

TO: COMMITTEE MEMBERS  
FROM: MICHAEL LEBRUN *ML*  
DATE: MAY 20, 2010



**REVIEW SUPPLEMENTAL WATER DEVELOPMENT STATUS**

**ITEM**

Review status of supplemental water development [Receive Report].

**BACKGROUND – WATERLINE INTERTIE PROJECT**

Mike Nunley from AECOM is scheduled to summarize the attached Monthly Design Phase Status Report at the Committee Meeting.

Staff and AECOM continue to work on obtaining all of the necessary permits and approvals required for the project.

Staff is working with AECOM and Hamner-Jewell and Associates (HJA) to finalize the easement documents so that the appraisal process for purchase of easements and real property can continue. The team is also working on the creation of the Public Lot required for the booster pump station.

Staff is reviewing the 90% complete plans for Bid Package #3, the Blosser Road Water Main and Flow Meter, as well as the draft final plans for Bid Package #2, the Nipomo Area Pipeline Improvements.

The development of the MOU with the SLO County is proceeding.

**BACKGROUND – DESALINATION**

Further work on the project has been deferred until the Waterline Intertie Project is operational.

**RECOMMENDATION**

Staff recommends that the Committee receive the staff update and AECOM presentation and ask questions as appropriate.

**ATTACHMENT**

- AECOM WIP MONTHLY STATUS REPORT

T:\BOARD MATTERS\BOARD MEETINGS\BOARD LETTER\2010\COMMITTEES\SUPPLEMENTAL WATER\100524\100524ITEM2.DOC

## Memorandum

To	Michael LeBrun, Interim General Manager – NCSD	Page	1
CC	Peter Sevcik, Jon Hanlon, Josh Reynolds, Jim Froelicher, Eileen Shields, Kirk Gonzalez		
Subject	Waterline Intertie Project – Design Phase Status Report		
From	Michael K. Nunley, AECOM		
Date	May 19, 2010		

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

1. AECOM submitted Bid Package #2 (Nipomo Area Improvements) draft final plans and specifications, including mitigation measures per the District's arborist.
2. AECOM continued work toward the Bid Package #4 (Pump Station, Reservoir, and Chloramination Systems) 90% submittal.
3. Wallace Group, Hamner-Jewell and Associates (HJA), District staff and AECOM are working together to complete the application to the County for creation of a Public Lot for the booster pump station and reservoir site. HJA is working with the current land owner to receive their signature on the County application for submittal.
4. District staff and AECOM met with SLO County staff to discuss the Troesh surface mining permit in the Santa Maria River and potential for future impacts to the project pipeline. The project team is researching Troesh's rights across the Biorn property and continuing discussions to determine appropriate protection of the pipeline from future mining.

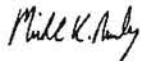
### Schedule

The Project Schedule is attached.

### Budget Status

As shown on the attached Design Budget and Invoice Summary, our fee earned is slightly ahead of the work completed under Task 3.

Yours Sincerely,



Michael K. Nunley, PE

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

Item	Description	Budgeted Amount May 2008 PER	Updated Amount 17-Mar-09	Updated Amount 22-Apr-09 Concept Design Report	Updated Amount Dec-09 60% Design Plans
1	Mobilization	\$580,000	\$580,000	\$607,000	\$705,500
2	Blosser Extension (18-in)	\$1,247,000	\$1,247,000	\$1,129,000	\$1,148,500
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)	\$707,500	\$707,500	\$739,500	\$739,200
11	Upgrade Southland to 12-in	\$789,500 (1)	\$780,000 (7)	\$849,000	\$828,500
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	Oakton 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 Cleanout Launch Station Stub Out (Blosser Rd)	—	—	—	\$20,400 (13)
	<b>Construction Subtotal</b>	<b>\$13,860,800</b>	<b>\$14,786,000</b>	<b>\$15,577,000</b>	<b>\$15,705,600</b>
21	Contingency	\$3,643,000	\$3,696,500 (9)	\$3,115,400 (11)	\$3,141,120
	<b>Construction Subtotal + Contingency</b>	<b>\$17,503,800</b>	<b>\$18,482,500</b>	<b>\$18,692,400</b>	<b>\$18,846,720</b>
22	Property Allowance	not included (4)	not included (4)	\$500,000 (4)	\$278,964 (4) (14)
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		\$9,920	\$9,920	\$9,920
	Budget Revision 5 - Utility Investigation (Polishing)		—	—	\$8,893
	Budget Revision 6 - Additional Property Research		—	—	\$805
	Budget Revision 7 - PG&E Savings by Design support		—	—	\$4,164
	Budget Revision 8 - 60% Design Budget Update		—	—	\$140,872
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	\$6,173
27	Non-Final Design Funds Spent To Date	not included	not included	\$1,402,879 (12)	\$1,705,009 (12) (16)
28	Estimated Other Costs (Assessment, etc)	not included	not included	\$415,420 (12)	\$300,000 (12) (16)
29	Public Outreach	not included	not included	not included	\$76,000 (15) (17)
	<b>WATERLINE PROJECT TOTAL (Rounded to 1000)</b>	<b>\$19,932,000 (4)</b>	<b>\$21,068,000</b>	<b>\$23,596,000</b>	<b>\$23,951,000</b>
A	Frontage Road Sewer Replacement	—	—	\$1,239,500 (A)	\$1,726,832 (A)(B)(C)
B	Sewer Contingency	—	—	\$247,900 (A)	\$259,040 (A)(D)
	<b>FRONTAGE RD SEWER TOTAL (Rounded to 1000)</b>			<b>\$1,488,000 (A)</b>	<b>\$1,986,000 (A)(C)</b>

Notes:

- ENR CCI: March 2008 = #109
- (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 Mana 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 Oakton, 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).
- (14) Reduced at 12/9/2009 Board Meeting.
- (15) Added to January 2010 cost opinion per District
- (16) Estimate updated by District staff 4/21/10.
- (17) Updated based on Board action on 3/24/10.
- not included = Item was not included in previous construction cost opinions, but was added 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.
- (C) Construction cost opinion has been updated based on Draft Final Plans and Specifications for Waterline Interline Project Bid Package #2 (April 2010)
- (D) Contingency has been adjusted to 15%.

**Project Budget Summary**

4/30/2010

**Engineering Services for NCSD - SWP Design**

**Nipomo CSD**

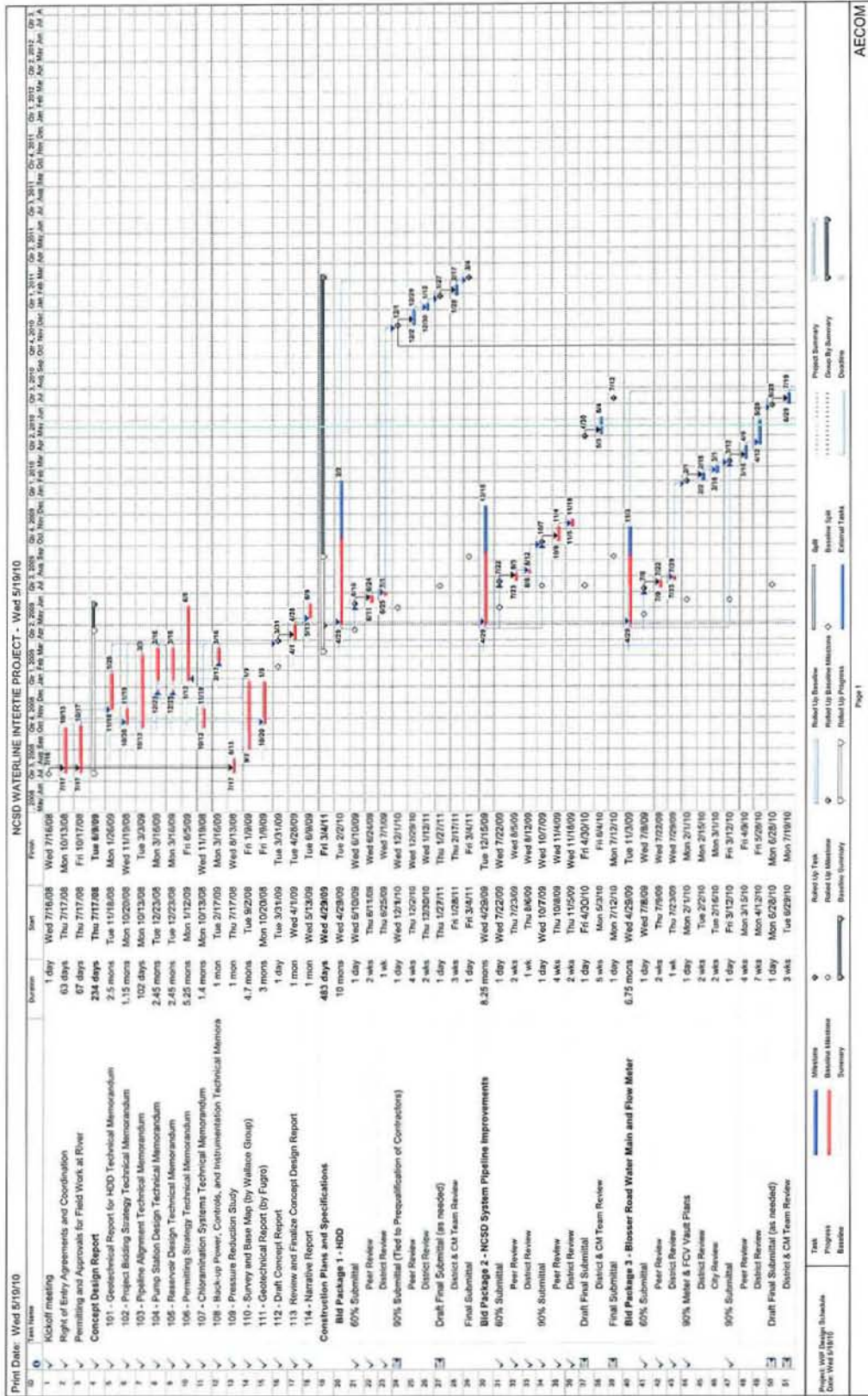
	<b>Total Budget</b>	<b>Amount Previously Invoiced</b>	<b>Current Invoice Amount</b>	<b>% of Budget Earned to date</b>	<b>% of Work Complete</b>
Task Group 1 - Concept Design Report	\$441,553.65	\$433,206.81	\$5,046.58	99%	99%
Task Group 2 - Permitting	\$38,545.92	\$31,679.73	\$0.00	82%	82%
Task Group 3 - Construction Documents	\$442,933.43	\$433,455.18	\$1,339.20	98%	92%
Task Group 4 - Project Management	\$82,869.68	\$59,045.24	\$0.00	71%	71%
Task Group 5 - Assistance During Bids	\$48,942.36	\$0.00	\$0.00	0%	0%
Task Group 6 - Office Engineering During Construction (5 Bid Packages)	\$175,836.96	\$2,431.46	\$0.00	1%	1%
<b>Total</b>	<b>\$1,230,682.00</b>	<b>\$959,818.42</b>	<b>\$6,385.78</b>	<b>79%</b>	<b>76%</b>

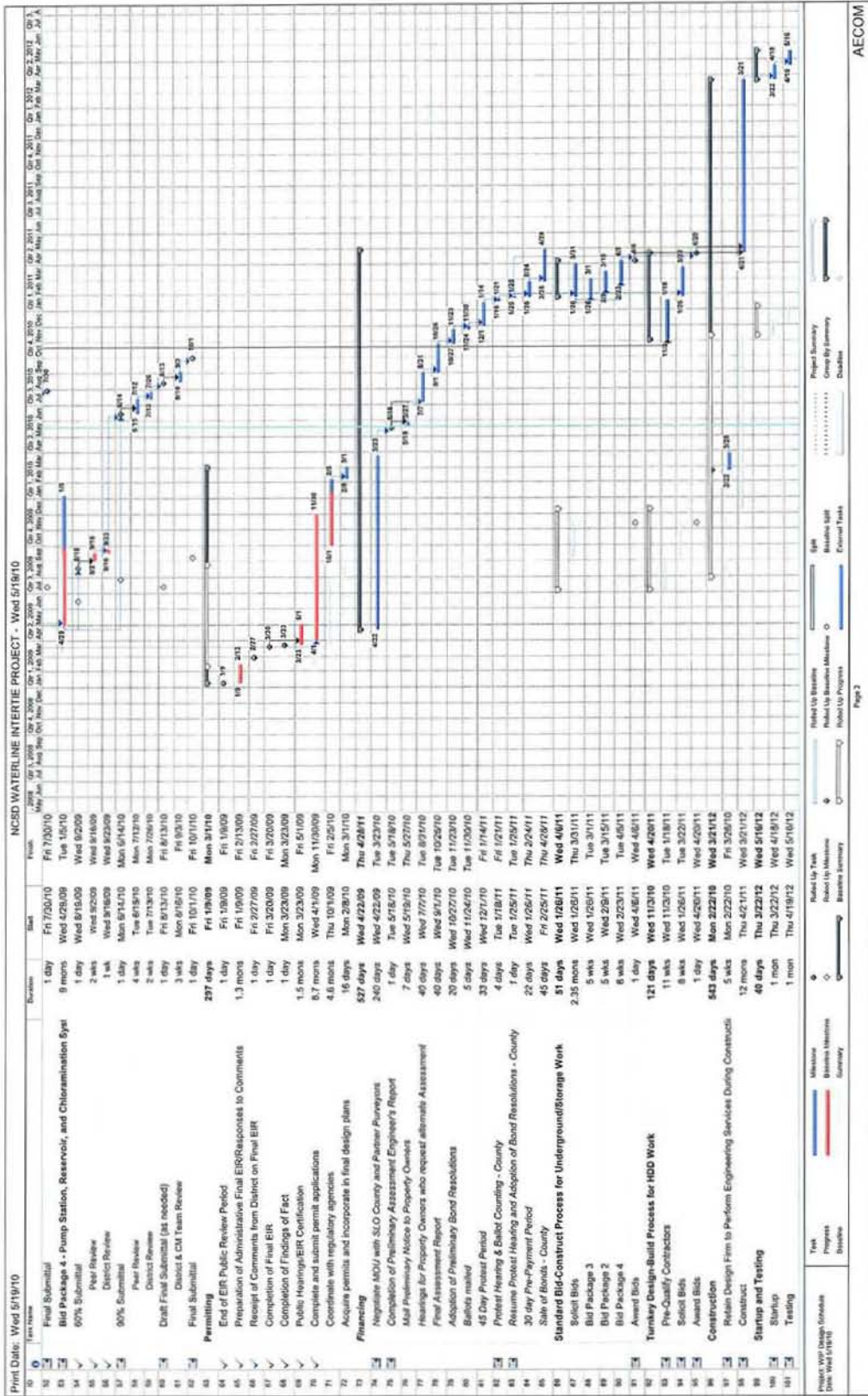
	<b>Amount Previously Invoiced</b>	<b>Current Invoice Amount</b>	<b>Total Permitting Fees to date</b>
Permitting Fees	\$6,573.01	\$0.00	\$6,573.01

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	Budget Revision 5 - Utility Investigation (Potholing)		--	--	\$8,863
	Budget Revision 6 - Additional Property Research		--	--	\$805
	Budget Revision 7 - PG&E Savings by Design support		--	--	\$4,184
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	<b>FRONTAGE RD SEWER TOTAL (Rounded to 1000)</b>			<b>\$1,487,400 (A)</b>	<b>\$1,985,972 (A)(C)</b>

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  - (C) Construction cost opinion has been updated based on Draft Final Plans and Specifications for Waterline Inter tie Project Bid Package #2 (April 2010)
  - (D) Contingency has been adjusted to 15%.





TO: COMMITTEE MEMBERS  
FROM: MICHAEL LEBRUN *MLB*  
DATE: MAY 20, 2010

## AGENDA ITEM

3

MAY 24, 2010

### REVIEW PG&E SAVINGS BY DESIGN PROGRAM FOR WATERLINE INTERTIE PROJECT

#### ITEM

Review PG&E Savings by Design Program For the Waterline Intertie Project [Forward Recommendation to Board].

#### BACKGROUND

PG&E has a rebate program, named Savings by Design, to reward Non-Residential New Construction for inclusion of energy savings features in a project design. In August 2009, the Board authorized staff to submit an application for the rebate program for the Waterline Intertie Project. The consultant cost to prepare the application was \$4164. Submittal of the application was expected to result in a substantial rebate from PG&E that would more than pay for the cost of processing the application.

Attached is the executive summary of the report prepared by PG&E's consultant in response to the District's application. Based on the report, the District is eligible for a one-time incentive of \$9272 if the District uses premium efficiency motors and Variable Frequency Drives (VFD) for the pump station that will be located near Joshua and Orchard. In order to receive the incentives, the District needs to sign the attached agreement and provide the required documentation after the pump station is completed.

AECOM's design already includes the use of premium efficiency motors and VFD's for pump control. The premium efficiency motors will provide the District with lower energy costs compared to regular efficiency motors over the life of the project and the VFD's will provide the required ability to vary flow from the pump station based on demand.

Given the cost to apply for the PG&E rebate program, the potential maximum incentive the District is eligible for, and the potential cost the District could incur to comply with the rebate agreement, moving forward with the rebate program does not appear to be cost-effective.

#### RECOMMENDATION

Staff recommends that the Committee receive staff's presentation, ask questions as appropriate and direct staff to forward a recommendation to the Board to not proceed with the PG&E Rebate Program process.

#### ATTACHMENT

- PG&E SAVINGS BY DESIGN EXECUTIVE SUMMARY DATED MARCH 11, 2010
- PG&E REBATE AGREEMENT



**Nonresidential New Construction Program**  
(Formerly Savings by Design Program)

**CEE Incentive Analysis and Report**  
**For**  
**Nipomo CSD Waterline Intertie Project**

**Final Report**

**NRNC Project No. 100826**  
Cannon Project No. 080703.W01

Prepared for



**Pacific Gas and Electric Company**  
Customer Energy Efficiency Program  
Pacific Gas and Electric  
245 Market Street  
San Francisco, CA 94105

Prepared By



March 11, 2010

## 1.0 Executive Summary

The Nonresidential New Construction Program (NRNC) is managed by the California investor-owned utilities, including Pacific Gas and Electric Company (PG&E). The NRNC program offers monetary incentives to energy consumers for the implementation of Energy Efficient Measures (EEM) when designing operating systems. Incentive amounts are based on the calculated improvement in energy efficiency of EEM designs relative to a baseline design. Incentives are paid after an independent Post-installation Field Inspection (PFI) verifies the implementation of the EEMs. The final incentive amount is determined after the engineer performing the PFI verifies what was installed. The final incentive may vary from the initial estimate if there are differences in the installed operating systems when compared to the initial EEM design.

This project proposes the installation of pipelines, a water storage tank, a pumping station, and water treatment facilities at the Nipomo Mesa Management Area (NMMA) of the Santa Maria Groundwater Basin. The primary EEMs are variable frequency drive (VFD) control rather than throttling valve control, and premium efficiency motors rather than energy efficient motors, for the four 100 horsepower water distribution pumps (three running, one spare) to be installed.

The calculated energy savings and increased capital cost required to achieve the EEMs are summarized below and documented herein.

Table 1. Estimated Energy Savings and NRNC Incentive

Annual Energy Savings (kWh/yr)	91,425
Demand Savings (kW)	10.447
Incremental Cost to Implement EEM	\$93,000
Annual Avoidance of Energy Cost (\$0.13/kWh)	\$11,885
NRNC Incentive (\$0.09/kWh + \$100/kW)	\$9,272



2010 SAVINGS BY DESIGN - OWNER AGREEMENT

**Owner Information**

Nipomo Community Services District  
 OWNER NAME  
 P.O. Box 326  
 ADDRESS  
 Michael LeBrun  
 CONTACT NAME  
 (805) 929-1133 (805) 929-1932  
 PHONE NO. FAX NO.  
 Tax ID on file with PG&E  
 FEDERAL TAX ID OR SOCIAL SECURITY NUMBER

AGREEMENT NUMBER 100826 / NC0098353  
 (For Program Administration use only)  
 Nipomo, CA 93444  
 CITY/STATE ZIP CODE  
 Interim General Manager  
 TITLE  
 MLebrun@ncsd.ca.gov  
 E-MAIL  
 TAX STATUS:  Corp.  Non-Corp.  
 Exempt  Individual EXEMPT REASON

**Project Information**

Nipomo Community Services District -- Waterline Interie  
 PROJECT NAME/LOCATION  
 North Santa Maria Nipomo, CA  
 ADDRESS CITY/STATE ZIP CODE  
 March, 2011  
 EST. CONSTRUCTION COMPLETION DATE  
 BUILDING TYPE CODE GROSS SQ. FT. CONDITIONED SQ. FT. SIC/NAICs  
 ENERGY CALCULATION METHOD:  Systems Approach  Whole Building Approach  
 ATTACHED DOCUMENTATION:  CaNccalc Report  WBA Report  Engineering Calcs  
 PROJECT TYPE:  New Construction  Renovation/Remodel

**Proposed Design Energy Savings Estimate**

CODE	DESCRIPTION	kW	kWh	Therms	\$ Amount
<b>Systems Incentive</b>					
201	Daylighting Systems				
203	Interior Lighting Systems				
204	HVAC Systems				
206	Supermarket Refrigeration Systems				
207	Service Hot Water Systems				
208	Exterior Lighting Systems				
209	Other Systems	10.5	91,425	0	\$9,272.00
	<i>TOTALS</i>	10.5	91,425	0	\$9,272.00
<b>Whole Building</b>					
102	Overall Building Performance				
209	Other Systems / Processes				
	<i>TOTALS</i>				

Estimated Incentive:  
**\$ 9,272.00**

## TERMS AND CONDITIONS:

This Agreement is entered into by Pacific Gas and Electric Company (hereafter referred to as "PG&E") and the Owner (as indicated herein). This Agreement is a one-time offer to provide design assistance and a financial incentive to the Owner for participation in the Savings By Design Program ("Program") pursuant to the terms and conditions outlined herein and in the Savings By Design Program Documents ("Program Documents"). The Program Documents are incorporated into this Agreement by reference and include the 1) Savings By Design brochure, and the 2) 2010 Savings By Design Participant Handbook, which have been provided to the Owner. Funding approved for this Program is limited and will be paid on a first-come, first-served basis to qualified applicants.

**Funds will only be reserved upon PG&E's execution of this Agreement.** This incentive offer is subject to the availability of authorized funds. This Agreement is valid for forty-eight (48) months from the date PG&E executes this Agreement. PG&E will deliver an executed copy of this Agreement to the Owner after acceptance and execution by PG&E. PG&E reserves the right to modify or cancel the incentive offer if the actual system(s) installed differs from the proposed installation. PG&E reserves the right to modify or discontinue this Program without prior notice at its discretion, or by order of the California Public Utilities Commission ("CPUC"). Payment of the incentives shall be made to the Owner only after all program requirements are met and upon verification of installation by a PG&E Savings By Design Program Representative.

## ELIGIBILITY:

- To be eligible for incentives under this Program, Owner's project must be nonresidential new construction or renovation/remodel located within PG&E's service territory.
- Owner must install the energy-efficient equipment or system(s) specified in the "Proposed Design and Incentive Estimate" section of this Agreement (the "Proposed Design") which at minimum exceeds Title 24 standards or a generally-accepted industry standard for energy efficiency.
- Installation of any energy-efficient equipment required for compliance with Title 24 will not qualify for incentives under this Program.
- Energy savings, and incentives based on those savings, will be based on energy efficiency improvements beyond the minimum, currently in effect, Title 24 requirements, where applicable.
- Specific restrictions apply to each energy efficiency system, as outlined in the Program Documents.
- To be eligible for incentives under this Program, Owner agrees that Owner will not apply for or receive incentives offered by local or state entities or other utilities for measures covered under this Agreement.
- Incentive Limitations: The CPUC energy efficiency targets established for PG&E and the other investor-owned utilities ("IOUs") in California are based on the amount of energy that the IOUs deliver, excluding load served by non-IOU sources or suppliers (except Direct Access customers). Based on this statewide policy, PG&E may limit the incentive amount that Owner is eligible to receive for this project if the projected savings exceed PG&E energy deliveries to the project.

## OWNER AGREES TO:

- Install and operate the Proposed Design in accordance with applicable laws, safety standards, and existing governmental regulations or orders.
- Provide PG&E with Title 24 compliance documentation plus any other documentation needed to establish the performance of systems selected. Owner agrees to provide PG&E with all documentation necessary for verification of installation and performance of energy efficient systems qualifying for incentives.
- Provide manufacturer's specification sheets to PG&E prior to the payment of the incentive. Also, upon request, Owner agrees to submit vendor and/or contractor invoice(s) to verify that incentive payments will not exceed 50 percent of the incremental costs of System Approach projects or 75 percent of the incremental costs of Title 24 projects associated with the purchase/installation of the energy efficient technologies.
- Accept as final authority, PG&E's determination of the incentive amount.
- Allow PG&E and CPUC representatives' reasonable access to Owner's project site to inspect and verify installation and operation. Owner understands that said inspection and verification is not an electrical safety inspection.
- Participate in a measurement and evaluation study, if selected. These studies are used to analyze current program performance and improve future program designs. Owner agrees to fully cooperate with the study team if asked to participate.
- Owner shall indemnify, defend, and hold harmless PG&E, its affiliates, subsidiaries, parent company, officers, directors, agents, and employees from and against all claims, losses, damages, costs, expenses, and liability arising from 1) injury to persons or property, 2) death, 3) violation of any law or regulation (including those that establish strict liability); so long as such injury, violation, or strict liability is caused by or in any way connected with Owner's performance of this Agreement. Owner shall, at Utility request, provide a defense against any claim covered by this indemnity.
- In no instance shall PG&E be liable for any incidental, special, or consequential damages as a result of this Agreement.

- Furthermore, Owner understands that PG&E makes no representations and warranties as to proper installation, product endorsement, technical feasibility, operational capability, and/or reliability of equipment for which incentives are paid. Owner agrees not to make any such representations and warranties to third parties and agrees to indemnify PG&E, in the event said representation and warranties are made to third parties. Owner further acknowledges that any incentive paid is funded through Public Goods Charges from California ratepayers and that said incentives are intended for the benefit of customers of California utilities.
- Owner consents to PG&E's assignment of all Utility rights, duties, and obligations under this Agreement ("Duties") to the CPUC or its designee. Such assignment shall relieve PG&E of all Duties arising under this Agreement. Other than such assignment by PG&E, neither Party shall assign its right or delegate its duties without the prior written consent of the other Party, except in connection with the sale or merger of a substantial portion of its properties. Consent to assignment shall not be unreasonably withheld. If an assignment is requested, the Owner may be required to provide additional information if requested by PG&E.
- Owner agrees that PG&E will receive the energy benefit for which the Owner incentive is paid, for a period of not less than five years or the rated life of the equipment if that is less than five years. Owner agrees that if 1) Owner does not provide PG&E with 100 percent of the related benefits specified in the application, for a period of five years from the receipt of the incentive, or 2) the energy benefit to PG&E ceases (for example, if Owner's company stops using the equipment or no longer pays the Public Goods Charge (PGC), Owner will return to PG&E the prorated portion of the Owner Incentive dollars based on the actual period of time for which Owner provided the energy benefit. Additionally, if Owner sells the project site, Owner agrees to assign the terms and conditions of this Agreement to the new owner as part of the sale transaction for the remaining period of performance.

**CANCELLATION OF AGREEMENT**

PG&E may suspend or terminate the Agreement, without cause, upon written notice to Owner.

**TAX LIABILITY:**

Incentives may be taxable and will be reported by PG&E to the IRS unless Owner qualifies for an exempt status. PG&E will report the incentive as income to Owner on IRS Form 1099 unless Owner has established that Owner qualifies for an exempt tax status as indicated on this Agreement. Owner is urged to consult a tax advisor concerning the taxability of incentives. PG&E is not responsible for any taxes that may be imposed due to incentive payments.

PG&E MAKES NO WARRANTY, WHETHER STATUTORY, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO ANY WARRANTIES REGARDING THE DESIGN, CONSTRUCTION, EQUIPMENT, OR INSTALLATIONS REFERRED TO HEREIN, OR THE BENEFITS TO BE DERIVED FROM THE INSTALLATION, OPERATION, AND USE OF SUCH EQUIPMENT, OR ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR USE OR APPLICATION. NO AGENT, EMPLOYEE, OR REPRESENTATIVE OF PG&E HAS AUTHORITY TO BIND PG&E TO ANY AFFIRMATION, REPRESENTATION, OR WARRANTY UNLESS EXPRESSLY MADE AND AGREED TO IN WRITING BY PG&E.

By execution of this Agreement, Owner certifies that Owner meets all the program eligibility requirements and that the information supplied on this Agreement is true and correct. Owner certifies that Owner has read and understands the Program Documents and agrees to abide by Program rules and requirements set forth in the Program Documents. To be valid, this Agreement must be signed by all parties prior to December 31, 2010.

In witness whereof, the parties have executed this Agreement as of the date last set forth below.

<b>NIPOMO COMMUNITY SERVICES DISTRICT</b>		<b>PACIFIC GAS AND ELECTRIC COMPANY</b>	
_____ SIGNATURE		_____ SIGNATURE	
Michael LeBrun _____ OWNER'S REPRESENTATIVE		_____ PG&E REPRESENTATIVE	
Interim General Manager _____ TITLE		Program Manager, Non-Residential New Construction _____ TITLE	
DATE		DATE	

TO: COMMITTEE MEMBERS  
FROM: MICHAEL LEBRUN *ML*  
DATE: May 20, 2010

**AGENDA ITEM**  
**4**  
**MAY 24, 2010**

**REVIEW FRONTAGE ROAD TRUNK SEWER CONSTRUCTION TIMELINE**

**ITEM**

Review Frontage Road Trunk Sewer Construction Timeline [Forward Recommendation to the Board].

**BACKGROUND**

The Frontage Road Trunk Sewer Project involves the replacement of approximately 4300 linear feet of sewer line in Frontage Road between Division Street and the Southland WWTF influent pump station.

Designing the Frontage Road Trunk Sewer concurrently with the Waterline Intertie Project (WIP) waterline in Frontage was necessary to ensure that both lines could be installed within the limited available right-of-way. In addition, the WIP project was anticipated to be under construction before the Southland WWTF Upgrade Project so it also made sense to include the Frontage Road Trunk Sewer in the WIP project since the new trunk sewer needs to be built before the WIP waterline can be constructed as designed. AECOM has submitted the draft final plans for the Frontage Road Trunk Sewer that is currently part of the Waterline Intertie Project Bid Package 2.

The WIP construction schedule has been delayed due to numerous factors. The Frontage Road Trunk Sewer can be built before or concurrently with the Southland WWTF Upgrade but not after the plant upgrade. Based on the current WIP schedule and the remaining obstacles that need to be overcome, the timeline for construction of the WIP is uncertain.

The Frontage Road Trunk Sewer could be constructed separate from the WIP in early 2011 as the design is almost completed and the project is fully funded in the FY 2010-2011 proposed budget. This would ensure that construction of the Frontage Road Trunk Sewer would not impact the schedule of the Southland WWTF Upgrade Project. In addition, the current trunk sewer is in poor condition and is surcharging at high flow conditions. Replacing the existing line with the new sewer line would help avoid the need for any emergency repairs to the existing sewer line. Staff anticipates that any potential savings in constructing the trunk sewer as part of the WIP project might be offset by being able to bid the trunk sewer as early as December of this year to take advantage of the favorable bid climate.

**RECOMMENDATION**

Staff recommends that the Committee receive staff's presentation, ask questions as appropriate and direct staff to proceed with development of a plan and schedule, for subsequent Committee and Board review and approval, to bid and construct the Frontage Road Trunk Sewer Project separate from the WIP.

**ATTACHMENT**

- NONE

TO: COMMITTEE MEMBERS  
FROM: MICHAEL LEBRUN *ML*  
DATE: May 20, 2010

**AGENDA ITEM**  
**5**  
**MAY 24, 2010**

**REVIEW BLOSSER ROAD WATERLINE**

**ITEM**

Review Blosser Road Waterline portion of the Waterline Intertie Project [Forward Recommendation to the Board].

**BACKGROUND**

The Blosser Road Waterline (Bid Package #3) portion of the Waterline Intertie Project involves the construction of approximately 5000 lineal feet of 18 inch diameter waterline in Blosser Road between Taylor Street and the south side of the Santa Maria River flood control levee in the City of Santa Maria. The pipeline is sized to provide sufficient capacity to deliver 3000 AFY of water for Phase 1 and 2 for the Waterline Intertie Project (WIP) as detailed in the WIP EIR and Concept Design Report.

As indicated in the EIR and Concept Design Report, should the District need to acquire additional water from the City of Santa Maria over and above the initial 3000 AFY, also known as Phase 3 in the EIR, an additional 18 inch waterline would need to be installed parallel to the 18 inch waterline currently planned or the waterline would need to be replaced with a 24 inch diameter waterline.

The design of the 18 inch diameter waterline in Blosser Road is currently 90% complete. While AECOM is still working on updating the cost estimate based on the 90% complete design for the 18 inch diameter waterline, the estimated construction cost, not including contingency, is approximately \$2.22 million. By contrast, the estimated construction cost of a 24 inch diameter waterline, not including contingency, is approximately \$2.57 million.

The additional cost of the 24 inch waterline is marginal compared to potentially having to install a parallel 18 inch line in the future. The advantage of building a 24 inch waterline in Blosser Road now would be that the District would have all of the necessary infrastructure, other than a pump station that may or may not be required in the future, in place on the Santa Maria side of the Santa Maria River if the District needed to acquire additional water in the future after the initial WIP is operational.

The option of constructing a 24 inch diameter waterline in Blosser Road instead of an 18 inch diameter waterline could be included as a bid alternate in the bid documents and the Board could make the decision once all of the bids were in on whether or not to construct the 24 inch line as part of the WIP.

**RECOMMENDATION**

Staff recommends that the Committee receive staff's presentation, ask questions as appropriate and provide staff with policy guidance on whether or not a recommendation to include a 24 inch diameter waterline bid alternate as part of the Blosser Road Waterline, Bid Package #3, should be forwarded to the Board for consideration.

**ATTACHMENT**

NONE

TO: COMMITTEE MEMBERS  
FROM: MICHAEL LEBRUN *ML*  
DATE: MAY 20, 2010



**SET NEXT COMMITTEE MEETING**

**ITEM**

Set next committee meeting [Set Date/Time].

**BACKGROUND**

The Committee usually meets on the Monday preceding the second Board meeting of the month.

**RECOMMENDATION**

Staff recommends that the Committee tentatively set a meeting at 2 pm on Monday, June 21, 2010. If staff does not have policy issues to bring to the committee at that time, the meeting can be deferred to the following month with Committee member concurrence.

**ATTACHMENT**

NONE

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