FACILITIES DEVELOPMENT AND OPERATIONS COMMITTEE
AND SPECIAL BOARD OF DIRECTORS MEETING

Date: Monday, August 26, 2019  Time: 1:30 pm
Location: Customer Service Center, Board Room
9300 Fanita Parkway, Santee, CA

Committee Members: Director Peasley, Chair
Director Pommering

Staff Members: Allen Carlisle, CEO/General Manager
Paul Clarke, Director of Operations and Water Quality
Kyle Swanson, Director of Operations (AWP)
Mark Niemiec, Director of Engineering
Rob Northcote, Plant Manager
Courtney Mael, Engineering Manager
Michael Hindle, Interim Engineering Manager

Committee Purpose: The purpose of the Facilities Development & Operations Committee is to develop, for the Board’s consideration at a future board meeting: A) Policies for the implementation of programs and facilities required to ensure reliable and cost effective water service, recycled water service, and wastewater service systems for District customers; B) Policies relative to long range planning, supply development, environmental interests of the District, and oversee implementation of those policies; C) Policies to sustain the District’s mission to provide safe and reliable water supplies, water recycling supplies, and wastewater operations; and D) Policies to support implementation of the strategic plan.

Committees of the Board:

Committees of less than a quorum of the Board may be created to study and advise the full Board regarding certain areas of concern.

Directors that are not on the committee may attend only as observers unless the agenda indicates that a special board meeting has also been noticed as required by law, at which the Board will discuss items on the agenda but not take any action. Whenever a standing committee meeting is also noticed as a special Board meeting, it shall be conducted as a committee meeting and Directors that are not on the committee may participate in discussions upon recognition by the committee chair, but only members of the committee are entitled to make, second or vote on any motion of the committee. Any actions taken by the committee pursuant to the posted agenda shall be deemed recommendations of the committee for the full Board to consider at a future Board meeting.

The Board retains all powers, privileges and duties to exercise and perform the business of the District, and committees of the Board are not empowered to act for the Board. Committee meetings are subject to the Ralph M. Brown Act. Full Board discussion and public comment on committee recommendations shall be encouraged prior to Board action.
This committee meeting is noticed as a joint meeting with the Board of Directors for the purpose of compliance with the Brown Act. In order to preserve the function of the committee as advisory to the Board, members of the Board who are not assigned to the committee may attend and participate in discussions but will not participate in any votes taken at this meeting.

● CALL TO ORDER

● PLEDGE OF ALLEGIANCE

● OPPORTUNITY FOR PUBLIC COMMENT
  Opportunity for members of the public to address the Board (Gov. Code 54954.3)

● ITEMS TO BE ADDED, WITHDRAWN OR REORDERED ON THE AGENDA

● REPORTS
  The following items are reports and are placed on the Agenda to provide information to the Board Committee and the public. There is no action called for on these items. The Board Committee may engage in discussion upon which a specific subject matter is identified but may not take any action other than to place the matter on a future agenda.

1. WRF SLUDGE COLLECTION EQUIPMENT REPLACEMENT PROJECT (JN 218039) - STATUS UPDATE
  Recommendation: Hear staff report; no action required.

2. REIMBURSEMENT AGREEMENT R-74W - MAGNOLIA PUMP STATION
  Recommendation: Hear staff report, no action required.

3. DEVELOPMENT UPDATE
  Recommendation: Hear staff report, no action required.

4. CAPITAL IMPROVEMENT PROJECTS (CIP) CONSTRUCTION UPDATE
  Recommendation: Hear staff report; no action required.
5. QUARTERLY CAPITAL IMPROVEMENT PROJECTS (CIP) UPDATE

Recommendation:
Note and file; informational report only.

6. ADVANCED WATER PURIFICATION (AWP) EAST COUNTY - PROGRAM STATUS REPORT

Recommendation:
Note and file; informational report only.

● DIRECTORS COMMENTS

Directors’ comments are to be related to District business which may be of interest to the Board. They are placed on the agenda to enable individual Board Members to convey information to the Board and the Public. There is to be no discussion or action taken on comments made by Board Members.

● FUTURE AGENDA ITEMS

● ADJOURNMENT

NOTICE TO THE PUBLIC

This agenda was posted at least 72 hours before the meeting in a location freely accessible to the public. No action may be taken on any item not appearing on the posted agenda, except as provided by Gov. Code Section 54954.2. The complete agenda package is available for public review on the District’s website, www.PadreDam.org. Any written materials provided to a majority of the Board of Directors within 72 hours prior to the meeting regarding any item on this agenda will be made available for public inspection at the District’s Customer Service Center located at 9300 Fanita Parkway. For questions or request for information related to this agenda contact Amy Pederson, Board Secretary, at 619.258.4614 or apederson@padre.org.

Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, as required by Section 202 of the American with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should contact our ADA Coordinator: Larry Costello at 619.258.4678 or lcostello@padre.org

PUBLIC COMMENT PROCEDURES

Members of the public may address the Board Committee regarding items not appearing on the posted agenda, which are within the subject matter jurisdiction of the Board. Speakers are requested to state name, address and topic, and observe a time limit of 3 minutes each. Public comment on a single topic is limited to a total of 15 minutes. Anyone desiring to address the Board regarding an item listed on the agenda should fill out a “request to speak” form and provide it to the Board Secretary. These forms are available in the Board Room on the counter near the entrance doors.
CERTIFICATION OF POSTING

I certify that on August 23, 2019, I posted a copy of the foregoing agenda at least 72 hours prior to the meeting, in accordance with Government Code Section 54954.2(a).

__________________________________
Amy Pederson, Board Secretary
SUBJECT:  WRF SLUDGE COLLECTION EQUIPMENT REPLACEMENT PROJECT (JN 218039) - STATUS UPDATE

RECOMMENDATION(S):

Hear staff report; no action required.

ALTERNATIVE(S):

N/A

ATTACHMENT(S):

None

FUNDING:

Requested amount:  N/A
Budgeted amount:  N/A
Are funds available?  Yes  No
Project cost to date:  

PRIOR BOARD/COMMITTEE CONSIDERATION:

Reforecasted Five Year Plan Budget for Year 3 approved June 19, 2019.

STRATEGIC PLAN IMPLEMENTATION:

This agenda item is consistent with the District’s Strategic Plan and meets one or more of the following Strategic Goals: Provide safe, reliable water, recycled water and sewer services; Ensure fiscal health and competitively sustainable rates; Enhance customer communications and education; Increase water, wastewater and energy independence; Maintain workforce excellence; Expand park and recreation opportunities.

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SUMMARY:

Constructed in 1962 and last expanded in 1997, the Ray Stoyer Water Recycling Facility (WRF) currently converts wastewater generated within Padre Dam Municipal Water District’s (Padre Dam) service area into approximately 2 million gallons per day (MGD) of recycled water for non-potable use. The recycled water produced at the WRF not only sustains the recreational Santee Lakes system, but is also used to irrigate parks, schools, and streetscapes within the District’s Western Service Area.

One of Padre Dam’s key goals listed in the Comprehensive Facilities Master Plan is to identify system deficiencies and recommend improvements to meet future demands and flow conditions. The WRF Sludge Collection Equipment Replacement Project was developed to ensure that District continues to provide a reliable recycled water system that is consistent with Padre Dam’s commitment to a sustainable future.

The WRF Sludge Collection Equipment Replacement Project will replace deteriorated equipment within the primary and secondary sedimentation basins at the WRF. Two primary and two secondary sedimentation basins, or clarifiers, each utilize a chain and flight scraper system that continually scrapes across the floor, slowly pushing settled solids to the edge of the basin for collection and disposal, while the partially treated water (effluent) is conveyed to the next stage of treatment. The primary and secondary clarifiers are essential components of the treatment process; in the event of a failure of the mechanical chain and flight system, the WRF would need to be taken out of service for emergency repairs. Under this scenario, Padre Dam would not be able to treat any wastewater, which would halt the supply of recycled water to Santee Lakes and the recycled water system until a permanent fix could be implemented. Most of the sludge collection flights and gears system is comprised of the original equipment from when the WRF was constructed in the 1960s and has far exceeded its useful service life thereby requiring full replacement to ensure the safe and reliable operation of the WRF.

The work will include demolition of existing sludge collection equipment, repair of damaged concrete surfaces, installation of the new equipment, and testing and commissioning of the new equipment. The construction activities will be performed during a planned 30-day plant shutdown window scheduled to begin on January 6, 2020. Advertising this project early is not only essential to allow adequate Contract Time for the specialized equipment procurement in advance of the critical WRF shutdown, but also to ensure that the plant is put back online so that studies at the AWP demonstration facility may progress on schedule. The project is currently advertised, bids are expected to be opened on August 29, 2019, and construction is anticipated to be completed by March 4, 2020. The engineer’s estimate for construction is $805,000.

Finally, as part of the East County Advanced Water Purification (AWP) project the Ray Stoyer WRF is scheduled to be decommissioned with the construction of a new 16mgd wastewater recycling facility. Regardless, staff recommends investing in the replacement of the existing flights and gears to improve resiliency and increase the likelihood that Ray Stoyer will be continuously operational until commissioning of the AWP project is complete and the entire facility is on-line in mid-2025. This strategy will allow for continued recycled water revenues while maintaining disposal costs to the Metro system.

RECOMMENDATION(S):

Hear staff report; no action required.
SUBJECT: REIMBURSEMENT AGREEMENT R-74W - MAGNOLIA PUMP STATION

RECOMMENDATION(S):
Hear staff report, no action required.

ALTERNATIVE(S):
N/A

ATTACHMENT(S):
1. Water Facilities Reimbursement Agreement

FUNDING:
Requested amount: N/A
Budgeted amount: N/A
Are funds available? □ Yes □ No
Project cost to date: N/A

PRIOR BOARD/COMMITTEE CONSIDERATION: March 24, 2009 & March 5, 2014

STRATEGIC PLAN IMPLEMENTATION:
This agenda item is consistent with the District’s Strategic Plan and meets one or more of the following Strategic Goals: Provide safe, reliable water, recycled water and sewer services; Ensure fiscal health and competitively sustainable rates; Enhance customer communications and education; Increase water, wastewater and energy independence; Maintain workforce excellence; Expand park and recreation opportunities.

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**EXECUTIVE SUMMARY:**

The Developers, D.R. Horton San Diego Holding Co. and Santee Heights LLC are requesting an extension of an existing reimbursement agreement. A five year extension for the reimbursement agreement was most recently approved by the Board of Directors on March 5, 2014.

**DESCRIPTION:**

As part of the Silver County Estates development project completed in 1999, D.R. Horton San Diego Holding Co. and Santee Heights LLC (Developers), constructed facilities including a pump station (Magnolia) and contributed to the construction of a reservoir (Magnolia) and transmission pipeline. Padre Dam accepted these facilities on March 8, 1999. A reimbursement agreement (agreement) was entered into with said Developers for a portion of the costs associated with the facilities given that the facilities are capable of serving other properties. The original agreement had an expiration date of March 8, 2009 which was ten (10) years from the date of acceptance of the facilities by the District. The agreement allows for extensions at five (5) year intervals provided that such extension is requested prior to the termination of the agreement. Current practice is to grant such extensions so long as there is still significant land available to develop that could use these facilities. The land that is still being developed that could be impacted by this reimbursement is portions of Fanita Ranch, developments on Summit Avenue, and developments on Cuyamaca.

The Developers approached Padre Dam in April 2019 approximately one month after the expiration of the most recent extended agreement. Padre Dam staff consulted with legal counsel to determine the options for renewal after expiration.

The options considered were:
1) Deny the extension;
2) Approve the extension as is, total remaining reimbursement agreement amount $435,060;
3) Rewrite the agreement including language providing for 1% of the amount collected to go to Padre Dam for staff time to process the reimbursement.

It was determined that the agreement could not be renewed and instead a new agreement would need to be created that would provide for “consideration” or something bargained for in exchange for the agreement. Per legal counsel, an agreement is not legally binding unless both parties have consideration. Staff is working with legal counsel to prepare the new agreement with a provision that will allow staff time to be paid for as part of the reimbursement. The other provisions in the agreement will remain the same.

Staff will present the revised agreement to the full Board for approval once agreed upon by all parties.

**RECOMMENDATION(S):**

Hear staff report, no action required.
WATER FACILITIES REIMBURSEMENT AGREEMENT

STANDARD FEES

The parties to this agreement are PADRE DAM MUNICIPAL WATER DISTRICT, a municipal water district of the State of California organized pursuant to the Municipal Water District Law of 1911, hereinafter referred to as "District and D.R. Horton San Diego Holding Co., and Santee Heights, L.L.C., hereinafter referred to as "Owners."

RECITALS:

A. District policy concerning extension of water distribution facilities within the District are to require each property owner or developer to construct or cause to be constructed at his sole expense all facilities needed to serve his property in accordance with the requirements, standards and specifications of District. If such extended facilities are capable of serving other properties, District is willing to enter into an agreement to partially reimburse the property owners or developers for the costs thereof from capacity fees collected from persons connecting to said facilities.

B. Owners have constructed or caused to be constructed an extension to District's water distribution facilities to serve Owner's property within the District. Said facilities are described as follows:

Magnolia Pump Station (A.K.A., Silver Country Estates - Hydro Pump Station), PDMWD
Job No. 97012, Improvement Drawings W-3159 through W-3187A

C. Said facilities are capable of serving other properties and have been accepted by the District as part of its system. The parties desire to set forth in writing a procedure for the reimbursement to owners for a portion of the cost of said water facilities in the event there are future connections thereto.

AGREEMENT:

NOW, THEREFORE, the parties agree as follows:

1. District will not permit any person to connect to said facilities without the payment of the standard Pumping Capacity Fees of the District established for said area by the Rules and Regulations of the District.

2. From that portion of each Pumping Capacity Fee designated by the Rules and Regulations of District as "Pumping Fee", District shall pay D.R. Horton San Diego Holding Co. 83.6%; and Santee Heights, L.L.C. (McMillin Companies) 16.4% of said amount until owners have been reimbursed the sum of $373,792 for D.R. Horton San Diego Holding Co., and $73,328 for Santee Heights, L.L.C. or until ten years from March 8, 1999, the date of acceptance of the facilities by the District. The obligation of District to Owners shall thereupon cease and terminate and no further sums shall be payable or paid to Owners. If requested by Owners before the expiration of the original ten year period, this agreement may be extended at maximum five year intervals, if the District Board of Directors determines such an extension is in the best interest of the contracting parties.
3. District shall under no circumstances be liable to Owners for any interest on any sums paid or to be paid Owners. District shall have no duty to make any reimbursement or other payment to Owners except as specified in this agreement, and said payment shall be made only from the aforesaid fees collected by the District.

4. This agreement shall not exempt or relieve Owners from the payment of such fees and charges as may be established by District, in accordance with its rules and regulations, for water service to property of owners, including the standard capacity fees of District. At such time as Owners requests water service to property of Owners, Owners shall pay to District such capacity fees and charges as may be then fixed by District in accordance with its Rules and Regulations. However, if said property served by said Pump Station, Owners shall be exempt from the payment of said pumping fee.

5. Unless notified in writing of a change of address, all notices, payments or correspondence relating to this agreement may be given by mail as follows:

To District at the District’s mailing address:

P.O. Box 719003, Santee, California 92072-9003

To Owners at:

D.R. Horton San Diego Holding Co.
c/o Horton Continental
5927 Priestley Dr., Ste. 200
Carlsbad, CA 92008

Santee Heights, L.L.C
c/o McMillin Companies
2727 Hoover Ave.
National City, CA 91950

6. District shall not be liable for locating Owners, beyond written notices given to the address supplied District by Owners. Upon expiration of this agreement, if Owners do not apply for final payment within 60 days, the District will deposit fees collected in accordance with this agreement to the District’s Pumping Capital Expansion Fund, and the obligation of District to Owners shall thereupon cease and terminate and no further sums shall be payable or paid to Owners.

IN WITNESS WHEREOF, the parties have executed this agreement as of June 23, 2003.

PADRE DAM MUNICIPAL WATER DISTRICT

By: ___________________________
   General Manager
D.R. HORTON SAN DIEGO NO. 19, INC.,
a California Corporation

By: [Signature]
Title: Vice President of Operations

SANTEE HEIGHTS, LLC,
a Delaware Limited Liability Company
By: McMillin Homes III, Inc.,
a California Corporation, its manager

By: [Signature]
Title: Senior VI.E.

#21205
SUBJECT: DEVELOPMENT UPDATE

RECOMMENDATION(S):
Hear staff report, no action required.

ALTERNATIVE(S):
Table staff report to future meeting

ATTACHMENT(S):
None

FUNDING:
Requested amount: N/A
Budgeted amount:
Are funds available? □ Yes □ No
Project cost to date:

PRIOR BOARD/COMMITTEE CONSIDERATION:

STRATEGIC PLAN IMPLEMENTATION:
This agenda item is consistent with the District’s Strategic Plan and meets one or more of the following Strategic Goals: Provide safe, reliable water, recycled water and sewer services; Ensure fiscal health and competitively sustainable rates; Enhance customer communications and education; Increase water, wastewater and energy independence; Maintain workforce excellence; Expand park and recreation opportunities.

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EXECUTIVE SUMMARY:

Hear staff report on various development projects throughout the District including Weston Subdivision, County of San Diego Recorders Office, Santee Theater, Sharp Medical Office Building, Carlton Oaks Golf Course and Fanita Ranch.

RECOMMENDATION(S):

Hear staff report, no action required.
SUBJECT: CAPITAL IMPROVEMENT PROJECTS (CIP) CONSTRUCTION UPDATE

RECOMMENDED(S):

Hear staff report; no action required.

ALTERNATIVE(S):

N/A

ATTACHMENT(S):

None

FUNDING:

Requested amount: N/A
Budgeted amount: 
Are funds available?  Yes  No
Project cost to date:

PRIOR BOARD/COMMITTEE CONSIDERATION:

STRATEGIC PLAN IMPLEMENTATION:

This agenda item is consistent with the District’s Strategic Plan and meets one or more of the following Strategic Goals: Provide safe, reliable water, recycled water and sewer services; Ensure fiscal health and competitively sustainable rates; Enhance customer communications and education; Increase water, wastewater and energy independence; Maintain workforce excellence; Expand park and recreation opportunities.

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EXECUTIVE SUMMARY:

Hear staff report summarizing the construction status for the following Capital Improvement Projects:

- Secondary Connection Project
- Los Coches Reservoir Pipeline Repair Project
- Mountain View Connector Project
- Viejas Mountain Reservoirs Refurbishment Project
- Sewer Rehabilitation Project
- Sewer Manhole Rehabilitation Project

RECOMMENDATION(S):

Hear staff report; no action required.
SUBJECT: QUARTERLY CAPITAL IMPROVEMENT PROJECTS (CIP) UPDATE

RECOMMENDATION(S):
Note and file; informational report only.

ALTERNATIVE(S):
N/A

ATTACHMENT(S):
1. CIP Budget vs. Actual Expenditures for FY 18/19

FUNDING:
Requested amount: N/A
Budgeted amount: 
Are funds available? ☐ Yes ☐ No
Project cost to date: 

PRIOR BOARD/COMMITTEE CONSIDERATION:

STRATEGIC PLAN IMPLEMENTATION:
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Reviewed by: Dept Head ☒ Finance Legal Counsel Standard Form
Action Required: Motion ☐ Resolution ☒ Ordinance ☐ None ☒
Action Taken: As Recommended ☐ Reso/Ord. No. ☐ Other ☒

Action Taken: As Recommended ☐ Reso/Ord. No. ☐ Other ☒
**EXECUTIVE SUMMARY:**

Attached is the CIP expenditures report through June 2019.

**RECOMMENDATION(S):**

Note and file; informational report only.
### General CIP

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<th>Item #</th>
<th>Project Description</th>
<th>Job # / WO #</th>
<th>Project Manager</th>
<th>Total 5 Yr. Bus. Plan Budget</th>
<th>FY 18/19 Actual Spent (Fiscal Year: June 2018)</th>
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<th>FY 18/19 Var. % Spent</th>
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<td>1</td>
<td>ESA Secondary Connection, Vineyard Lane, &amp; El Capitan Pipe Valve Replacement</td>
<td>218035 &amp; 218036 A &amp; B</td>
<td>Michael H.</td>
<td>$19,915,458</td>
<td>$4,129,088</td>
<td>$1,734,669</td>
<td>$4,384,341</td>
<td>28.3%</td>
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<td>2</td>
<td>&amp; 218037 Rebecca A</td>
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<td>3</td>
<td>Payloader Pipeline Condition Assessment</td>
<td>218034</td>
<td>Michael H.</td>
<td>$1,551,000</td>
<td>$770,000</td>
<td>$83,848</td>
<td>$741,152</td>
<td>3.7%</td>
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<td>Lee Cusco Reservoir Pipeline Repair</td>
<td>218038 Robin B.</td>
<td></td>
<td>$247,134</td>
<td>$165,000</td>
<td>$205,894 (41,744)</td>
<td>124.4%</td>
<td>PC</td>
<td>Project is substantially complete. Consultant is preparing record drawings. Current FY variance due to contractor's concern about the various agreements, Board will request Board award the construction contracts on 8/7/19.</td>
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<td>Sober System Rehabilitation FY 19</td>
<td>218039 Rebecca A.</td>
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<td>$355,000</td>
<td>$235,000</td>
<td>$166,426</td>
<td>$150,574</td>
<td>42.7%</td>
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<td>MT. View Connector Pipeline</td>
<td>217057 Robin B</td>
<td></td>
<td>$3,999,000</td>
<td>$1,149,000</td>
<td>$447,568</td>
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<td>Tamarill del &amp; W. Victoria A w/Hwy &amp; Pipe Upgrade</td>
<td>218040 Rebecca A.</td>
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<td>$1,080,000</td>
<td>$312,000</td>
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<td>$253,227</td>
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<td>Quidale Canyon Pressure-Reducing Station</td>
<td>217043 Robin B</td>
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<td>$200,000</td>
<td>$200,000</td>
<td>$101,325</td>
<td>$98,675</td>
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<td>Grossmont Tank Rehabilitation</td>
<td>218044 Robin B</td>
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<td>$1,000,000</td>
<td>$25,000</td>
<td>$58,773</td>
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<td>18.8%</td>
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<td>Fair Oaks Reservoir Rehabilitation</td>
<td>217045 Michael H.</td>
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<td>$1,012,000</td>
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<td>11</td>
<td>Blackburn Valley Reservoir Rehabilitation</td>
<td>218046 Michael H.</td>
<td></td>
<td>$2,146,000</td>
<td>$212,000</td>
<td>$144,825</td>
<td>$67,175</td>
<td>40.5%</td>
<td>D</td>
</tr>
<tr>
<td>12</td>
<td>Swim River sewer Siphon - Condition Assessment</td>
<td>217048 Seval S.</td>
<td></td>
<td>$400,000</td>
<td>$200,000</td>
<td>$163,252</td>
<td>$136,748</td>
<td>33.6%</td>
<td>P</td>
</tr>
<tr>
<td>13</td>
<td>Ris Canyon PS (PK 65) Surge Tank Feasibility Study/Alternative analysis</td>
<td>218049 Robin B</td>
<td></td>
<td>$110,000</td>
<td>$88,000</td>
<td>$27,300</td>
<td>$50,700</td>
<td>25.0%</td>
<td>P</td>
</tr>
<tr>
<td>14</td>
<td>Ecological Assessment of Final B</td>
<td>218050 Seval S.</td>
<td></td>
<td>$212,000</td>
<td>$115,000</td>
<td>$67,954</td>
<td>$47,046</td>
<td>22.4%</td>
<td>P</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>$31,927,784</strong></td>
<td><strong>$11,297,000</strong></td>
<td><strong>$3,004,319</strong></td>
<td><strong>$8,293,481</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Capitalized Operations

<table>
<thead>
<tr>
<th>Item #</th>
<th>Project Description</th>
<th>Job # / WO #</th>
<th>Project Manager</th>
<th>Total 5 Yr. Bus. Plan Budget</th>
<th>FY 18/19 Actual Spent (Fiscal Year: June 2018)</th>
<th>FY 18/19 Variance</th>
<th>FY 18/19 Var. % Spent</th>
<th>Status</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Sober Annulment</td>
<td>218001 Office</td>
<td></td>
<td>$19,800</td>
<td>$39,600</td>
<td>$191,280</td>
<td><strong>40.5%</strong></td>
<td>Capitalized Operations.</td>
<td>$39,600</td>
</tr>
<tr>
<td>2</td>
<td>Sewer Amortization Rates</td>
<td>218027 Office/Rebecca A</td>
<td></td>
<td>$231,000</td>
<td>$105,000</td>
<td>$26,308</td>
<td>$78,708</td>
<td>25.0%</td>
<td>Capitalized Operations.</td>
</tr>
<tr>
<td>3</td>
<td>Annual Poly Service Replacement (ESA)</td>
<td>202002 Office</td>
<td></td>
<td>$1,551,000</td>
<td>$256,000</td>
<td>($194,000)</td>
<td>412.9%</td>
<td>Capitalized Operations.</td>
<td>$1,551,000</td>
</tr>
<tr>
<td>4</td>
<td>Average Poly Service Replacement (WSA)</td>
<td>202003 Office</td>
<td></td>
<td>$796,000</td>
<td>$260,000</td>
<td>$176,000</td>
<td>$190,000</td>
<td>245.7%</td>
<td>Capitalized Operations.</td>
</tr>
<tr>
<td>5</td>
<td>Average Value Replacement Program (ESA)</td>
<td>202004 Office</td>
<td></td>
<td>$64(6,680)</td>
<td>$42,300</td>
<td>$290,000</td>
<td>$290,000</td>
<td>458%</td>
<td>Capitalized Operations.</td>
</tr>
<tr>
<td>6</td>
<td>Average Value Replacement Program (WSA)</td>
<td>202005 Office</td>
<td></td>
<td>$1,975,000</td>
<td>$348,000</td>
<td>($230,000)</td>
<td>$230,000</td>
<td>31.3%</td>
<td>Capitalized Operations.</td>
</tr>
<tr>
<td>7</td>
<td>Security Enhancements - Field Sites</td>
<td>217051 Office</td>
<td></td>
<td>$321,000</td>
<td>$26,308</td>
<td>$176,000</td>
<td>$150,000</td>
<td>45.5%</td>
<td>Security at Field Sites</td>
</tr>
<tr>
<td>8</td>
<td>Sub-Grants</td>
<td>218014 Office</td>
<td></td>
<td>$200,000</td>
<td>$30,000</td>
<td>$101,325</td>
<td>$98,675</td>
<td>50.7%</td>
<td>Sub-Grants</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>$6,235,000</strong></td>
<td><strong>$964,000</strong></td>
<td><strong>$823,500</strong></td>
<td><strong>$770,500</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**COMBINED TOTAL** | | | | **$36,162,784** | **$12,301,000** | **$3,810,819** | **$4,487,181** | | | | **$42,409,444** | **$27,772,717** | **$15,136,687** |
COMMITTEE AGENDA REPORT

Meeting Date: 08-26-2019
Dept. Head: Mark Niemiec, P.E.
Submitted by: Mark Niemiec, P.E.
Department: Engineering
Approved by: Allen Carlisle, CEO/GM

SUBJECT: ADVANCED WATER PURIFICATION (AWP) EAST COUNTY - PROGRAM STATUS REPORT

RECOMMENDATION(S):
Note and file; informational report only.

ALTERNATIVE(S):
N/A

ATTACHMENT(S):
1. AWP Program Status Report

FUNDING:
Requested amount: N/A
Budgeted amount:
Are funds available? □ Yes □ No
Project cost to date:

PRIOR BOARD/COMMITTEE CONSIDERATION:

STRATEGIC PLAN IMPLEMENTATION:
This agenda item is consistent with the District’s Strategic Plan and meets one or more of the following Strategic Goals: Provide safe, reliable water, recycled water and sewer services; Ensure fiscal health and competitively sustainable rates; Enhance customer communications and education; Increase water, wastewater and energy independence; Maintain workforce excellence; Expand park and recreation opportunities.

<table>
<thead>
<tr>
<th>Reviewed by:</th>
<th>Action Required:</th>
<th>Policy Updates:</th>
<th>Action Taken:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dept Head</td>
<td>✔</td>
<td>Rules &amp; Regulations</td>
<td>As Recommended</td>
</tr>
<tr>
<td>Legal Counsel</td>
<td></td>
<td>None</td>
<td>Other</td>
</tr>
<tr>
<td>Standard Form</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
EXECUTIVE SUMMARY:

Attached is the AWP East County Program Status Report for Term 3 work through August 26, 2019. This report is typically updated on a monthly basis corresponding with consultant invoices, however, this report can be updated as frequently as required to reflect changes, additional risks, or other issues.

The scope of services for the Term 3 amendment is structured in a manner, with input from the project partners, to minimize continued project development cost until initial project pricing is received from a selected design-build team for the project. An interim funding agreement (IFA) with the project partners has established a mechanism for the project partners to reimburse the District for their proportionate shares of any funding expended by the District (including grant funding and State Revolving Fund (SRF) funding) to fund the proposed project development costs in anticipation of initial project pricing.

RECOMMENDATION(S):

Note and file; informational report only.
### Project Schedule

<table>
<thead>
<tr>
<th>No.</th>
<th>Task</th>
<th>Start</th>
<th>Finish</th>
<th>% Progress</th>
<th>Comment(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Engineering Studies</td>
<td>16-Jan-19</td>
<td>30-Apr-20</td>
<td>47</td>
<td>Completed wastewater characterization study</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Draft Santee Lakes Hydraulic Analysis completed</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Continuing preformed chloramine and Desalitech pathogen removal studies at AWP demonstration</td>
</tr>
<tr>
<td>2</td>
<td>Predesign Documents</td>
<td>16-Jan-19</td>
<td>30-Apr-20</td>
<td>47</td>
<td>Development of predesign documents.</td>
</tr>
<tr>
<td>3</td>
<td>Environmental Assistance - NOT USED</td>
<td>16-Jan-19</td>
<td>30-Apr-20</td>
<td>47</td>
<td>Not Used.</td>
</tr>
<tr>
<td>4</td>
<td>Geotechnical &amp; Surveying</td>
<td>16-Jan-19</td>
<td>30-Apr-20</td>
<td>47</td>
<td>Scheduling geotechnical borings.</td>
</tr>
<tr>
<td>5</td>
<td>Permitting &amp; Regulatory Coordination</td>
<td>16-Jan-19</td>
<td>30-Apr-20</td>
<td>47</td>
<td>Conducted Independent Advisory Panel Meeting in May 2019</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Ongoing permitting and regulatory coordination.</td>
</tr>
<tr>
<td>6</td>
<td>Financial Management Assistance</td>
<td>16-Jan-19</td>
<td>30-Apr-20</td>
<td>47</td>
<td>Preparation of WIFIA LOI</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Continued updating SRF application packages</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Prop 84 coordination with CWA</td>
</tr>
<tr>
<td>7</td>
<td>Management &amp; Administration Support</td>
<td>16-Jan-19</td>
<td>30-Apr-20</td>
<td>47</td>
<td>Ongoing project management and coordination activities</td>
</tr>
<tr>
<td>8</td>
<td>Communications and Stakeholder Outreach</td>
<td>16-Jan-19</td>
<td>30-Apr-20</td>
<td>47</td>
<td>Ongoing tasks to continue public outreach efforts</td>
</tr>
</tbody>
</table>

### Project Financials

<table>
<thead>
<tr>
<th>No.</th>
<th>Task</th>
<th>Planned Spend</th>
<th>Actual Spend</th>
<th>% Spent</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Engineering Studies</td>
<td>$707,084</td>
<td>$150,901</td>
<td>21.3</td>
<td>$556,183</td>
</tr>
<tr>
<td>2</td>
<td>Predesign Documents</td>
<td>$1,757,108</td>
<td>$0</td>
<td>0.0</td>
<td>$1,757,108</td>
</tr>
<tr>
<td>3</td>
<td>Environmental Assistance - NOT USED</td>
<td>$100,967</td>
<td>$0</td>
<td>0.0</td>
<td>$100,967</td>
</tr>
<tr>
<td>4</td>
<td>Geotechnical &amp; Surveying</td>
<td>$739,957</td>
<td>$107,086</td>
<td>14.8</td>
<td>$631,972</td>
</tr>
<tr>
<td>5</td>
<td>Predesign Documents</td>
<td>$395,077</td>
<td>$33,204</td>
<td>8.4</td>
<td>$361,873</td>
</tr>
<tr>
<td>6</td>
<td>Financial Management Assistance</td>
<td>$644,686</td>
<td>$7,127</td>
<td>1.1</td>
<td>$637,559</td>
</tr>
<tr>
<td>7</td>
<td>Project Delivery &amp; Procurement Strategies</td>
<td>$116,317</td>
<td>$210,000</td>
<td>6.4</td>
<td>$622,350</td>
</tr>
<tr>
<td>8</td>
<td>Management &amp; Administration Support</td>
<td>$156,901</td>
<td>$210,000</td>
<td>0.0</td>
<td>$533,101</td>
</tr>
<tr>
<td>9</td>
<td>Communications and Stakeholder Outreach</td>
<td>$210,000</td>
<td>$42,336</td>
<td>1.0</td>
<td>$201,664</td>
</tr>
</tbody>
</table>

**Totals**

- **Planned Spend**: $4,725,000
- **Actual Spend**: $341,552
- **% Spent**: 7.2%
- **Variance**: $4,383,448

### BUDGET

**Overall Project Status**

- Complete
- Overdue
- In progress
- Not Started

*Includes all subtasks (68 total)*

### Top 5

<table>
<thead>
<tr>
<th>No.</th>
<th>Type</th>
<th>Description</th>
<th>Comment(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Change</td>
<td>Water Recycling Facility (WRF) strategy for AWP project.</td>
<td>Project team has analyzed and determined that constructing a new 16 mgd WRF (at Pond A site) in lieu of utilizing 2 mgd from the existing Ray Stoyer WRF and a new 13 mgd WRF would serve this project better. Financial analysis indicates that the cost difference (O&amp;M and capital) is negligible.</td>
</tr>
<tr>
<td>2</td>
<td>Risk</td>
<td>Timing of Joint Powers Authority (JPA) agreement execution.</td>
<td>Anticipated formation of the JPA is in October 2019. Delay in the formation could impact the delivery of the request for qualifications for project Package 1.</td>
</tr>
<tr>
<td>3</td>
<td>Risk</td>
<td>Water Infrastructure and Finance and Innovation Act (WIFA) Letter of Interest submitted.</td>
<td>A joint study is initiated and tests will be conducted to prove pathogen removal credits through Desaltech to get the process permitted.</td>
</tr>
<tr>
<td>4</td>
<td>Decision</td>
<td>Interim Funding Agreement (IFA) approval.</td>
<td>The project partners approved the IFA. The IFA puts into place a mechanism for the project partners to reimburse the District for their proportionate shares of any funding expended by the District (including grant funding and SRF funding) to fund the proposed project development costs in anticipation of JPA Formation.</td>
</tr>
<tr>
<td>5</td>
<td>Decision</td>
<td>Water Recycling Facility (WRF) strategy for AWP project.</td>
<td>Project team has analyzed and determined that constructing a new 16 mgd WRF (at Pond A site) in lieu of utilizing 2 mgd from the existing Ray Stoyer WRF and a new 13 mgd WRF would serve this project better. Financial analysis indicates that the cost difference (O&amp;M and capital) is negligible.</td>
</tr>
</tbody>
</table>