

AGENDA

**ENGINEERING COMMITTEE MEETING
LEUCADIA WASTEWATER DISTRICT**

Wednesday, June 1, 2022 – 10:00 a.m.

Via Teleconference

Pursuant to the State of California Executive Order N-29-20, and in the interest of public health, the District is temporarily taking actions to mitigate the COVID-19 pandemic by holding meetings by teleconference. The general public may not attend this meeting at the District's office due to social distancing requirements.

Members of the public attending via teleconference will be provided with an opportunity to comment on each agenda item prior to Committee discussion.

To join this meeting via Teleconference, please dial: 1-669-900-6833

Meeting ID: 882 7597 1629

Password: 930542

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1. **Call to Order**
 2. **Roll Call**
 3. **Public Comment**
 4. **New Business**
 - A. Adopt Ordinance No. 145 approving a reimbursement Agreement for sewer between the District and Peter Lagasse. (Pages 2 - 10)
 - B. Approve Resolution No. 2374 adopting the 2019 Integrated Regional Water Management Plan. (Pages 11 - 14)
 5. **Information Items**
 - A. Development Projects Summary (Page 15)
 - B. Encinitas Estates Pump Station Replacement Project Update (verbal)
 6. **Directors' Comments**
 7. **General Manager's Comments**
 8. **Adjournment**

MEMORANDUM

DATE: May 26, 2022
TO: Engineering Committee
FROM: Paul J. Bushee, General Manager 
SUBJECT: A Proposal to Adopt an Ordinance Approving a Reimbursement Agreement Between Leucadia Wastewater District and Peter Lagasse

Staff requests that the Engineering Committee (EC) recommend that the Leucadia Wastewater District (District) Board of Directors:

1. Adopt Ordinance No. 145 approving a Reimbursement Agreement for sewer between the District and Peter Lagasse (Developer); and
2. Discuss and take other action, as appropriate.

DISCUSSION:

Ordinance No. 145 establishes a Reimbursement Agreement between the District and Developer. This Reimbursement Agreement was developed by the District Engineer in accordance with the Standard Specifications. It has been reviewed by District staff, including District Counsel, and now requires Board approval to take effect.

In December 2020, the Developer commenced a project to construct a public sewer line extension from Sunset Drive to an existing District public sewer line on Vulcan Avenue to provide sewer service to two parcels owned by the developer (see picture). The public sewer line extension was completed in March 2022 and dedicated to the District. During that period, the Developer requested that a Reimbursement Agreement be established for the project. A Reimbursement Agreement provides for cost reimbursement by adjacent properties to the Developer for the actual cost to design, permit, and construct new sewer facilities, less the portion attributable to providing sewer service to the Developer's property. The District Engineer has reviewed a summary of Developer costs and receipts and has determined they are reasonable.



The sewer facilities were designed and constructed, pursuant to District Policy, to accommodate sewer connections to separate properties adjacent to the new sewer facilities. These benefited properties are not required to connect to the public sewer system. However, if they decide to connect in the future, the Reimbursement Agreement requires payment of a reimbursement fee equivalent to the property's fair share contribution towards the new sewer improvements. The proposed Ordinance approves the Reimbursement Agreement established between the District and Developer for a 10-year term with an option to extend the Agreement an additional 10-years. Reimbursement Agreements are an accommodation to the Developer and not a guarantee or promise of full or partial payment. The District administers the Agreement and will charge an administrative fee of five percent (5%) of the reimbursement fee when property owners connect to the public collection system.

Staff requests that the EC recommend that the District Board of Directors adopt Ordinance No. 145 approving a Reimbursement Agreement for sewer between the District and Developer.

Ordinance No. 145 and the Reimbursement Agreement are attached for your review.

FISCAL IMPACT:

There is no direct fiscal impact associated with this recommendation.

ier:PJB

Attachments

ORDINANCE NO. 145

**AN ORDINANCE OF THE LEUCADIA WASTEWATER DISTRICT
APPROVING REIMBURSEMENT AGREEMENT FOR
PETER LAGASSE**

BE IT ORDAINED by the Board of Directors of the Leucadia Wastewater District as follows:

Section 1. Approval. The Reimbursement Agreement by and between the Leucadia Wastewater District and Peter Lagasse, attached hereto as Exhibit A ("Reimbursement Agreement"), is approved by the District Board of Directors.

Section 2. Reimbursement Connection Fee. A Reimbursement Connection Fee in accordance with the terms of the Reimbursement Agreement is hereby approved.

Section 3. Execution and Implementation. The General Manager shall execute the Reimbursement Agreement of behalf of the District and take all other actions necessary to carry out its terms.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of Leucadia Wastewater District held June 8, 2022 by the following vote:

- AYES:**
- NOES:**
- ABSENT:**
- ABSTAIN:**

Judy Hanson
President

ATTEST:

Paul J. Bushee
General Manager

REIMBURSEMENT AGREEMENT

THIS AGREEMENT is entered into by and between the Leucadia Wastewater District, a County Water District, organized and existing under Division 12 of the California Water Code ("DISTRICT") and Peter Lagasse ("DEVELOPER"), an individual.

R-E-C-I-T-A-L-S

1. DEVELOPER owns property in San Diego County within the service jurisdiction of DISTRICT: 395 Sunset Drive, Encinitas, CA 92024.
2. DEVELOPER desires service to its property from DISTRICT. As a condition of providing service, DISTRICT required that DEVELOPER extend existing facilities and/or oversized facilities to meet DISTRICT standards for sewer service and provide for service to other property owners within the area near DEVELOPER's property.
3. DEVELOPER has constructed facilities pursuant to DISTRICT direction and the Leucadia Wastewater District Agreement to Improve Subdivision Sewers dated September 1, 2021 ("Agreement to Improve Sewers") between DISTRICT and DEVELOPER as shown on the plans and specifications prepared by Lawrence W. Walsh, RCE 46316, of Walsh Engineering & Surveying, Inc. and identified as City of Encinitas, Improvement Plan For: 8" Sewer in Orpheus Avenue and Sunset Drive, Drawing No. LDEV-014425-2021.
4. DISTRICT and DEVELOPER, by this Agreement, desire to enter into a reimbursement contract in accordance with the provisions of the DISTRICT's Standard Specifications for Privately Constructed Wastewater Facilities ("Standard Specifications").

C-O-V-E-N-A-N-T-S

5. Conditions Precedent to Execution of Agreement. The sewer facilities subject to this Agreement ("new facilities") shall be completed in accordance with the Agreement to Improve Sewers and all other DISTRICT rules and regulations prior to execution of this Agreement. As a further condition precedent to DISTRICT's obligation to execute this Agreement, DEVELOPER agrees to provide in a form acceptable to DISTRICT all documents DISTRICT deems necessary for acceptance and acquisition of facilities that are intended for dedication to DISTRICT. Documents shall include, but are not limited to: Easements, grants of fee interests, subordination agreements and recorded notices of completion. Notices of completion shall be recorded by DEVELOPER.
6. Administrative Costs. Concurrent with execution of this Agreement, DEVELOPER shall pay the DISTRICT all administrative costs attributable to the establishment of this Agreement, including, but not limited to, engineering, legal and administrative staff time to calculate reimbursement amounts and finalized the terms of this Agreement. These Administrative costs shall not be reimbursed, and DEVELOPER shall not be required to pay the DISTRICT any additional administrative fees for this Agreement.
7. Reimbursable Costs. Reimbursable costs consist of the actual cost to design and construct the new facilities ("Project Costs"), less the portion attributable to providing sewer

service to DEVELOPER's property ("Reimbursable Costs"), as determined by the DISTRICT and shown on Exhibit A ("Location Map") and Exhibit B ("Reimbursable Costs"), attached hereto. Reimbursable Costs are limited to costs the DISTRICT has determined are reasonably related to new facilities.

8. Term. The term of this Agreement and DISTRICT's obligation to reimburse DEVELOPER shall expire ten (10) years from the Agreement's Effective Date. Thereafter, DISTRICT shall have no further obligation to reimburse DEVELOPER. During the last year of the initial Agreement term, DEVELOPER may request an extension of the Agreement term in accordance with the general District Ordinance governing reimbursement agreements, Ordinance 117, as may be amended from time to time. The request must be in writing and be received by the District at least ninety (90) days before the expiration date of the Agreement. The District will consider the request in good faith taking into consideration, among other things, whether DEVELOPER has complied with the terms of the AGREEMENT during the initial term, the administrative burden of prior reimbursement fee collection and distribution efforts, and the likelihood that additional reimbursement payments would be made during an extended term.

9. Reimbursement. During the ten (10) year term of this Agreement, and if extended, during the extended term of this Agreement, subject to DISTRICT's actual ability to collect such costs, DISTRICT shall charge property owners who utilize the new facilities their proportionate share of the Reimbursable Costs plus three percent (3%) interest per annum from the effective date of this Agreement ("Reimbursement Fee"). The Reimbursement Fee for each property owner has been determined by the DISTRICT, using its best estimate of the number of parcels and equivalent dwelling units ("EDUs") that could utilize the new facilities. The DISTRICT's determination of what properties will be subject to a Reimbursement Fee and the estimated amount each will be charged is set forth on Exhibit B. The DISTRICT shall also charge an administrative fee equivalent to 5% of the Reimbursement Fee charged to a property owner, which shall be paid to the DISTRICT. The Reimbursement Fee and administrative fee shall be in addition to the standard fees charged by the DISTRICT for new service. Reimbursement Fees actually collected shall then be distributed to DEVELOPER. Reimbursement Fees paid to the DISTRICT shall not accrue additional interest. Payment of interest to DEVELOPER shall be limited to interest received from property owners as part of their Reimbursement Fee. In the event DISTRICT reimburses DEVELOPER its share of the total Reimbursable Costs prior to the end of the Agreement term, DISTRICT's obligation to reimburse the DEVELOPER shall terminate.

10. Termination. In the event of termination of this Agreement, DEVELOPER shall have no further interest or right of reimbursement from DISTRICT and all revenues subsequently received by DISTRICT shall be the sole property of DISTRICT.

11. Records. DEVELOPER warrants that DEVELOPER has kept accurate records of the actual construction costs, according to accepted engineering and accounting principles. DEVELOPER has provided such records to the DISTRICT offices for inspection as requested by DISTRICT.

12. Warranties. DEVELOPER further warrants that there are no liens, stop notices or claims against the project; that the legal time for filing any such claims, notices or liens has expired; and agrees to defend, indemnify and hold DISTRICT harmless for any or all such liens, notices or claims.

13. Reimbursement Payments. Reimbursement checks shall be hand delivered or be mailed to DEVELOPER at the address provided pursuant to Paragraph 15.8 of this Agreement within ninety (90) days of receipt by DISTRICT. In the event a reimbursement check is not cashed within ninety (90) days of hand delivery or mailing, it shall be deemed unclaimed and the DISTRICT shall have the right to retain the payment and shall have no further obligation to pay the DEVELOPER. Further, if a payment mailed to the most current address provided to the DISTRICT in accordance with Paragraph 15.8 is returned to the DISTRICT because the address is no longer valid and the DEVELOPER fails to provide a change of address in accordance with Paragraph 15.8 or personally appear at the DISTRICT office to claim the payment within an additional ninety (90) days, the DISTRICT shall have the right to retain the payment and shall have no further obligation to pay the DEVELOPER.

14. No Guarantees. DEVELOPER understands and acknowledges that that DISTRICT will not compel property owners to utilize the sewer facilities. Further DISTRICT cannot guarantee that DISTRICT will be able to collect Reimbursable Costs from all property owners who connect to the facilities. DISTRICT agrees to make reasonable efforts to collect costs from new connections. Further, DEVELOPER understands that the Reimbursement Fee calculated by DISTRICT may not reflect the number of properties that will ultimately utilize the sewer facilities. The number of users could be more or less than DISTRICT estimates, and DISTRICT does not warrant or promise that DEVELOPER will recover all Reimbursable Costs.

15. Miscellaneous Provision.

15.1 Applicable Law. This Agreement and any disputes relating to this Agreement shall be construed under the laws of the State of California.

15.2 Venue. In the event of any legal or equitable proceeding to enforce or interpret the terms or conditions of this Agreement, the parties agree that venue shall lie only in the federal or state courts in or nearest to the North County Judicial District, County of San Diego, State of California.

15.3 Attorney's Fees. In the event a lawsuit to enforce or interpret the terms of this Agreement is brought by either party, the prevailing party shall be entitled to all reasonable attorney's fees and costs in addition to any other relief granted by law.

15.4 Assignment. DEVELOPER shall not be entitled to assign all or any portion of its respective rights or obligations as specified in the Agreement without obtaining the prior written consent of the DISTRICT. Any purported assignment without the DISTRICT's prior written consent shall be void.

15.5 Entire Agreement. This Agreement, together with all exhibits attached hereto, contains all representations and the entire understanding regarding reimbursement between the parties. No other representations are intended or shall be implied. Any prior correspondence, memoranda or agreements, whether or not such correspondence, memoranda or agreements are in conflict with this Agreement, are intended to be replaced in total by this Agreement and any exhibits to this Agreement. However, this Agreement does not supersede other DISTRICT ordinances and agreements relating to DEVELOPER's construction of sewer facilities, including among other things, the DISTRICT Standard Specifications and the Agreement to Improve Sewers.

15.6 Personal Nature of Agreement and Binding Effect. This Agreement is personal and does not run with the land. The transfer or sale of any DEVELOPER property does not alter the DEVELOPER's right of reimbursement. Further the terms of this Agreement are binding on all successors, heirs and assigns, and they must also comply with the terms of this Agreement, including provisions regarding assignment in Paragraph 15.4 and Notice in Paragraph 15.8.

15.7 Unenforceable Provision. The terms, conditions and covenants of this Agreement shall be construed whenever possible as consistent with all applicable laws and regulations. To the extent that any provisions of the Agreement as so interpreted are held to violate any applicable law or regulation, the remaining provisions shall nevertheless be carried into full force and effect and remain enforceable.

15.8 Notices. All reimbursements, letters, statements or notices required pursuant to this Agreement shall be deemed effective upon posting in the United States mail to the following addresses:

TO DISTRICT:

Attention: General Manager
Leucadia Wastewater District
1960 La Costa Avenue
Carlsbad, CA 92009

TO DEVELOPER:

Peter Lagasse
3425 Camino Corte
Carlsbad, CA 92009

The addresses above shall be presumed correct, unless a party is notified in writing of a change. Any change of address notice shall clearly state that it is intended to replace the address set forth in Paragraph 15.8 of this Agreement. Further, notice of an address change shall not be valid unless it has been delivered personally to the DISTRICT or by way of certified mail that has been signed and acknowledged by the DISTRICT.

15.9 Effective Date. This Agreement and the Reimbursement Fees it authorizes shall become effective as of June 8, 2022, upon the adoption of a DISTRICT ordinance approving the Agreement and its execution by the parties.

"DISTRICT"

"DEVELOPER"

BY: _____

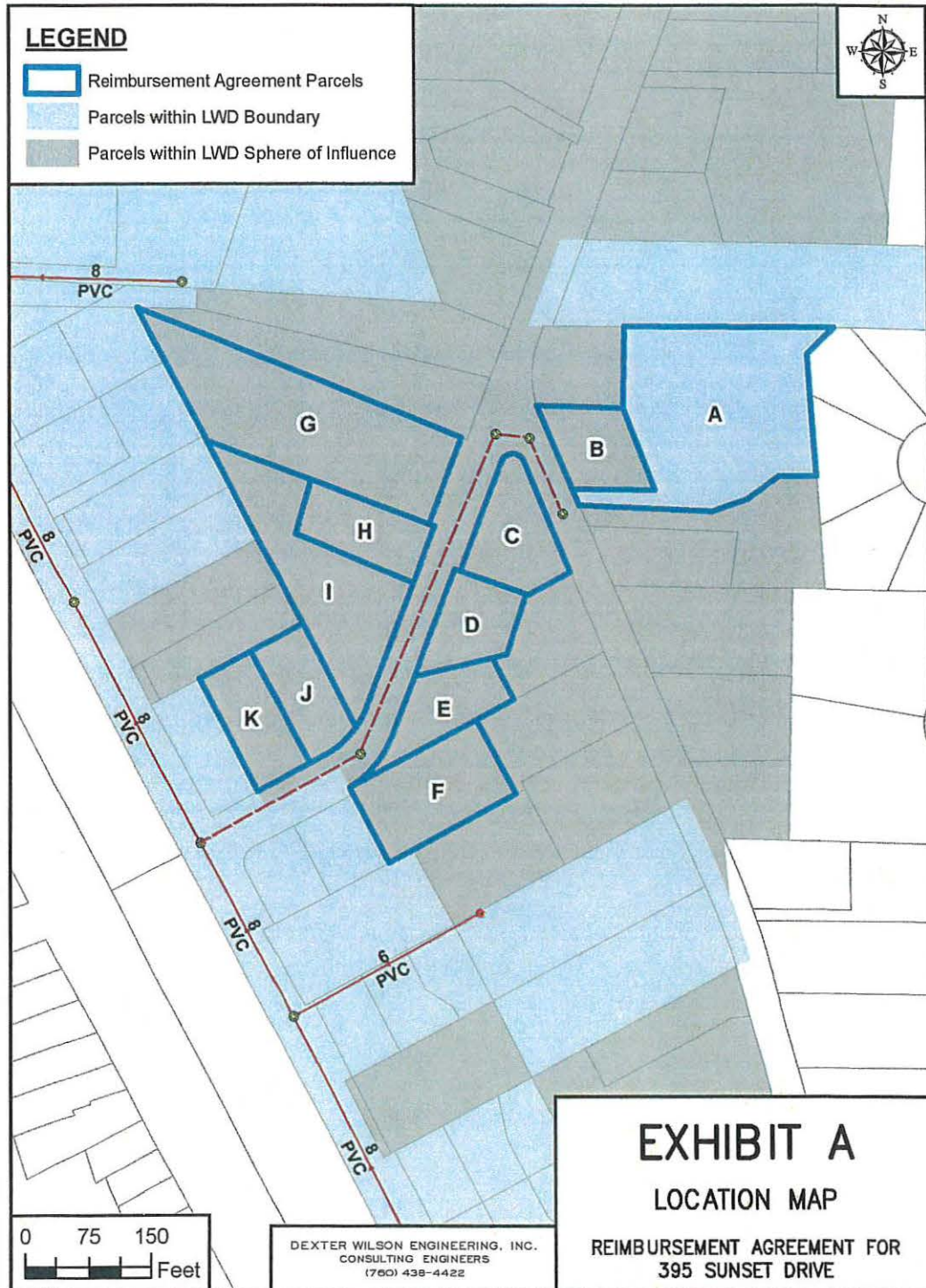
BY: _____

BY: _____

BY: _____

NOTARY REQUIRED

EXHIBIT A REIMBURSEMENT AGREEMENT FOR 395 SUNSET DRIVE LOCATION MAP



**EXHIBIT B
REIMBURSEMENT AGREEMENT FOR 395 SUNSET DRIVE
REIMBURSEMENT TABLE**

Development Property (Parcel A) Address: 395 Sunset Drive						
Project Costs: \$356,357.09						
Reimbursable Costs: \$296,964.24						
Exhibit A Parcel	Assessor Parcel No	Encinitas Zoning	Approx. Acres	Est. EDU's	Share of Project Cost	Amount to Reimburse Parcel A
A	256-31-453	R3	1.03	2	\$59,392.85	-
B	256-31-450	R3	0.22	1	\$29,696.42	\$29,696.42
C	256-40-039	R3	0.28	1	\$29,696.42	\$29,696.42
D	256-40-044	R3	0.22	1	\$29,696.42	\$29,696.42
E	256-40-043	R3	0.23	1	\$29,696.42	\$29,696.42
F	256-40-049	R3	0.39	1	\$29,696.42	\$29,696.42
G	256-30-011	R3	0.89	1	\$29,696.42	\$29,696.42
H	256-30-012	R3	0.24	1	\$29,696.42	\$29,696.42
I	256-30-013	R3	0.61	1	\$29,696.42	\$29,696.42
J	256-03-014	R8	0.23	1	\$29,696.42	\$29,696.42
K	256-30-015	R8	0.24	1	\$29,696.42	\$29,696.42
Total	-	-	4.58	12	\$356,357.09	\$296,964.24

Notes:

- (1) The Estimated Reimbursement Fee is calculated by dividing the Reimbursable Portion of the Project Costs by the assumed number of EDUs per parcel that could connect to the new facilities. Current calculations assume a total of 12 eligible EDUs.
- (2) Reimbursement Fees shall include interest at the rate of three percent (3%) per annum from the Effective Date
- (3) Once a Reimbursement Fee has been paid, it is final and not subject to adjustment. However, if during the term of this Agreement, the number of eligible EDUs increases due to a parcel split or other circumstance, then the Reimbursement Fee may be adjusted for new connections by dividing the balance of unpaid Reimbursable Costs by the revised estimate of eligible EDUs that still could connect to the sewer system. Such adjustments shall only be made for new connections to the sewer system. No adjustments to past reimbursements will be made.

MEMORANDUM

DATE: May 26, 2022
TO: Engineering Committee
FROM: Paul J. Bushee, General Manager 
SUBJECT: Adoption of the 2019 Integrated Regional Water Management Plan

RECOMMENDATION:

Staff requests that the Engineering Committee (EC) recommend that the Board of Directors:

1. Adopt Resolution No. 2374 the 2019 Integrated Regional Water Management Plan.
2. Discuss and take other action, as appropriate.

DISCUSSION:

The San Diego Regional Water Management Group (RWMG) consists of the San Diego County Water Authority, County of San Diego and City of San Diego. In 2005 the RWMG established the San Diego Integrated Regional Water Management (IRWM) Plan (Plan). The Plan has been periodically updated with the most recent update completed in 2019. The Plan seeks to improve the reliability and sustainability of regional supplies and protect water quality, watersheds, and natural resources within the region.

The IRWM Plan goals are:

1. Improve the reliability and sustainability of regional water supplies
2. Protect and enhance water quality.
3. Protect and enhance water sheds and natural resources.
4. Enhance resiliency to climate change for local water resources.
5. Promote and support sustainable integrated water resources management.

To achieve these goals the IRWM is supported by Proposition 50 (2002), Proposition 84 (2006) and Proposition 1 (2014), which provide bond funding to the California Department of Water Resources (DWR). This funding is for grants for projects that improve integration and management of water resources. In the past District has received over \$400,000 in grant funding through Proposition 84 and would like to maintain eligibility for future grants.

The District is applying for a Proposition 1 (Prop 1) grant through the North San Diego Water Reuse Coalition (NSDWRC) for the Secondary Effluent (B1) Force Main North Section Replacement Project. This grant could provide funding for up to fifty percent (50%) of the project's construction cost. The project's estimated construction cost is \$565K. To apply for the Prop 1 grant and to maintain eligibility for future grants, the District must adopt the 2019 San Diego IRWM Plan to fulfill new requirements established by the DWR. Resolution No. 2374 is attached for review.

Therefore, staff recommends that the Board adopt Resolution No. 2374 the 2019 Integrated Regional Water Management Plan.

FISCAL IMPACT:

Through NSDWRC, the Project has been approved to receive a twenty five percent (25%) Water Infrastructure for Improvements to the Nation (WIIN) 2021 federal grant funding for project construction which is currently waiting for appropriation. If approved, the IRWM Prop 1 grant would add up to an additional fifty percent (50%) of State funding for project construction.

rym:PJB

Attachment

RESOLUTION NO. 2374

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE LEUCADIA WASTEWATER DISTRICT
ADOPTING THE 2019 SAN DIEGO INTEGRATED REGIONAL WATER
MANAGEMENT PLAN**

WHEREAS, the Leucadia Wastewater District (District) strongly supports integrated water management within the San Diego Region; and

WHEREAS, the San Diego Integrated Regional Water Management (IRWM) Program was established in 2005 by the San Diego Regional Water Management Group (RWMG) which consists of the San Diego County Water Authority, the City of San Diego, and the County of San Diego; and

WHEREAS, the 2019 San Diego IRWM Plan seeks to improve the reliability and sustainability of regional supplies and protect water quality, watersheds, and natural resources within the region; and

WHEREAS, the IRWM Plan, first published in 2007 and updated periodically with the most recent update in 2019; and

WHEREAS, the IRWM Program is supported by Proposition 50 (2002), Proposition 84 (2006) and Proposition 1 (2014), which provide bond funding to the California Department of Water Resources (DWR) for grants for projects that improve water resources integration and management; and

WHEREAS, District has received over \$400,000 in grant funding through Proposition 84 and would like to maintain eligibility for future grants; and

WHEREAS, District must adopt the 2019 San Diego IRWM Plan to fulfill new requirements established by DWR to maintain eligibility for future grants.

**NOW, THEREFORE, THE BOARD OF DIRECTORS FOR THE LEUCADIA
WASTEWATER DISTRICT HEREBY FINDS AND RESOLVES AS FOLLOWS:**

1. The Board of Directors hereby adopts the 2019 San Diego Integrated Regional Water Management Plan.
2. Supports the development and implementation of the Plan to support water resources management in the San Diego Region.

PASSED AND ADOPTED at a meeting of the Board of Directors of LEUCADIA WASTEWATER DISTRICT held June 8, 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Judy Hanson, President

ATTEST:

Paul J. Bushee, General Manager
(SEAL)

New projects this month: 3
 Total active projects: 21

LEUCADIA WASTEWATER DISTRICT				
Development Services				
May-2022				
District Location Code	Project Name	Project Description	Estimated EDUs	Status
3252-0929	CASCADE VERDE	Development with Sewer Connection	35	Plans signed. Inspection pending.
3252-0943	LEUCADIA STREETScape	Streetscape Plan Check	Public Improvement	Phase 1 approved and under Inspection. Further phases in review.
3252-1006	Jason Street Storm Drain	Utility Conflict	Public Improvement	Waiting on mylars. Project on hold pending funding.
3252-1015	Orpheus Avenue Drainage Improvements	Utility Conflict	Public Improvement	In Review. Provided PC1 and now waiting on City of Encinitas.
3252-1032	Weston Annexation - La Costa Avenue	Annexation/Subdivision with Sewer Connection	48	In Review. Waiting on plan submittal.
3252-1033	1528 N. Coast Highway	Development with Sewer Connection	14	Plans approved. Inspection ongoing.
3252-1058	El Camino Real Building	Development with Sewer Connection	8.2	Plans approved. Construction start (lateral inspection) in progress.
3252-1074	City of Encinitas-Morning Sun & Woodside Lane	City CIP Project	Public Improvement	Plans signed. Construction/inspection pending.
3252-1079	City of Encinitas - Leucadia Blvd & Hygeia Roundabout	Public Street Improvement	Public Improvement	Plans signed. Inspection pending.
3252-1108	Segovia Way Pavement Project	City CIP Project	Public Improvement	In-review.
3252-1109	Lagasse Annexation - 395 Sunset Drive	Annexation with Public Sewer Improvement	2	Plans signed. Inspection complete. Reimbursement Agreement pending Board approval.
3252-1111	Marea Village 1900 & 1950 N Coast Hwy 101	Development with Sewer Connection.	148.9	Preliminary sewer study approved. Waiting on plan submittal.
3252-1112	696 N. Coast Highway 101	Building Renovation with Existing Lateral.	4.2	Plans signed. Cleanout inspection pending.
3252-1114	1143 Eolus Avenue Public Sewer Improvement Plan	Public Sewer Improvement	1	In-review.
3252-1115	555 & 571 North Vulcan	Public Sewer Improvement	12	In-review.
3252-1135	Woodside Development - La Costa Avenue	Development with Sewer Connection	95	Preliminary sewer study approved. Plans in-review..
3252-1139	1967 Vulcan Avenue	Development with Sewer Connection	73	In-review
3252-1151	Omni La Costa Resort-Spa	Tennant Improvement	Private Improvement Affecting LWD Sewer	In-review. Coordinating meeting with engineer.
3252-1152	Piraeus Point	Development with Sewer Connection	149	Waiting on sewer study submittal.
3252-1153	Thai One On	Tennant Improvement	22	Plans signed. Waiting on BMP.
3252-1156	The Cottage Restaurant - 127 N El Camino Real Suite H&J	Tennant Improvement	19	Plans signed. Project complete.