

MINUTES OF A MEETING OF THE
ENGINEERING/EQUIPMENT COMMITTEE
OF THE VALLECITOS WATER DISTRICT
TUESDAY, OCTOBER 1, 2019 AT 3:00 P.M.
AT THE DISTRICT OFFICE, 201 VALLECITOS DE ORO,
SAN MARCOS, CALIFORNIA

Director Hernandez called the meeting to order at the hour of 3:00 p.m.

Present: Director Hernandez
Director Elitharp
General Manager Pruim
District Engineer Gumpel
Capital Facilities Senior Engineer Morgan
Development Services Senior Engineer Scholl
Capital Facilities Engineer Santos
Administrative Secretary Johnson

ITEMS FOR DISCUSSION

CIP YEAR END

District Engineer Gumpel briefly reviewed where information pertaining to Capital Improvement Program (CIP) projects can be found on the District's website, including change orders, completed projects, outstanding issues, and financial data. Staff provided a presentation on the 2018/2019 End of the Year Report/4th Quarter Update as follows:

- 2018/2019 Project Summary
- Projected vs. Actual
- Change Order Total vs. Industry Standard
- Actual District Change Order Cost Based on Ordinance No. 146
- 2018/2019 4th Quarter Photos
 - Rock Springs Sewer Replacement
 - Rock Springs Sewer Replacement Site Restoration
 - Palos Vista Pump Station Electric Generator
 - School House Tank Refurbishment
- CIP 2018/2019 End of the Year Report

District Engineer Gumpel stated there are several projects in design/construction that are ready to bid. Capital Facilities Engineer Santos stated the Rock Springs Sewer Replacement, Palos Vista Pump Station Electric Generator and School House Tank Refurbishment projects are currently in construction and should be completed within the second quarter.

DEVELOPMENT PROJECTS UPDATE

Development Services Senior Engineer Scholl reviewed development projects currently under construction, in plan check, and in design/planning as of June 2019. A map indicating where the projects are located was provided to the Committee. Projects in design/planning may never be built, but the District is aware of them.

General discussion took place regarding the capital facilities fee increase and how many projects in plan check are less than 90 days away from being approved. Development Services Senior Engineer Scholl stated most of the projects on the list are far enough along that they could be approved. District Engineer Gumpel stated portions of the San Marcos Highlands project would be the exception as it has not been annexed yet and is awaiting LAFCO's decision.

DISTRICT-WIDE SOLAR

District Engineer Gumpel facilitated a presentation on the Request for Proposal (RFP) status review for the Solar Power Purchase Agreement (PPA) Project which included the following:

- RFP Goals
- Summary of Interest
- Evaluation Criteria
- Summary of Findings
- Lift Station 1
- Twin Oaks Reservoir
- Interviews, Best and Final Offer, and Next Steps

District Engineer Gumpel stated the District's consultant, TerraVerde, evaluated RFP responses received from five firms, considering criteria such as cost, sizing, financial wherewithal, experience, compliance to form agreements, added value alternatives, and realistic and complete project plans.

District Engineer Gumpel discussed the two proposed sites, Lift Station 1 and Twin Oaks Reservoir. At Lift Station 1, approximately 600 south facing modules would take up a significant amount of the useable space at that site. At the Twin Oaks Reservoir site, a much larger system than the one proposed at Lift Station 1 would consist of approximately 4,800 south facing modules.

District Engineer Gumpel stated that three of the five firms interviewed with staff and TerraVerde on September 19, and best and final offers were received on September 26. TerraVerde recommended moving forward with Performance Contracting Inc. into contract negotiations; however, differences in PPA term length, new SDG&E Time of Usage rates, and energy production values require a new savings analysis be completed. Staff anticipates TerraVerde will present a full cost analysis to the Board at either the October 16 or November 6 Board meeting for their consideration of whether to move forward with the project, and if so, to select a vendor.

SAN MARCOS INTERCEPTOR

Capital Facilities Senior Engineer Morgan presented an update on the San Marcos Interceptor Phase II Pre-Bid Phase as follows:

- Project Corridor and Summary
- Schedule Forecast
- Budget Update

District Engineer Gumpel stated construction will be done at night as required by the City of San Marcos.

Capital Facilities Senior Engineer Morgan stated the construction management contract was advertised in September and the construction contract will be advertised in October. Bid opening for both should occur in November. Award of the construction management contract is anticipated in November/December with the award for the construction contract following in December. Staff anticipates construction to begin in February 2020 and to be completed in November 2020.

Capital Facilities Senior Engineer Morgan stated the original budget for the project was \$7,540,000 and he reviewed the items included in the budget. The revised budget is estimated to be \$8,477,500 with a budget shortfall of \$937,500 depending on how the actual numbers come in, especially the Engineer's Construction Estimate.

OTHER BUSINESS

None.

PUBLIC COMMENT

None.

ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at the hour of 4:27 p.m.