 thru 70
 644-240-15-01 thru 74
 644-240-16-01 thru 74
APN: 644-240-17-01 thru 49
 644-240-18-01 thru 49
AREA: 9.39 ACRES
ADDRESS: 1824 Mosaic St
OWNER: Tapestry & Mosaic Association
DIR: DIV. 2
WID: Id 22/27
DATE: 11/25/2009



VICINITY MAP



LOCATION MAP



Tapestry & Mosaic HOA
 Irrigated Area: 185,000 sq ft
 Estimated Retrofit Cost: \$21,000
 Potential Potable Water Savings: 2.34 AcFt per year



AGAVE & SEGUARO H.O.A.

DEVELOPER: Agave & Seguario Homeowners Assoc.

PROJECT#: R2094

APN: 643-610-35-01 thru 72

643-610-36-01 thru 67

643-610-37-01 thru 67

AREA: 643-610-38-01 thru 69

15.41 ACRES

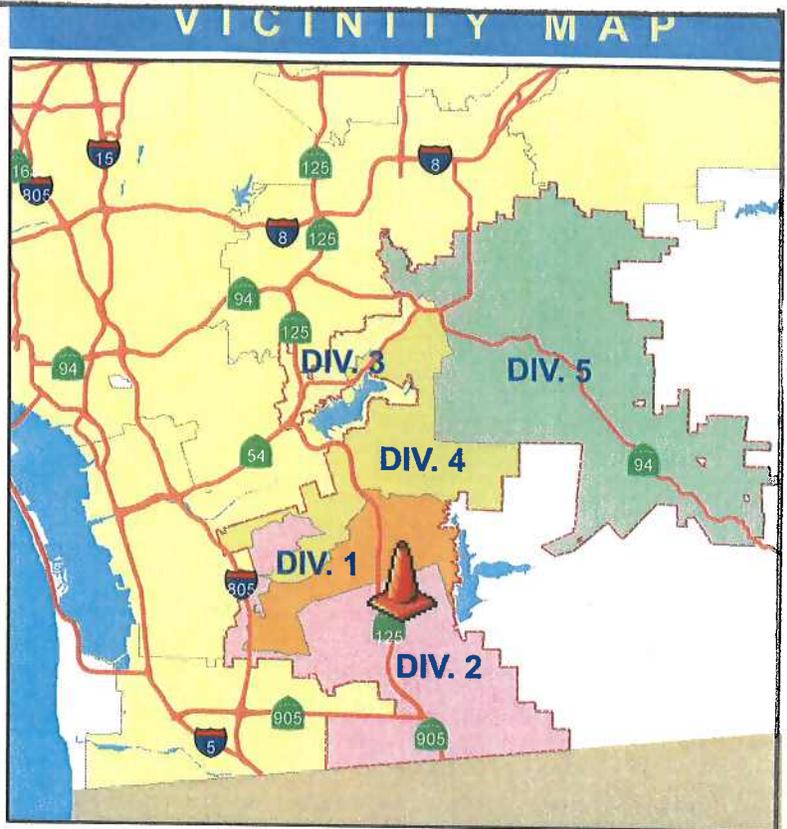
ADDRESS: 1625 Discovery Falls Dr

OWNER: Agave & Seguario at WindingWalk

DIR: DIV. 2

WID: Id 22/27

DATE: 11/23/2009

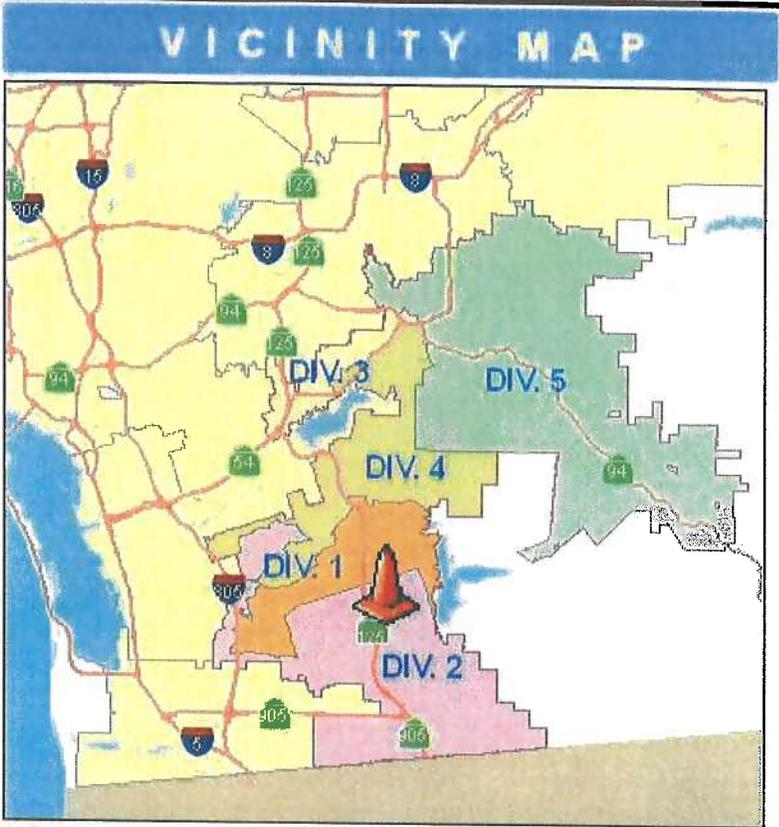
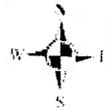


LOCATION MAP

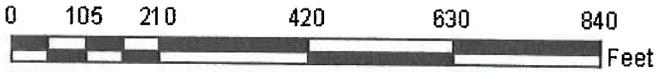




ARISTATA H.O.A.



DEVELOPER: Aristata Homeowners Assoc.
PROJECT#: R2094
APN: 643-610-33-01 thru 84
AREA: 6.35 ACRES
ADDRESS: 1625 Discovery Falls Dr
OWNER: Aristata at WindingWalk
DIR: DIV. 2
WID: Id 22/27
DATE: 11/23/2009



LOCATION MAP





ATTACHMENT A

SUBJECT/PROJECT: R2094-001101	Authorization to Execute Reimbursement Agreements with Tapestry & Mosaic Homeowners Association, Agava & Seguaro Homeowners Association, and Aristata Homeowners Association for the Conversion of Potable Water Irrigation Systems to Recycled Water Irrigation Systems
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COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on December 2, 2009. 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-1

**AGREEMENT FOR RECYCLED WATER RETROFIT
(OWD Recycled Water Retrofit Program)**

This Agreement for Construction of a Water System ("Agreement") is entered into by and between the **Otay Water District**, a Municipal Water District formed under the Municipal Water District Act of 1911 ("**District**"), and **Tapestry and Mosaic Association**, a nonprofit mutual benefit corporation with a business address at 1824 Mosaic Street, Chula Vista, California 91913 ("**Participant**"). The District and the Participant are sometimes collectively referred to herein as the "Parties" and each as a "Party." All references to "Participant" herein are equally applicable to each and every heir, assign or successor in interest of the Participant. By mutual agreement of the parties, this Agreement shall be dated and effective on the date indicated on the signature page under the District's signature.

RECITALS

A. Participant desires to install and construct new recycled water facilities or replace and retrofit existing facilities (the "**Retrofit Facilities**"), as further described in Recital C, below, to qualify the Development (defined below) to receive and use recycled water, in lieu of potable water, for its landscaping needs; and

B. The Retrofit Facilities will serve the real property located at 1824 Mosaic Street, Chula Vista, California 91913 and will benefit a development currently commonly known as Tapestry and Mosaic Association (the "**Development**"); and

C. The owner of the Development, or an authorized representative, submitted an application, dated November 19, 2009 (the "**Application**"), to participate in the District's Recycled Water Retrofit Grant Pilot Program, authorized by the Board of Directors on September 2, 2009 (the "**Retrofit Program**"); and

D. The District staff reviewed the Application and has determined that the Development qualifies for the **Retrofit Program** because: (i) at present, the Development uses potable water for its irrigation needs; (ii) the location of the Development is such that the Retrofit Facilities could be connected to the District's Recycled Water System; and (iii) the applicant has preliminarily demonstrated its willingness and ability to fulfill and satisfy on an ongoing basis all requirements to receive recycled water service and manage its recycled water facilities; and

E. The Participant is solely responsible for the cost of adequate and complete Plans and Specifications, which shall not be considered adequate until reviewed and approved by the District and any other agency whose approval is required in connection with the proposed Retrofit Facilities (as approved, the "**Plans and Specifications**"); and

F. In consideration of the benefit to the District and the region of the conservation of potable water by using recycled water to irrigate the Participant's landscaping, if the Retrofit Facilities are installed in accordance with the terms of this Agreement and the approved Plans and Specifications, and after Completion (as defined below), the District will reimburse the

Participant 50% of the approved on-site construction costs of the conversion, as further described in this Agreement. Additionally, the District will waive its fees for plan-checking and inspection.

OPERATIVE PROVISIONS

NOW THEREFORE, in consideration of the above Recitals and of the promises and agreements contained herein, and for other good and valuable consideration the receipt and adequacy of which is hereby acknowledged, District and Participant do hereby promise and agree as follows:

1. Installation and Operation of Retrofit Facilities

a. **General.** In consideration of the Grant, as described below, Participant agrees to do and perform, or cause to be done and performed, at its expense and without cost or liability to District, all of the design, construction, installation and other work ("**Work**") required to construct and complete the Retrofit Facilities. Participant also agrees to furnish all of the labor, equipment, materials and improvements ("**Labor and Materials**"), except as may be specified on the Plans and Specifications, required for Completion (as defined in Section 3 of this Agreement) of the Retrofit Facilities. Participant shall promptly pay and discharge all bills and claims related to Work on, Labor and Materials for, and Completion of, the Retrofit Facilities.

b. **Strict Conformity Required.** The Work shall be done and performed in a good and workmanlike manner. The Retrofit Facilities shall be designed, constructed, installed and operated in strict conformity with the District requirements for recycled water facilities and service, as set forth in Section 26 of the District's Code of Ordinance (available at District offices and on the District's website at www.otaywater.gov.) and other related documents and regulations, including without limitation the following documents incorporated herein by reference:

- i. Approved Plans and Specifications for the Retrofit Facilities
- ii. District's List of Approved Costs
- iii. Board Policy 52
- iv. DEH Requirements for the Retrofit Facilities
- v. Participant's Recycled Water Permit

If at any time during the term of this Agreement, Participant requires assistance to identify requirements applicable to the recycled water facilities or service, Participant shall contact the Recycled Water Manager at the District's Operation Department at 619-670-2510.

2. Estimated Cost

The estimated cost of the Work for the Retrofit Facilities, as approved by District pursuant to the Plans and Specifications, is **Twenty one thousand dollars and zero cents** (\$21,000.00) (the "**Cost Estimate**"). Participant's obligations under this Agreement in

connection with the construction and operation of the Retrofit Facilities are not limited by the amount of the Cost Estimate. Participant understands that, although the District will contribute the agreed upon amounts after Completion (as defined below), Participant must ensure the Completion of the Retrofit Facilities and must operate and maintain them in accordance with all applicable requirements of the District and the law.

3. Notice of Completion; Completion Date

For purposes of this Agreement, the Retrofit Facilities, and all Work required therefor, shall only be deemed completed when all items identified on District's Final Inspection/Operations Punch List have been completed in accordance with the terms of this Agreement and the District approved Plans and Specifications, the District receives DEH acceptance letter and the District formally notifies the Participant ("**Notice of Completion**") that the Retrofit Facilities have been completed ("**Completion**" or "**Completed**"). Participant agrees to Complete the Retrofit Facilities on or before the Seven Hundred and Thirtieth (730th) day from and after the effective date of this Agreement ("**Completion Date**"). Participant **MUST** request and extension of the Completion Date at least 45 days prior to the Completion Date if it determines that it might not finish the Work on time. One or more extensions may be granted by District at its sole discretion and any such extension shall not affect the validity of this Agreement. District may request a Deposit, as described and defined in Section 9, below, prior to granting and extension.

Any defective work or material that may be discovered by the District before the Completion Date, or before payment on the Grant, must be removed and replaced or repaired, as appropriate, by the Participant. **No additional Grant money will be available for such repairs or replacements.**

The District may issue a written notice of substantial completion for the purpose of establishing the date that the District anticipates payment of the Grant might be made, pending satisfactory Completion and final inspections. If so, said notice shall not be considered as Completion of any portion of the work or relieve the Participant from completing the remaining work within the specified time and in full compliance with this Agreement and the Plans and Specifications.

4. Grant

The District will issue an initial list of approved on-site construction costs (the "**Approved Costs**") after the Participant provides the District a copy of the Participant's contract with the low bidder for the Retrofit Facilities. The list of Approved Costs may only be amended by the District if, during the construction of the Work, the District, at its sole discretion, determines that additional costs should be added to the list. Following the issuance of the Notice of Completion, the District will reimburse Participant for FIFTY percent (50%) of the Approved Costs (the "**Grant**"). Participant understands that the District the District will not contribute toward any costs that are not Approved Costs. Participant must provide copies of invoices for the Work and evidence of payment satisfactory to the District before the District disburses any portion of the Grant.

5. Term

The term of this Agreement shall be 730 days from the effective date unless extended, provided that Participant's obligations under Section 9, Participant Indemnity; Section 11, Changes to Work, Modifications; and Section 12, Responsibility for the Retrofit Facilities, shall survive the expiration or early termination (as provided below) of this Agreement.

6. Termination

This Agreement may be terminated by District as follows:

(a) Upon ten (10) days written notice to Participant following a failure by Participant to comply with any of the terms of this Agreement within thirty (30) days after written notice from District that Participant is non-compliant.

(b) Upon thirty (30) days written notice to Participant that a change in the provisions of law has occurred such that District would be unable to comply with its obligations hereunder.

(c) At the expiration of the 730th day from the effective date hereof if a determination by the General Manager of District is made that Participant will be unable to complete the Retrofit Facilities by the Completion Date and that District does not wish to grant an extension, as provided under Section 3, above.

7. District Inspection

District shall be allowed to inspect the Retrofit Facilities during all stages of the Work. District shall be notified a minimum of five (5) working days prior to the commencement of Work on the Retrofit Facilities. Except as provided in Section 9, below, District agrees to waive all plan-checking and inspection fees.

8. Delivery of Record Drawings

Upon completion of the Work on the Retrofit Facilities to the satisfaction of the District, Participant shall deliver to District one complete set of duplicate tracings together with two (2) prints of the Plans and Specifications for the Retrofit Facilities showing thereon "Record Drawings" conditions. Delivery of said Record Drawings shall be a prerequisite for the Retrofit Facilities to be deemed Completed and shall be a prerequisite to the payment of the Grant.

As required by law, the District will deliver copies of the Record Drawings to the San Diego County Department of Environmental Health ("DEH").

9. Participant Deposit; Participant Waiver

In consideration of Participant's commitment to complete the Retrofit Facilities and in consideration of the anticipated savings of potable water, which are of benefit to the District, the District will waive the Deposit herein described. If the Participant fails to complete the Retrofit Facilities in the manner herein contemplated, Participant shall pay District all costs and expenses

incurred in connection with the Retrofit Facilities, including without limitation plan checking, inspection, attorney's fees, materials furnished, if any, and all other expenses of District directly attributable to the Retrofit Facilities, plus a reasonable amount for District's overhead costs in connection therewith. At such time as requested by District, upon a determination in its sole discretion that Participant has failed to timely and satisfactorily complete the Retrofit Facilities, Participant shall deposit with District, an amount equal to the District costs and expenses (the "Deposit"). If an extension is granted, pursuant to Section 3, and Participant fails to ensure that the Retrofit Facilities are Completed and Accepted prior to the expiration of any such extension, the Deposit will be forfeited and District shall have no obligation to refund any balance or to provide any services herein contemplated.

In connection with such failure, Participant specifically waives any claim or right to receive any reimbursement of the Deposit, any portion of the Grant, any credit against potable water consumption or any other benefit under this Agreement.

Participant Initials 

10. Changes of Work; Modification

It is agreed that conditions now unforeseen may require modifications of the Plans and Specifications heretofore approved by District. In such event Participant shall obtain District approval of such changes; provided that all changes shall be in compliance with all applicable requirements of law and regulation. No Work shall be commenced on any change requested by Participant until District's General Manager has approved such change. Approved changes in Plans and Specifications shall be entered by Participant upon the original tracing of the Plans and Specifications Participant, and District's approval of said changes shall be endorsed upon said tracing by District's engineer.

Participant understands and agrees that *ANY and ALL modifications* to the Retrofit Facilities are subject to prior approval by District and the DEH; and such understanding is evidenced by the Participant's initials below.

Participant Initials 

11. Responsibility for the Retrofit Facilities

Participant, its heir, assigns or successors in interest (each, a "Responsible Party"), as applicable, shall be and, at all times, remain responsible for the care, maintenance of, and any damage to the Retrofit Facilities, and any liabilities arising from the Retrofit Facilities. Operation of the Retrofit Facilities shall at all times be in accordance with District's rules and regulations and all laws, rules and regulations applicable to the recycled water service provided by District. ***The Responsible Party shall neither make nor allow any changes or modifications to the Retrofit Facilities without prior written approval by District and the DEH.***

Participant guarantees all Work and Retrofit Facilities covered by this Agreement. Participant shall, at no cost or expense to District, correct all defective Work, and repair or replace all damaged, defective or malfunctioning Retrofit Facilities, or parts thereof.

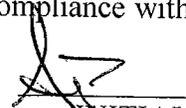
The Responsible Party shall ensure that, at all time while the Retrofit Facilities remain in operation, a properly trained and certified Site Supervisor in compliance with the requirements of Section 26 of the District's Code of Ordinance and DEH requirement shall be in charge of the regular maintenance and inspection of the Retrofit Facilities. If damage or defects cause a leak or other malfunction at any time, the Site Supervisor shall follow the applicable procedures established thereunder, and any other procedures as from time to time are formulated by the District or the DEH.

In the event of an emergency, District may disconnect or terminate service to the Retrofit Facilities without notice and the Responsible Party shall be liable for all costs and expenses incurred by District. Any and all sums left unpaid for more than Thirty (30) days after demand therefor has been made by District shall accrue interest at the legal rate of interest (currently ten percent (10%) per annum).

12. District Recycled Water Service

If the Retrofit Facilities are Completed and connected to the District's recycled water system, Participant shall at all times comply with all requirements of service, including without limitation all ordinance and provisions of the District's Code of Ordinance, timely payment of bills issued by the District, ongoing compliance with DEH and District requirements concerning the use of recycled water, and compliance with the terms of any permits or other federal, state or local laws or regulations.

Participant agrees that before Participant can purchase and have District install recycled water meter(s), the following must occur: (i) Participant must Complete the Retrofit Facilities; (ii) Participant must pay capacity fees and any other appropriate fees and charges; (iii) District must receive a letter of clearance from DEH; (iv) Participant must have submitted all required documentation for District to process the Grant; and (iv) Participant must be in compliance with all applicable provisions of the Code Ordinances of District.


INITIAL

Participant understands that, at the time it pays capacity to purchase the recycled water meter, it will have the opportunity to request to downsize its existing potable water meter. If the Participant requests a smaller potable meter, the District agrees to apply credits toward the purchase of capacity for the recycled water meter.

13. Responsibility for Water Costs

Participant, on behalf of itself, its heirs, assigns and successors in interest, agrees to be liable for the cost of all water or recycled water used for the Development, the Work and the Retrofit Facilities, without limitation.

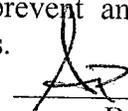


INITIAL

14. **Use of Water without Meter; Unauthorized Connections; Liability**

No person, other than an employee or agent of District, has any right to operate any part of the District's distribution systems.

Participant acknowledges that the District has an obligation to ensure the security and integrity of its facilities and system and has adopted a strict liability standard for any unauthorized connection to, operation of, or use of any portion of the potable water, recycled water and/or sewer system. *Participant shall be subject to a fine, as from time to time determined by the District, and or criminal prosecution in connection with any unauthorized connection for any of its property or the Development.* Furthermore, at District's discretion, Participant's officers, employees, agents or any independent contractors or subcontractors may also be subject to criminal prosecution to the maximum extent allowed by law if there is evidence of their participation in connection with any such unauthorized connection, use or operation. In connection with this Agreement, the Work and the Retrofit Facilities, Participant shall inform all of its officers, employees, agents or any independent contractors or subcontractors of this potential liability and shall institute procedures to prevent any such unauthorized connection, use or operation; and to prevent any cross-connections.



INITIAL

15. **Easements to District**

If one or more easements are required in connection with the Retrofit Facilities, the facilities shall not be considered Completed until the date the easements are recorded with the San Diego County Recorder.

16. **Indemnity**

(a) **Indemnity.** Participant hereby agrees to indemnify, protect, defend and hold District, its elective and appointive boards, officials, officers, attorneys, agents, and employees, harmless from any liability, damage, suit or action at law or in equity, judgment, demand, or claim for damages for personal injury, including death, or for damages to property which may arise from, or are in any way related to, the acts and/or omissions of Participant, and/or contractors, subcontractors, agents, or employees in any way related to the Retrofit Facilities, the Work or otherwise under this Agreement, whether such acts and omissions be by Participant or any of Participant's contractors, sub-contractors, employees, or agents, or by one or more persons directly or indirectly employed by, or acting as agent for, Participant or any of Participant's contractors, subcontractors, employees or agents or any other person whomsoever.

(b) **Defense.** Participant agrees to appear and defend District and its elective and appointive boards, officials, officers, attorneys, agents and employees, with legal counsel reasonably acceptable to District, from any suits or actions at law or in equity, proceedings,

judgments, demands, and claims for damages alleged to have been caused, or in any way related to, any of the aforesaid acts or omissions; provided that:

(c) No Waiver. District does not waive any rights against Participant, which it may have by reason of the aforesaid indemnity agreement, because of any acceptance of Work or Retrofit Facilities by District; and

(d) Coverage of Indemnity. The indemnity agreement by Participant shall apply to all liabilities, damages and claims for damages of every kind suffered, or alleged to have been suffered, by reason of any of the aforesaid operations referred to in this paragraph (8), regardless of whether or not District has prepared, supplied or approved plans and/or specifications for the Retrofit Facilities and/or the Development; and

(e) Limit of Indemnity. The agreement by Participant to indemnify, defend and hold District harmless shall not include liabilities, damages, or claims for damages caused by the negligent acts or omissions or willful misconduct of District, or its elective and appointive boards, officials, officers, agents, and employees.

17. Insurance

At all times while doing any Work or activity concerning the Retrofit Facilities, Participant and any contractors and subcontractors or agents shall maintain, at minimum, **commercial or general liability** policy of insurance in the applicable amount indicated below based on the estimated cost of the Facilities, per incident coverage for personal injury, property damage and any other loss arising from or in connection with the Retrofit Facilities.

Estimated Cost	Minimum Amount of Insurance Required
Less than \$500,000	\$1,000,000 aggregate; \$500,000 per occurrence
\$500,000-5,000,000	\$3,000,000 aggregate; \$1,000,000 per occurrence
More than \$5,000,000	\$10,000,000 aggregate; \$2,000,000 per occurrence

In addition, Participant shall maintain all other insurance coverage required by law, including but not limited to any applicable **workers compensation** insurance.

18. General Provisions

(a) Entire Agreement. The terms and conditions set forth in this Agreement constitute the entire understanding of the Parties with respect to the Retrofit Facilities; provided that, where reference is made to applicable laws, rules or regulations, including those of the District or DEH, such are incorporated herein by reference.

(b) Enforcement of Agreement. Should either party hereto sue to enforce the terms of this Agreement, the venue for such action shall be with the Superior Court of the County of San Diego.

(c) Applicable Law. This Agreement shall be construed and interpreted in accordance with the internal laws of the State of California, without regard to its conflict of laws principles.

(d) Amendments. No amendment, modification, supplement, termination or waiver of any provision of this Agreement shall be effective unless executed in writing by both parties and then only in the specified instance and for the specific purpose given.

(e) Waiver. The waiver of any term, condition or provision of this Agreement is valid only as to that specific waiver and does not constitute a waiver of, and shall not be construed to waive, any other term, condition or provision of this Agreement.

(f) Effective Date. This Agreement become effective on the date on which District has approved, and the authorized representative of District has executed, this Agreement; provided that an authorized representative of Participant shall have executed this Agreement prior to the date on which the District executes this Agreement.

(g) Notices. Any notice required or given under this Agreement shall be in writing and, except as otherwise provided by law, shall be effective (i) upon personal delivery, (ii) on the day it is faxed, provided that the party giving facsimile notification must retain evidence of successful transmittal of the notice, (iii) on the second business day after mailing by certified or registered United States mail, return receipt requested, if addressed as follows:

If to District: Otay Water District
Attention: Public Services
 2554 Sweetwater Springs Boulevard
 Spring Valley, California 91978-2004
 Telephone: (619) 670-2241
 Facsimile: (619) 670-6184

If to Participant: Tapestry and Mosaic Association
Attention: Onsite Community Manager
 1824 Mosaic Street
 Chula Vista, California 91913
 Telephone: 619-397-1940
 Facsimile: 619-565-2685

Notice of change of address shall be given by written notice in the manner set forth in this Section.

(h) Counterparts. This Agreement may be executed in multiple counterparts, each of which counterpart, if fully executed, shall be deemed an original. No counterpart shall be deemed to be an original or presumed delivered unless and until the counterpart executed by the other party to this Agreement is in the physical possession of the party seeking enforcement thereof.

(i) Corporate Authority. Each person executing this Agreement of behalf of the Participant warrants that: (i) such party is duly organized and existing; (ii) the signatory is duly authorized to execute and deliver this Agreement on behalf of said party; (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement; and (iv) the

entering in this Agreement does not violate any provision of any other Agreement to which said party is bound.

IN WITNESS WHEREOF, this Agreement has been executed by an authorized representative of Participant, on behalf of the Participant, and by the General Manager, on behalf of District.

OTAY WATER DISTRICT
a California municipal water district

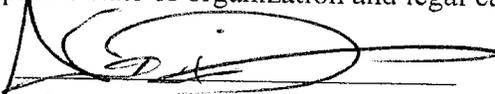
By: _____
General Manager

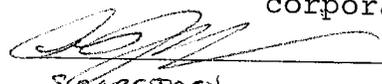
Date: _____, 2 _____

Approved as to Form:

General Counsel

[PARTICIPANT NAME] Tapestry and Mosaic Association, a non-profit
[Participant's state of organization and legal capacity as it appears on page 1] mutual benefit
corporation

BY: 
ITS: PRESIDENT
DATE: 11.17.09.

BY: 
ITS: SECRETARY
DATE: 11.12.09



ATTACHMENT B-2

**AGREEMENT FOR RECYCLED WATER RETROFIT
(OWD Recycled Water Retrofit Program)**

This Agreement for Construction of a Water System ("Agreement") is entered into by and between the **Otay Water District**, a Municipal Water District formed under the Municipal Water District Act of 1911 ("**District**"), and **Agave and Saguaro Homeowner Association**, a non-profit mutual benefit corporation with a business address at 1625 Discovery Falls Drive, Chula Vista, California 91915 ("**Participant**"). The District and the Participant are sometimes collectively referred to herein as the "Parties" and each as a "Party." All references to "Participant" herein are equally applicable to each and every heir, assign or successor in interest of the Participant. By mutual agreement of the parties, this Agreement shall be dated and effective on the date indicated on the signature page under the District's signature.

RECITALS

A. Participant desires to install and construct new recycled water facilities or replace and retrofit existing facilities (the "**Retrofit Facilities**"), as further described in Recital C, below, to qualify the Development (defined below) to receive and use recycled water, in lieu of potable water, for its landscaping needs; and

B. The Retrofit Facilities will serve the real property located at 1625 Discovery Falls Drive, Chula Vista, California 91915 and will benefit a development currently commonly known as Agave and Saguaro Homeowner Association (the "**Development**"); and

C. The owner of the Development, or an authorized representative, submitted an application, dated November 19, 2009 (the "**Application**"), to participate in the District's Recycled Water Retrofit Grant Pilot Program, authorized by the Board of Directors on September 2, 2009 (the "**Retrofit Program**"); and

D. The District staff reviewed the Application and has determined that the Development qualifies for the **Retrofit Program** because: (i) at present, the Development uses potable water for its irrigation needs; (ii) the location of the Development is such that the Retrofit Facilities could be connected to the District's Recycled Water System; and (iii) the applicant has preliminarily demonstrated its willingness and ability to fulfill and satisfy on an ongoing basis all requirements to receive recycled water service and manage its recycled water facilities; and

E. The Participant is solely responsible for the cost of adequate and complete Plans and Specifications, which shall not be considered adequate until reviewed and approved by the District and any other agency whose approval is required in connection with the proposed Retrofit Facilities (as approved, the "**Plans and Specifications**"); and

F. In consideration of the benefit to the District and the region of the conservation of potable water by using recycled water to irrigate the Participant's landscaping, if the Retrofit Facilities are installed in accordance with the terms of this Agreement and the approved Plans and Specifications, and after Completion (as defined below), the District will reimburse the Participant 50% of the approved on-site construction costs of the conversion, as further described

in this Agreement. Additionally, the District will waive its fees for plan-checking and inspection.

OPERATIVE PROVISIONS

NOW THEREFORE, in consideration of the above Recitals and of the promises and agreements contained herein, and for other good and valuable consideration the receipt and adequacy of which is hereby acknowledged, District and Participant do hereby promise and agree as follows:

1. Installation and Operation of Retrofit Facilities

a. **General.** In consideration of the Grant, as described below, Participant agrees to do and perform, or cause to be done and performed, at its expense and without cost or liability to District, all of the design, construction, installation and other work ("**Work**") required to construct and complete the Retrofit Facilities. Participant also agrees to furnish all of the labor, equipment, materials and improvements ("**Labor and Materials**"), except as may be specified on the Plans and Specifications, required for Completion (as defined in Section 3 of this Agreement) of the Retrofit Facilities. Participant shall promptly pay and discharge all bills and claims related to Work on, Labor and Materials for, and Completion of, the Retrofit Facilities.

b. **Strict Conformity Required.** The Work shall be done and performed in a good and workmanlike manner. The Retrofit Facilities shall be designed, constructed, installed and operated in strict conformity with the District requirements for recycled water facilities and service, as set forth in Section 26 of the District's Code of Ordinance (available at District offices and on the District's website at www.otaywater.gov.) and other related documents and regulations, including without limitation the following documents incorporated herein by reference:

- i. Approved Plans and Specifications for the Retrofit Facilities
- ii. District's List of Approved Costs
- iii. Board Policy 52
- iv. DEH Requirements for the Retrofit Facilities
- v. Participant's Recycled Water Permit

If at any time during the term of this Agreement, Participant requires assistance to identify requirements applicable to the recycled water facilities or service, Participant shall contact the Recycled Water Manager at the District's Operation Department at 619-670-2510.

2. Estimated Cost

The estimated cost of the Work for the Retrofit Facilities, as approved by District pursuant to the Plans and Specifications, is **Forty thousand dollars and zero cents** (\$40,000.00) (the "**Cost Estimate**"). Participant's obligations under this Agreement in connection with the construction and operation of the Retrofit Facilities are not limited by the amount of the Cost

Estimate. Participant understands that, although the District will contribute the agreed upon amounts after Completion (as defined below), Participant must ensure the Completion of the Retrofit Facilities and must operate and maintain them in accordance with all applicable requirements of the District and the law.

3. Notice of Completion; Completion Date

For purposes of this Agreement, the Retrofit Facilities, and all Work required therefor, shall only be deemed completed when all items identified on District's Final Inspection/Operations Punch List have been completed in accordance with the terms of this Agreement and the District approved Plans and Specifications, the District receives DEH acceptance letter and the District formally notifies the Participant ("**Notice of Completion**") that the Retrofit Facilities have been completed ("**Completion**" or "**Completed**"). Participant agrees to Complete the Retrofit Facilities on or before the Seven Hundred and Thirtieth (730th) day from and after the effective date of this Agreement ("**Completion Date**"). Participant MUST request and extension of the Completion Date at least 45 days prior to the Completion Date if it determines that it might not finish the Work on time. One or more extensions may be granted by District at its sole discretion and any such extension shall not affect the validity of this Agreement. District may request a Deposit, as described and defined in Section 9, below, prior to granting and extension.

Any defective work or material that may be discovered by the District before the Completion Date, or before payment on the Grant, must be removed and replaced or repaired, as appropriate, by the Participant. **No additional Grant money will be available for such repairs or replacements.**

The District may issue a written notice of substantial completion for the purpose of establishing the date that the District anticipates payment of the Grant might be made, pending satisfactory Completion and final inspections. If so, said notice shall not be considered as Completion of any portion of the work or relieve the Participant from completing the remaining work within the specified time and in full compliance with this Agreement and the Plans and Specifications.

4. Grant

The District will issue an initial list of approved on-site construction costs (the "**Approved Costs**") after the Participant provides the District a copy of the Participant's contract with the low bidder for the Retrofit Facilities. The list of Approved Costs may only be amended by the District if, during the construction of the Work, the District, at its sole discretion, determines that additional costs should be added to the list. Following the issuance of the Notice of Completion, the District will reimburse Participant for FIFTY percent (50%) of the Approved Costs (the "**Grant**"). Participant understands that the District the District will not contribute toward any costs that are not Approved Costs. Participant must provide copies of invoices for the Work and evidence of payment satisfactory to the District before the District disburses any portion of the Grant.

5. **Term**

The term of this Agreement shall be 730 days from the effective date unless extended, provided that Participant's obligations under Section 9, Participant Indemnity; Section 11, Changes to Work, Modifications; and Section 12, Responsibility for the Retrofit Facilities, shall survive the expiration or early termination (as provided below) of this Agreement.

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(b) Upon thirty (30) days written notice to Participant that a change in the provisions of law has occurred such that District would be unable to comply with its obligations hereunder.

(c) At the expiration of the 730th day from the effective date hereof if a determination by the General Manager of District is made that Participant will be unable to complete the Retrofit Facilities by the Completion Date and that District does not wish to grant an extension, as provided under Section 3, above.

7. **District Inspection**

District shall be allowed to inspect the Retrofit Facilities during all stages of the Work. District shall be notified a minimum of five (5) working days prior to the commencement of Work on the Retrofit Facilities. Except as provided in Section 9, below, District agrees to waive all plan-checking and inspection fees.

8. **Delivery of Record Drawings**

Upon completion of the Work on the Retrofit Facilities to the satisfaction of the District, Participant shall deliver to District one complete set of duplicate tracings together with two (2) prints of the Plans and Specifications for the Retrofit Facilities showing thereon "Record Drawings" conditions. Delivery of said Record Drawings shall be a prerequisite for the Retrofit Facilities to be deemed Completed and shall be a prerequisite to the payment of the Grant.

As required by law, the District will deliver copies of the Record Drawings to the San Diego County Department of Environmental Health ("DEH").

9. **Participant Deposit; Participant Waiver**

In consideration of Participant's commitment to complete the Retrofit Facilities and in consideration of the anticipated savings of potable water, which are of benefit to the District, the District will waive the Deposit herein described. If the Participant fails to complete the Retrofit Facilities in the manner herein contemplated, Participant shall pay District all costs and expenses

incurred in connection with the Retrofit Facilities, including without limitation plan checking, inspection, attorney's fees, materials furnished, if any, and all other expenses of District directly attributable to the Retrofit Facilities, plus a reasonable amount for District's overhead costs in connection therewith. At such time as requested by District, upon a determination in its sole discretion that Participant has failed to timely and satisfactorily complete the Retrofit Facilities, Participant shall deposit with District, an amount equal to the District costs and expenses (the "Deposit"). If an extension is granted, pursuant to Section 3, and Participant fails to ensure that the Retrofit Facilities are Completed and Accepted prior to the expiration of any such extension, the Deposit will be forfeited and District shall have no obligation to refund any balance or to provide any services herein contemplated.

In connection with such failure, Participant specifically waives any claim or right to receive any reimbursement of the Deposit, any portion of the Grant, any credit against potable water consumption or any other benefit under this Agreement.

Participant Initials SJB

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It is agreed that conditions now unforeseen may require modifications of the Plans and Specifications heretofore approved by District. In such event Participant shall obtain District approval of such changes; provided that all changes shall be in compliance with all applicable requirements of law and regulation. No Work shall be commenced on any change requested by Participant until District's General Manager has approved such change. Approved changes in Plans and Specifications shall be entered by Participant upon the original tracing of the Plans and Specifications Participant, and District's approval of said changes shall be endorsed upon said tracing by District's engineer.

Participant understands and agrees that *ANY and ALL modifications* to the Retrofit Facilities are subject to prior approval by District and the DEH; and such understanding is evidenced by the Participant's initials below.

Participant Initials SJB

11. **Responsibility for the Retrofit Facilities**

Participant, its heir, assigns or successors in interest (each, a "Responsible Party"), as applicable, shall be and, at all times, remain responsible for the care, maintenance of, and any damage to the Retrofit Facilities, and any liabilities arising from the Retrofit Facilities. Operation of the Retrofit Facilities shall at all times be in accordance with District's rules and regulations and all laws, rules and regulations applicable to the recycled water service provided by District. *The Responsible Party shall neither make nor allow any changes or modifications to the Retrofit Facilities without prior written approval by District and the DEH.*

Participant guarantees all Work and Retrofit Facilities covered by this Agreement. Participant shall, at no cost or expense to District, correct all defective Work, and repair or replace all damaged, defective or malfunctioning Retrofit Facilities, or parts thereof.

The Responsible Party shall ensure that, at all time while the Retrofit Facilities remain in operation, a properly trained and certified Site Supervisor in compliance with the requirements of Section 26 of the District's Code of Ordinance and DEH requirement shall be in charge of the regular maintenance and inspection of the Retrofit Facilities. If damage or defects cause a leak or other malfunction at any time, the Site Supervisor shall follow the applicable procedures established thereunder, and any other procedures as from time to time are formulated by the District or the DEH.

In the event of an emergency, District may disconnect or terminate service to the Retrofit Facilities without notice and the Responsible Party shall be liable for all costs and expenses incurred by District. Any and all sums left unpaid for more than Thirty (30) days after demand therefor has been made by District shall accrue interest at the legal rate of interest (currently ten percent (10%) per annum).

12. District Recycled Water Service

If the Retrofit Facilities are Completed and connected to the District's recycled water system, Participant shall at all times comply with all requirements of service, including without limitation all ordinance and provisions of the District's Code of Ordinance, timely payment of bills issued by the District, ongoing compliance with DEH and District requirements concerning the use of recycled water, and compliance with the terms of any permits or other federal, state or local laws or regulations.

Participant agrees that before Participant can purchase and have District install recycled water meter(s), the following must occur: (i) Participant must Complete the Retrofit Facilities; (ii) Participant must pay capacity fees and any other appropriate fees and charges; (iii) District must receive a letter of clearance from DEH; (iv) Participant must have submitted all required documentation for District to process the Grant; and (iv) Participant must be in compliance with all applicable provisions of the Code Ordinances of District.

SJB
INITIAL

Participant understands that, at the time it pays capacity to purchase the recycled water meter, it will have the opportunity to request to downsize its existing potable water meter. If the Participant requests a smaller potable meter, the District agrees to apply credits toward the purchase of capacity for the recycled water meter.

13. Responsibility for Water Costs

Participant, on behalf of itself, its heirs, assigns and successors in interest, agrees to be liable for the cost of all water or recycled water used for the Development, the Work and the Retrofit Facilities, without limitation.

RSM
INITIAL

14. **Use of Water without Meter; Unauthorized Connections; Liability**

No person, other than an employee or agent of District, has any right to operate any part of the District's distribution systems.

Participant acknowledges that the District has an obligation to ensure the security and integrity of its facilities and system and has adopted a strict liability standard for any unauthorized connection to, operation of, or use of any portion of the potable water, recycled water and/or sewer system. *Participant shall be subject to a fine, as from time to time determined by the District, and or criminal prosecution in connection with any unauthorized connection for any of its property or the Development.* Furthermore, at District's discretion, Participant's officers, employees, agents or any independent contractors or subcontractors may also be subject to criminal prosecution to the maximum extent allowed by law if there is evidence of their participation in connection with any such unauthorized connection, use or operation. In connection with this Agreement, the Work and the Retrofit Facilities, Participant shall inform all of its officers, employees, agents or any independent contractors or subcontractors of this potential liability and shall institute procedures to prevent any such unauthorized connection, use or operation; and to prevent any cross-connections.

SJB
INITIAL

15. **Easements to District**

If one or more easements are required in connection with the Retrofit Facilities, the facilities shall not be considered Completed until the date the easements are recorded with the San Diego County Recorder.

16. **Indemnity**

(a) **Indemnity.** Participant hereby agrees to indemnify, protect, defend and hold District, its elective and appointive boards, officials, officers, attorneys, agents, and employees, harmless from any liability, damage, suit or action at law or in equity, judgment, demand, or claim for damages for personal injury, including death, or for damages to property which may arise from, or are in any way related to, the acts and/or omissions of Participant, and/or contractors, subcontractors, agents, or employees in any way related to the Retrofit Facilities, the Work or otherwise under this Agreement, whether such acts and omissions be by Participant or any of Participant's contractors, sub-contractors, employees, or agents, or by one or more persons directly or indirectly employed by, or acting as agent for, Participant or any of Participant's contractors, subcontractors, employees or agents or any other person whomsoever.

(b) **Defense.** Participant agrees to appear and defend District and its elective and appointive boards, officials, officers, attorneys, agents and employees, with legal counsel reasonably acceptable to District, from any suits or actions at law or in equity, proceedings,

judgments, demands, and claims for damages alleged to have been caused, or in any way related to, any of the aforesaid acts or omissions; provided that:

(c) No Waiver. District does not waive any rights against Participant, which it may have by reason of the aforesaid indemnity agreement, because of any acceptance of Work or Retrofit Facilities by District; and

(d) Coverage of Indemnity. The indemnity agreement by Participant shall apply to all liabilities, damages and claims for damages of every kind suffered, or alleged to have been suffered, by reason of any of the aforesaid operations referred to in this paragraph (8), regardless of whether or not District has prepared, supplied or approved plans and/or specifications for the Retrofit Facilities and/or the Development; and

(e) Limit of Indemnity. The agreement by Participant to indemnify, defend and hold District harmless shall not include liabilities, damages, or claims for damages caused by the negligent acts or omissions or willful misconduct of District, or its elective and appointive boards, officials, officers, agents, and employees.

17. Insurance

At all times while doing any Work or activity concerning the Retrofit Facilities, Participant and any contractors and subcontractors or agents shall maintain, at minimum, **commercial or general liability** policy of insurance in the applicable amount indicated below based on the estimated cost of the Facilities, per incident coverage for personal injury, property damage and any other loss arising from or in connection with the Retrofit Facilities.

Estimated Cost	Minimum Amount of Insurance Required
Less than \$500,000	\$1,000,000 aggregate; \$500,000 per occurrence
\$500,000-5,000,000	\$3,000,000 aggregate; \$1,000,000 per occurrence
More than \$5,000,000	\$10,000,000 aggregate; \$2,000,000 per occurrence

In addition, Participant shall maintain all other insurance coverage required by law, including but not limited to any applicable **workers compensation** insurance.

18. General Provisions

(a) Entire Agreement. The terms and conditions set forth in this Agreement constitute the entire understanding of the Parties with respect to the Retrofit Facilities; provided that, where reference is made to applicable laws, rules or regulations, including those of the District or DEH, such are incorporated herein by reference.

(b) Enforcement of Agreement. Should either party hereto sue to enforce the terms of this Agreement, the venue for such action shall be with the Superior Court of the County of San Diego.

(c) Applicable Law. This Agreement shall be construed and interpreted in accordance with the internal laws of the State of California, without regard to its conflict of laws principles.

(d) Amendments. No amendment, modification, supplement, termination or waiver of any provision of this Agreement shall be effective unless executed in writing by both parties and then only in the specified instance and for the specific purpose given.

(e) Waiver. The waiver of any term, condition or provision of this Agreement is valid only as to that specific waiver and does not constitute a waiver of, and shall not be construed to waive, any other term, condition or provision of this Agreement.

(f) Effective Date. This Agreement become effective on the date on which District has approved, and the authorized representative of District has executed, this Agreement; provided that an authorized representative of Participant shall have executed this Agreement prior to the date on which the District executes this Agreement.

(g) Notices. Any notice required or given under this Agreement shall be in writing and, except as otherwise provided by law, shall be effective (i) upon personal delivery, (ii) on the day it is faxed, provided that the party giving facsimile notification must retain evidence of successful transmittal of the notice, (iii) on the second business day after mailing by certified or registered United States mail, return receipt requested, if addressed as follows:

If to District: Otay Water District
Attention: Public Services
2554 Sweetwater Springs Boulevard
Spring Valley, California 91978-2004
Telephone: (619) 670-2241
Facsimile: (619) 670-6184

If to Participant: Agave and Saguaro Homeowner Association
Attention: Thomas Villarreal, Community Manager
1625 Discovery Falls Drive
Chula Vista, California 91915
Telephone: 619-397-4324
Facsimile: 619-397-6826

Notice of change of address shall be given by written notice in the manner set forth in this Section.

(h) Counterparts. This Agreement may be executed in multiple counterparts, each of which counterpart, if fully executed, shall be deemed an original. No counterpart shall be deemed to be an original or presumed delivered unless and until the counterpart executed by the other party to this Agreement is in the physical possession of the party seeking enforcement thereof.

(i) Corporate Authority. Each person executing this Agreement of behalf of the Participant warrants that: (i) such party is duly organized and existing; (ii) the signatory is duly

authorized to execute and deliver this Agreement on behalf of said party; (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement; and (iv) the entering in this Agreement does not violate any provision of any other Agreement to which said party is bound.

IN WITNESS WHEREOF, this Agreement has been executed by an authorized representative of Participant, on behalf of the Participant, and by the General Manager, on behalf of District.

OTAY WATER DISTRICT
a California municipal water district

By: _____
General Manager

Date: _____, 2_____

Approved as to Form:

General Counsel

Agave and Saguaro Home Owners Association
A non-profit, mutual benefit, corporation

BY: Sarah Beckman
ITS: President
DATE: 11/19/09

BY: Rita S. Maul
ITS: Secretary
DATE: 11/19/2009



ATTACHMENT B-3

**AGREEMENT FOR RECYCLED WATER RETROFIT
(OWD Recycled Water Retrofit Program)**

This Agreement for Construction of a Water System ("Agreement") is entered into by and between the **Otay Water District**, a Municipal Water District formed under the Municipal Water District Act of 1911 ("**District**"), and **Aristata Homeowners Association**, a non-profit mutual benefit corporation with a business address at 1625 Discovery Falls Drive, Chula Vista, California 91915 ("**Participant**"). The District and the Participant are sometimes collectively referred to herein as the "Parties" and each as a "Party." All references to "Participant" herein are equally applicable to each and every heir, assign or successor in interest of the Participant. By mutual agreement of the parties, this Agreement shall be dated and effective on the date indicated on the signature page under the District's signature.

RECITALS

A. Participant desires to install and construct new recycled water facilities or replace and retrofit existing facilities (the "**Retrofit Facilities**"), as further described in Recital C, below, to qualify the Development (defined below) to receive and use recycled water, in lieu of potable water, for its landscaping needs; and

B. The Retrofit Facilities will serve the real property located at 1625 Discovery Falls Road, Chula Vista, California 91915 and will benefit a development currently commonly known as Aristata Homeowners Association (the "**Development**"); and

C. The owner of the Development, or an authorized representative, submitted an application, dated November 19, 2009 (the "**Application**"), to participate in the District's Recycled Water Retrofit Grant Pilot Program, authorized by the Board of Directors on September 2, 2009 (the "**Retrofit Program**"); and

D. The District staff reviewed the Application and has determined that the Development qualifies for the **Retrofit Program** because: (i) at present, the Development uses potable water for its irrigation needs; (ii) the location of the Development is such that the Retrofit Facilities could be connected to the District's Recycled Water System; and (iii) the applicant has preliminarily demonstrated its willingness and ability to fulfill and satisfy on an ongoing basis all requirements to receive recycled water service and manage its recycled water facilities; and

E. The Participant is solely responsible for the cost of adequate and complete Plans and Specifications, which shall not be considered adequate until reviewed and approved by the District and any other agency whose approval is required in connection with the proposed Retrofit Facilities (as approved, the "**Plans and Specifications**"); and

F. In consideration of the benefit to the District and the region of the conservation of potable water by using recycled water to irrigate the Participant's landscaping, if the Retrofit Facilities are installed in accordance with the terms of this Agreement and the approved Plans and Specifications, and after Completion (as defined below), the District will reimburse the Participant 50% of the approved on-site construction costs of the conversion, as further described

in this Agreement. Additionally, the District will waive its fees for plan-checking and inspection.

OPERATIVE PROVISIONS

NOW THEREFORE, in consideration of the above Recitals and of the promises and agreements contained herein, and for other good and valuable consideration the receipt and adequacy of which is hereby acknowledged, District and Participant do hereby promise and agree as follows:

1. Installation and Operation of Retrofit Facilities

a. General. In consideration of the Grant, as described below, Participant agrees to do and perform, or cause to be done and performed, at its expense and without cost or liability to District, all of the design, construction, installation and other work ("**Work**") required to construct and complete the Retrofit Facilities. Participant also agrees to furnish all of the labor, equipment, materials and improvements ("**Labor and Materials**"), except as may be specified on the Plans and Specifications, required for Completion (as defined in Section 3 of this Agreement) of the Retrofit Facilities. Participant shall promptly pay and discharge all bills and claims related to Work on, Labor and Materials for, and Completion of, the Retrofit Facilities.

b. Strict Conformity Required. The Work shall be done and performed in a good and workmanlike manner. The Retrofit Facilities shall be designed, constructed, installed and operated in strict conformity with the District requirements for recycled water facilities and service, as set forth in Section 26 of the District's Code of Ordinance (available at District offices and on the District's website at www.otaywater.gov.) and other related documents and regulations, including without limitation the following documents incorporated herein by reference:

- i. Approved Plans and Specifications for the Retrofit Facilities
- ii. District's List of Approved Costs
- iii. Board Policy 52
- iv. DEH Requirements for the Retrofit Facilities
- v. Participant's Recycled Water Permit

If at any time during the term of this Agreement, Participant requires assistance to identify requirements applicable to the recycled water facilities or service, Participant shall contact the Recycled Water Manager at the District's Operation Department at 619-670-2510.

2. Estimated Cost

The estimated cost of the Work for the Retrofit Facilities, as approved by District pursuant to the Plans and Specifications, is **Twenty thousand dollars and zero cents** (\$20,000.00) (the "**Cost Estimate**"). Participant's obligations under this Agreement in connection with the construction and operation of the Retrofit Facilities are not limited by the

amount of the Cost Estimate. Participant understands that, although the District will contribute the agreed upon amounts after Completion (as defined below), Participant must ensure the Completion of the Retrofit Facilities and must operate and maintain them in accordance with all applicable requirements of the District and the law.

3. Notice of Completion; Completion Date

For purposes of this Agreement, the Retrofit Facilities, and all Work required therefor, shall only be deemed completed when all items identified on District's Final Inspection/Operations Punch List have been completed in accordance with the terms of this Agreement and the District approved Plans and Specifications, the District receives DEH acceptance letter and the District formally notifies the Participant ("**Notice of Completion**") that the Retrofit Facilities have been completed ("**Completion**" or "**Completed**"). Participant agrees to Complete the Retrofit Facilities on or before the Seven Hundred and Thirtieth (730th) day from and after the effective date of this Agreement ("**Completion Date**"). Participant MUST request and extension of the Completion Date at least 45 days prior to the Completion Date if it determines that it might not finish the Work on time. One or more extensions may be granted by District at its sole discretion and any such extension shall not affect the validity of this Agreement. District may request a Deposit, as described and defined in Section 9, below, prior to granting and extension.

Any defective work or material that may be discovered by the District before the Completion Date, or before payment on the Grant, must be removed and replaced or repaired, as appropriate, by the Participant. **No additional Grant money will be available for such repairs or replacements.**

The District may issue a written notice of substantial completion for the purpose of establishing the date that the District anticipates payment of the Grant might be made, pending satisfactory Completion and final inspections. If so, said notice shall not be considered as Completion of any portion of the work or relieve the Participant from completing the remaining work within the specified time and in full compliance with this Agreement and the Plans and Specifications.

4. Grant

The District will issue an initial list of approved on-site construction costs (the "**Approved Costs**") after the Participant provides the District a copy of the Participant's contract with the low bidder for the Retrofit Facilities. The list of Approved Costs may only be amended by the District if, during the construction of the Work, the District, at its sole discretion, determines that additional costs should be added to the list. Following the issuance of the Notice of Completion, the District will reimburse Participant for FIFTY percent (50%) of the Approved Costs (the "**Grant**"). Participant understands that the District the District will not contribute toward any costs that are not Approved Costs. Participant must provide copies of invoices for the Work and evidence of payment satisfactory to the District before the District disburses any portion of the Grant.

5. **Term**

The term of this Agreement shall be 730 days from the effective date unless extended, provided that Participant's obligations under Section 9, Participant Indemnity; Section 11, Changes to Work, Modifications; and Section 12, Responsibility for the Retrofit Facilities, shall survive the expiration or early termination (as provided below) of this Agreement.

6. **Termination**

This Agreement may be terminated by District as follows:

(a) Upon ten (10) days written notice to Participant following a failure by Participant to comply with any of the terms of this Agreement within thirty (30) days after written notice from District that Participant is non-compliant.

(b) Upon thirty (30) days written notice to Participant that a change in the provisions of law has occurred such that District would be unable to comply with its obligations hereunder.

(c) At the expiration of the 730th day from the effective date hereof if a determination by the General Manager of District is made that Participant will be unable to complete the Retrofit Facilities by the Completion Date and that District does not wish to grant an extension, as provided under Section 3, above.

7. **District Inspection**

District shall be allowed to inspect the Retrofit Facilities during all stages of the Work. District shall be notified a minimum of five (5) working days prior to the commencement of Work on the Retrofit Facilities. Except as provided in Section 9, below, District agrees to waive all plan-checking and inspection fees.

8. **Delivery of Record Drawings**

Upon completion of the Work on the Retrofit Facilities to the satisfaction of the District, Participant shall deliver to District one complete set of duplicate tracings together with two (2) prints of the Plans and Specifications for the Retrofit Facilities showing thereon "Record Drawings" conditions. Delivery of said Record Drawings shall be a prerequisite for the Retrofit Facilities to be deemed Completed and shall be a prerequisite to the payment of the Grant.

As required by law, the District will deliver copies of the Record Drawings to the San Diego County Department of Environmental Health ("DEH").

9. **Participant Deposit; Participant Waiver**

In consideration of Participant's commitment to complete the Retrofit Facilities and in consideration of the anticipated savings of potable water, which are of benefit to the District, the District will waive the Deposit herein described. If the Participant fails to complete the Retrofit Facilities in the manner herein contemplated, Participant shall pay District all costs and expenses

incurred in connection with the Retrofit Facilities, including without limitation plan checking, inspection, attorney's fees, materials furnished, if any, and all other expenses of District directly attributable to the Retrofit Facilities, plus a reasonable amount for District's overhead costs in connection therewith. At such time as requested by District, upon a determination in its sole discretion that Participant has failed to timely and satisfactorily complete the Retrofit Facilities, Participant shall deposit with District, an amount equal to the District costs and expenses (the "**Deposit**"). If an extension is granted, pursuant to Section 3, and Participant fails to ensure that the Retrofit Facilities are Completed and Accepted prior to the expiration of any such extension, the Deposit will be forfeited and District shall have no obligation to refund any balance or to provide any services herein contemplated.

In connection with such failure, Participant specifically waives any claim or right to receive any reimbursement of the Deposit, any portion of the Grant, any credit against potable water consumption or any other benefit under this Agreement.

Participant Initials H

10. Changes of Work; Modification

It is agreed that conditions now unforeseen may require modifications of the Plans and Specifications heretofore approved by District. In such event Participant shall obtain District approval of such changes; provided that all changes shall be in compliance with all applicable requirements of law and regulation. No Work shall be commenced on any change requested by Participant until District's General Manager has approved such change. Approved changes in Plans and Specifications shall be entered by Participant upon the original tracing of the Plans and Specifications Participant, and District's approval of said changes shall be endorsed upon said tracing by District's engineer.

Participant understands and agrees that *ANY and ALL modifications* to the Retrofit Facilities are subject to prior approval by District and the DEH; and such understanding is evidenced by the Participant's initials below.

Participant Initials H

11. Responsibility for the Retrofit Facilities

Participant, its heir, assigns or successors in interest (each, a "Responsible Party"), as applicable, shall be and, at all times, remain responsible for the care, maintenance of, and any damage to the Retrofit Facilities, and any liabilities arising from the Retrofit Facilities. Operation of the Retrofit Facilities shall at all times be in accordance with District's rules and regulations and all laws, rules and regulations applicable to the recycled water service provided by District. *The Responsible Party shall neither make nor allow any changes or modifications to the Retrofit Facilities without prior written approval by District and the DEH.*

Participant guarantees all Work and Retrofit Facilities covered by this Agreement. Participant shall, at no cost or expense to District, correct all defective Work, and repair or replace all damaged, defective or malfunctioning Retrofit Facilities, or parts thereof.

The Responsible Party shall ensure that, at all time while the Retrofit Facilities remain in operation, a properly trained and certified Site Supervisor in compliance with the requirements of Section 26 of the District's Code of Ordinance and DEH requirement shall be in charge of the regular maintenance and inspection of the Retrofit Facilities. If damage or defects cause a leak or other malfunction at any time, the Site Supervisor shall follow the applicable procedures established thereunder, and any other procedures as from time to time are formulated by the District or the DEH.

In the event of an emergency, District may disconnect or terminate service to the Retrofit Facilities without notice and the Responsible Party shall be liable for all costs and expenses incurred by District. Any and all sums left unpaid for more than Thirty (30) days after demand therefor has been made by District shall accrue interest at the legal rate of interest (currently ten percent (10%) per annum).

12. District Recycled Water Service

If the Retrofit Facilities are Completed and connected to the District's recycled water system, Participant shall at all times comply with all requirements of service, including without limitation all ordinance and provisions of the District's Code of Ordinance, timely payment of bills issued by the District, ongoing compliance with DEH and District requirements concerning the use of recycled water, and compliance with the terms of any permits or other federal, state or local laws or regulations.

Participant agrees that before Participant can purchase and have District install recycled water meter(s), the following must occur: (i) Participant must Complete the Retrofit Facilities; (ii) Participant must pay capacity fees and any other appropriate fees and charges; (iii) District must receive a letter of clearance from DEH; (iv) Participant must have submitted all required documentation for District to process the Grant; and (iv) Participant must be in compliance with all applicable provisions of the Code Ordinances of District.

 /
INITIAL

Participant understands that, at the time it pays capacity to purchase the recycled water meter, it will have the opportunity to request to downsize its existing potable water meter. If the Participant requests a smaller potable meter, the District agrees to apply credits toward the purchase of capacity for the recycled water meter.

13. Responsibility for Water Costs

Participant, on behalf of itself, its heirs, assigns and successors in interest, agrees to be liable for the cost of all water or recycled water used for the Development, the Work and the Retrofit Facilities, without limitation.

~~14~~
INITIAL

14. Use of Water without Meter; Unauthorized Connections; Liability

No person, other than an employee or agent of District, has any right to operate any part of the District's distribution systems.

Participant acknowledges that the District has an obligation to ensure the security and integrity of its facilities and system and has adopted a strict liability standard for any unauthorized connection to, operation of, or use of any portion of the potable water, recycled water and/or sewer system. *Participant shall be subject to a fine, as from time to time determined by the District, and or criminal prosecution in connection with any unauthorized connection for any of its property or the Development.* Furthermore, at District's discretion, Participant's officers, employees, agents or any independent contractors or subcontractors may also be subject to criminal prosecution to the maximum extent allowed by law if there is evidence of their participation in connection with any such unauthorized connection, use or operation. In connection with this Agreement, the Work and the Retrofit Facilities, Participant shall inform all of its officers, employees, agents or any independent contractors or subcontractors of this potential liability and shall institute procedures to prevent any such unauthorized connection, use or operation; and to prevent any cross-connections.

~~14~~
INITIAL

15. Easements to District

If one or more easements are required in connection with the Retrofit Facilities, the facilities shall not be considered Completed until the date the easements are recorded with the San Diego County Recorder.

16. Indemnity

(a) Indemnity. Participant hereby agrees to indemnify, protect, defend and hold District, its elective and appointive boards, officials, officers, attorneys, agents, and employees, harmless from any liability, damage, suit or action at law or in equity, judgment, demand, or claim for damages for personal injury, including death, or for damages to property which may arise from, or are in any way related to, the acts and/or omissions of Participant, and/or contractors, subcontractors, agents, or employees in any way related to the Retrofit Facilities, the Work or otherwise under this Agreement, whether such acts and omissions be by Participant or any of Participant's contractors, sub-contractors, employees, or agents, or by one or more persons directly or indirectly employed by, or acting as agent for, Participant or any of Participant's contractors, subcontractors, employees or agents or any other person whomsoever.

(b) Defense. Participant agrees to appear and defend District and its elective and appointive boards, officials, officers, attorneys, agents and employees, with legal counsel reasonably acceptable to District, from any suits or actions at law or in equity, proceedings,

judgments, demands, and claims for damages alleged to have been caused, or in any way related to, any of the aforesaid acts or omissions; provided that:

(c) No Waiver. District does not waive any rights against Participant, which it may have by reason of the aforesaid indemnity agreement, because of any acceptance of Work or Retrofit Facilities by District; and

(d) Coverage of Indemnity. The indemnity agreement by Participant shall apply to all liabilities, damages and claims for damages of every kind suffered, or alleged to have been suffered, by reason of any of the aforesaid operations referred to in this paragraph (8), regardless of whether or not District has prepared, supplied or approved plans and/or specifications for the Retrofit Facilities and/or the Development; and

(e) Limit of Indemnity. The agreement by Participant to indemnify, defend and hold District harmless shall not include liabilities, damages, or claims for damages caused by the negligent acts or omissions or willful misconduct of District, or its elective and appointive boards, officials, officers, agents, and employees.

17. Insurance

At all times while doing any Work or activity concerning the Retrofit Facilities, Participant and any contractors and subcontractors or agents shall maintain, at minimum, **commercial or general liability** policy of insurance in the applicable amount indicated below based on the estimated cost of the Facilities, per incident coverage for personal injury, property damage and any other loss arising from or in connection with the Retrofit Facilities.

Estimated Cost	Minimum Amount of Insurance Required
Less than \$500,000	\$1,000,000 aggregate; \$500,000 per occurrence
\$500,000-5,000,000	\$3,000,000 aggregate; \$1,000,000 per occurrence
More than \$5,000,000	\$10,000,000 aggregate; \$2,000,000 per occurrence

In addition, Participant shall maintain all other insurance coverage required by law, including but not limited to any applicable **workers compensation** insurance.

18. General Provisions

(a) Entire Agreement. The terms and conditions set forth in this Agreement constitute the entire understanding of the Parties with respect to the Retrofit Facilities; provided that, where reference is made to applicable laws, rules or regulations, including those of the District or DEH, such are incorporated herein by reference.

(b) Enforcement of Agreement. Should either party hereto sue to enforce the terms of this Agreement, the venue for such action shall be with the Superior Court of the County of San Diego.

(c) Applicable Law. This Agreement shall be construed and interpreted in accordance with the internal laws of the State of California, without regard to its conflict of laws principles.

(d) Amendments. No amendment, modification, supplement, termination or waiver of any provision of this Agreement shall be effective unless executed in writing by both parties and then only in the specified instance and for the specific purpose given.

(e) Waiver. The waiver of any term, condition or provision of this Agreement is valid only as to that specific waiver and does not constitute a waiver of, and shall not be construed to waive, any other term, condition or provision of this Agreement.

(f) Effective Date. This Agreement become effective on the date on which District has approved, and the authorized representative of District has executed, this Agreement; provided that an authorized representative of Participant shall have executed this Agreement prior to the date on which the District executes this Agreement.

(g) Notices. Any notice required or given under this Agreement shall be in writing and, except as otherwise provided by law, shall be effective (i) upon personal delivery, (ii) on the day it is faxed, provided that the party giving facsimile notification must retain evidence of successful transmittal of the notice, (iii) on the second business day after mailing by certified or registered United States mail, return receipt requested, if addressed as follows:

If to District: Otay Water District
Attention: Public Services
2554 Sweetwater Springs Boulevard
Spring Valley, California 91978-2004
Telephone: (619) 670-2241
Facsimile: (619) 670-6184

If to Participant: Aristata Homeowners Association
Attention: Thomas Villarreal, Community Manager
1625 Discovery Falls Drive
Chula Vista, California 91915
Telephone: 619-397-4324
Facsimile: 619-397-6826

Notice of change of address shall be given by written notice in the manner set forth in this Section.

(h) Counterparts. This Agreement may be executed in multiple counterparts, each of which counterpart, if fully executed, shall be deemed an original. No counterpart shall be deemed to be an original or presumed delivered unless and until the counterpart executed by the other party to this Agreement is in the physical possession of the party seeking enforcement thereof.

(i) Corporate Authority. Each person executing this Agreement of behalf of the Participant warrants that: (i) such party is duly organized and existing; (ii) the signatory is duly

entering in this Agreement does not violate any provision of any other Agreement to which said party is bound.

IN WITNESS WHEREOF, this Agreement has been executed by an authorized representative of Participant, on behalf of the Participant, and by the General Manager, on behalf of District.

OTAY WATER DISTRICT
a California municipal water district

By: _____
General Manager
Date: _____, 2 _____

Approved as to Form:

General Counsel

Aristata Homeowners Association
A non-profit, mutual benefit, corporation

BY: _____
ITS: ARISTATA PRESIDENT
DATE: 11/20/09

BY: _____
ITS: TREASURER
DATE: 11/20/2009



ATTACHMENT C

**OTAY WATER DISTRICT
CAPITAL IMPROVEMENT PROGRAM**

CIP Number: R2094

PROJECT TITLE: Potable Irrigation Meters to Recycled Water Conversions

WORK ORDER NO:	n/a	DIRECTOR DIVISION:	1
PROJECT MANAGER:	Charles	I.D. LOCATION:	22
ORIGINAL APPROVED DATE:		PRIORITY:	1
RELATED CIP PROJECTS:		BUDGET AMOUNT:	\$2,000,000

DESCRIPTION OF PROJECT:

This project is to fund the conversion of existing potable water irrigation systems to use recycled water within existing multifamily and commercial type developments located adjacent to existing recycled water mains within the City of Chula Vista.

JUSTIFICATION OF PROJECT:

The expansion of recycled water development allows for potable water savings and increases the purchases of supply from the SBWRP.

COMMENTS:

FUND DETAIL:

FUNDING SOURCE:	Expansion	Betterment	Replacement	Total
General Fund	100%			100%
TOTAL:	100%			100%

EXPENDITURE SCHEDULE (X \$1000):

PRIOR YEARS:	FY	FY	FY	FY	FY	FY	
TOTAL	2010	2011	2012	2013	2014	2015	TOTAL
	\$500	\$500	\$1,000				\$2,000

**OTAY WATER DISTRICT
CAPITAL IMPROVEMENT PROGRAM**

CIP Number: R2094

PROJECT SCHEDULE:

PROJECT PHASE:	ESTIMATED START DATE:	ESTIMATED FINISH DATE:
PLANNING:	07/09	12/09
DESIGN:	01/10	06/11
CONSTRUCTION:	07/11	06/12

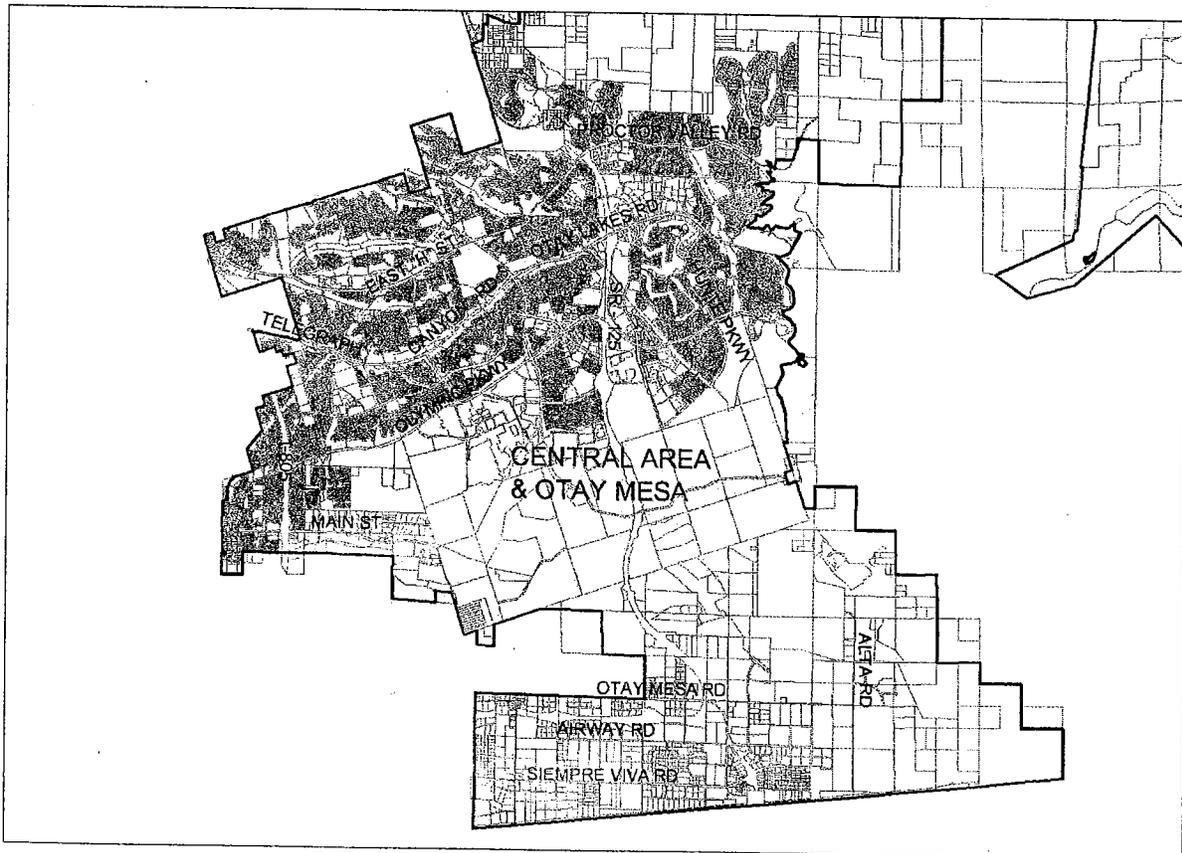
PROJECTED INCREMENTAL OPERATING EXPENDITURES SCHEDULE (\$):

FY	FY	FY	FY	FY	FY	TOTAL
2010	2011	2012	2013	2014	2015	
						\$0.00

PROJECT LOCATION:

Thomas Bros. Map: District Wide

OWD Map Book: District Wide



Submitted By: Bob Kennedy

Date: 02/22/2009

AGENDA ITEM 15



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	January 6, 2010
SUBMITTED BY:	Lisa Coburn-Boyd <i>LCB</i> Environmental Compliance Specialist	PROJECT NO./ SUBPROJECT:	P2494- DIV. ALL 001101 NO.
	Ron Ripperger <i>Ripperger</i> Engineering Manager		
APPROVED BY: (Chief)	Rod Posada <i>R. Posada</i> Chief, Engineering		
APPROVED BY: (Asst. GM):	Manny Magaña <i>M. Magaña</i> Assistant General Manager, Engineering and Operations		
SUBJECT:	Board approval for the District to join the Joint Water Agencies for the Preparation of a Natural Community Conservation Plan/Habitat Conservation Plan		

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board of Directors (Board) 1) approves an increase in the project budget from \$226,000 to \$830,000, and 2) authorizes the General Manager to enter into an agreement with the Joint Water Agencies (JWA) partners (Sweetwater Authority, Helix, and Padre Dam) for the preparation of a Natural Community Conservation Plan/Habitat Conservation Plan (NCCP/HCP).

COMMITTEE ACTION: _____

Please see Attachment A.

PURPOSE:

To obtain Board approval for a project budget increase of \$604,000 and to obtain Board authorization for the General Manager to enter into an agreement with the three JWA partners, Sweetwater Authority, Helix, and Padre Dam for the preparation of a NCCP/HCP.

ANALYSIS:

In September 2007, the General Manager, Mark Watton, met with the General Managers of Helix, Padre Dam, and Sweetwater Authority to discuss whether they would support the inclusion of the District as a partner in the Joint Water Agencies NCCP/HCP. The decision at that time was that they would welcome the District as a partner, but only after their plan had received final approval from the Wildlife Agencies (US Fish & Wildlife Service and CA Dept. of Fish & Game) and their permits were in place. Since that time, the Wildlife Agencies have requested changes to the JWA documents that have delayed the approval process and have opened up a window of opportunity for the District to become a partner in the JWA Plan before final approval.

A letter was received from the JWA Partners on November 3, 2009 (see Exhibit A) asking if the District would be interested in becoming a full partner. This request assumes that the preparation of the District's subarea plan is far enough along that it will be complete by the time that the JWA Partners have to submit their final documents to the Wildlife Agencies. The District's consultant, RECON, has been working on our subarea plan and is confident that they will meet the spring timeframe for having a completed plan. The ability to join in with the JWA Plan at this time, rather than through an amendment process after their plan has been approved, has several advantages. The main advantage is that the District will be able to implement our subarea plan and self-permit for projects much sooner than if we had to go through the amendment process, a process that has not been done before and may take much longer than anticipated. Other advantages are that we will be a part of the overall CEQA/NEPA process for the JWA Plan and will not have to prepare a separate CEQA/NEPA document just for our subarea plan. This change will allow the District to be able to share some of the costs going forward with the other three JWA partners.

The November 3, 2009 letter from the JWA partners included a request for the District to compensate the original three partners in the Plan for work that has been completed. During the original meeting to discuss becoming a partner in the JWA Plan, in September 2007, the District proposed that it would be reasonable to provide a financial contribution to the Partners for their efforts in undertaking the Plan thus far and for development of Plan components that are of value to the District. The District would have needed to prepare these components were it not for the existence of the draft Plan. These components include the Subregional Plan, the Conservation Analysis, the Subarea Plan format and content requirements, and the Model Implementing Agreement.

The Partners calculated what they felt was a reasonable and fair contribution for the District based on what they have expended through October 2009. Table 1. below is a summary of the total costs expended to date and is taken from the November 3, 2009 letter from the JWA Partners.

Table 1. Total JWA Partner Costs

Total Costs for JWA NCCP Partners (through Oct 2009)				
Partner	Staff (includes overhead)	Consultants/Misc.	Legal	Total
Helix	\$77,339	\$525,236	\$208,589	\$811,164
Padre Dam	\$197,428	\$314,556	\$146,430	\$658,413
Sweetwater Authority ¹	\$84,308	\$396,503	\$62,437	\$543,248
TOTAL	\$359,075	\$1,236,295	\$417,456	\$2,012,825

¹ Sweetwater costs for staff and legal have not been tracked separately since Sept. 2007; consultant costs are included.

The total cost is approximately \$2 million and if the District had been a part of the process since its inception, one fourth of that amount is \$500,000. In order to be equitable, the Partners agreed that 20% should be deducted to account for project costs associated with in-process changes to the direction of the plan, making the District's contribution to the process \$400,000. This would be equally distributed between the three current partners.

There are several other costs going forward that will be split between the four partners, if the District decides to become a full partner. These include the CEQA/NEPA process for the plan which is estimated to cost \$125,000 to complete, legal fees associated with the negotiations of the JWA partners with the Wildlife Agencies which are estimated to cost \$110,000 and \$55,000 for contracting with Rick Alexander Company for assistance in policy development and resolution and Wildlife Agency negotiations. The District's contribution for these miscellaneous fees would be \$72,500.

The current CIP budget is \$226,000. This amount is designated for the completion of the District's Subarea Plan which will become part of the overall JWA Plan. In order to complete the District's Subarea Plan, provide the financial compensation to the original three JWA Partners, and to cover the District's contribution to the tasks necessary to complete the JWA Plan, the budget will need to be increased from \$226,000 to \$830,000.

FISCAL IMPACT:



The total budget for CIP P2494, as approved in the FY 2010 budget, is \$226,000. Expenditures to date are \$36,957. Total expenditures, plus outstanding commitments and forecast to date including the NCCP/HCCP, are \$830,000 (See Attachment B for budget details). The Project Manager has determined that with a budget increase of \$604,000, the project will be completed with the new budget amount of \$830,000.

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

STRATEGIC GOAL:

This project supports the District's strategic goal of creating a comprehensive environmental program that is proactive in response to environmental compliance.

LEGAL IMPACT:

None.



General Manager

P:\WORKING\CIP P2494 MSCP\BD 01-06-2010, Staff Report, Request to Join JWA Plan, (LCB-RR).doc

LCB/RR:jf

Attachments: Attachment A
Attachment B
Exhibit A

QA/QC Approved:

Name: Bill Mel

Date: 11/20/09



ATTACHMENT A

SUBJECT/PROJECT: P2494-001101	Board approval for the District to join the Joint Water Agencies for the Preparation of a Natural Community Conservation Plan/Habitat Conservation Plan
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COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on December 2, 2009. The Committee supported Staff's recommendation.

NOTES:

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
P2494 - Multiple Species Conservation Plan

Date Updated: November 19, 2009

Budget	Committed	Expenditures	Outstanding Commitment & Forecast	Projected Final Cost	Vendor / Comments
\$830,000					
Planning					
In House/Labor	25,669	16,985	8,684	25,669	
Consultant Contracts	254,331	19,972	234,359	254,331	RECON
JWA Contribution & Other Payments	550,000		550,000	550,000	JWA Partners & Others
Total Planning	\$ 830,000	\$ 36,957	\$ 793,043	\$ 830,000	
Design					
In House/Labor					
Total Design	\$ -	\$ -	\$ -	\$ -	
Construction					
In House/Labor					
Total Construction	\$ -	\$ -	\$ -	\$ -	
Grand Total	\$ 830,000	\$ 36,957	\$ 793,043	\$ 830,000	

QA/AC Approved:

PM Signature: Lind Colburn-Boyd

DATE: 11/24/09

QC Signature: [Signature]

DATE: 11/20/09

Engr. Mgr.: [Signature]

DATE: 11/20/09

EXHIBIT A



Helix Water District



PADRE DAM
Municipal Water District



JOINT WATER AGENCIES: NATURAL COMMUNITY CONSERVATION PLAN

November 3, 2009

Mr. Mark Watton
General Manager
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978-2004

Dear Mr. Watton:

Helix Water District, Padre Dam Municipal Water District, and Sweetwater Authority (Partners) are currently in the process of revising and completing the Joint Water Agencies Natural Community Conservation Plan/Habitat Conservation Plan (Plan). As you know, Otay Water District requested admission to the Plan in July 2007 and in October 2007 the Partners notified the U.S. Fish and Wildlife Service (Service) and the California Department of Fish and Game (Department) (collectively, "Wildlife Agencies") of their concurrence with this request.

As a follow up to recent discussion between Sweetwater staff and Otay staff regarding the proposed revisions to the Plan and Otay's progress on its Subarea Plan, the General Managers met October 23rd to discuss the inclusion of Otay in the Plan. We are glad to report that the Partners unanimously agreed to invite Otay to be a full partner in the Plan at this time, as opposed to through the plan amendment process as initially contemplated. The goal would be for Otay to complete Plan development and key project documents on the same schedule as the other Partners so that application for take authorizations and environmental documentation could be completed on a single schedule. We must seek authorization from our respective Boards soon to complete the planning process, but are delaying this request to hear from Otay about an expanded partnership.

There are many details to be worked out and much coordination to be accomplished, but we are confident that this can occur in a timely fashion, particularly since our staffs have been cooperating effectively to coordinate Plan development over the last year and a half. There are however, six requests that the partners ask Otay to consider before the new partnership may proceed:

- **Project Schedule:** Otay is asked to proceed with development of its portion of the Plan on what may be an accelerated schedule so that Otay may be included in the Wildlife Agencies' review of the draft submission of the Subregional Plan (SRP) and Conservation Analysis (CA) in February 2010, and four Subarea Plans (SAP), including Otay, in April 2010. The most recent schedule and estimated costs provided by our biological and planning consultants Technology Associates International Corporation (TAIC) is attached, but please note that it shows a start date on November 1. The actual start date remains pending while the inclusion of Otay is explored, but the chronological time required for the various tasks should remain the same whatever the actual start date is.
- **Biological Consultants:** The parties would continue to independently retain their biological and planning consultants (TAIC and RECON). Those consultants would work cooperatively on key elements of the Plan such as coordination of the SRP and SAPs and the production of the critical CA, including the introduction of any new species proposed for coverage.
- **Legal Representation:** It would not be productive in our view to have more than a single legal firm dealing with the Wildlife Agencies' on the completion of the Plan and issuance of take authorizations. The Partners see Best, Best and Krieger (BBK), and specifically Lindsay Puckett in this role. The Partners propose that Otay contract with BBK for this specific project. Please note that it is likely that BBK would require a waiver of potential conflicts in representing all four partners to complete the Plan. This total cost is estimated to be \$110,000* to complete the Plan. The legal costs would be divided into four equal shares for tasks benefiting all four Partners (such as review of the Subregional Plan).

The current partners have also requested that BBK contract with The Rick Alexander Company to provide assistance in policy development and resolution, and Wildlife Agency negotiations. Those costs would be divided into four equal shares as well for tasks benefiting all four Partners. This total cost is estimated to be \$55,000* to complete the Plan.

- **EIR/EIS Preparation:** A.D. Hinshaw and Associates (ADHA) should continue as the sole entity preparing the EIR/EIS with the cooperation of TAIC and RECON. ADHA will be asked to update their pending cost and scope proposal to include Otay, and if acceptable these cost would be divided into four equal shares. This total cost is estimated to be \$125,000* to complete the Plan.

- **Key Principles Memorandum, Wildlife Agency Acceptance Letter, and Subregional Plan:** The Partners request that Otay provide a letter of assurance that the Memorandum of Key Principles for Completion and Implementation of the Plan dated May 27, 2009, the letter of approval (with conditions) from the Wildlife Agencies dated August 11, 2009, and current draft Subregional Plan are acceptable policy documents to guide completion of the Plan, including all four SAPs. Otay should understand that opportunity may exist to modify these policies and guidelines somewhat through the contents of the Otay SAP, which is subject to an independent Implementing Agreement (IA) with the Wildlife Agencies.

** These costs are rough estimates and are based on limited knowledge of the status and content of what would be key Otay inputs to the Plan.*

- **Otay Compensation to Current Partners for Work Completed:** In 2007 Otay proposed that it was reasonable to provide a financial contribution to the Partners for their efforts in undertaking the Plan thus far and for development of Plan components that are of value to Otay. These components would have been prepared independently by Otay were it not for the existence of the draft Plan and include the SRP, CA, SAP format and content requirements, and the Model IA. Consequently the Partners propose that a reasonable and fair contribution for Otay would be calculated based on the table below, which shows what the Partners approximate costs for the Plan have been to date.

Total Partner Costs:

Total Costs for JWA NCCP Partners (Through October 2009)				
Partner	Staff (includes overhead)	Consultants/ Misc.	Legal	Total
Helix	\$77,339	\$525,236	\$208,589	\$811,164
Padre Dam	\$197,428	\$314,556	\$146,430	\$658,413
Sweetwater Authority ¹	\$84,308	\$396,503	\$62,437	\$543,248
TOTAL	\$359,075	\$1,236,295	\$417,456	\$2,012,825

¹ Sweetwater costs for staff and legal have not been tracked separately since Sept. 2007; consultant costs are included.

For this analysis, the Partners have assumed that Otay was a part of the process since its inception.

Since the approximate total cost is \$2 million, one fourth of that is \$500,000. If the Partners further assume that, to be equitable, 20% should be deducted

Mark Watton
Otay Water District
November 3, 2009
Page 4 of 4

to account for project costs that were associated with in-process changes to the direction of the Plan, the total for Otay's contribution becomes \$400,000.

Consequently, the equal financial contribution requested for each of the three current Partners from Otay is \$133,333.

Please review this proposal and respond at your earliest convenience. It is our hope that Otay will choose to become a Partner and that we may proceed toward a timely conclusion of this important project. Please feel to contact any of us, Rick Alexander (619-409-6830), or Lindsay Puckett (619-525-1378) if you have questions or comments.

Sincerely,



Mark S. Weston, General Manager
Helix Water District



Doug Wilson, General Manager
Padre Dam Municipal Water District



Mark Rogers, General Manager
Sweetwater Authority

cc: Lisa Coburn-Boyd – Otay Water District
Lindsay Puckett – Best Best & Krieger
Rick Alexander – Sweetwater Authority

Attachments