

AGENDA (Revised)

**ENGINEERING COMMITTEE MEETING
LEUCADIA WASTEWATER DISTRICT
Wednesday, May 3, 2017 – 8:30 a.m.
1960 La Costa Avenue, Carlsbad, CA 92009**

- 1. Call to Order**
- 2. Roll Call**
- 3. Public Comment**
- 4. New Business**
 - A. Authorize the General Manager to execute a sole source purchase Agreement with National Safety Services for the purchase of a new Confined Space Entry Equipment Trailer in an amount not to exceed \$32,452.88. (Pages 2 - 3)
 - B. Authorize the General Manager to execute a sole source Agreement with Southern Contracting Company to shift the Headquarters Building to a separate Electric Metering Switchboard an amount not to exceed \$59,345. (Pages 4 - 5)
- 5. Information Items**
 - A. Update of the Poinsettia Train Station Parallel Gravity Line Project (verbal)
 - B. Update of the Leucadia Scenic Cured-In-Place Pipe Lining Project (verbal)
- 6. Directors' Comments**
- 7. General Manager's Comments**
- 8. Adjournment**

MEMORANDUM

DATE: April 27, 2017
TO: Engineering Committee
FROM: Paul J. Bushee, General Manager 
SUBJECT: Award of Purchase Agreement – Emergency Confined Space Equipment Trailer

RECOMMENDATION:

Staff requests that the Engineering Committee recommend that the Board of Directors:

1. Authorize the General Manager to execute a sole source purchase Agreement with National Safety Services for the purchase of a new Confined Space Entry Equipment Trailer in an amount not to exceed \$32,452.88.
2. Discuss and take other action as appropriate.

DISCUSSION:**Tactical Goal: Services / Evaluate the Need for an Emergency Confined Space Trailer**

In January 2017, Field Services Staff began evaluating the benefits of purchasing a Confined Space Entry Equipment Trailer (Trailer) to store and transport the equipment required to conduct confined space entries. An effective collection systems maintenance program entails occasional confined space entries. The amount of equipment needed for these entries is substantial and currently requires transport by multiple trucks. Upon completion of the evaluation, staff concluded that having a specialized Trailer to store and transport the required entry equipment would be beneficial and allows for rapid deployment and increase efficiency.

In February 2017, Staff presented the results of their evaluation to the Engineering Committee (EC). At the conclusion of the presentation, staff informed the EC that the Fiscal Year 2018 (FY18) Budget would include funds for the Trailer purchase. However, the EC directed staff not to wait for FY18 and, if possible, complete the Trailer purchase in the near future. In response, staff contacted several trailer manufacturers and discovered that only one company manufactured customized trailers for confined space entry equipment. That manufacturer was National Safety Services. Due to the amount of customization required for adequate, organized and secure storage, staff believes it is prudent to purchase the Trailer from a manufacturer with experience in producing customized trailers solely for confined space entry equipment.

The purchase of the customized Trailer meets the sole source procurement requirements specified in Paragraph 11.1, Sole Source Procurement, of the District's Procurement Policy. That paragraph allows sole source purchases if the item or service is of such a unique, proprietary, or technical nature that it is only manufactured or provided by a single vendor. Therefore, staff requests authorization for the sole source purchase of the Trailer from National Safety Services in an amount not to exceed \$32,452.88. The purchase price includes

customized trailer, inventory and serialization of the District's existing confined space entry equipment, freight, and warranty.

FISCAL IMPACT:

National Safety Services estimates that the Trailer will take two months to manufacture. Based on this estimate, the Trailer will not be delivered until July 2017, the start of FY18. Therefore, funds for the purchase of the Trailer will be included in the FY18 Capital Acquisition Budget.

jms:PJB

MEMORANDUM

DATE: May 1, 2017
TO: Engineering Committee
FROM: Paul J. Bushee, General Manager 
SUBJECT: **Award of Construction Agreement with Southern Contracting Company – Shift of Headquarters Building to a Separate Electric Metering Switchboard**

RECOMMENDATION:

Staff requests that the Engineering Committee recommend that the Board of Directors:

1. Authorize the General Manager to execute a sole source Agreement with Southern Contracting Company to shift the Headquarters Building to a separate Electric Metering Switchboard an amount not to exceed \$59,345.
2. Discuss and take other action as appropriate.

DISCUSSION:**Tactical Goal: Services / Evaluate the Opportunity to Separate the Existing Main Office and Leucadia Pump Station Joint Electrical Meter**

In May 2015, staff requested and San Diego Gas & Electric (SDG&E) agreed to switch the electric rate for Batiquitos Pump Station to an agricultural pumping rate (ag rate). Subsequently, in September 2016 solar panels were installed at Batiquitos Pump Station to satisfy the peak shaving requirements of the reduced rate. This reduced rate enabled the District to save approximately \$35,000 a year in electricity costs at Batiquitos Pump Station.

Building on that success, staff evaluated the concept of separating the Headquarters Building from the single SDG&E meter servicing the District's campus. The single meter records the combined electrical usage for the Leucadia Pump Station, Gafner Advanced Water Treatment Facility (Gafner) and the Headquarters Building. The ag rate offered by SDG&E requires that incremental electrical usage, such as security or safety lighting, associated with the pumping or water / wastewater treatment facility be under 500kwh/month. Therefore, to take advantage of the reduced ag rate the electrical load of the Headquarters Building needs to be separated from that meter. SDG&E has confirmed that both the Leucadia Pump Station and Gafner qualify for the ag rate. Therefore, they can remain on a single meter. Additionally, the campus solar panels are connected to that meter and will satisfy the peak shaving requirements of the ag rate.

To conduct the evaluation, Staff contacted Southern Contracting Company (Southern) to obtain a quote to separate the Headquarters Building electrical service. Southern has provided electrical subcontractor service on numerous District projects including the Leucadia Pump Station Rehabilitation, Satellite Pump Stations Replacement, La Costa Pump Station Rehabilitation, Saxony Pump Station Rehabilitation and Village Park No.5 Pump Station

Replacement. Additionally, Southern has provided responsive and professional electrical repair and troubleshooting services on an ongoing basis to the District. Southern has evaluated the scope of work associated with separating the Headquarters Building from the current SDG&E service and has provided a lump sum price proposal of \$59,345 to complete the work. The scope of work includes providing the new metering switchboard, miscellaneous materials, equipment and labor for construction.

The estimated total cost for the project, including soft costs, is \$90,000. Based on the realized savings at Batiquitos Pump Station of approximately 24%, it is estimated that the project will pay for itself in 2.8 years.

Paragraph 10.1, Sole Source Procurement, of the District's Procurement Policy allows sole source procurement of service when a vendor or firm possesses unique knowledge of the District or is providing continuance of service as described in paragraph 11.4. Paragraph 11.4, Continuing of Services, allows a vendor or firm to be retained for the subsequent phase of the work if the firm has satisfactorily completed one phase of a project and the General Manager or Board of Directors determines that it is in the best interest of the District. Staff believes that Southern's previous work on capital projects, operations / maintenance support experience and executing the follow on construction phase for separating the electric service meet these requirements and justify the sole source procurement.

Therefore, staff recommends that the General Manager be authorized to execute a sole source agreement with Southern Contracting Company to complete the construction to shift the Headquarters Building to a separate Electric Metering Switchboard.

FISCAL IMPACT:

Sufficient funds will be appropriated in the FY18 Capital Budget. It is estimated that material manufacturing and procurement will take four to six weeks. Additionally, SDG&E coordination is estimated to take four weeks. Therefore, construction is not anticipated to start until the later part of June.

rym:PJB