

NIPOMO COMMUNITY SERVICES DISTRICT

MONDAY, OCT. 26, 2009

2:00 P. M.

SPECIAL MEETING NOTICE & AGENDA **INFRASTRUCTURE COMMITTEE**

COMMITTEE MEMBERS

ED EBY, CHAIR
MICHAEL WINN, MEMBER

PRINCIPAL STAFF


BRUCE BUEL, GENERAL MANAGER
LISA BOGNUDA, ASSIST. GENERAL MANAGER
DONNA JOHNSON, BOARD SECRETARY
JON SEITZ, GENERAL COUNSEL
PETER SEVCIK, DISTRICT ENGINEER

MEETING LOCATION

District Board Room, 148 S. Wilson Street, Nipomo, California

1. **CALL TO ORDER, ROLL CALL AND FLAG SALUTE**
2. **REVIEW STATUS OF SUPPLEMENTAL WATER DEVELOPMENT**
ACTION RECOMMENDED: Forward Recommendations to Board
3. **REVIEW 60% WIP DESIGN COST ESTIMATE & ISSUES**
ACTION RECOMMENDED: Forward Recommendations to Board
4. **REVIEW FINAL WATER SALES AGREEMENT W. CITY SANTA MARIA**
ACTION RECOMMENDED: Forward Recommendations to Board
5. **REVIEW STATUS OF SOUTHLAND WWTF UPGRADE PROJECT**
ACTION RECOMMENDED: Forward Recommendations to Board
6. **SET NEXT COMMITTEE MEETING**
ACTION RECOMMENDED: Set Time/Date for Next Committee Meeting
7. **ADJOURN**

*** End Special Meeting Notice ***

TO: COMMITTEE MEMBERS
FROM: BRUCE BUEL 
DATE: OCT 23, 2009

AGENDA ITEM
2
OCT. 26, 2009

REVIEW SUPPLEMENTAL WATER DEVELOPMENT STATUS

ITEM

Review status of supplemental water development [Forward Recommendations to Board].

BACKGROUND – WATERLINE INTERTIE PROJECT

Mike Nunley from AECOM (Boyle Engineering) is scheduled to summarize the attached Monthly Report at the Committee Meeting. Mr. Nunley is also prepared to discuss any questions that the Committee might have regarding previous Cost Estimates.

Part of AECOM's Submittal is their 60% Project Cost Estimate (See Agenda Item 3).

Staff is prepared to submit the Final Agreement with the City of Santa Maria to the Board at its October 28, 2009 Meeting (See Agenda Item 4).

Staff and AECOM are compiling permit applications. Staff has initiated the appraisal process for purchase of easements and real property. The Board of Supervisors is expected to discuss the criteria for a JPA with NCSD at their November 3rd Meeting.

BACKGROUND – DESALINATION

Staff is monitoring the progress of the South County Sanitation District regarding their desalination project. SCSD has yet to set a meeting to discuss their preliminary results.

RECOMMENDATION

Staff recommends that the Committee receive the staff updates and provide feedback and recommendations to the Board.

ATTACHMENT

- MONTHLY REPORT
- ASSESSMENT TIMELINE

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AECOM
 1194 Pacific Street, Suite 100
 San Luis Obispo CA 93401
 T 805.542.9840 F 805.542.9990 www.aecom.com

Memorandum

Date: October 21, 2009
To: Bruce Buel, General Manager – Nipomo Community Services District
From: Michael K. Nunley, PE
Subject: Waterline Intertie Project – Design Phase Status Report

Distribution:	Josh Reynolds, PE	Eileen Shields, PE
	Peter Sevcik, PE	Jim Froelicher
	Jon Hanlon, PE	Kirk Gonzalez, PE

The Project Team has completed the following work items this month:

1. AECOM submitted Caltrans encroachment permit application for the Highway 101 crossing.
2. AECOM submitted the 90% design plans and specifications for Bid Package #2 – Nipomo Area Pipeline Improvements. Copies were delivered to the District, the peer reviewers, and the construction management team.
3. AECOM updated the project schedule to reflect delays in the financing schedule.
4. AECOM continued discussions with the City of Santa Maria staff regarding ownership and operation of the connection, flow control valve, and flow meter stations.
5. AECOM received notice from the Santa Barbara County Flood Control District for completion of technical review of Bid Package #3 Plan set with no further comments.
6. Padre has submitted the APCD's Naturally Occurring Asbestos (NOA) project form and request for exemption.

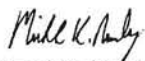
Schedule

The Project Schedule is attached.

Budget Status

As shown on the attached Design Budget and Invoice Summary, our fee earned matches the amount expended. This indicates we are on budget as of this date.

Yours Sincerely



Michael K. Nunley, PE

Enclosures: Design Budget and Invoice Summary; Project Budget Summary; and Project Schedule

Item	Description	Budgeted Amount May 2008 PER	Updated Amount 17-Mar-09	Updated Amount 22-Apr-09 Concept Design Report	Updated Amount date 60% Design Plans
1	Mobilization	\$580,000	\$580,000	\$607,000	\$706,800
2	Blosser Extension (18-in)	\$1,247,000	\$1,247,000	\$1,129,000	\$1,148,800
3	Pump Station No. 1 turnout & meter (Blosser Rd)	\$61,000	\$61,000	\$158,000	\$166,400
4	River Crossing (24-in HDD & levee jack & bore)	\$6,135,000	\$6,135,000	\$5,462,500	\$5,414,200
5	24-in Pipeline to Joshua	\$656,000	\$656,000	\$400,000	\$399,500
6	Reservoir (0.5-MG)	\$1,361,000	\$1,361,000	\$1,365,000	\$1,364,700
7	Pump Station No. 2	\$603,000	\$603,000	\$1,572,500	\$1,512,300
8	Pressure Regulators (200 homes)	\$30,000	--	--	--
9	Pressure Reducing Valve Stations	\$18,000	\$72,000	\$243,000	\$290,100
10	Chloramination (Joshua & 5 wellheads)	\$707,000	\$707,000	\$739,500	\$739,200
11	Upgrade Southland to 12-in	\$799,500 (1)	\$780,000 (7)	\$849,000	\$828,900
12	Upgrade Frontage to 12-in	\$1,101,300 (1)	\$880,000 (7)	\$957,000	\$958,600
13	Upgrade Orchard to 12-in	\$509,000	\$1,040,000 (8)	\$1,103,500	\$1,200,800
14	Upgrade Division to 10-in between Allegre and Meridian (6)	\$53,000	--	--	--
15	Oakglen Avenue 12-in main (5)	--	\$420,000	\$457,000	\$472,600
16	Darby Lane 12-in main (5)	--	\$100,000	\$153,000	\$114,100
17	HWY 101 Bore & Jack (5)	--	\$132,000	\$241,000	\$228,700
18	Isolation Valves (5)	--	\$12,000	\$12,000	\$12,000
19	Pump Station All Weather Access Road	--	--	\$128,000	\$127,500
20	Pipe Cleaning Launch Station Stub Out (Blosser Rd)	--	--	--	\$20,400 (13)
	Construction Subtotal	\$13,860,800	\$14,786,000	\$15,577,000	\$15,705,600
21	Contingency	\$3,643,000	\$3,696,500 (9)	\$3,115,400 (11)	\$3,141,120
	Construction Subtotal + Contingency	\$17,503,800	\$18,482,500	\$18,692,400	\$18,846,720
22	Property Allowance	not included (4)	not included (4)	\$500,000 (4)	\$500,000 (4)
23	Design-Phase Engineering				
	Original Agreement (July 2008)		\$744,993	\$744,993	\$744,993
	Budget Revision 1 - Pressure Reduction		\$132,798	\$132,798	\$132,798
	Budget Revision 2 - Biological Survey for HDD		\$4,050	\$4,050	\$4,050
	Budget Revision 3 - Modeling for GSW/Woodlands Turnouts		\$8,380	\$8,380	\$8,380
	Budget Revision 4 - Additional Survey Services		\$9,900	\$9,900	\$9,900
	Budget Revision 5 - Utility Investigation (Potholing)		--	--	\$8,883
	Budget Revision 6 - (Additional Property Research)		--	--	\$805
24	Office Engineering during construction		\$175,837	\$175,837	\$175,837
25	Estimated Construction Management (3)	\$2,428,000 (2)	\$1,507,170 (10)	\$1,507,170 (10)	\$1,507,170 (10)
26	Permitting Fees To Date	--	\$1,573	\$1,573	--
27	Non-Final Design Funds Spent To Date	not included	not included	\$1,402,879 (12)	\$1,402,879 (12)
28	Estimated Other Costs (Assessment, etc)	not included	not included	\$415,420 (12)	\$415,420 (12)
	WATERLINE PROJECT TOTAL (Rounded to 1000)	\$19,932,000 (4)	\$21,068,000	\$23,596,000	\$23,758,000
A	Frontage Road Sewer Replacement	--	--	\$1,239,500 (A)	\$1,658,600 (A) (B)
B	Sewer Contingency			\$247,900 (A)	\$331,720 (A)
	FRONTAGE RD SEWER TOTAL (Rounded to 1000)			\$1,487,400 (A)	\$1,990,320 (A)

Notes:

- ENR CCI: March 2008 = 8109
 - (1) Costs are from the December 2007 Water and Sewer Master Plan (Cannon).
 - (2) Engineering and Construction Management were originally presented as a "lump sum" amount
 - (3) Includes material testing, construction staking, and environmental monitoring
 - (4) Estimate only. Property allowance not included prior to April 2009 estimate.
 - (5) These work items were added to relieve high pressures on Mesa as an alternative to service pressure regulating valves (See Tech Memo 9). One PRV station at Maria Vista was required initially. Four are recommended for revised project. This was design Budget Revision #1.
 - (6) Based on review of record drawings, this pipeline is already a 10-in main
 - (7) Initial estimate incorporated Master Plan project costs. Revised estimate includes higher unit costs to reflect paving 1 traffic lane, per County standards
 - (8) Updated unit costs include higher costs to reflect paving 1 traffic lane, per County standards
 - (9) Contingency was modified to 25% which is more appropriate for concept design phase.
 - (10) To be provided by CM team - Has not been revised to reflect additional work for construction management of Oakglen, Darby, and Orchard extensions.
 - (11) Contingency was modified to 20% which is more appropriate for 30% design phase.
 - (12) Estimate provided by District staff.
 - (13) Item added during 60% design for potential future pipe cleaning launch station. Cost for potential future receiving station was added to line item #7 (pump station).
- not included = Item was not included in previous construction cost opinions, but was added into the Concept Design Report to provide a complete assessment of anticipated project costs.

- (A) Frontage Road Sewer to be Part of Bid Package #2, but to be paid for out of funds separate from the Supplemental Water Project
- (B) Includes 1100 LF of 24-in sewer and manholes from Southland Street to WWTP Lift Station, which was not previously included in project scope.

Project Budget Summary

10/21/2009

Engineering Services for NCSD - SWP Design

Nipomo CSD

	Total Budget	Amount Previously Invoiced	Current Invoice Amount	% of Budget Earned to date	% of Work Complete
Task Group 1 - Concept Design Report	\$425,916.00	\$425,916.00	\$0.00	100%	100%
Task Group 2 - Permitting	\$30,651.00	\$30,651.00	\$0.00	100%	100%
Task Group 3 - Construction Documents	\$359,980.00	\$337,643.98	\$0.00	94%	94%
Task Group 4 - Project Management	\$44,320.00	\$37,188.85	\$1,690.20	88%	88%
Task Group 5 - Assistance During Bids	\$48,942.00	\$0.00	\$0.00	0%	0%
Task Group 6 - Office Engineering During Construction (5 Bid Packages)	\$175,837.00	\$0.00	\$1,459.46	1%	1%
Total	\$1,085,646.00	\$831,399.83	\$3,149.66	77%	77%

	Amount Previously Invoiced	Current Invoice Amount	Total Permitting Fees to date
Permitting Fees	\$1,572.91	\$0.00	\$1,572.91

ID	Task Name	Duration	Start	Finish	% Complete
43	100% Submittal	1 day	Fri 5/7/10	Fri 5/7/10	0%
44	Bid Package 4 - Pump Station, Reservoir, and Chloramination Syst	9 mons	Wed 4/29/09	Tue 1/5/10	60%
45	60% Submittal	1 day	Wed 9/2/09	Wed 9/2/09	100%
46	Peer Review	2 wks	Wed 9/16/09	Wed 9/16/09	100%
47	District Review	1 wk	Wed 9/16/09	Wed 9/23/09	100%
48	90% Submittal	1 day	Fri 12/18/09	Fri 12/18/09	35%
49	Peer Review	4 wks	Mon 12/21/09	Fri 1/15/10	0%
50	District Review	2 wks	Mon 1/18/10	Fri 1/29/10	0%
51	100% Submittal	1 day	Wed 6/23/10	Wed 6/23/10	0%
52	Permitting	237 days	Fri 1/9/09	Mon 3/1/10	80%
53	End of EIR Public Review Period	1 day	Fri 1/9/09	Fri 1/9/09	100%
54	Preparation of Administrative Final EIR/Responses to Comments	1.3 mons	Fri 1/8/09	Fri 2/13/09	100%
55	Receipt of Comments from District on Final EIR	1 day	Fri 2/27/09	Fri 2/27/09	100%
56	Completion of Final EIR	1 day	Fri 3/20/09	Fri 3/20/09	100%
57	Completion of Findings of Fact	1 day	Mon 3/23/09	Mon 3/23/09	100%
58	Public Hearings/EIR Certification	1.5 mons	Mon 3/23/09	Fri 5/1/09	100%
59	Complete and submit permit applications	8.7 mons	Wed 4/1/09	Mon 11/30/09	80%
60	Coordinate with regulatory agencies	4.6 mons	Thu 10/1/09	Fri 2/5/10	80%
61	Acquire permits and incorporate in final design plans	16 days	Mon 2/8/10	Mon 3/1/10	0%
62	Financing	196 days	Fri 12/18/09	Fri 9/17/10	0%
63	Completion of Preliminary Assessment Engineer's Report	1 day	Fri 12/18/09	Fri 12/18/09	0%
64	Hearings for Property Owners who request alternate Assessment	25 days	Mon 1/18/10	Fri 2/19/10	0%
65	Final Assessment Report	30 days	Mon 2/22/10	Fri 4/2/10	0%
66	Adoption of Preliminary Bond Resolutions	45 days	Mon 4/5/10	Fri 5/14/10	0%
67	Ballots mailed and counted	45 days	Mon 5/17/10	Fri 7/16/10	0%
68	Adoption of Resolutions and Sale of Bonds	51 days	Mon 9/20/10	Mon 11/29/10	0%
69	Standard Bid-Construct Process for Underground/Storage Work	2.35 mons	Mon 9/20/10	Tue 11/23/10	0%
70	Solicit Bids	5 wks	Mon 9/20/10	Fri 10/22/10	0%
71	Bid Package 3	5 wks	Mon 10/4/10	Fri 11/5/10	0%
72	Bid Package 2	6 wks	Mon 10/18/10	Fri 11/26/10	0%
73	Bid Package 4	1 day	Mon 11/29/10	Mon 11/29/10	0%
74	Award Bids	159 days	Wed 9/5/10	Mon 12/13/10	0%
75	Turnkey Design-Build Process for HDD Work	11 wks	Wed 5/5/10	Tue 7/20/10	0%
76	Pre-Qualify Contractors	8 wks	Mon 9/20/10	Fri 11/12/10	0%
77	Solicit Bids	1 day	Mon 12/13/10	Mon 12/13/10	0%
78	Award Bids	451 days	Mon 2/22/10	Mon 11/14/11	0%
79	Construction	5 wks	Mon 2/22/10	Fri 3/26/10	0%
80	Retain Design Firm to Perform Engineering Services During Construct	12 mons	Tue 12/14/10	Mon 11/14/11	0%
81	Construct	40 days	Tue 11/15/11	Mon 1/9/12	0%
82	Startup and Testing	1 mon	Tue 11/15/11	Mon 12/12/11	0%
83	Startup	1 mon	Tue 12/13/11	Mon 1/9/12	0%
84	Testing				

Project: WSP Design Schedule (Date: Tue 10/20/09)

Task: Progress (Solid), Baseline (Dashed)

Milestone: Milestone (Diamond), Baseline Milestone (Circle)

Summary: Summary (Thick Line)

Task: Rolled Up Task (Thin Line), Rolled Up Milestone (Thin Circle)

Milestone: Rolled Up Milestone (Thin Diamond)

Summary: Summary (Thin Line)

Task: Rolled Up Baseline (Thin Solid Line), Rolled Up Baseline Milestone (Thin Solid Circle)

Milestone: Rolled Up Baseline Milestone (Thin Solid Diamond)

Summary: Summary (Thin Solid Line)

Task: Split (Thin Line with Arrow)

Milestone: Milestone (Thin Diamond)

Summary: Summary (Thin Line)

Task: External Tracks (Thin Line)

Milestone: Milestone (Thin Diamond)

Summary: Summary (Thin Line)

Project Summary: Project Summary (Thick Line)

Group By Summary: Group By Summary (Thick Line)

Deadline: Deadline (Thick Line)

WIP ASSESSMENT TIMELINE

ITEM	June ETA	CURRENT ETA
Wallace Group Submits Research	Early August	8/19/09 (Done)
Board Review of Research	8/12/09	9/9/09 (Done)
Wallace Group Submits Preliminary Engineer's Report	Mid September	11/09 to 12/31
Notice Mailed to Property Owners	8/31/09	January 2010
Hearings for Property Owners who request alternate Assessment	9/30 to 10/28	March & April 2010
WG Submits Final Report	Mid November	June 2010
Adoption of Preliminary Bond Resolutions (County)	December	July 2010
Ballots Mailed	early January 2010	July 2010
Ballots Counted	Late February 2010	September 2010
Adoption of Final Bond Resolutions	March 2010	September 2010
Sale of Bonds	March 2010	October 2010
Year #1 Assessments	FY2010-2011	FY2011-2012

TO: COMMITTEE MEMBERS
FROM: BRUCE BUEL *Bruce Buel*
DATE: OCT 23, 2009

AGENDA ITEM
3
OCT. 26, 2009

REVIEW 60% WIP COST ESTIMATES AND ISSUES

ITEM

Review 60% WIP Design Cost Estimate and Issues [Forward Recommendations to Board].

BACKGROUND

AECOM has provided a new cost estimate for construction of the WIP (See Page 2 of the Monthly Summary attached to the staff note for Agenda Item 2). As set forth on Page 2, the 30% Concept Design cost estimate was \$23,596,000. At 60%, AECOM is now projecting construction cost at \$23,758,000. This apparent increase in construction cost will almost certainly be offset by a decrease in the allowance for purchase of property in line item 23 from \$500,000 to \$250,000.


Also, staff is tracking a series of issues and will discuss those issues at the Committee Meeting.

RECOMMENDATION

Staff recommends that the Committee receive the staff updates and provide feedback and recommendations to the Board.

ATTACHMENT – NONE

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TO: COMMITTEE MEMBERS
FROM: BRUCE BUEL 
DATE: OCT 23, 2009

AGENDA ITEM
4
OCT. 26, 2009

REVIEW FINAL WATER SALES AGREEMENT W, CITY SANTA MARIA

ITEM

Review Final Water Sales Agreement with City Santa Maria [Forward Recommendations to Board].

BACKGROUND

Attached is a draft of the Final Sales Agreement with the City of Santa Maria. This agreement is scheduled for Board Consideration on October 28, 2009.

RECOMMENDATION

Staff recommends that the Committee discuss the Draft and forward recommendations to the Board.

ATTACHMENT

- DRAFT FINAL SALES AGREEMENT

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WHOLESALE WATER SUPPLY AGREEMENT

This Wholesale Water Supply Agreement ("Agreement") is made and entered into as of _____, 2009, by and between the CITY OF SANTA MARIA ("City"), a California municipal corporation, and NIPOMO COMMUNITY SERVICES DISTRICT ("NCS D"), an independent special district formed under and pursuant to Section 61000, *et seq.* of the California Government Code. City and NCS D are sometimes individually referred to herein as a "Party" and collectively as the "Parties".

RECITALS

A. The City provides retail potable water service to customers within its service area in the Santa Maria Valley, in northern Santa Barbara County. The City holds a contract with the Central Coast Water Authority to receive water from the State Water Project ("SWP"). City also holds rights recharge from Twitchell reservoir and rights to pump groundwater from the Santa Maria Groundwater Basin ("Santa Maria Basin").

B. NCS D provides retail potable water service and sewer service within its established boundaries located in and around the Nipomo Mesa Management Area ("NMMA") of the Santa Maria Basin.

C. Both the City and the NCS D are Parties to a certain groundwater adjudication lawsuit commonly referred to as the Santa Maria Groundwater Litigation (Santa Maria Valley Water Conservation District vs. City of Santa Maria, et al.; Superior Court of California, County of Santa Clara Case no. 1-97-CV-770214) (herein the "Basin Litigation"). On August 3, 2005, the Court approved a Settlement Stipulation (herein the "Stipulation") that was signed by the Parties, related to the Basin Litigation which, among other things, provides that "the NCS D and City shall employ their best efforts to timely implement the Nipomo Supplemental Water Project, subject to their quasi-judicial obligations specified for administrative action and in the California Environmental Quality Act." The Stipulation was later incorporated into the final Judgment.

D. On a long term basis, City has water available for use in the NMMA that is surplus to that needed to serve City's current and long-term future anticipated demands.

E. Pursuant to the Stipulation, NCSD seeks to acquire a Supplemental Water supply (referred to herein as "Supplemental Water") to alleviate pressure on the NMMA from groundwater pumping and to meet current needs and projected demands of NCSD customers.

F. Consistent with the Stipulation and Judgment, and subject to the terms and conditions of this Agreement, City is willing to sell and deliver to NCSD an established quantity of Supplemental Water on a wholesale basis.

NOW THEREFORE, in consideration of the foregoing recitals and the promises and covenants contained herein, the Parties agree as follows:

1. **Purpose.** Consistent with the Stipulation and Judgment, the purpose of this Agreement is to formalize the terms and conditions by which City will provide Supplemental Water to NCSD, including an equivalent amount of capacity in City's water distribution system, for delivery to the NCSD water distribution system through the interconnection described in Paragraph 9, beginning on the Effective Date and continuing each year thereafter for as long as this Agreement remains in effect.

2. **Termination of MOU.** City and NCSD executed a Memorandum of Understanding ("MOU") on September 7, 2004, to provide for the reservation of a Supplemental Water supply of up to three thousand (3,000) acre-feet per year in anticipation of the negotiation of this Agreement. This Agreement shall supercede the terms of the MOU, which shall terminate and be of no further force or effect. The initial reservation payment of \$37,500 that was made upon execution of the MOU shall be credited by City to the first quarterly invoice for water delivery pursuant to Paragraph 8.

3. **Term of Agreement.**

(a) **Contract Term.** The term of the Agreement shall commence on the Effective Date and end on June 30, 2085 ("Term"). Notwithstanding the Term, the delivery of Supplemental Water pursuant to this Agreement during any period on or after June 30, 2035, shall be subject to the renewal of the contract between the City and Central Coast Water Authority for SWP water. Furthermore, the terms of this Agreement shall be subject to renegotiation as described below in the event that the SWP contract or any subsequent SWP contract is not renewed or the terms of such renewal either (i) substantially impair the ability of City to continue to provide Supplemental Water in the quantities set forth in this Agreement; or (ii) the cost of continuing to provide Supplemental Water pursuant to the terms of this Agreement would create a significant financial burden on the City. In no event shall the City be required to deliver Supplemental Water following June 30, 2035 at a financial loss. Upon the occurrence of one of the foregoing events and within thirty (30) days of a written request from City to NCSWCD requesting renegotiation, the Parties shall negotiate in good faith and use their best efforts to equitably amend the terms of this Agreement to allow for the continued delivery of Supplemental Water on terms that are mutually beneficial to the Parties for the duration of the Term. The parties will meet in good faith in 2085 to determine whether to extend the term of the Agreement.

(b) **Dispute Resolution.** In the event of a dispute as to whether clause (i) and/or (ii) of Paragraph 3(a) have been triggered as a result of the renegotiation or non-renewal of the SWP contract, then such dispute shall be referred to the dispute resolution procedures referenced in Paragraph 19 of this Agreement. If a final finding is made as a result of such dispute resolution procedure that clause (i) and/or clause (ii) have been triggered, then the Parties shall negotiate in good faith pursuant to Paragraph 3(a). If the Parties cannot agree on the terms and conditions for equitably amending the terms of this Agreement to address a substantial impairment pursuant to clause (i) of Paragraph 3(a), then whether or not there is a feasible solution to address such substantial impairment may also be referred to the dispute resolution procedures referenced in Paragraph 19 of this Agreement. Notwithstanding the foregoing, the allocation of cost and/or any revision in the price of Supplemental Water to implement a solution or address the existence of an impairment or significant financial burden as set forth in Paragraph

3(a) shall be solely determined by the Parties on mutually acceptable terms and the dispute resolution procedure shall have no authority to order or impose any change with respect to such terms.

(c) **Effective Date.** The "Effective Date" shall mean the date that the NCSD interconnection described in Paragraph 9 has been completed and approved by City's technical staff as operationally ready for commencement of delivery of Supplemental Water.

(d) **Delivery Year.** Each "Delivery Year" shall commence on the Effective Date and any anniversary thereof during the Term and continue for a period of one (1) year.

4. Quantity of Supplemental Water.

(a) **Minimum Delivery.** In each Delivery Year during the Term of this Agreement, City shall deliver and NCSD shall purchase the following minimum quantity of Supplemental Water ("Minimum Quantity"):

Delivery Years 1 through 10	-	2,000 acre feet per year
Delivery Years 11 through 19-		2,500 acre feet per year
Delivery Years 20 through end of Term	-	3,000 acre feet per year

Any portion of the Minimum Quantity of Supplemental Water that is not taken by NCSD during a given Delivery Year shall be forfeit and shall not roll over to the next year. In the event that City, in its sole and absolute discretion, agrees to deliver unused Supplemental Water in a subsequent Delivery Year, such late delivery shall be an accommodation to NCSD and shall not constitute a waiver or amendment to the terms of this Agreement.

(b) **Additional Delivery.** NCSD may request delivery of Supplemental Water in excess of the Minimum Quantity up to an additional 3,200 acre feet per year. NCSD shall give City no less than thirty (30) days written notice of its desire to purchase additional Supplemental Water and the proposed schedule for such delivery. City shall make a good faith

effort to comply with such request subject to (i) the availability of excess Supplemental Water from sources used for delivery of water to City's retail customers; and (ii) sufficient delivery capacity to fulfill such request at the NCSD interconnection using the City's existing water distribution system. Any such additional Supplemental Water shall be purchased and delivered on the same terms as the Minimum Quantity, provided, however, that if the cost of procuring and delivering additional Supplemental Water exceeds the cost of delivering the Minimum Quantity, City shall have the right to impose a surcharge to compensate City for such additional cost as a condition to delivery. City shall notify NCSD of the amount of any such surcharge prior to delivery of any additional Supplemental Water and NCSD shall have the right to withdraw its request. In no event shall City be required to undertake any capital cost or expansion of its existing infrastructure to provide additional Supplemental Water.

5. **Reservation of Minimum Quantity.** Subject to the terms and conditions of this Agreement, City shall hold on reserve sufficient Supplemental Water each year, including an equivalent amount of capacity in City's water distribution system, for City to fulfill its obligation to deliver the Minimum Quantity to NCSD under this Agreement. City shall deliver such Supplemental Water to NCSD from sources used to provide water to City's retail customers. Notwithstanding the foregoing, during the term of the Agreement, City may substitute or combine new or additional replacement sources of water for the source of Supplemental Water, provided, however, that any substitute, combined or additional sources must be equivalent in deliverability, reliability, quality, pressure, and environmental impacts to the source being replaced. Disputes regarding this Paragraph shall be resolved pursuant to Paragraph 19.

6. **Purchase Price for Supplemental Water.** The purchase price for Supplemental Water delivered by City to NCSD shall be based on the "Base Rate" of the City's Water Consumption Rates. For fiscal year 2008-09, the Base Rate is \$2.441 per one hundred cubic feet of water (or \$1,063.37 per acre-foot of water). The Base Rate may be adjusted each fiscal year subject to approval by the City Council, consistent with applicable legal requirements. Any such adjustment in the purchase price shall go into effect in the next quarterly billing period.

7. **Costs of Delivery.** Except as expressly set forth in this Agreement, City shall be

responsible for all costs and expenses related to providing Supplemental Water to NCSD at the NCSD interconnection pursuant to this Agreement. Notwithstanding the foregoing, the purchase price for Supplemental Water includes a cost component for energy costs incurred by City to supply Supplemental Water to the NCSD interconnection equal to two hundred and six dollars and eighty five cents (\$206.85) per acre foot ("Base Energy Cost"). In the event that the actual cost of energy incurred by City to supply Supplemental Water in any Delivery Year exceeds the Base Energy Cost, then City shall have the right to charge NCSD a premium equal to the difference between the actual cost and the Base Energy Cost. The Base Energy Cost shall be adjusted each Delivery Year by a percentage which is equivalent to fifty percent (50%) of the increase or decrease, if any, in the Consumer Price Index - Energy Services (Electricity and Natural Gas) - Los Angeles-Riverside-Orange County or any successor index.

8. Payments for Supplemental Water. City shall bill NCSD on a quarterly basis in arrears for Supplemental Water delivered to NCSD's interconnection during the previous three (3) months. The amount payable by NCSD to City shall be based on the total quantity in acre-feet of Supplemental Water delivered during the quarter just ended multiplied by the then-current purchase price (as determined in Paragraph 6), plus any costs payable by NCSD pursuant to this Agreement. Notwithstanding the foregoing, to the extent that NCSD has taken less than the Minimum Quantity as of the final quarterly billing for a Delivery Year, City shall bill NCSD for the remainder of the Minimum Quantity whether or not such Supplemental Water has been delivered, provided that such water was made available for delivery to NCSD as provided in Paragraph 9. All invoices billed to NCSD shall be payable within thirty (30) days of the invoice date, provided that no charges are disputed. City shall have the right to charge late fees of up to five percent (5%) of the overdue amount for any invoice that is not paid within such period. In the event NCSD disputes any charges on an invoice, the undisputed amount shall be paid consistent with this Paragraph and the original invoice shall be returned to City for correction and resubmission. If the parties are unable to reach an agreement regarding disputed charges, disputes shall be resolved pursuant to Paragraph 19.

9. Delivery of Water.

(a) **Point of Delivery.** The physical point of delivery of Supplemental Water pursuant to this Agreement shall be the proposed interconnection between the City water distribution system and the NCSD water distribution system which is described on Exhibit "A" attached hereto and incorporated herein by this reference (referred to generally in this Agreement as the "NCSD interconnection") or such other alternative location as may be approved by City and NCSD. NCSD shall be responsible for operating and maintaining the NCSD interconnection in a safe manner and NCSD shall cooperate with the reasonable requests of City with respect to taking any action necessary to preserve the integrity of the City's water distribution system. City shall waive any fees for City permits related to construction of facilities for delivery of the water.

(b) **Facilities.** NCSD shall be responsible for designing, constructing and operating the NCSD interconnect. The plans and specifications of the NCSD interconnect shall be subject to prior approval by City, which approval shall not unreasonably be withheld provided that such plans and specifications conform to applicable code provisions and any technical requirements imposed for connections to the City's water distribution system. NCSD shall also be responsible for obtaining any and all regulatory and environmental permits, licenses or other approvals necessary to construct and operate the NCSD interconnection. NCSD and/or any contractor working on the NCSD interconnect shall provide insurance coverage naming the City as an additional insured and the scope of such insurance coverage shall be subject to the reasonable approval of City's risk manager prior to commencement of any work.

(c) **Construction, Regulatory/ Permit and Other Costs.** NCSD shall be solely responsible for all costs related to the construction and operation of the NCSD interconnection with City's retail water distribution system. NCSD shall also be solely responsible for all regulatory and/or permit compliance and costs with respect to the NCSD interconnection.

(d) **City Streets: License to Use Easements and Rights of Way.** The City shall provide NCSD a license, at no additional cost, to use such portions of City streets, easements, and right of ways as are reasonably necessary to build the NCSD interconnect and deliver the Supplemental Water to NCSD. Such license shall be non-revocable during the Term

of this Agreement and shall automatically terminate upon the termination of this Agreement. The foregoing licenses shall not include the right of NCSD to make any alteration or improvement within such City streets, easements and rights of way except in compliance with Paragraph 9.

(e) **Delivery Schedule.** City will deliver the Supplemental Water to NCSD at the NCSD interconnection upon a mutually agreeable delivery schedule. The volume of delivery to the NCSD interconnection shall not exceed a maximum of two hundred and seventy-five (275) acre-feet per month or a peak hour flow averaging 2500 gallons per minute. Delivery pressure at the point of connection shall exceed 60 psi during City's normal system operation, not including emergencies or incidents described in 9(f). Before delivery begins, the District and City shall agree to an Operation Memorandum of Understanding (OMOU) to describe the specific procedures and limitation on the operations provided for in this Agreement.

(f) **Force Majeure.** If by reason of acts of God, earthquakes, droughts, floods, storms, explosion, fires, labor troubles, strikes, insurrection, riots, acts of the public enemy, or federal, or state, order, rule, or regulation, the City is prevented, in whole or in part, from the delivery of the Supplemental Water to NCSD, as provided herein, then City may reduce delivery of Supplemental Water up to the same percentage the City reduces water delivery to its retail customers.

(g) **Suspension.** The delivery of water may be suspended or curtailed during any period of public emergency or disaster that is declared by City. For the purposes of this Agreement, a public emergency or disaster shall not include ordinary measures taken during periods of drought or water shortage.

(h) **Obligations of City.** For the purposes of this Agreement and subject the limitations contained in this Paragraph 9, City shall have fulfilled its obligation to make Supplemental Water available for delivery so long as the amount of Supplemental Water purchased by NCSD is available at the NCSD interconnection for NCSD to take delivery of pursuant to a predetermined and mutually agreed upon delivery schedule.

10. **Water Quality.** City shall be responsible for ensuring that the quality of the Supplemental Water made available for delivery is of the same pressure and quality of water that City delivers to its residential customers. The quality of water which is delivered by the City to its residents complies with federal, state and local laws, regulations and permit requirements which are applicable to City, including standards applicable to wastewater discharge, as amended from time to time and subject to any compliance waiver granted to the City ("Quality Standards"). City shall provide NCSD with a copy of the Quality Standards (and any change thereto) which are applicable to City and NCSD shall be solely responsible for ensuring that the Quality Standards meet the federal, state and local laws, regulations and permit requirements for potable water delivery by NCSD to its customers, including the discharge of such water. To the extent that the quality standards which are applicable to NCSD exceed the Quality Standards, then NCSD shall be responsible for any necessary additional treatment of the Supplemental Water. City agrees to indemnify and hold NCSD harmless from any actual liability which arises as a result of the failure of Supplemental Water which is delivered to the NCSD interconnection to meet the Quality Standards. NCSD shall be solely responsible for any actual liability resulting from a change in water quality following the point of delivery (including any additional treatment undertaken by NCSD) and shall indemnify and hold City harmless from any actual liability which arises from any such change. City and NCSD shall promptly notify the other in the event that either becomes aware of a material adverse change in the quality of the Supplemental Water and shall cooperate to identify the cause of such change.

11. **Remarketing of Supplemental Water.** NCSD shall be free to remarket the Supplemental Water to other Parties within the NMMA without restriction to price and terms. NCSD assumes all responsibility for delivery of Supplemental Water from the NCSD interconnection to its customers and contracting Parties. City's obligations under this Agreement are solely with NCSD and no customer of NCSD nor other third party shall have the right to enforce the terms of this Agreement as a third party beneficiary. City shall not sell water to other parties or persons within NCSD's service area or sphere of influence, as amended from time to time, without first receiving the written approval of NCSD.

12. **Regulatory Requirements.**

(a) **Obligations of the City.** The implementation of this Agreement shall be subject to satisfaction by City of the regulatory requirements set forth herein. City shall, if necessary, undertake the following: (i) Obtain all permits, consents, entitlements and approvals necessary to enable the City to reserve and sell, and NCS D to purchase, the Supplemental Water that is the subject of this Agreement; and (ii) fully and completely comply with the requirements of the California Environmental Quality Act ("CEQA"), including, if it is determined that this transaction is subject to CEQA and not exempt from CEQA, the completion of an initial study, and (1) either (a) there shall have been adopted a negative declaration or a mitigated negative declaration, or (b) a final environmental impact report shall have been completed and certified, and (2) the time shall have expired within which a judicial proceeding may be instituted challenging the validity or completeness of any such determination of exemption, or adoption of a negative declaration or of a mitigated negative declaration, or approval of a final environmental impact report.

(b) **Obligations of NCS D.** NCS D shall be solely responsible for obtaining all regulatory approvals necessary in connection with purchasing and taking delivery of the Supplemental Water.

13. **Service Area Integrity.** Nothing in this Agreement is intended nor shall it be interpreted to waive the right of City to provide water service to current or future areas within or adjacent to its existing service area.

14. **Representations or Warranties of City.** City makes the following representations, warranties and covenants to NCS D:

(a) **Power and Authority to Execute and Perform this Agreement.** The City has the power and authority to enter into this Agreement and to perform its obligations and all necessary approvals and authorizations have been obtained.

(b) **Availability of Resource.** Based on information which is currently known to City and City's current forecast of future use, on a long-term basis, City has water and the necessary infrastructure available to fulfill City's obligations under this Agreement that is surplus to that needed to serve City's current and long-term future anticipated demand.

(c) **Enforceability.** This Agreement constitutes a legal, valid and binding obligation of the City, and is enforceable against the City in accordance with its terms.

15. **Representations or Warranties of NCSD.** NCSD makes the following representations, warranties and covenants to City:

(a) **Power and Authority to Execute and Perform this Agreement.** NCSD has the power and authority to enter into this Agreement and to perform its obligations and all necessary approvals and authorizations have been obtained.

(b) **Enforceability.** This Agreement constitutes a legal, valid and binding obligation of NCSD, enforceable against NCSD in accordance with its terms.

16. **Default and Termination by City.** In the event NCSD fails to make any payment to City under this Agreement when due, or fails to perform any obligation otherwise required by this Agreement, City shall demand in writing that NCSD cure such non-performance. NCSD shall have thirty (30) days after receipt of such demand to cure. In the event NCSD fails to cure a default within the thirty (30) day period, City may suspend delivery of Supplemental Water and redirect such water to other uses for the duration of the suspension. City shall restore water delivery when NCSD has cured all outstanding defaults and paid all amounts due to the City in full. In the event that NCSD does not cure a default within one (1) year of suspension, then City may terminate this Agreement at any time thereafter.

17. **Default and Termination by NCS D.** NCS D shall have the right to terminate this Agreement, without recourse, if (i) the City is found to be in material breach of its obligations to deliver the Supplemental Water as set forth in this agreement; or (ii) upon written notice to City that NCS D is unable to pay for the Supplemental Water due to the majority protest procedures or other procedures referenced in Proposition 218; or (iii) upon three (3) years prior written notice to City, provided, however, that no such termination without cause shall become effective until the thirtieth (30th) anniversary of the Effective Date.

18. **Expiration of Term.** This Agreement shall terminate and be of no further force and effect as of the expiration of the Term.

19. **Dispute Resolution.** Except as otherwise limited by this Agreement, any dispute arising under this Agreement, including, without limitation, all disputes relating in any manner to the performance or enforcement of this Agreement, shall be resolved by binding arbitration in the County of Santa Barbara, California, pursuant to the comprehensive arbitration rules and procedures of Judicial Arbitration and Mediation Services (“JAMS”) or any successor thereto, as amended or as augmented in this Agreement (the “Rules”). Arbitration shall be initiated as provided by the Rules, although the written notice to the other party initiating arbitration shall also include a description of the claim(s) asserted and the facts upon which the claim(s) are based. Arbitration shall be final and binding upon the parties and shall be the exclusive remedy for all claims subject hereto, including any award of attorney’s fees and costs. Either party may bring an action in court to compel arbitration under this Agreement and to enforce an arbitration award. All disputes shall be decided by a single arbitrator. The arbitrator shall be selected by mutual agreement of the parties within thirty (30) days of the effective date of the notice initiating the arbitration. If the parties cannot agree on an arbitrator, then the complaining party shall notify JAMS and request selection of an arbitrator in accordance with the Rules. The arbitrator shall have only such authority to award equitable relief, damages, costs, and fees as a court would have for the particular claim(s) asserted. In no event shall the arbitrator award punitive damages of any kind. The parties acknowledge that one of the purposes of utilizing arbitration is to avoid lengthy and expensive discovery and allow for prompt resolution of the

dispute. The arbitrator shall have the power to limit or deny a request for documents or a deposition if the arbitrator determines that the request exceeds those matters which are directly relevant to the claims in controversy. The parties may make a motion for protective order or motion to compel before the arbitrator with regard to the discovery, as provided in the Code of Civil Procedure. Notwithstanding the election by the parties to arbitrate their disputes, nothing contained herein shall prevent a party from filing an action in a court of competent jurisdiction to seek any form of equitable remedy or relief.

20. Indemnity. NCSD, its successors and assigns, shall hold harmless, defend and indemnify City, its officials, employees, agents, successors and assigns (all of which are herein referred to as the "City Indemnified Parties") from and against all liabilities, obligations, claims, damages, losses, actions, judgments, suits, costs and expenses, including but not limited to reasonable attorneys' fees (collectively, "Damages"), which may be imposed on, incurred by, or asserted against City Indemnified Parties as a result of (i) a breach of NCSD's obligations; or (ii) the conduct of NCSD's operations associated with the NCSD interconnection to City's retail distribution system and the subsequent delivery of Supplemental Water to NCSD's customers. Notwithstanding the foregoing, in no event shall NCSD be liable to indemnify a City Indemnified Party for (i) any Damages resulting from the negligence or willful misconduct of City; (ii) any third party claim brought in connection with regulatory approvals; or (iii) any claim brought in connection with the quality of the Supplemental Water as provided in Paragraph 10 above. This indemnification shall survive termination of the Agreement.

21. Third Party Claims. Promptly following notice of any "Third Party Claim" for which City is indemnified hereunder, City shall notify NCSD of such claim in writing. NCSD shall have a period of thirty (30) days following the receipt of such notice to notify City of whether NCSD elects to assume the defense thereof. If NCSD so notifies City that it elects to assume the defense, NCSD thereafter shall undertake and diligently pursue the defense of the Third Party Claim. NCSD shall not consent to entry of judgment or enter into any settlement agreement, without the consent of City, which does not include a complete and unconditional release of City or which imposes injunctive or other equitable relief against City. City shall be entitled to participate in, but not control, the defense thereof, with counsel of its choice and at its

own expense. If NCSD does not give the requisite notice, or fails to assume and diligently pursue the defense of such Third Party Claim, City may defend against such Third Party Claim in such manner as it may deem appropriate, at NCSD's expense, including without limitation settlement thereof on such terms as City may deem appropriate, and to pursue such remedies as may be available to City against NCSD. Notwithstanding the foregoing, City shall not consent to entry of a judgment or enter into any settlement agreement, without the consent of NCSD, which does not include a complete and unconditional release of NCSD.

22. **Notice of Claims.** The Parties shall promptly notify each other within ten (10) days of City or NCSD becoming aware of: (1) any claims or suits brought against City or NCSD which involve this Agreement or water supplied to NCSD pursuant to this Agreement, (2) any Third Party Claims, and (3) any force majeure event. Any such notice shall conform to the requirements specified in Paragraph 26 of this Agreement.

23. **Remedies Not Exclusive.** Remedies provided in this Agreement for enforcement of its terms are intended and shall be construed as cumulative rather than exclusive and shall not be deemed to deprive either Party from also using any other remedies provided by this Agreement or by law.

24. **No Transfer of Rights.** The rights granted to NCSD hereunder constitute the right to take delivery of Supplemental Water only and shall not be interpreted as a sale, transfer, or assignment of any of City's water rights.

25. **Subject to Applicable Law.** The Parties acknowledge and agree that this Agreement and the rights and obligations of the Parties shall be subject to the laws governing municipal corporations and special districts as they now exist and as they may be amended or codified by the Legislature of the State of California.

26. **Entire Agreement.** This Agreement contains the entire understanding between NCSD and City with respect to its subject matter, and supersedes all prior agreements, oral or

written, and all prior or contemporaneous discussions or negotiations between NCSD and City. This Agreement cannot be amended except in writing signed by both Parties.

27. **No Waiver.** Any failure or delay on the part of either Party to exercise any right under this Agreement shall not constitute a waiver of the right, and shall not preclude such Party from exercising or enforcing the right, or any other provision of this Agreement, on any subsequent occasion.

28. **Notices.** All notices or other communications required or desired to be given pursuant to this Agreement shall be in writing and shall be hand-delivered or sent by a reputable overnight courier service providing delivery confirmation. Each such notice or communication shall be deemed to be duly given when hand-delivered or one (1) day after being deposited for next day delivery with an overnight courier. Each such notice or communication shall be addressed to the Parties at their respective addresses set forth next to their signatures below, or such other address as a Party notifies the other in writing.

29. **Headings; Paragraph References.** Captions and headings appearing in this Agreement are inserted solely as reference aids for the ease and convenience; they shall not be deemed to define or limit the scope or substance of the provisions they introduce, nor shall they be used in construing the intent or effect of such provisions.

30. **Separability.** If any provision of this Agreement is finally determined by a court to be invalid or unenforceable as written, the provision shall, if possible, be enforced to the extent reasonable under the circumstances and otherwise shall be deemed deleted from this Agreement. The other provisions of this Agreement shall remain in full force and effect so long as the material purposes of the Agreement and understandings of the Parties are not impaired.

31. **Binding Effect Assignment.** This Agreement shall be binding on and inure to the benefit of the Parties, and their respective successors and permitted assigns. NCSD shall have the right to assign its rights under this Agreement with the written consent of City, provided, however, that the City shall not unreasonably withhold such consent and further

provided that the assignee agrees to be bound by all of the obligations of NCS D set forth herein. Notwithstanding the foregoing, no assignment permitted hereunder shall permit the delivery of Supplemental Water to any property or development other than the Property without the written consent of the City, in its sole and absolute discretion.

32. **Opinions and Determinations: Good Faith.** Where the terms of this Agreement provide for action to be based upon opinion, judgment, approval, review or determination of either party hereto, such terms are not intended to and shall never be construed to permit such opinion, judgment, approval, review or determination to be arbitrary, capricious or unreasonable. The District and the NCS D shall each act in good faith in performing their respective obligations as set forth in this Agreement.

33. **Incorporation of Recitals.** Recitals A through F are incorporated herein by reference as though set forth at length.

34. **Attorneys Fees.** In the event that any legal proceeding other than the dispute resolution procedures referenced in Paragraph 19, above, is brought to enforce one or more of the terms of this Agreement, to restrain an alleged violation of this Agreement, or to determine the validity of this Agreement or any part, the prevailing Party in any such action or proceeding shall be entitled to recover from the other its reasonable costs and attorneys' fees, in addition to any other remedies available to it in law or equity. If both Parties are successful in one or more causes of action during any such proceeding, the costs and fees shall be apportioned as determined by the court.

35. **Governing Law and Venue.** This Agreement is a contract governed in accordance with the laws of the State of California. THE PARTIES HEREBY AGREE THAT VENUE FOR ANY ACTION BROUGHT TO ENFORCE THE TERMS OF THIS AGREEMENT SHALL BE IN A COURT OF COMPETENT JURISDICTION IN THE COUNTY OF SANTA BARBARA OTHER THAN A COURT LOCATED WITHIN THE CITY OF SANTA MARIA OR THE NORTHERN PORTION OF SANTA BARBARA COUNTY, CALIFORNIA, AND CONSENT TO THE JURISDICTION THEREOF.

[Signatures follow on the next page]

IN WITNESS WHEREOF, the Parties have executed this agreement as of the date first written above.

CITY:

NCSD:

City of Santa Maria
a California municipal corporation

NCSD Community Services District
a California public agency

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Address: _____

Address: _____

Fax: _____

Fax: _____

Phone: _____


Phone: _____

APPROVED AS TO FORM:

Best Best & Krieger LLP

By: _____

Eric Garner, Partner

TO: COMMITTEE MEMBERS
FROM: BRUCE BUEL 
DATE: OCT. 23, 2009

AGENDA ITEM

5

OCT. 26, 2009

REVIEW STATUS OF SOUTHLAND WWTF UPGRADE PROJECT

ITEM

Review status of Southland WWTF Upgrade Project [Forward Recommendations to Board].

BACKGROUND

Attached is the latest Monthly Report from AECOM along with a draft project Budget.

DWA is proceeding to prepare the Draft EIR.

Fugro is proceeding with their research on the Pasquini site.

It should be noted that the Board has already funded the proposed project and the District already owns the land for construction.

RECOMMENDATION

Staff recommends that the Committee receive AECOM's presentation and ask questions as appropriate.

ATTACHMENT

- MONTHLY REPORT AND BUDGET

T:\BOARD MATTERS\BOARD MEETINGS\BOARD LETTER\2009\COMMITTEES\SWP\090928 MEETING\091026\ITEM5.DOC

AECOM
1194 Pacific Street, Suite 100
San Luis Obispo CA 93401
T 805.542.9840 F 805.542.9990 www.aecom.com

Memorandum

Date: October 21, 2009
To: Bruce Buel, General Manager – Nipomo Community Services District
From: Michael K. Nunley, PE
Subject: Southland WWTF Upgrade Project – Design Phase Status Report

Distribution: Josh Reynolds, PE
Peter Sevcik, PE
Jon Hanlon, PE
Eileen Shields, PE
Jim Froelicher
Kirk Gonzalez, PE

The Project Team has completed the following work items this month:

1. Draft Technical Memorandum #1 – Operations during Construction and Permitting was completed and submitted to District staff for review and comment.
2. AECOM updated the Environmental Impact Review schedule on the project schedule. The design schedule was not impacted.
3. AECOM has continued work on preliminary design.

Schedule

The Project Schedule is attached. The Design Phase is on schedule.

Budget Status

The Invoice Summary is attached. The Invoice Summary indicates an amount invoiced which is consistent with the work completed to date. The project cost opinion has not been updated since the January 2009 Master Plan, but the summary table is included and will be updated with the 30% design submittal.

Yours Sincerely



Michael K. Nunley, PE

Enclosures: Project Schedule
Invoice Summary
Project Budget Summary

AECOM Water

Southland WWTF Upgrades Design Schedule

Tue 10/20/09

ID	Task Name	% Work Complete	Duration	Start	Finish	Timeline																						
						Q08	1Q09	2Q09	3Q09	4Q09	1Q10	2Q10	3Q10	4Q10	1Q11	2Q11	3Q11											
						N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S
1	Negotiation and Notice to Proceed	100%	20 days	Thu 2/26/09	Wed 3/25/09	100%																						
2	Design	0%	357 days	Thu 3/26/09	Fri 8/6/10																							
3	Survey	100%	105 days	Thu 3/26/09	Wed 8/19/09	100%																						
4	Preliminary Soils Report	100%	75 days	Thu 3/26/09	Wed 7/8/09	100%																						
5	Draft Site Plan	100%	117 days	Thu 3/26/09	Fri 9/4/09	100%																						
6	Draft Soils Report	100%	50 days	Thu 7/9/09	Wed 9/16/09																							
7	Operations Plan - TM 1	80%	30 days	Thu 8/20/09	Wed 9/30/09																							
8	Final Soils Report	0%	15 days	Thu 10/1/09	Wed 10/21/09																							
9	Administrative Draft Concept Report	0%	41 days	Fri 10/23/09	Fri 12/18/09																							
10	District Review	0%	10 days	Mon 12/21/09	Fri 1/1/10																							
11	Draft Concept Report	0%	5 days	Mon 1/4/10	Fri 1/8/10																							
12	District / Peer Review	0%	10 days	Mon 1/11/10	Fri 1/22/10																							
13	Final Concept Report	0%	20 days	Mon 1/25/10	Fri 2/19/10																							
14	60% Plans, Specifications, and Estimates	0%	60 days	Mon 2/22/10	Fri 5/14/10																							
15	District / Peer Review	0%	10 days	Mon 5/17/10	Fri 5/28/10																							
16	95% Plans, Specifications, and Estimates	0%	20 days	Mon 5/31/10	Fri 6/25/10																							
17	District / Peer Review	0%	10 days	Mon 6/28/10	Fri 7/9/10																							
18	Final Plans, Specifications, and Estimates	0%	20 days	Mon 7/12/10	Fri 8/6/10																							
19																												
20	Environmental Impact Report	0%	317 days	Wed 4/8/09	Thu 6/24/10																							
21	Notice of Award	100%	1 day	Wed 4/8/09	Wed 4/8/09																							
22	Preparation of Public Draft EIR	0%	22.8 wks	Fri 8/7/09	Wed 1/13/10																							
23	EIR Public Review Period	0%	7.4 wks	Mon 1/25/10	Tue 3/16/10																							
24	Preparation of Administrative Final EIR/Responses to Comments	0%	1 mon	Wed 3/17/10	Tue 4/13/10																							
25	Completion and Receipt of Comments from District on Final EIR	0%	6 days	Wed 4/14/10	Wed 4/21/10																							
26	Completion of Final EIR	0%	2 wks	Mon 5/3/10	Fri 5/14/10																							
27	Completion of Findings of Fact	0%	11 days	Mon 5/17/10	Mon 5/31/10																							
28	Public Hearings/EIR Certification	0%	11 days	Thu 6/10/10	Thu 6/24/10																							
29																												
30	Bid Phase	0%	55 days	Mon 8/9/10	Fri 10/22/10																							
31	Advertisement	0%	30 days	Mon 8/9/10	Fri 9/17/10																							
32	Bid Opening	0%	5 days	Mon 9/20/10	Fri 9/24/10																							
33	Bid Review and Notice of Award	0%	20 days	Mon 9/27/10	Fri 10/22/10																							
34																												
35	Construction	0%	295 days	Mon 5/17/10	Fri 7/1/11																							
36	Retain Design Firm to Perform Services During Construction	0%	20 days	Mon 5/17/10	Fri 6/11/10																							
37	Construct	0%	160 days	Mon 10/25/10	Fri 6/3/11																							
38	Startup & Testing	0%	20 days	Mon 6/6/11	Fri 7/1/11																							

Project: Southland Design 8 03 09 Date: Tue 10/20/09	Task Progress Baseline Milestone	Baseline Milestone Summary Rolled Up Task Rolled Up Critical Task	Rolled Up Milestone Baseline Summary Rolled Up Baseline Rolled Up Baseline Milestone	Rolled Up Progress Split Baseline Split External Tasks	Project Summary Group By Summary Deadline
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Project Budget Summary

10/20/2009

Engineering Services for NCSD - Southland WWTF Upgrade

Nipomo CSD

	Total Budget	Amount Previously Invoiced	Current Invoice Amount	% of Budget Earned to date	% of Work Complete
Task Group 1 - Concept Design Phase	\$188,622.00	\$53,474.85	\$51,878.59	56%	56%
Task Group 2 - Construction Documents	\$478,948.00	\$0.00	\$2,794.50	1%	1%
Task Group 3 - Project Management	\$68,787.00	\$12,615.75	\$978.75	20%	20%
Task Group 4 - Assistance During Bid	\$39,539.00	\$0.00	\$0.00	0%	0%
Task Group 5 - Office Engineering Services	\$147,198.00	\$0.00	\$0.00	0%	0%
Total	\$923,094.00	\$66,090.60	\$55,651.84	13%	13%

Item	Description	Budgeted Amount Jan 2009 Master Plan	Updated Amount
1	Frontage Road sewer upgrade (street to influent pump station)	\$366,000 (4) (5)	\$366,000
2	Influent pump station upgrade	\$670,900	\$670,900
3	Influent screening system	\$327,400	\$327,400
4	Grit removal system	\$402,700	\$402,700
5	Phase I Biolac system	\$3,877,500	\$3,877,500
6	Phase I Sludge holding lagoons	\$67,700	\$67,700
7	Phase I Sludge drying beds	\$1,160,700	\$1,160,700
Construction Subtotal		\$6,872,900	\$6,872,900
8	Contingency	\$2,061,870 (6)	\$2,061,870
9	Design-Phase Engineering	\$923,093	\$923,093
10	Construction Management	\$1,138,777 (7)	\$1,138,777
11	Environmental Mitigation	-- (8)	-- (8)
12	Environmental Monitoring	-- (8)	-- (8)
13	Permitting Fees	-- (8)	-- (8)
WWTF PROJECT TOTAL (Rounded to 1000)		\$10,997,000	\$10,997,000

13	Frontage Rd Sewer Upgrade Project (Division St to WWTF property)	--	\$1,658,600 (9) (10)
14	Frontage Rd Sewer Upgrade Project Contingency	--	\$331,720 (9) (10)
FRONTAGE RD SEWER PROJECT TOTAL (Rounded to 1000)		--	\$1,991,000 (9) (10)

Notes:

- (1) ENR CCI: November 2008 = 8602
- (2) Costs are from the January 2009 Southland WWTF Master Plan.
- (3) Costs are escalated by 4 % per year to anticipated midpoint of construction (2011).
- (4) The Frontage Rd Sewer Upgrade project includes the sewer main from Division St. to the influent pump station. The portion between the street and the influent pump station is currently included in the Southland WWTF Upgrades project scope of work, but may be moved to the Waterline Intertie Project for expedited construction.
- (5) The cost for this portion of Frontage Rd was estimated by prorating the cost opinion for the Frontage Road Sewer Upgrade (based on linear footage) to arrive at the 2008 Construction Cost Opinion. A 4% per year escalation was used to arrive at the 2011 midpoint of construction cost opinion.
- (6) Contingency is estimated at 30% of construction subtotal.
- (7) To be updated by CM Team, assumed to be 30% of construction subtotal minus the engineering fee.
- (8) Costs to be developed with EIR process
- (9) The Frontage Road Sewer Upgrade Project plans are being developed as part of the Waterline Intertie Project effort, but construction will be paid for using separate sewer funds, not supplemental water funds
- (10) Costs based on the 90% plans and specifications for Bid Package #2 of Waterline Intertie Project (October 2009)

TO: COMMITTEE MEMBERS
FROM: BRUCE BUEL *BBB*
DATE: OCT 23, 2009



SET NEXT COMMITTEE MEETING

ITEM

Set next committee meeting [Set Date/Time].

BACKGROUND

The Board meets once in November (11/18) and once in December (12/9).

RECOMMENDATION

Staff recommends that the Committee set a meeting at 2pm on Monday 12/7.

ATTACHMENT- NONE

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