

**AGENDA**

**ENGINEERING COMMITTEE MEETING  
LEUCADIA WASTEWATER DISTRICT**

Wednesday, May 4, 2016 – 8:30 a.m.  
1960 La Costa Avenue, Carlsbad, CA 92009

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- 1. Call to Order**
- 2. Roll Call**
- 3. Public Comment**
- 4. New Business**
  - A. Authorize the General Manager to execute an Agreement with Nu Line Technologies Incorporated for construction services to complete the 2016 Gravity Pipeline Rehabilitation Project in an amount not to exceed \$240,000. (Pages 2-10)
  - B. Receive and file the Gafner AWT Condition Assessment Report completed by Infrastructure Engineering Corporation. (Pages 11-13)
  - C. Authorize staff to coordinate with SANDAG and pay for the construction of extensions to the casings for the Lanikai Gravity Line and Secondary Effluent Force Main (B1) at the Carlsbad Poinsettia Train Station. Additionally, authorize staff to proceed with plans to design and construct an encased parallel gravity line at the Carlsbad Poinsettia Train Station. (Pages 14-17)
- 5. Information Items**
  - A. Saxony Pump Station Rehabilitation Project update. (verbal)
- 6. Directors' Comments**
- 7. General Manager's Comments**
- 8. Adjournment**

MEMORANDUM

Ref: 16-4992

DATE: April 28, 2016  
TO: Engineering Committee  
FROM: Paul J. Bushee, General Manager  
SUBJECT: Award of the District's 2016 Gravity Pipeline Rehabilitation Project Construction Contract

RECOMMENDATION:

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

1. Authorize the General Manager to execute an Agreement with Nu Line Technologies, LLC for construction services to complete the 2016 Gravity Pipeline Rehabilitation Project in an amount not to exceed \$240,000.
2. Discuss and take other action as appropriate.

DISCUSSION:

**Tactical Goal: Infrastructure and Technology / FY2016 Gravity Pipeline Rehabilitation**

The 2016 Gravity Pipeline Rehabilitation project is included as a goal under the Technology and Infrastructure Strategy in the Fiscal Year 2016 (FY16) Tactics & Action Plan.

In July 2015 the Board of Directors authorized the execution of an agreement with Infrastructure Engineering Corporation (IEC) to design the 2016 Gravity Pipeline Rehabilitation Project. The goal of this project is to repair or replace any Rated 3 gravity pipeline and manhole on the Repair Priority List, populated and maintained by Field Service Staff, at the time of project design.

The 2016 project consists of the repair of eleven (11) gravity pipeline sections and one (1) manhole identified during staff's Closed Circuit Television (CCTV) inspections. The Cured in Place Pipe (CIPP) lining of the Leucadia Scenic gravity line was removed from this project and added to the Leucadia (L1) Force Main Replacement Project to encompass the combined work under a single Caltrans Right of Way permit. The Leucadia Scenic line runs adjacent to the on ramp to south bound Interstate 5 (I-5) from La Costa Avenue and east under I-5.

IEC commenced project design in July 2015. Project design was completed in March 2016 and advertised for bids. Bids were due on March 29, 2016. Two bids were received as follows:

<u>Construction Firm</u>	<u>Bid Submitted</u>
Insituform Technologies, LLC	\$222,382
Nu Line Technologies, LLC	\$240,000

The bids were reviewed by Robert Weber, Jamie Taylor and Marie Fawcett at IEC. The bid review memorandum is attached for your review. The bid submitted by Insituform Technologies (Insituform), the lowest bidder, was unresponsive due to the following reasons:

1. Failure to list required subcontractor. The plans and specifications clearly require that chemical grouting of existing infiltration is required. There is one known southern California contractor that performs this service, National Plant Services (NPS). NPS was not listed as a

subcontractor on Insituform's bidding documents. From previous experience with NPS their services to perform chemical grouting would exceed 0.5% (\$1,112) of Insituform's bid price.

2. Insituform did not meet the requirement that the mobilization percentage not exceed 5% of the bid. Specification Section 01010 limits the mobilization cost to 5% of the overall bid. Insituform's bid listed a mobilization cost of \$61,859. This equates to 27.8% of their overall bid of \$222,382. IEC and staff believe that the 27.8% mobilization cost is excessive and should not be waived as a minor discrepancy.
3. IEC's evaluation revealed a bid item discrepancy. Several of Insituform's bid item amounts were low in comparison to both the engineer's opinion of probable construction cost and the second lowest bidder's bid costs. In particular, Bid Item 3 is listed at \$569. The work for this bid item includes, staging traffic control in a three lane section of El Camino Real, curtain grouting two manholes, bypassing flow and installing a short length of CIPP liner. The amount of \$569 does not seem sufficient for the work required of this bid item. A full bid comparison is included in Table 1 of the attached bid review memorandum. Insituform's Bid items 5, 6, 7 and 8 are also comparatively low.

The second lowest bidder, Nu Line Technologies (Nu Line), submitted a bid that satisfies the requirements of the bid. Nu Line's bid was \$17,618 (7.9%) higher than Insituform's bid. Upon completion of IEC's review, it was recommended that Nu Line be awarded the contract as the lowest responsive and responsible bidder.

Nu Line's bid is \$39,000 (14%) less than the engineer's opinion of probable cost of \$279,000. Nu Line's individual bid item amounts roughly correlate with those of the engineer's opinion of probable cost. IEC reviewed Nu Line's bid and believes that the bid costs reflect the current market conditions and reasonably stringent installation guidelines and do not constitute grounds to reject the received bids.

This item was discussed by the Engineering Committee (EC) and recommended for approval to the Board of Directors on April 6, 2016. On April 7<sup>th</sup>, staff received a protest letter from Insituform. It should be noted that Insituform was notified in writing of their nonresponsive bid on April 4<sup>th</sup> and given 48 hours to respond. Therefore, their protest letter was submitted late. However, staff believed it was prudent to allow the bid protest process to run its course and this item was removed from the April 2016 Board Agenda.

Subsequently, on April 14<sup>th</sup> staff responded (see attached response) to Insituform denying their protest and specifically addressing each point stated in their letter. In accordance with the bid protest procedures, Insituform had 10 days to file an appeal to the Board. No appeal was filed by Insituform.

Therefore, Staff recommends that the Board of Directors award the contract to Nu Line as the lowest responsive and responsible bidder in an amount not to exceed \$240,000.

#### **FISCAL IMPACT:**

There is sufficient appropriation in the Fiscal Year 2016 Budget to cover the construction costs of the project.

rym:PJB

Attachments



***BID REVIEW MEMORANDUM***

Date: April 1, 2016  
Subject: **2016 Gravity Pipeline Rehabilitation Project**  
Prepared By: Marie Fawcett, E.I.T. and Jamie Fagnant, P.E.  
Reviewed By: Rob Weber, P.E.

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**PURPOSE**

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

**BID RESULTS**

Two bids were received and opened on March 29<sup>th</sup>, 2016. The bids are summarized on Table 1 - Bid Summary (see attached) and characteristics of the bids are as follows:

Low Bid:	\$222,382
High Bid:	\$240,000
Engineer's Opinion of Probable Cost:	\$279,000

Review of bid amounts and individual bid items is discussed further below.

**REVIEW OF LOW BIDDER**

Insituform Technologies, LLC. (Insituform), Chesterfield, Missouri, submitted the apparent low bid. IEC recommends the District reject Insituform's bid for the following reasons:

**Excessive Mobilization Costs:** Insituform listed a mobilization cost of \$61,859. This constitutes a 27.8% mobilization cost. Specification Section 01010 limits the percentage of this mobilization cost to 5% of the overall bid. In our opinion, a 27.8% mobilization cost is excessive and should not be waived as a minor discrepancy.

**Bid Item Discrepancy:** Several of Insituform's bid item amounts are low in comparison to both the engineer's opinion of probable construction cost and the second lowest bidder's bid costs. In particular, bid item 3 is listed at \$569. The work for this bid item includes, staging traffic control in a three lane section of El Camino Real, curtain grouting two manholes, bypassing flow and installing a short cured in place pipe liner. The amount of \$569 does not seem sufficient for the work required of this bid item. A full bid comparison is included in Table 1. Bid items 5, 6, 7 and 8 are also comparatively low.

**Chemical Grouting:** The plans and specifications clearly require that chemical grouting of existing infiltration is required. There is one known local subcontractor that performs this service (National Plant) and they were not listed as a subcontractor on Insituform's bidding documents. From previous experience with National Plant their services to perform chemical grouting would exceed 0.5% of Insituform's bid price. IEC contacted Insituform to clarify. Insituform indicated that they have a method self-performing chemical grouting,



that they could use a pre-liner, or that if there was too much infiltration to handle in house they would call someone in.

IEC attempted to contact Insituform again to request additional information on their method to self-perform chemical grouting. Insituform indicated that they were discussing the issue internally and did not have an immediate response. Although the chemical grouting issue was not resolved at the time this letter was prepared, there is sufficient grounds to reject Insituform's bid as not in the District's best interest on the grounds of the excessive mobilization cost and low cost shown for many of the bid items.

#### **REVIEW OF SECOND LOWEST BIDDER**

Nu Line Technologies LLC. (Nu Line or Contractor), submitted the second lowest bid. IEC has determined Nu Line to be responsive to the bid requirements and recommends that the District award the project to Nu Line. The following reviews have been completed.

**Contractor's License:** The Contractor holds the required Class A License (No. 997520). The license is current and active.

**Bid Bond:** A bid bond in the amount of ten percent (10%) of the bid amount was submitted with North American Specialty Insurance Company as surety. North American Specialty Insurance Company has a Best's Key Rating of A+, XV

**Signatures:** The Contractor's Partners, Dominic Burtech and Frank Durazo, signed the Closing Statement, Dominic Burtech signed the Bidder's Bond, and Non-Collusion Affidavit.

**Project Manager's Experience:** The Contractor has identified Frank Durazo as the project manager. His resume has been enclosed as part of the bid documents. IEC has reviewed his resume and found his experience suitable to manage the 2016 Gravity Pipeline Rehabilitation.

**Approach to Work:** The Contractor addressed the anticipated project issues as required in the Approach to Work section of the Bid Documents as outlined below:

Nu Line Technologies, LLC is conveniently located in the immediate area. We along with our subcontractor Burtech Pipeline Inc. will require no on-site staging of equipment and materials. Our approach to this project is straightforward and simple. Once project contracts are finalized we will initiate the project and clean and CCTV of all segments on the project. We will review and submit our post cleaning CCTV work and logs for your review. All RFI's will be submitted (if applicable) and reviewed at this time for your approval. Once this phase is completed, Burtech Pipeline will mobilize and begin the dig and replace/repairs. Post repairs video work will be submitted for your review. Upon completion of all external point repairs, mechanical grouting contractor will be brought in to address any active infiltration that may be found per the CCTV review. Post grouting phase, CIPP lining crew will mobilize and begin the sewer rehabilitation CIPP lining of the project. Once CIPP segments are completed mechanical grouting subcontractor will re-mobilize to address the lateral connections on the project. CIPML liner will be installed and post CCTV inspection will be conducted upon completion of CIPP lining, liner samples will be submitted to testing lab and post video work will be submitted for review.



**Worker's Compensation Insurance:** Policy is in affect through 09/03/2016.

**Experience Requirements:** The bid documents require the Contractor to submit three project references where the Contractor was required to install at least 300 linear feet cured-in-place-pipe (CIPP) lining into an 8 inch or greater diameter pipe in each project. Nu Line's submitted experience records show more than adequate experience.

**References:** IEC contacted Nu Line's listed references to perform an assessment of the Contractor's prior work. In all cases, Nu Line was recommended as a good contractor with no record of claims.

**Registration with the Department of Industrial Relations (DIR):**

As of 03/01/2015 contractors and their subcontractors are required to be registered with the DIR prior to bidding a public works project. The table below demonstrates that Nu Line and each of its subcontractors have met this requirement.

Contractor Legal Name	Registration Number	Registration Date	Expiration Date
Nu Line Technologies, LLC	1000003808	06/18/2015	06/30/2016
Burtech Pipeline, Inc.	1000006324	06/16/2015	06/30/2016
Sancon Technologies, Inc.	1000008879	07/02/2015	06/30/2016
National Plant Services, Inc	1000002703	07/01/2015	06/30/2016

Source: <https://efiling.dir.ca.gov/PWCR/Search>

**List of Subcontractors:**

Contractor Legal Name	Location of Business	Portion of Work
Butech Pipeline, Inc.	Encinitas, CA	Point Repair & New PVC
Sancon Technologies, Inc.	Huntington Beach, CA	Manhole Rehabilitation
National Plant Services	Long Beach, CA	Chemical Grouting

**Bid Item/Cost Review:** Nu Line's individual bid item amounts roughly correlate with those of the engineer's opinion of probable cost. Nu Line's bid was approximately 14% below the engineer's opinion of probable cost. Although the bid cost is lower than the engineer's opinion of probable construction cost, it is our opinion that the bid costs reflect the current market conditions and reasonably stringent installation guidelines and do not constitute grounds to reject the received bids.

**Claims Filed:** Nu Line has not filed claims or had claims filed against them in the last five (5) years.

At this time, IEC has no concern regarding Nu Line's ability to complete the work for the cost given.



**RECOMMENDATION**

IEC recommends award of the contract to Nu Line Technologies, LLC. based on their knowledge and experience record and responsiveness to the bidding requirements.

**Attachments**

Table 1 – Bid Summary

**LEUCADIA WASTEWATER DISTRICT  
2016 GRAVITY PIPELINE REHABILITATION PROJECT  
Table 1 - Bid Summary**

Item	Article	Unit	Qty.	Engineer's Opinion of Probable Construction Cost	Insituform	Nuline
1	Mobilization, Bonds, Permits, Cleanup and Demobilization	LS	1	\$13,000	\$61,859	\$12,500
2	Sheeting, Shoring and Bracing	LS	1	\$10,000	\$6,325	\$5,880
3	Cured-in-Place Pipe Lining	LS	1	\$19,800	\$569	\$9,455
4	Cured-in-Place Pipe Lining	LS	1	\$22,961	\$8,090	\$16,828
5	Cured-in-Place Pipe Lining	LS	1	\$9,240	\$1,852	\$14,872
6	Cured-in-Place Pipe Lining	LS	1	\$12,923	\$1,801	\$12,772
7	Cured-in-Place Pipe Lining	LS	1	\$15,338	\$3,187	\$12,680
8	Cured-in-Place Pipe Lining	LS	1	\$24,974	\$5,439	\$23,143
9	New 8" PVC, Cured-in-Place Pipe Lining	LS	1	\$31,964	\$12,115	\$20,452
10	Replace Existing Cleanout and Cured-in-Place Pipe Lining	LS	1	\$33,099	\$20,044	\$25,077
11	New 8" PVC	LS	1	\$34,320	\$70,707	\$52,500
12	New 8" PVC	LS	1	\$24,420	\$12,463	\$16,695
13	Cured-in-Place Pipe Lining	LS	1	\$9,240	\$2,119	\$6,796
14	Install Cured-in-Place Manhole Liner (CIPML)	LS	1	\$17,820	\$15,812	\$10,350

Engineer's Opinion of Probable Construction Cost
\$279,100

<b>TOTAL:</b>	<b>\$279,100</b>	<b>\$222,382</b>	<b>\$240,000</b>
Check Total:		\$222,382	\$240,000
Amount in Words:		\$222,382	\$240,000





LEADERS IN  
ENVIRONMENTAL  
PROTECTION

BOARD OF DIRECTORS  
DONALD F. OMSTED, PRESIDENT  
JUDY K. HANSON, VICE PRESIDENT  
ALLAN JULIUSSEN, DIRECTOR  
DAVID KULCHIN, DIRECTOR  
ELAINE SULLIVAN, DIRECTOR  
PAUL J. BUSHEE, GENERAL MANAGER

Ref: 16-4935

April 14, 2016

**Via E-Mail and FedEx**  
**FedEx No. 8085 3647 8175**

Ms. Carrie M. Branson  
Insituform Technologies, LLC  
17988 Edison Avenue  
Chesterfield, MO 63005

Re: 2016 Gravity Pipeline Rehabilitation Project Bid Protest Letter Response

Dear Ms. Branson:

We received your letter of April 7, 2016. Your letter protested the Leucadia Wastewater District's ("District") decision to declare the bid submitted by Insituform Technologies, LLC ("Insituform") for our 2016 Gravity Pipeline Rehabilitation Project ("the Project") as non-responsive. This letter responds to the protest.

1. Regarding Chemical Grouting, the conflicting information provided by Insituform and lack of responsiveness to requests for information leave the District with no confidence that the bid submitted actually anticipated and provided for the grouting of infiltration required by the project specifications. Currently, the District is aware of only one local contractor capable of performing the required grouting, and it was not listed as a subcontractor in Insituform's bid. The District inquired regarding this omission and was initially told Insituform had obtained equipment from France to self-perform the grouting. The District requested information regarding the new equipment so that it could evaluate its ability to perform the grouting work. The information was not provided. Instead, after receipt of two requests for the information, Insituform changed its position and informed the District that a listed subcontractor, Tunnelworks, would perform the grouting. The bid identifies the work to be completed by Tunnelworks as CCTV and cleaning, not grouting. Subsequently, the District called Tunnelworks and left a message asking for a call back to discuss its work on the project but has never received a return call. Based upon these facts, I find that Insituform has failed to demonstrate that its bid included the capability to self-perform the grouting element of the project.

Additionally, the bid documents required Insituform to list each subcontractor who will perform work or labor or render service to the Contractor in or about the construction of the work or improvements in an amount in excess of one-half of

one percent (0.5%) of the Contractor's total bid, and the portion of the work which will be done by each subcontractor. Circumvention by the Contractor of the requirement to list subcontractors by the device of listing one subcontractor who will in turn sublet portions of the work covered by this Contract shall be considered a violation of Chapter 4 of the California Public Contract Code.

2. Regarding Excessive Mobilization Costs and Bid Item Discrepancies, the District does not agree that a mobilization cost that is more than 5 times the permitted amount and other irregular bid amounts are minor, inadvertent errors. Further, the District is not required to waive bid irregularities, even if they could be classified as minor. The District can properly take into consideration the totality of the bid discrepancies. In this instance, I find that the excessive mobilization costs and irregular bid amounts, when considered together with the inconsistent information and lack of responsiveness outlined above, are not minor inadvertent errors.

Based on the responses stated above, I am denying your bid protest. The District will not reverse its decision to reject Insituform's Bid as non-responsive. In accordance with Section IFB-25, any party aggrieved by the decision of the General Manager may file a protest appeal to the District's Board of Directors within ten (10) days after the General Manager has issued a decision. Please read Section IFB-25 closely for further information if you wish to continue to pursue the bid protest.

Best Regards,



Paul J. Bushee  
General Manager

cc: Terry Henry, Business Development Manager, Insituform Technologies, LLC

## MEMORANDUM

**DATE:** April 28, 2016  
**TO:** Engineering Committee  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** **Gafner Advanced Water Treatment (AWT) Condition Assessment Report**

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**RECOMMENDATION:**

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

1. Receive and file the 2014 Pump Stations Assessment Report completed by Infrastructure Engineering Corporation.
2. Discuss and take other action as appropriate.

**DISCUSSION:****Tactical Goal: Infrastructure and Technology / Gafner AWT Condition Assessment**

The Gafner AWT Condition Assessment is included as a goal under the Technology and Infrastructure Strategy in the Fiscal Year 2016 (FY16) Tactics & Action Plan.

The Gafner AWT (Gafner) was last upgraded in 1993 to meet recycled water regulatory standards and has not undergone a major rehabilitation or equipment replacement since then. The 2013 Asset Management Plan (AMP) recommended that the District complete a Gafner condition assessment within five years to identify plant rehabilitation or replacement projects for the District's Capital Improvement Program (CIP). To implement this recommendation, in December 2015 staff executed a task order with Infrastructure Engineering Corporation (IEC) to conduct the assessment. IEC has completed their assessment and has submitted a report of their findings and recommendations.

The assessment team consisted of personnel from the District, IEC and IEC subcontractors as follows:

- Jeff Stecker
- Jamie Fagnant (IEC)
- Jane Costello (IEC)
- Guy Kelsey (Kelsey Structural)
- Joe Moraes (Moraes Pham & Associates)

IEC collected pre-inspection input from District staff and conducted onsite visits. IEC then met with staff to review and prioritize their findings. Staff's priority was (highest to lowest):

1. Safety items
2. Critical items required for continued plant operation
3. Routine rehabilitation or replacement

Staff established the priority criteria to keep cost reasonable in order to preserve as much of the \$1.7M recycled water reserve fund as possible. Additionally, the unknown nature of renewing the Carlsbad Recycled Water Agreement necessitated a cautious approach in the rehabilitation or replacement of assets at Gafner. Therefore, staff focused on improving or maintaining safety items and rehabilitating or replacing critical equipment to keep the plant operating within regulatory parameters.

As a result of the prioritization, the following items were recommended to be replaced or rehabilitated as part of a Gafner Plant Improvements I project:

- Failsafe Alternative Pumps, Valves and Piping
- Influent Well Structural Retrofit
- Handrails (Safety)
- Reactor Clarifier Mixers – Rapid and Flocculator
- Sand Filters – Turbidity Meter and Covers
- Chlorine Contact Basin – Mixer and Covers
- Electrical Improvements (Safety)
- Control Valve and Actuators

The report's executive summary, attached for your review, has an estimated construction cost of \$368,000 for Gafner Plant Improvements I. Staff will request a Fiscal Year 2017 budget appropriation of approximately \$480,000, including soft costs (design and construction management) for this project. A copy of the report is available upon request. A representative from IEC will present an overview of the report at the meeting.

rym:PJB

Attachment

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## EXECUTIVE SUMMARY

IEC has performed a condition assessment of the Gafner Advanced Water Treatment (Gafner) Plant at the request of the Leucadia Wastewater District (LWD or District). The condition assessment included input from field services staff during a site visit to the plant as well as ongoing correspondence with District staff and an interim meeting in March. The Gafner plant successfully produces recycled water for irrigation use at the neighboring Omni La Costa Resort and Spa south golf course. The age of the plant (1993), operation and maintenance issues, exposure to the humid and salty conditions of coastal California, and keeping the plant operating in a safe way, all these result in a need for some near-term improvements to the facility. Critical items have been identified for a FY 16/17 Capital Improvements Project. The approximate cost of future improvements, beyond a five year planning period, were also developed. The projects are summarized in the below table.

FISCAL YEAR	PROJECT	ESTIMATED COST
2016/17	Gafner Water Reclamation Plant Improvements I	\$368,000
2022	Gafner Water Reclamation Plant Improvements II	\$603,000
	Total	\$971,000

## MEMORANDUM

Ref: 16-4986

**DATE:** April 28, 2016  
**TO:** Engineering Committee  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** Parallel Gravity Line at the Carlsbad Poinsettia Train Station

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### RECOMMENDATION:

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

1. Authorize staff to coordinate with SANDAG and pay for the construction of extensions to the casings for the Lanikai Gravity Line and Secondary Effluent Force Main (B1) at the Carlsbad Poinsettia Train Station.
2. Authorize staff to proceed with plans to design and construct an encased parallel gravity line at the Carlsbad Poinsettia Train Station.
3. Discuss and take other action as appropriate.

### BACKGROUND:

Recently, representatives from North County Transit District (NCTD) and San Diego Association of Governments (SANDAG) met with District staff to discuss improvements to the Carlsbad Poinsettia Train Station (Poinsettia Project). It should be noted that in 2004 a regional consolidation of certain public transportation functions to SANDAG, the regional transportation planning authority, was implemented. As a result, responsibility for planning and construction of major NCTD projects of regional significance was transferred to SANDAG.

The Poinsettia Project will construct an underground pedestrian tunnel to connect the east and west pedestrian platforms. The construction of the tunnel requires shifting the two railroad tracks to the west to accommodate the entrance into the tunnel at the east platform. The shifting of the tracks requires the extension of the protective casings around two District lines that run under the railroad tracks adjacent to the station. The two lines are the jointly owned Lanikai Gravity Trunk Sewer (Lanikai Line) and LWD's Secondary Effluent Force Main (B1). As stipulated in the NCTD license agreements for the Lanikai Line and B1, the District is obligated to pay for any modifications to or removal of those lines. The Lanikai Line and B1 are critical District assets that must be protected in place.

SANDAG hired T.Y. Lin International (TYLI) to design the project. Additionally, SANDAG obtained all required federal permits for the Poinsettia Project. They plan to advertise the project in August 2016 and award the contract in January 2017. SANDAG requested the meeting to inform the District of the project and remind the District of its obligations under the license agreements.

During the meeting, District staff acknowledged its obligations and asked if SANDAG/NCTD would allow the District to construct an additional encased parallel gravity line under the tracks during the Poinsettia Project. SANDAG/NCTD said they would agree to allow the construction,

only within the NCTD right-of-way (ROW), as long as the construction of the new line does not delay or conflict with the Poinsettia Project. SANDAG confirmed that the construction of the parallel line within the Poinsettia Project area is covered under the project's permits; however LWD would be responsible for compliance with any state environmental requirements, such as California Environmental Quality Act (CEQA) and Coastal Development Permit (CDP), for construction of the parallel line outside the railroad right of way.

The TYLI project engineer attended the meeting. After discussion with TYLI, the District requested a proposal from TYLI to design the extension of the two casings and the new encased parallel line. SANDAG stated that they can add the construction of the new parallel line as an additive bid item in the Poinsettia Project bid. This will enable the removal of the parallel line construction project if the District decides not to go forward.

**DISCUSSION:**

The Lanikai Line represents a weak point in the District's collection system especially in the area of the train tracks. It is designed for a peak flow of 17 million gallons per day (MGD). All of LWD's flow (approximately 4 MGD) plus Encinitas' flow (approximately 1 MGD) passes through the Lanikai Line on its way to the Encina Water Pollution Control Facility. In the event of a failure, there is no easy way to by-pass flow across the tracks and repairs to the pipeline would likely take several days to fix at a considerable cost. In addition a failure would likely lead to a high volume of wastewater spilled into a sensitive environmental area and could possibly undermine the railroad tracks. Therefore, staff believes it is prudent to construct a parallel gravity line under the tracks. Doing so will eliminate the risk of a single point of failure and allow proper maintenance of this critical section of pipeline.

The construction of the Poinsettia Project presents a unique opportunity for construction of a parallel gravity line under the railroad tracks. The environmental work in the railroad right of way has been completed and the project engineer, TYLI, has already collected much of the necessary design information thereby streamlining the parallel line construction from a cost and timing standpoint. TYLI has proposed a cost of approximately \$14,000 to design both the casing extensions and parallel line, which staff believes is quite reasonable for this work.

District staff contacted the City of Carlsbad (Carlsbad) staff to discuss the permitting requirements outside the railroad right of way. As a result, Carlsbad staff has approved a CDP waiver for the parallel line construction. LWD staff will file a CEQA notice of exemption upon award of the contract by SANDAG. Therefore, all environmental requirements will be satisfied.

District Engineer (DE) Steve Deering has provided a preliminary alignment for the new parallel line (attached). TYLI will use this preliminary alignment to complete full project design.

Additionally, DE Deering estimated the cost of construction, including soft costs (design and construction management). The cost breakout is as follows:

Item	Cost Estimate	District Cost	Encinitas Cost (22%)
B1 Casing Extension	\$53,138	\$53,138	Not Applicable
Lanikai Line Casing Extension	\$53,138	\$41,448	\$11,690
Parallel Line Construction	\$660,982	\$515,566	\$145,416
<b>Total</b>	<b>\$767,258</b>	<b>\$610,152</b>	<b>\$157,106</b>

Staff has met with City of Encinitas staff and they have agreed in principal to installing a new parallel line. However, it will require City Council approval. Time is of the essence and staff believes that it is prudent to proceed with both construction projects.

In summary, SANDAG's construction of the Poinsettia Project presents a unique opportunity for the District to construct an encased parallel gravity line under the railroad tracks in a cost effective and efficient manner. The installation of the parallel line would eliminate the risk of a weak point in the District's collection system. Therefore, staff recommends that the Board authorize staff to extend the casings for the Lanikai Line and B1 and pursue the design and construction of a new parallel line in concert with SANDAG's Poinsettia Project.

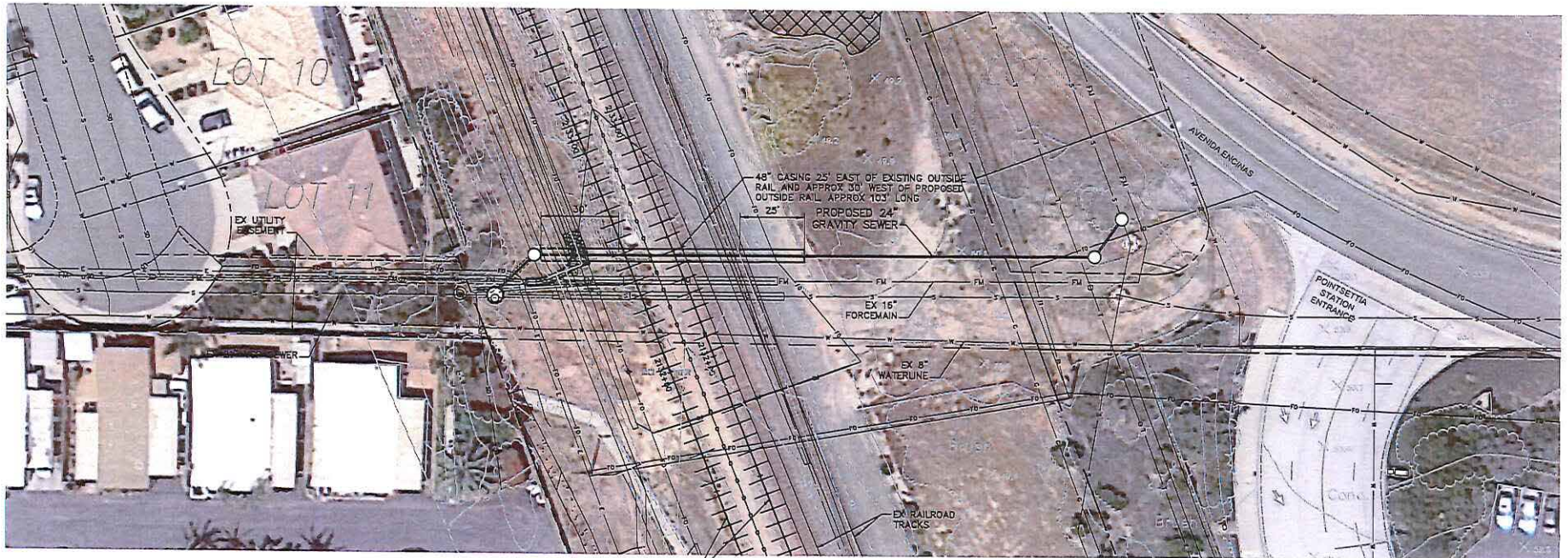
**FISCAL IMPACT:**

Staff will use funds remaining in the FY 2015 Gravity Pipeline Project in the FY 2016 Budget for project design and execution of the required NCTD license agreements, approximately \$25,000. Staff plans to request the additional funds to complete the project as part of the FY 2017 Budget process.

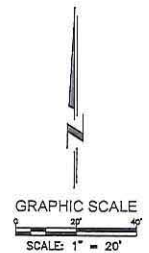
rym:PJB

Attachment





PROPOSED RAILROAD TRACK ALIGNMENT  
**PLAN**  
 SCALE: 1" = 20'



**DUDEK**  
 405 Third Street Encinitas, CA 92024  
 760.942.5147 Fax 760.632.0164



REVISIONS			
NO.	BY	DATE	REMARKS

DESIGNED: SD	DATE
DRAWN: DJD	DATE
CHECKED: -	DATE
REVIEWED BY: RCE	EXP DATE
INSPECTOR	DATE

**LEUCADIA WASTEWATER DISTRICT**  
 1960 LA COSTA AVE, CARLSBAD, CA 92009  
 PHONE: (760) 753-0155  
 FAX: (760) 753-3094

**POINTSETTIA STATION IMPROVEMENT PROJECT**  
 PROPOSED NEW 24" SEWER CROSSING  
 TENTATIVE LVD 24" SEWER PLAN

DWG	SHEET	OF	-
DATE:	-		
CAD REF. NO.:	-		