

IV. Reservations

Tentative reservations may be made by phone or in person up to two months prior to the requested date. However, a completed District Meeting Room Use Application must be received by the District at least 2 weeks prior to the requested date. Approval of a request can only be granted by the District General Manager or Administrative Services Manager, in writing.

Reservations will be made in order of priority as indicated above and by date of request. The number and frequency of meetings booked by any one organization will be at the discretion of the General Manager or Administrative Services Manager, based upon availability of the room. No one organization may monopolize use of the meeting room. However, multiple, related meetings may be reserved on a single application.

Applications for meetings of children or teens must be sponsored and signed by an adult who will be present at the meeting and assume full legal and financial responsibility.

V. Regulations Regarding Use and Care of Meeting Space

The following regulations regarding use of District meeting space will be strictly enforced:

- No organization may charge admission or collect fees as a requirement of participation;
- Organizations may not use the District's name for publicity purposes, nor imply endorsement or co-sponsorship of events/meetings by the District. In the event that an organization inappropriately states or implies District endorsement or co-sponsorship, it must advertise a retraction if requested by the District;
- Organizations must provide their own phone, computer and audio visual equipment. Organizations must provide personnel to set-up, clean-up, arrange tables, etc. District personnel are not available to carry materials from parking areas to the meeting room or set-up or serve refreshments, nor can personnel be expected to answer telephone inquiries for organizations using the meeting room;
- The dais in the District boardroom is not available for use. The District may designate other areas and furnishings in a meeting room as off-limits, and the organization shall ensure all meeting attendees honor the restriction;
- The District will not provide storage for any period of time for the property of any organization that meets in the District;
- With prior approval of the General Manager or Administrative Services Manager, organizations may serve light refreshments. However, clean-up is the sole responsibility of the organization. The District does not supply coffeepots, cups, napkins or other refreshment supplies or equipment;
- Meetings must be conducted in a manner that does not create unreasonable noise or in any way interfere with the conduct of District business;
- The meeting room is to be returned to the condition in which it was found. The organization's representative, as indicated on the reservation form, is responsible for clean-up and damages;

- Set up and clean-up must take place within the time allotted for the meeting. A custodial fee will be charged if the room is not left in a clean and orderly condition as determined by the District;
- The District may require a security deposit as a condition of allowing use of a meeting room;
- Meetings must end at least 30 minutes prior to the District's closing time (5:00 pm);
- The District reserves the right to attend any meeting held in its facilities to ensure no improper activities are occurring on District premises;
- The District will not be responsible or liable for loss or damage to property belonging to organizations or individuals using District facilities including damage or theft to vehicles or property in District parking areas;
- District will not be held liable for injury occurring on District property to any member of the public attending the meeting.
- Smoking and alcoholic beverages are prohibited on District property.

VI. Cancellations, Denial of Application.

Any cancellation on the part of an applicant organization should be made at least 24 hours before the scheduled meeting date.

Permission to use the meeting room is revocable and does not constitute a lease. The District may, in its sole and absolute discretion, without cause, cancel a room's availability at any time, even if it has been reserved for use. In the event the District cancel's a meeting room reservation, it will use its best efforts to notify the impacted organization scheduled to use the room at least 24 hours before the scheduled time.

The District reserves the right to deny meeting rooms to organizations that frequently cancel meetings, that do not notify the District of canceled meetings or consistently overstay their reserved time.

The District also reserves the right to deny meeting room use to organizations that fail to return the room to a clean and orderly condition or to charge said organization a deposit for custodial services.

The District may terminate a meeting in progress if the District determines that its continuation would interfere with the conduct of District business, including, but not limited to, unreasonable meeting noise or improper conduct of a meeting attendee.

VII. Waiver of Regulations

Exceptions from specific regulations of this policy may be authorized by the Leucadia Wastewater District General Manager, or his designee, on a case-by-case basis.



LEADERS IN ENVIRONMENTAL PROTECTION

Leucadia Wastewater District Meeting Room Application

Application Date: _____

Name of Organization: _____

Address: _____

Contact Person: _____

Telephone Number: _____

Meeting Day/Date: _____

Start Time/ End Time: _____

Number of Attendees: _____

Purpose of Meeting: _____

Coffee/Food: ()Yes ()No If yes, describe: _____

Signature: _____

Signature indicates that applicant has reviewed all applicable rules and regulations, and that the organization agrees to abide by said regulations as set forth by the LWD Board of Directors. In addition, the signatory and all participants agree to hold harmless the Leucadia Wastewater District, all District personnel and board members for any damage(s) to persons or property in attendance at said meeting, caused by or resulting from the organization's use of the meeting room or other facilities including parking areas and for any liability for losses relating to the cancellation with or without cause of an approved meeting.

(For LWD Use Only)

Application Received: _____

Approved: _____ Disapproved: _____

Notification Sent: _____

Notes/Follow-up: _____

MEMORANDUM

Ref: 10-2186

DATE: September 3, 2009
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: Award of the District's Satellite Pump Stations, Force Mains and Gravity Sewer Replacement Project Contract

RECOMMENDATION:

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

1. Authorize the General Manager to execute an Agreement with TC Construction Company, Inc. for the construction of the Satellite Pump Stations, Force Mains and Gravity Sewer Replacement Project in an amount not to exceed \$2,562,583 as the lowest responsive and responsible bidder.
2. Discuss and take other action as appropriate.

DISCUSSION:

This item was reviewed by the Engineering Committee at its September 3, 2009 meeting. The committee concurred with staff to recommend this item to the Board of Directors.

In April 2007, the Board of directors authorized staff to proceed with the Satellite Pump Stations, Force Mains and Gravity Sewer Replacement Project (Satellite Force Mains Project). The project was implemented because the 50 year expenditure plan estimated that the life expectancy for a pump station force main is 30 years. Six of the District's satellite pump stations (Avocado, Diana, Meadows Number 3, Encinitas Estates, Village Park Number 5 and Village Park Number 7) have associated force mains that have been in service for more than 30 years. The project also includes the replacement of the 101 Trunk Sewer, which was originally a separate project but later incorporated into this project for permitting and proximity reasons.

Please note that one portion of the project has already been completed - the Village Park Number 5 Pump Station Force Main project was fast-tracked and completed in October 2008 to accommodate the Encinitas Boulevard overlay project. Additionally, the Meadows Number 3 Pump Station has been removed from this project due to its planned decommissioning as part of a transfer of sewer service to the City of Carlsbad. This transfer is a result of development in the area surrounding that pump station.

The project design was completed by Infrastructure Engineering Corporation (IEC) in June 2007. The City of Encinitas informed staff that the project's Coastal Development Permit was approved in August 2009. Eight contractors were pre-qualified to bid on the project. The project was bid on July 21, 2009 with bids due on August 13, 2009. Five bids were received with the following results:

Construction Firm

Bid Submitted

TC Construction Company, Inc.	\$ 2,562,583
Orion Construction	\$ 2,787,830
Zondiros Corporation	\$ 2,909,475
Don Hubbard Contracting, Company	\$ 3,198,410
Scheidel Contracting and Engineering	\$ 3,976,348.65

The bids were reviewed by Robert Weber and Jamie Taylor at IEC. The bid submitted by TC Construction Company, lowest bidder, contained a math error. The figures provided on the bid schedule totaled \$2,559,328. The total bid schedule price written in words was \$2,562,583. The bid form states "In case of discrepancy, the amount shown in words shall govern". Therefore, the bid amount of \$2,562,583 is the official bid submitted by TC Construction Company. Upon completion of IEC's review, it was recommended that TC Construction Company, Inc. be awarded the contract as the lowest responsive and responsible bidder (see letter attached).

The bid price of \$2,562,583 is 36% less than the \$4.1M estimated construction cost. The low bid price can be attributed to the continued construction slowdown in the private sector resulting in the public infrastructure industry seeing increased competition and lower bids.

Therefore, Staff recommends that the Board award the contract to TC Construction Company, Inc. as the lowest responsive and responsible bidder.

FISCAL IMPACT:

The remaining appropriation for the Satellite Pump Stations Force Main Replacement Project is approximately \$4.7M. This appropriation is sufficient to cover the project construction cost.

rym:PJB

Attachment



BID REVIEW MEMORANDUM

Date: August 21, 2009 – *First Draft*
August 26, 2009 – *Final*

Subject: **SATELLITE PUMP STATIONS, FORCE MAINS AND GRAVITY
SEWER REPLACEMENT PROJECT, BID EVALUATION**

Prepared By: Jamie Taylor *JT*
Reviewed By: Robert S. Weber, P.E. *RW*

PURPOSE

This memorandum provides a summary of our evaluation of bid results and the responsiveness of the low bid for the subject project.

BID RESULTS

Bids were opened on August 18, 2009 and five bids were received. All contractors that bid met the preapproval requirements. The bids are summarized on Table 1 (attached) and characteristics of the bids are as follows:

Low Bid:	\$2,562,583 ¹
Average Bid:	\$2,999,192 (math corrected bids)
High Bid:	\$3,976,349 ²
Engineer's Estimate:	\$4,098,830
¹ math corrected total for low bid is \$2,559,328	
² math corrected total for high bid is \$3,584,116	

DISCREPANCIES

Some of the bids contained discrepancies in addition (see math corrected bids in Table 1). Per the Bid Schedule, the amount shown in words will govern. The lowest bid contained a discrepancy between the math corrected total (\$2,559,328) and the amount in words (\$2,562,583)

REVIEW OF APPARENT LOW BIDDER

TC Construction Co., Inc., Santee, California submitted the apparent, lowest, bid. The following reviews have been completed:

Contractor's License: The contractor holds the required Class A License (No. 402459). The license is current and active (see attached).

Bid Bond: A bid bond in the amount of ten percent (10%) of the bid amount was submitted with Safeco Insurance Company of America as Surety.

Signatures: The Contractor's Secretary signed the Closing Statement, Bidder's Bond, Non Collusion Affidavit, and Local Preference Certification. The Vice President signed the Closing Statement.



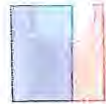
Project Manager's Experience: The contractor has submitted a resume for Greg Byars as the Project Manager. Experience listed on the resume is similar in nature to the Satellite Pump Stations Project.

Addressed Project Issues: The contractor has addressed project issues as required in the Approach to Work and Safety Policies section of the Bid Documents as outlined below:

- Staging: The contractor intends to utilize existing easements and vacant lots for storage and staging. The contractor intends to attempt to rent the lot on the corner of Highway 101 and Avocado Street for the Avocado and Diana Sewer Pump stations and the Highway 101 gravity sewer. The contractor intends to utilize a lot they are already using on Vulcan and E Street for their work on Pacific Station in Encinitas.
- On or off-site fabrication: The contractor has declared that all concrete structure will be precast at the plant, PVC liner will be fusion bonded on site and all other material will be assembled at the plant.
- Handling of hazardous material or wastes: The contractor has a subcontractor that is licensed for Asbestos Removal to remove all asbestos cement pipe.
- Detailed Safety and Accident Prevention Plan: The contractor has submitted a detailed safety and accident prevention plan with their bid.
- Other important items: The contractor has acknowledged the limited work hours and night work shown on the traffic control drawings and has adjusted their bid accordingly.

Experience: The contractor submitted more than 8 years of qualifying experience on public and private sewer and water infrastructure projects and was previously pre-qualified to perform the work (Prequalification letter dated July 21, 2009). Two of the Contractor's references for projects with construction costs of \$2.5 million and \$4.7 million were interviewed in the pre-approval process. The results of our interviews are summarized below (reference questions attached):

1. *City of San Diego, Otay II Pipeline, Contract Amount: \$4,701,358, completed May 2009.* The City reported no adverse scheduling issues. Change orders were considered justified by the City, change orders were considered reasonable in cost and proceeded in a timely fashion. The City rated the overall quality of the Contractor's work to be high based on past performance. Interview contact: Robert Hanna.
2. *Newland Homes/Olivenhain Municipal Water District, 4S Ranch Pump Station, Contract Amount: \$2,539,000, completed September 2005.* The Client reported no adverse scheduling issues. No claims were filed by the Contractor. Change orders from the District were processed in a reasonable amount of time at a reasonable cost. The contractor was rated high with regards to jobsite safety, in part by holding a weekly safety meeting. The Client considers TC Construction Co. Inc. a good contractor. Interview contact: Greg Connors.



Worker's Compensation Insurance: Policy is in effect through November 2009.

RECOMMENDATION

IEC recommends award of the contract to TC Construction Co. Inc., based on the bid amount, and favorable references for projects of similar scope and cost.

Attachments

Table 1 -- Bid Results

Project Experience Reference Questions

Addendum 1 Signature Sheet

Department of Consumer Affairs, Contractor's License Detail

MEMORANDUM

Ref: 10-2187

DATE: September 3, 2009
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: **Award of Construction Management Services for District's Satellite Pump Stations, Force Mains and Gravity Sewer Replacement Project Contract**

RECOMMENDATION:

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

1. Authorize the General Manager to execute an Agreement with Richard Stinson Construction Management for construction management services during the construction of the Satellite Pump Stations, Force Mains and Gravity Sewer Replacement Project in an amount not to exceed \$200,000.
2. Authorized the General Manager to execute an Agreement with Rockwell Construction Services, Inc. for electrical, instrumentation and controls construction management and inspection services during the construction of the Satellite Pump Stations, Force Mains and Gravity Sewer Replacement Project in an amount not to exceed \$54,875.
3. Discuss and take other action as appropriate.

DISCUSSION:

This item was reviewed by the Engineering Committee at its September 3, 2009 meeting. The committee concurred with staff to recommend this item to the Board of Directors.

The District's Satellite Pump Stations, Force Mains and Gravity Sewer Replacement Project (Satellite Force Mains Project) requires construction management support to oversee construction of the project. The construction management services consist of contractor oversight, negotiating change orders, construction inspection and administration. Richard Stinson has a proven track record of providing excellent construction management (CM) services to the District. Mr. Stinson has provided CM services for every construction project undertaken by the District since 2003, with the exception of the Site Improvement Project. For the Satellite Force Mains Project, Mr. Stinson submitted a proposal to provide CM services in an amount not to exceed \$200,000, an estimated 2000 hours at \$100 per hour. Based on the estimated one year period for construction and Mr. Stinson's experience and past performance, staff believes this fee is fair and reasonable.

The Satellite Force Main Project includes the replacement of Avocado and Diana Pump Stations with new submersible pump stations. The construction of these new pump stations will require installation of electrical distribution, instrumentation and control systems. Mr. Rockwell Swanson is well known in the wastewater industry as a technical expert in these disciplines. He provided these specialized CM and inspection services to the District during the Leucadia Pump Station Rehabilitation Project completed in July 2006. Mr. Swanson submitted a proposal to

provide electrical/instrumentation and control CM and inspection services in an amount not to exceed \$54,875, an estimated 439 hours at \$125 per hour. Based on Mr. Swanson's experience and past performance, Staff believes this fee is also fair and reasonable.

The services provided by both contracts will be paid on a time and material basis. Therefore, Staff recommends that the Board award the contracts for CM and electrical/instrumentation and control inspection for the Satellite Force Mains Project to Richard Stinson Construction Management and Rockwell Construction Services Inc.

FISCAL IMPACT:

The remaining appropriation for the Satellite Pump Stations Force Main Replacement Project is approximately \$4.7M. This appropriation is sufficient to cover the project's construction management and inspection costs.

rym:PJB

MEMORANDUM

Ref: 10-2188

DATE: September 3, 2009
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: Award of Engineering Support Services for District's Satellite Pump Stations, Force Mains and Gravity Sewer Replacement Project Contract

RECOMMENDATION:

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

1. Authorize the General Manager to execute an Agreement with Infrastructure Engineering Corporation for engineering support services during the construction of the Satellite Pump Stations, Force Mains and Gravity Sewer Replacement Project in an amount not to exceed \$84,580.
2. Discuss and take other action as appropriate.

DISCUSSION:

This item was reviewed by the Engineering Committee at its September 3, 2009 meeting. The committee concurred with staff to recommend this item to the Board of Directors.

The District's Satellite Pump Stations, Force Mains and Gravity Sewer Replacement Project (Satellite Force Mains Project) requires engineering support during the construction phase of the project. Engineering support services include attending pre-construction and progress meetings, review and process submittals and shop drawings, respond to Requests for Information (RFI), design plan revisions when required, and prepare recording drawings upon project completion. Infrastructure Engineering Corporation (IEC) designed the project and Staff believes it is prudent to retain their services for continuity during the construction phase. IEC submitted a proposal, attached, to provide office engineering services in an amount not to exceed \$84,580. Staff believes this fee is fair and reasonable.

The services to be provided under this contract will be paid on a time and material basis. Therefore, Staff recommends that the Board award the contract for engineering support services for the Satellite Force Mains Project to IEC.

FISCAL IMPACT:

The remaining appropriation for the Satellite Pump Stations Force Main Replacement Project is approximately \$4.7M. This appropriation is sufficient to cover the project's construction management and inspection costs.

rym:PJB

Attachment



August 27, 2009

Mr. Robin Morishita
Project Manager
Leucadia Wastewater District
1960 La Costa Avenue
Carlsbad, CA 92009

Reference: Satellite Pump Station and Force Main Replacement Project – Construction Phase Services

Dear Mr. Morishita:

It has been our pleasure to assist the District with the Satellite Pump Station and Force Main Replacement Project. Per our recent conversation, IEC will provide construction phase services as follows.

SCOPE OF WORK

CONSTRUCTION PHASE SERVICES

Task 1 – Meetings

IEC shall attend field meetings during construction to address questions, resolve issues, and review the project progress. Meeting minutes are not included in this scope since IEC assumes the construction manager will record meeting minutes. For the purposes of this proposal, IEC assumed a total of six (6) meetings. Shall IEC need to attend additional meetings, additional fee may be required.

Task 2 – Process Submittal/Shop Drawings

IEC shall receive, log, review, respond, and process contractor submittals the duration of the project. Disciplines to be reviewed shall include civil, mechanical, electrical, and corrosion. IEC shall review contractor submittals for conformance with the contract documents. Submittals shall be digitized into an electronic PDF format and stored as part of IEC's project documentation. IEC shall maintain a submittal log to track the status on the submittal reviews. The submittal log shall identify each submittal, resubmittal, dated received, reviewer's name, date returned to contractor, action required, and other pertinent information. For the purposes of this proposal, IEC assumes a total of eighty (80) submittals (including resubmittals). This assumption is based on the expected number of submittals for projects of similar scope and magnitude. Shall additional submittal reviews be necessary, additional fee may be required.

Task 3 – Respond to Requests for Information (RFIs)

IEC shall receive, log, review, respond, and process contractor RFIs the duration of the project. Responses shall be provided within five (5) working days and in accordance to the contract documents. For the purposes of this proposal, IEC assumes a total of twenty (20) RFIs. Shall additional RFI reviews be necessary, additional fee may be required.

Task 4 – Design Revisions (Owner-initiated)

IEC shall prepare design revisions as requested by the District (owner-initiated). IEC shall coordinate with the contractor and construction manager to implement the necessary changes. Issue revised plans and specifications as necessary. For the purposes of this proposal, IEC assumed no more than three



Mr. Robin Morishita
Leucadia Wastewater District
August 27, 2009
Page 2 of 2

(3) owner initiated design revisions. Shall more design revisions be necessary, additional fee may be required.

Task 5 – Record Drawings

Within one month of completion of construction, IEC shall prepare record drawings based on the contractor's redlined field plan sets. Final record drawing mylars shall be delivered to the District upon completion of the revisions.

FEE ESTIMATE

A fee summary worksheet is attached as Table A. We propose to complete this work on a time and materials basis at a total costs not to exceed \$84,580.

Sincerely,

Robert S. Weber, P.E.
Senior Project Manager

enclosures



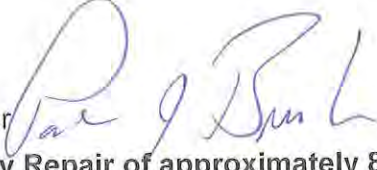
TABLE A - FEE ESTIMATE
Leucadia Wastewater District
Satellite Pump Station and Force Main Replacement
Construction Phase Services

Subtask Number	Subtask Description Summary	Classification	Sr. Project Manager	Sr. Project Engineer	Engineer III	Engineer I/CADD Operator	CM Coordinator	Subtask Labor-Hours	Subtask Labor Cost	Reimbursables	Subcontract	Total Cost
CONSTRUCTION PHASE SERVICES												
TASK 1	Meetings (6 total)		12		12		4	28	\$3,900	\$200	\$1,218	\$5,318
TASK 2	Review Submittals (80 total)		8	40	160		140	348	\$38,320	\$500	\$8,885	\$47,703
TASK 3	Review RFIs (20 total)		10	16	40		30	96	\$11,452	\$0	\$5,754	\$17,206
TASK 4	Design Revisions (3 total)		8	12	32			60	\$7,644	\$200	\$1,050	\$8,894
TASK 5	Record Drawings		1	2	4			47	\$4,734	\$200	\$525	\$5,459
	Task Subtotal - Hours		39	70	248	48	174	579				
	Task Subtotal - Costs		\$7,020	\$10,290	\$28,520	\$4,560	\$15,660		\$66,050	\$1,100	\$17,430	\$84,580
												\$84,580

TOTAL NOT TO EXCEED FEE: \$84,580.00

MEMORANDUM

Ref: 10-2184

DATE: September 3, 2009
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: Award of Contract – Emergency Repair of approximately 815 feet of 8 inch Vitrified Clay Sewer Pipe (VCP) on Mountain Vista Drive, Encinitas, California

RECOMMENDATION:

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

1. Authorize the General Manager to execute an Agreement with SanCon Engineering Incorporated for the purchase and installation of 815 feet of SanCon Cast-in-place-pipe (CIPP) to repair four (4) severely cracked 8-inch gravity sewer line segments, located in Mountain Vista Drive, Encinitas, CA, in an amount not to exceed \$ 39,120.
2. Discuss and take other action as appropriate.

DISCUSSION:

This item was reviewed by the Engineering Committee at its September 3, 2009 meeting. The committee concurred with staff to recommend this item to the Board of Directors.

As one of the tasks within the District's Asset Management Master Plan's Implementation (AMMPI), staff has been providing Infrastructure Engineering Corporation (IEC) with closed-circuit television (CCTV) video inspections of older pipelines with little remaining life or other risk factors.

Two of the inspections submitted by staff were flagged by IEC and recommended for immediate follow-up due to the severity of the cracks in these vitrified clay pipes. Follow-up inspection confirmed the severity of the cracks in the first two sewer lines and additional cracks were found through two of the adjacent downstream lines. The cause of the cracks in these clay sewer pipes, installed around 1972, is related to the depth of the pipeline (about 23 feet). This damage is in spite of the LWD's standard specifications that required the installation of concrete cradles with clay pipe installed at depths greater than 15 feet.

Staff has previously used liners provided by SanCon Engineering for repairs on Gibraltar Street in October 2007 and on both Jacaranda Avenue and Cacatua Street in 2008. Due to the emergent aspect of this necessary repair and the success the District has experienced with this company and their product, staff is recommending that this purchase be a Sole Source Procurement, in accordance with the District's Procurement Policy.

This SanCon Cured-in-place-pipe (CIPP) is approved in the Greenbook's section 500-1.4. Both the District Engineer and IEC have reviewed the specification of the SanCon liners and recommended SanCon 8mm thick liner for this repair.

FISCAL IMPACT:

The Fiscal Year 2010 Capital Acquisition Budget includes funding for Miscellaneous Sewer Line Repair, sufficient to cover this emergency repair.

ls:PB

Attachment

SANCON ENGINEERING, INC.

GENERAL ENGINEERING CONTRACTOR
STATE CONTRACTORS LICENSE #731797, Class "A" (ACTIVE)

Tel: (714) 891-2323
Fax: (714) 891-2524

September 1, 2009
9530

Proposal No.

Leo Schemmp
Leucadia Waste Water District
1960 La Costa Ave.
Carlsbad, CA 92009

Phone: 760-753-0155 Fax: 760-753-3094 e-mail:

RE: Mountain Vista Sewer Lining MH 07-0270 to 07-0260 to 07-250 to 07-0240 to 07-0230

Leo:

Based on the CCTV and Plans provided to Sancon, along with a site visit, we are pleased to provide you with our proposal to line approximately 815' of 8" VCP sewer at the above referenced location as follows.

We propose our SANCON CIPP Cured-in-Place Pipe to repair these 4 segments of 8" damaged pipe. We have installed this trenchless lining product in Leucadia WWD prior to this and it is approved by and meets or exceeds the physical and chemical resistance properties specified in Section 500-1.4 of the "Greenbook". Sancon can respond ASAP upon receipt written approval of our proposal and receipt of the specialty CIPP material. Assuming approval by 9/9/09 we would intend to have installed by 9/17/09.

Our proposal **includes**:

1. Mobilization of crew, equipment & material to conduct the designated lining during night working hours.
2. Flush cleaning of existing sewer mains with a high velocity just prior to liner installation to verify cleanliness of pipes.
3. Pre-video of each entire reach of these 8" sewer mains after cleaning to confirm & document acceptability for lining.
4. Installation of seamless, jointless, structurally capable SANCON CIPP @ up to 8.0 mm thickness, including trimming of ends & application of end seal material to create a watertight seal between pipe & MH's.
5. Final video inspection of installed liner to confirm and document a successful installation.

Our proposal **excludes and/or assumes**:

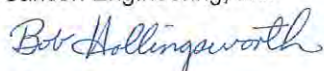
1. Local permits, fees or water supply for flush truck/steam boiler.
2. TC to be provided by LCWD
3. Bypass to be provided by LCWD
4. LWWD will arrange for access as required for our work including any public notices and shutting off residential water service if required to eliminate flow from laterals if applicable.

Pricing: \$48.00 / LF x 815 LF = **\$39,120.00 LS**

Please call with any questions regarding this proposal.

Sincerely,

Sancon Engineering, Inc.



Bob Hollingsworth

MEMORANDUM

DATE: September 3, 2009
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: Conflict between LWD Board Meeting Date and Veterans Day Holiday on November 11, 2009

RECOMMENDATION:

Staff requests that the Board of Directors:

1. Discuss and take action as appropriate

DISCUSSION:

Veterans Day will be celebrated on Wednesday, November 11, 2009. This day is a national holiday celebrated by LWD and other federal, state and local agencies. It is also the scheduled date for LWD's November 2009 Board of Director's meeting.

This item is placed before the Board of Directors to consider rescheduling the November 11, 2009 Board of Directors meeting to avoid a conflict with the Veterans Day holiday.

PJB

MEMORANDUM

DATE: September 3, 2009
TO: Board of Directors
FROM: Paul J. Bushee, General Manager
SUBJECT: **Proposition 1A Update**



This item is presented for the Board's information. It was presented to the Investment & Finance committee at their September 2, 2009 meeting.

BACKGROUND:

In November 2004, the voters of California approved Proposition 1A (Prop 1A), an amendment to the California state constitution intended to restore predictability and stability to local government budgets. Specifically, it provided cities, counties and special districts with local revenue protection by prohibiting the Legislature from taking any action that would shift property taxes to schools or any other non-local government function except under certain circumstances.

While Proposition 1A prohibits reducing the share of property tax revenue, the Legislature may alter the allocation of property taxes if:

- o the Governor issues a proclamation of "severe fiscal hardship";
- o the Legislature enacts an urgency statute suspending Proposition 1A property tax protection with 2/3 approval in each house; and
- o the Legislature enacts a law providing for full repayment of the "borrowed funds" plus interest within three years.

DISCUSSION:

On July 28, 2009, Governor Schwarzenegger signed AB x4 14 and AB x4 15 which suspended Prop 1A and laid out the repayment language respectively. AB x4 15 also included language describing the loan securitization mechanism that is available to those affected by the property tax reduction.

As a result of the Prop 1A suspension, 8% of LWD's 2008-2009 property tax revenue will be diverted to other programs. While the suspension limits the property tax shift to 8%, LWD and other special districts remain cautious about the exact amount of funds that will be diverted and the proposed repayment schedule.

During 2008-2009, LWD received \$1,250,000 in property taxes. Based on current information, the District expects that a minimum of \$100,000 will be diverted from our 2009 - 2010 property tax revenue. While this impact is significant, our Fiscal Year 2010 budget will not be adversely affected since the District anticipated property tax losses greater than 8%. If current projections remain accurate, LWD will still receive approximately \$1,000,000 in property tax revenue. The District, therefore, does not anticipate participating in the loan securitization program that would exchange Prop 1A receivables for cash by selling bonds. At this time, the 8% deficit is not considered substantial enough to warrant joining the loan securitization JPA since interest returns on the suspended funds may be in the vicinity of 1%-6%.

Staff will continue to monitor and update the Board on significant Prop 1A developments. A list of "frequently asked questions", provided by the California Special Districts Association (CSDA), is attached for your additional information.

cal:PJB
Attachment



CALIFORNIA SPECIAL DISTRICTS ASSOCIATION

Proposition 1A Suspension FAQ

Prop 1A Suspension

Q: When was the Prop 1A suspension approved by the governor?

A: Governor Arnold Schwarzenegger signed AB x4 14 and AB x4 15 on July 28, 2009.

Q: Where can I find the bill language that authorizes the suspension of Prop 1A?

A: [AB x4 14](#) is the bill that suspends Prop 1A. [AB x4 15](#) is the bill that lays out the repayment language and loan securitization mechanism. Click on the bills to see the full language.

Q: Which special districts are affected by the Prop 1A suspension?

A: Any special district that receives property tax money.

Q: How much property tax revenue can I expect to be diverted?

A: It will be an 8 percent shift of your total 2008-09 property tax revenues.

Q: Does this affect any special taxes or assessments that we receive?

A: No, this shift only affects your property tax revenues.

Q: Is the 8 percent borrowing calculated before or after the current ERAF shifts?

A: The 8 percent shift of your property tax is calculated *after* your ERAF shifts.

Q: When is the state required to repay special district, city and county property tax money?

A: The State Constitution requires the state to repay the borrowed property tax money within three years with interest.

Q: Will next year's property taxes be affected by this year's Prop 1A suspension?

A: No, this is a one-time borrow that will only affect property taxes in the 2009-10 fiscal year.

Q: When can the state borrow property tax revenue again?

A: According to Prop 1A, the state can borrow again as soon as the first loan is repaid, but no more than twice in a ten year period.

Q: When will we see the reduction in our property tax revenues?

A: You will see a reduction in your property tax revenues when you receive your property taxes as dispersed by the county auditor. The county auditor is required to shift the 8 percent property tax revenue in two installments, once before January 15, 2010, and again after the first transfer but no later than May 1, 2010.

Q: Will the revenues be automatically reduced or will our district need to write a check to the state?

A: The county auditor will automatically reduce your share of property tax revenues this year.

Q: Where are the funds being transferred?

A: The funds will be transferred to the Supplemental Revenue Augmentation Fund (SRAF). Funds in SRAF can be used to reimburse the state for the costs of providing health care, trial court, correctional, or other state-funded services and costs.

Q: What guarantees are there that the state will repay us within three years?

A: There are a few provisions that compel the state to repay local entities in time. First, the state constitution explicitly says that the state must repay local entities within three years and with interest. Second, the Prop 1A repayment has been granted priority payment after education obligations and debt service on general obligation bonds. Third, AB x4 15 allows for an expedited court process if the state has not fully repaid local governments by June 30, 2013.

Q: Are there any exemptions to the Prop 1A suspension?

A: There is a hardship exemption provision that allows any local entity facing extreme hardship because of the Prop 1A shift to apply to the Department of Finance for a hardship exemption. The Director of Finance may consider granting a full or partial decrease in the property tax amount shifted based on certain factors, including, but not limited to, (1) whether the local agency is the subject of a current bankruptcy proceeding or whether the property tax shift would likely cause the local agency to seek bankruptcy protection; and (2) whether the local agency has any financial reserves and whether the full property tax shift would impair the ability of the local agency to provide a basic level of core public services.

Q: How does my district apply for a hardship exemption?

A: A written request must be received by the Director of Finance by October 15, 2009. The Director of Finance must approve or reject the requests for a hardship exemption by November 15, 2009. The Director of Finance may not grant decreases in the suspension amount that totals more than 10 percent of the combined total shift of property tax per county.

Q: Does a hardship exemption affect other agencies in the county?

A: Yes. If a local agency in a county is granted a hardship exemption, then the property tax amount exempted from the shift must be proportionately distributed to all the other local agencies in the county. In this circumstance, the local entities in that county would have more than 8 percent of their property tax shifted to the state.

Q: So should our district expect more than an 8 percent shift of our property tax revenues?

A: Not exactly. The hardship exemption will only be granted at the discretion of the Director of Finance and currently he would like to see if the loan securitization

mechanism is successful in replacing the diverted property tax revenues. If the loan securitization mechanism sells 100 percent of the bonds from the participating local agencies then no hardship exemptions would be necessary.

Loan Securitization Mechanism

Q: Who is the entity administering the loan securitization program?

A: The California Statewide Communities Development Authority (CA Communities) is a joint powers authority that has been designated by the state to administer the Prop 1A securitization program. CA Communities is sponsored by the California State Association of Counties and the League of California Cities and has joined with CSDA to make the Prop 1A securitization program available to special districts, cities and counties across the state.

Q: How does the program work?

A: The state will issue Prop 1A receivables to any special district, city or county that they shift property tax from. Those local entities can join the CA Communities' loan securitization program and exchange their Prop 1A receivables for cash. CA Communities will sell bonds to finance the purchase price of the receivables and all the proceeds from the sale will be evenly distributed to the local agencies participating in the program. The bonds would be repaid from the state's repayment to local agencies in 2013.

Q: Does my district have to participate?

A: No. It is an option for those local entities that wish to replace their property tax loss.

Q: Does CA Communities have any experience with this type of program?

A: Yes. CA Communities conducted a similar securitization program for cities and counties when the state borrowed Vehicle License Fee revenues in 2005.

Q: How does my district join?

A: Applications and a final timeline are being developed. For now, you can sign up to receive additional information at www.cacommunities.org. In addition, CSDA will keep our members up-to-speed with any new developments.

Q: Are there any restrictions to joining?

A: No. CA Communities is required to accept any local entity affected by the suspension, regardless of the amount of property tax revenue lost.

Q: Is there a cost to join CA Communities for the Prop 1A loan securitization program?

A: Most likely there will be no cost to join but details are in the works.

Q: Are there any downsides to participating in the Prop 1A loan securitization program?

A: From what we can see, no. The state will pay for the borrowing interest incurred and the costs of issuance required for each agency to participate. It is intended that local

agencies participating will receive 100 percent of their respective Prop 1A receivable, although the final results will depend on bond market conditions.

Other Options

Q: What are my district's options other than participating in the Prop 1A loan securitization program?

A: A district can opt to not join CA Communities if they feel that they can absorb the loss in property tax revenue this year.

Q: What can I expect to happen if my district does not join CA Communities?

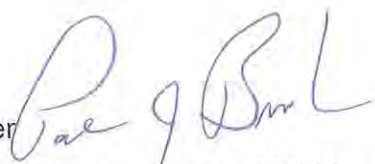
A: If your district can sustain an 8 percent property tax shift this year, and your district chooses not to participate in CA Communities' loan securitization program, then the district can expect to be repaid directly from the state by June 30, 2013, with interest.

Q: What is the interest rate for those entities that choose not to participate in the Prop 1A loan securitization program?

A: The interest rate will be determined by the Director of Finance by September 28, 2009 and must be higher than the Pooled Money Investment Board interest rate but no greater than 6 percent. If your district can sustain the property tax shift, this can be viewed as an investment opportunity.

Note: CSDA is working with the League of California Cities, the California State Association of Counties, CA Communities and the Department of Finance on amendments to AB x4 15. Our proposed amendments tighten the repayment language and increase the flexibility for local entities to secure a loan through the loan securitization program and also contain other technical clean-up language. If these amendments are approved by the legislature and the governor, some provisions may change slightly. CSDA will alert members of any changes or new developments.

MEMORANDUM

DATE: September 3, 2009
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: **Site Improvement Project Status Report – August 2009**

RECOMMENDATION:

Receive and review the Site Improvement Project Status Report for August 2009.

DISCUSSION:

This item was reviewed by the Engineering Committee at its September 3, 2009 meeting. The committee concurred with staff to recommend this item to the Board of Directors.

This report provides a summary and status of the construction of the Site Improvement Project through August 28, 2009.

Activities: Grading and site work including fencing, gates, concrete curbs, swales site walls and flat work. Landscaping. Demolition of the old District Office Building and removal of debris. Building 100, Headquarters Building, was turned over for occupancy.

Schedule:	Notice to proceed date:	February 19, 2008
	Original contract duration:	540 calendar days
	Approved time extensions:	52 calendar days
	Revised contract duration:	592 calendar days
	Revised scheduled completion date:	October 2, 2009

Financial Status:	Contract amount:	\$8,750,000.00
	Change orders, amount to date:	\$436,218.32
	Change order percentage of original contract cost:	4.75%
	Revised contract amount:	\$9,186,218.32

Change Order Summary for August 2009:

No.	Description	Cost	Time
45	Change type of emergency lights in lobby due to battery backup; replace pendent lights in Board Room entry due to ceiling height; add two electrical circuits for water feature accessories; install additional circuit breaker in Bldg 200, Workshop, for air compressor; rewire light circuit for Bldg 200 due to overload condition; replace 4 channel light controller with 6 channel light controller in Board Room	\$13,878.00	0
No.	Description	Cost	Time
46	Replace front entrance doors; change stair rises, originally bamboo, and second floor landing, originally carpet, to terrazzo; reroute copper piping in Bldg 300, Vehicle Storage, to accommodate overhead coiling doors; plaster and paint interior locker room walls; add potable water pressure regulators in Bldg 100, Headquarters, and Bldg 200, Workshop; replace fountain tile	\$24,968.00	0
47	Fill bottom of west water feature to reduce depth per Carlsbad inspector; encase roof drain piping in lobby; remove existing concrete treated base north of Leucadia Pump Station (LPS); remove unsuitable subgrade soil north of LPS, place geotextile fabric and backfill with suitable soil	\$23,133.00	0
Total		\$61,979.00	0

rym:PJB

Frank Reynaga

From: edm3565592@aol.com
Sent: Saturday, August 29, 2009 6:02 PM
To: Frank Reynaga
Subject: 1726 Gascony repair

Dear Frank,

Thank you for all the help you gave me during the lateral line repair at my home at 1726 Gascony Road in Encinitas. Kevin Post from Arrow Pipeline was able to repair the lateral line within a couple weeks of my request.

I was very impressed with your efficiency at Leucadia Wastewater District. The help you provided me in filling out the necessary forms and the prompt reimbursement process made the whole experience very pleasant.

Sincerely,

Ed Miller

Directors' Meetings

Presented by Directors Kulchin, Juliussen, Sullivan, and Hanson

Conference

2009 CASA Conference

Dates and Location

August 12 - 15, 2009

Mission Bay Hilton, San Diego, CA

List of Attendees

President David Kulchin

Vice President Allan Juliussen

Director Elaine Sullivan

Director Judy Hanson

The above mentioned Board member attended various sessions regarding water and wastewater issues.