

MINUTES OF THE ADJOURNED MEETING OF THE
BOARD OF DIRECTORS OF
VISTA IRRIGATION DISTRICT

September 21, 2016

An Adjourned Meeting of the Board of Directors of Vista Irrigation District was held on Wednesday, September 21, 2016, at the offices of the District, 1391 Engineer Street, Vista, California.

1. CALL TO ORDER

President Vásquez called the meeting to order at 9:00 a.m.

2. ROLL CALL

Directors present: Miller, Vásquez, Dorey, Reznicek, and MacKenzie.

Directors absent: None.

Staff present: Eldon Boone, General Manager; Lisa Soto, Secretary of the Board; Brett Hodgkiss, Assistant General Manager; Don Smith, Director of Water Resources; Brian Smith, Director of Engineering; Frank Wolinski, Operations and Field Services Manager; Randy Whitmann, Engineering Project Manager; Al Ducusin, Engineering Manager; Marlene Kelleher, Finance Manager; and Marian Schmidt, Administrative Assistant. General Counsel Joel Kuperberg was also present.

Other attendees: Richard Brady and Max Dykmans of Richard Brady and Associates.

3. PLEDGE OF ALLEGIANCE

Director Dorey led the pledge of allegiance.

4. APPROVAL OF AGENDA

President Vásquez reordered the agenda, moving Item 9 to precede Item 7.

16-09-100	<i>Upon motion by Director Miller, seconded by Director Dorey and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Reznicek, and MacKenzie), the Board of Directors approved the agenda as reordered.</i>
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5. PUBLIC COMMENT TIME

No public comments were presented on items not appearing on the agenda.

6. CONSENT CALENDAR

Assistant General Manager Brett Hodgkiss provided clarification regarding the Mendenhall Grazing License Agreement (GLA), stating that Jenna Mendenhall has taken over as Licensee since her husband Joel's passing in 2013. General Manager Eldon Boone stated that the Mendenhall GLA expired at the end of 2015, but the licensee has continued to pay according to the terms of the agreement. Mr. Boone said that the proposed amendment would extend the agreement for two years, commencing on December 31, 2015 and expiring on December 31, 2017. Mr. Boone said that during the term of this

extension, a survey will be conducted to ensure that the grazing license fees are at the market value. Mr. Boone said that the last market value survey was done eleven years ago.

16-09-101 *Upon motion by Director Dorey, seconded by Director Reznicek and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Reznicek, and MacKenzie), the Board of Directors approved the Consent Calendar, including Resolution No. 16-94 approving disbursements.*

A. Grazing License Agreement Amendment

See staff report attached hereto. Staff recommended and the Board authorized the General Manager to execute an amendment to the Grazing License Agreement with the Mendenhall Cattle Company, Inc.

B. Acceptance of Water System and Grant of Right of Way

See staff report attached hereto. Staff recommended and the Board accepted the water system and Grant of Right of Way (S168) via TPM 21221 for a 3-lot single-family residential lot split known as Greenbush Lane, consisting of approximately 1.68 gross acres owned by Savage Family Revocable Trust, located at 1151 Greenbush Lane (private road), Vista (City of Vista Drawing No. 4089; LN 2014-041; WOI-3068; APN 181-121-20; DIV NO 3).

C. Completion of Water System Improvements for Carlsbad Desalination Conveyance Project within District Boundaries

See staff report attached hereto. Staff recommended and the Board received information on the Carlsbad Desalination Conveyance project within District boundaries (I-3058; LN 2013-018; DIV NOS. 4 and 5).

D. Minutes of Board of Directors meeting on September 7, 2016

The minutes of September 7, 2016 were approved as presented.

E. Resolution ratifying check disbursements

RESOLUTION NO. 16-25

BE IT RESOLVED, that the Board of Directors of Vista Irrigation District does hereby approve checks numbered 54134 through 54234 drawn on Union Bank totaling \$159,834.25.

FURTHER RESOLVED that the Board of Directors does hereby authorize the execution of the checks by the appropriate officers of the District.

PASSED AND ADOPTED unanimously by a roll call vote of the Board of Directors of Vista Irrigation District this 21st day of September 2016.

9. HP RESERVOIR REHABILITATION PROJECT

See staff report attached hereto.

Engineering Project Manager Randy Whitmann provided an overview of the proposed contract with Richard Brady and Associates (Brady) for the HP Reservoir Rehabilitation Project (Project). He stated that Brady is currently working on the design of the Project, and staff is proposing a design-build approach with Brady as the General Contractor (GC) and the Construction Manager (CM). Mr. Whitmann said that Brady will divide the project into design element packages, and bid those “packaged” elements out competitively. District staff will review and approve the bids as they are received in order to track and maintain control of the costs. Mr. Whitmann said that staff estimates construction costs at \$3 million.

Mr. Whitmann stated that Brady will be tasked within the agreement to seek the best pricing for every aspect of the project. Mr. Whitmann reviewed the proposed fees to be paid to Brady, which are \$190,000 for CM services and \$300,000 for GC services. Mr. Boone pointed out that the fee for GC services is a fixed amount rather than a percentage. Mr. Whitmann provided information about the size and type of roof to be installed as well as the method for its installation.

Mr. Boone said that staff will keep the Board informed about the status of the Project via the Monthly Division Reports. The Board expressed concerns about the possibility of exceeding the budget for the Project and directed staff to bring to the Board’s attention any overage that appears imminent before the funds are expended. President Vásquez acknowledged that engineering projects can be susceptible to unforeseen circumstances which are impossible to include in a budget. Using the staff report attachment, “HP Reservoir Construction Cost Estimate”, as an example, President Vásquez suggested that staff provide cost updates in this format on a monthly basis with an additional column to show the actual costs as the Project progresses.

The Board discussed the estimated cost of constructing a new reservoir versus the estimated cost of rehabilitating it. Mr. Boone commented that demolishing the existing reservoir and constructing a new one would take substantially longer. Since the HP Reservoir is an important part of the District’s water system, time without this key piece of infrastructure is an important consideration when making this comparison.

16-09-104 *Upon motion by Director Miller, seconded by Director Reznicek and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Reznicek, and MacKenzie), the Board of Directors authorized the General Manager to enter into a design-build construction contract with Richard Brady & Associates for the HP Reservoir Rehabilitation Project at an estimated cost of 3 million for construction, a fixed fee of \$300,000 for general contractor services, and an amount not to exceed \$190,000 for construction manager services; and determined the project to be exempt from the provisions of the California Environmental Quality Act; and directed staff to file a Notice of Exemption with the County Clerk.*

Following the above discussion, Richard Brady and Max Dykmans left the meeting.

7. VISTA FLUME RELOCATION PROJECT

See staff report attached hereto.

Mr. Whitmann recalled that the Board previously approved the reimbursement agreement with Shea Homes Limited Partnership (Shea). Mr. Whitmann noted that this agreement allows the District to

negotiate directly with a general contractor for the Flume Relocation Project. Mr. Whitmann said that Cass Construction (Cass) has provided a bid of \$1.76 million which compares favorably with the two engineering estimates—one from Shea’s design engineer and the other from an independent consulting firm, Infrastructure Engineering Corporation (IEC). Mr. Whitmann said that Shea has reviewed the bid from Cass and is agreeable to awarding the project to Cass. Mr. Whitmann added that staff is also requesting approval to engage IEC for inspection and construction support services.

The Board received clarification about the cost sharing agreement between the District and Shea. Director of Engineering Brian Smith said that upon awarding the contract to Cass, Shea will issue a check to the District for \$800,000, its share of the cost. Mr. Smith said that no work will begin until the check from Shea is received. Mr. Whitmann said that the high-density polyethylene (HDPE) pipe is expected to be received in October, and the expectation is that construction will get underway before the end of the year. There was a brief discussion about the possible need for cultural resource monitoring. Mr. Smith said that staff is in the process of verifying that Shea has already excavated below every utility on the site, meaning that no further monitoring would be required.

16-09-102 *Upon motion by Director Miller, seconded by Director Dorey and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Reznicek, and MacKenzie), the Board of Directors authorized the General Manager to enter into a construction contract with Cass Construction, Inc. in the amount of \$1,763,611 and a professional services agreement with Infrastructure Engineering Corporation for inspection and construction support services for a cost not to exceed \$87,000 for the Vista Flume Relocation Project.*

8. ENGINEERING SERVICES FOR PIPELINE REPLACEMENTS

See staff report attached hereto.

Mr. Whitmann provided an overview of the selection process which resulted in staff’s recommendation to engage KEH & Associates for engineering services related to the District’s pipeline replacement program.

16-09-103 *Upon motion by Director Dorey, seconded by Director MacKenzie and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Reznicek, and MacKenzie), the Board of Directors authorized the General Manager to enter into an Agreement for Professional Services with KEH & Associates for engineering services for pipeline replacements, for a cost not to exceed \$250,000 for fiscal year 2017.*

Mr. Boone thanked the Board for its support, commenting that staff’s objective is to replace as much of the remaining Nipponite pipe as quickly as possible because it continues to be a problem for the District. Director MacKenzie requested a line item in the monthly Division Report showing the status of the District’s efforts to replace the remaining eleven miles of Nipponite pipe. Mr. Boone stated that it will not be possible to replace all of the Nipponite pipe in the coming year; the goal will be to get it done over the next four years. He said that even though the replacement program has been accelerated, there are limits as to how fast it can be done without compromising reliability and customer service. Mr. Boone noted that since the acceleration of the District’s pipeline replacement program in June 2016, the District has received four letters commending and thanking the District’s crews for their work. There have been no complaints. President Vásquez thanked Mr. Boone for sharing this information, noting that the employees don’t always get the praise that they deserve, and it’s nice to hear about the District’s employees doing a great job.

10. STATUS OF SAN LUIS REY INDIAN WATER RIGHTS SETTLEMENT IMPLEMENTATION

See staff report attached hereto.

Mr. Boone reported that HR 1296 was on the United States House of Representatives September 22 agenda. If approved, the bill would go to the Chair and Vice-Chair of the Senate Committee on Indian Affairs (SCIA), who have indicated that they would recommend to the Senate its passage without going to the entire SCIA for consideration. If approved by the Senate, the bill would go to the President of the United States for signature.

Mr. Boone reviewed some of the items that would still be outstanding following the passage of HR 1296, including finalizing the Stipulation Agreement, the official right-of-way maps, and the San Pasqual Undergrounding rights-of-way. Also, the district court case would need to be reactivated in order to obtain approval of the Settlement and dismissal of the original litigation. Some outstanding issues will also need to be finalized with the Federal Energy Regulation Commission. Mr. Boone said that following the passage of HR 1296, Special Counsel John Carter will provide a more detailed accounting of what issues remain to be addressed. Director MacKenzie requested that Mr. Carter's detailed accounting of the remaining issues be provided in writing, in chronological order. Director Reznicek requested that if he is absent when this list is provided, to please retain a copy for him.

11. MATTERS PERTAINING TO THE ACTIVITIES OF THE SAN DIEGO COUNTY WATER AUTHORITY

See staff report attached hereto.

Director Miller reported that the dedication for the San Vicente Reservoir Marina was scheduled for later that day. He noted that the dedication will bring an end to a very long capital improvement project which included raising the dam and constructing the new marina. Director Miller reported that the following day's Water Authority Board meeting would be the last meeting for Mark Weston as Chair. The new Chair will be Mark Muir of the San Dieguito Water District.

Director Miller reported that a current topic of discussion and concern among the Water Authority Board has to do with the California Department of Water Resources (DWR) and the State Water Resources Control Board, who are working together to develop and pass new rules and guidelines to limit the amount of water people can use per capita, per household and per business.

Director Miller said that the Water Authority Hydropower Task Force (HTF) is nearing a final determination regarding the Water Authority and the City of San Diego's (City) potential energy storage project at the San Vicente Reservoir. This project has the potential to serve the region with 500 megawatts of energy storage capacity. Director Miller said that it has been determined that the most profitable scenario would be for the Water Authority and the City to own and operate the power plant, but a decision has not been made whether the Water Authority and the City will pursue this idea. Director Miller said that a partner is currently being sought to help secure financing for such a project.

12. REPORTS ON MEETINGS AND EVENTS ATTENDED BY DIRECTORS, AND AUTHORIZATION FOR DIRECTOR ATTENDANCE AT UPCOMING MEETINGS AND EVENTS

See staff report attached hereto.

Director Dorey reported on his attendance at a meeting of the Association of California Water Agencies (ACWA) Groundwater Committee in Tulare, California where a presentation was made by Bruce Daniels, PH.D. regarding the science of how climate impacts water resources, particularly groundwater.

President Vásquez reported on his attendance at a meeting of the Council of Water Utilities where Andy Sells, Chief Executive Officer of the Association of California Water Agencies Joint Powers Insurance Authority gave an informative presentation on employee benefit strategies for the water industry. Mr. Sells discussed cost drivers and the direction the health insurance industry is taking in the State of California. Mr. Sells also spoke about the correlation between the diversity of an agency's health insurance offerings and its ability to attract and retain employees.

Director Miller confirmed that he will attend the Colorado River Water Users Association Conference, and requested to arrive on morning of December 14. Director MacKenzie requested to attend the CSDA Quarterly meeting on November 17 in San Diego.

16-09-105	<i>Upon motion by Director Dorey, seconded by Director Miller and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Reznicek, and MacKenzie), the Board of Directors authorized Director MacKenzie requested to attend the CSDA Quarterly meeting on November 17 in San Diego.</i>
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13. ITEMS FOR FUTURE AGENDAS AND/OR PRESS RELEASES

See staff report attached hereto.

None were presented. A brief break was taken from 10:29 a.m. to 10:39 a.m.

14. COMMENTS BY DIRECTORS

Director Dorey reported that the recent rainfall at his house was measured to be 0.32 inches.

Director MacKenzie requested that a project's cost be shown in the "Recommendation" line of the staff report. That way, if the Board approves staff's recommendation, the record will be clear regarding the specific action taken by the Board.

President Vásquez commented on a news article regarding the twin tunnels that Gov. Jerry Brown wants to build to move water across California. The article stated that the tunnels would only be economically feasible if the federal government bears a portion of the cost. President Vasquez also reported on an outreach advisory issued by ACWA regarding the State Water Resources Control Board's release of a draft proposal to update water quality requirements for salinity in the southern Delta and water flows in major tributaries of the San Joaquin River.

Director MacKenzie commented on a video competition for high school and college students being sponsored by the California Special Districts Association (CSDA) as part of its "Districts Make the Difference" public outreach campaign. She noted that this contest is just like the one sponsored by the

San Diego Chapter of CSDA last year. She requested that staff help promote the contest to the local schools. Mr. Hodgkiss responded that staff is aware of the contest and plans to promote it to the Vista Unified School District schools as well as to the private schools in the District's service area.

15. COMMENTS BY GENERAL COUNSEL

Mr. Kuperberg reminded the Board that he will not be present at the October 5, 2016 Board meeting; Back-up General Counsel Jeremy Jungreis will be in attendance.

16. COMMENTS BY GENERAL MANAGER

Mr. Boone requested to speak with the members of the Fiscal Policy Committee, President Vásquez and Director Miller, after the Board meeting to schedule a Committee meeting. Mr. Boone reported that the recent rainfall at Lake Henshaw was measured to be .81 inches in the last 24 hours. Mr. Boone said that he attended the rosary for Mr. Ben Magante, who was President of the San Luis Rey Indian Water Authority. Mr. Boone said that many people spoke at the rosary about this man who was very important to his community.

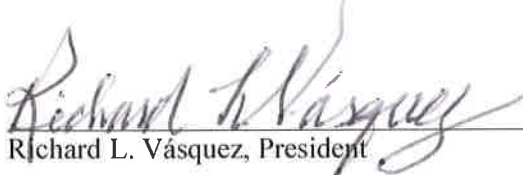
Mr. Boone updated the Board about the Governor's Executive Order that requires the California Department of Water Resources and the State Water Resources Control Board to develop new long-term water conservation regulations. The effort is being led by Max Gomberg, Water Conservation and Climate Change Manager, at the State Water Resources Control Board. The two main areas of focus are to develop new water-use efficiency targets and to strengthen the requirements for water shortage contingency plans.

Mr. Boone reminded the Board that flu shots would be available on Tuesday, September 27 in the Boardroom between 3:30 p.m. and 4:30 p.m.

Director Dorey thanked staff for the fine job hosting the Annual VID Employee Picnic. He said that he and his family enjoyed the day. Director MacKenzie complimented the venue.

17. ADJOURNMENT

There being no further business to come before the Board, at 11:11 a.m., President Vásquez adjourned the meeting.


Richard L. Vásquez, President

ATTEST:



Lisa R. Soto, Secretary
Board of Directors
VISTA IRRIGATION DISTRICT



STAFF REPORT

Agenda Item: 6.A

Board Meeting Date:	September 21, 2016
Prepared By:	Brett Hodgkiss
Reviewed By:	Don Smith
Approved By:	Eldon Boone

SUBJECT: GRAZING LICENSE AGREEMENT AMENDMENT

RECOMMENDATION: Authorize the General Manager to execute an amendment to the Grazing License Agreement with the Mendenhall Cattle Company, Inc.

PRIOR BOARD ACTION: On February 6, 2008, the Board authorized the General Manager to execute a Grazing License Agreement (Agreement) with Mendenhall Cattle Company, Inc. (MCC) to provide cow-calf grazing on a portion of the Warner Ranch.

FISCAL IMPACT: The initial base annual license fee was \$11,496 (\$958 per month) and has been indexed in subsequent years based on the Consumer Price Index. The current base annual license fee is approximately \$13,200. Supplemental license fees are paid when the number of cattle exceeds 100. The District received approximately \$13,416 in license fee revenue in fiscal year 2016.

SUMMARY: The grazing license expired on December 31, 2015. MCC has been allowed to “hold over” under the terms of the original Agreement and continue to pay the base license fee (and any supplemental license fees as set forth in the Agreement). The amendment proposes to extend the term of the original Agreement through December 31, 2017. All other terms and conditions of the Agreement would remain in full force and effect.

DETAILED REPORT: As noted above, MCC has continued its cow-calf grazing operations on a portion of Warner Ranch. MCC has complied with all terms and conditions of the Agreement for the last eight years. To allow time for staff to engage a consultant to evaluate license fees for cattle grazing operations, staff would like to amend the original Agreement and extend the term through December 31, 2017.

Staff has spoken to the Mendenhalls and they are agreeable to extending the term of the Agreement as stated above. All other terms and conditions would remain in effect. Attached is the proposed amendment to the Agreement.

ATTACHMENTS: Amendment to Grazing License Agreement
Grazing License Agreement

**AMENDMENT NO. 1 TO GRAZING LICENSE AGREEMENT BETWEEN
VISTA IRRIGATION DISTRICT AND MENDENHALL CATTLE COMPANY, INC.**

This Amendment No. 1 to GRAZING LICENSE AGREEMENT (“Amendment”) is entered into as of _____, 2016, by and between the VISTA IRRIGATION DISTRICT (“DISTRICT”), and MENDENHALL CATTLE COMPANY, INC. (“LICENSEE”), to amend the “Grazing License Agreement” entered into between DISTRICT and LICENSEE as of February 6, 2008 to provide for cow-calf grazing on a portion of the Warner Ranch (the “Agreement”).

SECTION 1: Section 1.2 of the Agreement is hereby amended to read as follows:

1.2 Term of License.

“The term of this License shall be for the period of about ten years (10), commencing on March 1, 2008 and ending on December 31, 2017. . . .”

SECTION 2: This Amendment shall be deemed effective as of December 31, 2015.

SECTION 3: Except as set forth in Section 1 of this Amendment, each and every term, condition and provision in the Agreement shall remain in full force and effect.

“DISTRICT”

VISTA IRRIGATION DISTRICT

By: _____
Eldon Boone, General Manager

“LICENSEE”

**MENDENHALL CATTLE COMPANY,
INC.**

By: _____
Name: _____
Title: _____

GRAZING LICENSE AGREEMENT

This License Agreement (the "Agreement") between VISTA IRRIGATION DISTRICT, a governmental agency ("District"), and Mendenhall Cattle Company, Inc., a California corporation ("Licensee"), is effective February 6, 2008 ("Effective Date") with reference to the following facts:

RECITALS

A. District is the owner of real property commonly known as the Warner Ranch, consisting of 43,000 acres, more or less, located in north eastern San Diego County (the "Property").

B. Licensee desires access to, and limited use of, a portion of the Property ("Premises", as more particularly described in Exhibit "A") to provide grazing for its cow-calf ranching business.

C. District is willing to authorize Licensee such access and limited use for such purposes under the terms and conditions of this Agreement.

Terms and Conditions

1. License.

1.1 Scope of License. District grants to Licensee a non-exclusive license (the "License") to use the portion of the Property described in Exhibit "A" (the "Premises") for the purposes of providing grazing for its cow-calf ranching business and installing and maintaining appurtenant facilities, all subject to the terms and conditions provided herein.

1.2 Term of License. The term of this License shall be for a period of about eight (8) years, commencing March 1, 2008, and ending December 31, 2015.

1.3 Base License Fee. Licensee shall pay to the District an initial annual fee (the "Base License Fee") for the use of the Premises \$11,496 per year in 2008, payable in advance in monthly installments of \$958 for each and every month of 2008, and indexed to the Consumer Price Index for all subsequent years as described below. (\$958 is equivalent to 100 MAU @ \$9.58 per month.) "MAU" shall mean one mature animal unit weighing 700 pounds or more. Any weaned animal weighing less than 700 pounds shall be considered one-half MAU. Commonly, a weaned calf shall be deemed one-half MAU until it reaches nine months of age, at which time and thereafter it shall be deemed a full MAU. A cow and her unweaned calves together shall be considered one MAU. By execution of this Agreement, District acknowledges receipt of the sum of \$958 covering the rental for the first month of the term hereof. Beginning in 2009 and for every subsequent year, the yearly base license fee (and supplemental license fee, as described below) shall be adjusted as indexed for inflation. The index shall be taken as the US Cities Average of Urban Consumers "Consumer Price Index" (CPI-U) as published by the US Department of Labor, Bureau of Labor Statistics, and the price shall be adjusted to the first half semiannual average (January through June) of the year

previous. The base index for the first six months of 2007 is 205.7, corresponding to the 2008 base license fee.

1.4 Supplemental License Fee. Any month when the MAU count on the Premises is over 100 MAU, a supplemental license fee of \$10.64 per MAU month (in 2008) for each MAU per month over 100 shall be paid. All supplemental license fees shall be computed and paid monthly, with the base license fee. There shall be no deduction or offset against the base license fee when there are less than 100 MAU on the Premises in any month. Licensee shall furnish District a written report of the MAU count for each month which shall accompany any supplemental license fee which may be due. This supplemental license fee shall be adjusted for inflation as described in Article 1.3.

1.5 Timing of Payment. The payment to District shall be made on or before the fifteenth day of each calendar month, and any payment or portion thereof made after that date shall be considered late. The Licensee shall pay to the District a late fee on said unpaid amount at the rate of one and one half percent (1.5%) per month from and after the due date thereof until the date of payment.

1.6 Termination.

a.) This License may be terminated by either party with a six month written notice of intent to terminate the License.

b.) The Licensee may elect to terminate this License with 90 days written notice if, through no fault of its own, one-third or more of the Premises have been burned or otherwise made unusable for the purpose intended.

c.) Licensee shall be in material default under the terms of this Agreement if Licensee fails to pay any amount due under this Agreement or fails to perform or observe any term, covenant, or undertaking in this Agreement to be performed or observed by it and such default continues for 30 calendar days after such performance is due. If an event of default occurs under this Agreement, District may, at its option, terminate this Agreement at any time thereafter by giving notice to the Licensee at least five business days before the termination is to be effective. If the Agreement is terminated under this provision, Licensee shall remove all its personal property from the Property within 20 calendar days. If such removal is not completed within the 20 days, District may, at its option, take such measures as District, in its sole discretion, deems necessary to accomplish such complete removal and the expenses therefor will be paid by Licensee.

1.7 Limitations on License. Nothing in this Agreement is intended to create an interest or estate of any kind or extent in the Property or Premises nor does it create a landlord-tenant relationship and Licensee is not entitled to avail itself of any rights afforded to tenants under the laws of the State of California.

1.8 No Warranty. District makes no warranty or representation that the Premises are suitable for Licensee's use or any other uses. Licensee has inspected the Premises and accepts them "as is." District is under no obligation to perform any work or provide any materials to prepare the Premises for Licensee.

1.9 Nonexclusive. Except as provided herein, this License is not exclusive. The District reserves the right to enter into and maintain other agreements, licenses, leases, and conveyances with other parties on the Premises for uses that do not materially interfere with the operations of the Licensee. By execution of this Agreement, Licensee agrees to cooperate with the District and the parties to the District's business relationships.

2. Licensee's Rights and Obligations

2.1 Manner of Use. No waste shall be permitted nor committed by Licensee and Licensee shall not overgraze or overstock the Premises. Licensee shall conduct all operations contemplated under this Agreement in accordance with good and accepted agronomic and environmental practices. Licensee shall in that respect comply with the written directives of the District's Representative.

District Representative shall:

- a.) Determine the carrying capacity of the Premises from time to time and decide if cattle must be moved to other pastures or removed from the Premises to prevent overgrazing.
- b.) Approve the amount of supplemental feeding of animals upon the Premises proposed by Licensee when the carrying capacity of the Premises is exceeded, or, in the alternative, direct Licensee to remove from the Premises animals which might be in excess of the then existing carrying capacity of the Premises.
- c.) Identify practices that shall be amended or instituted in order to safeguard certain environmental or cultural resources on the Property.

2.2 Stock Water. The Licensee, at no expense to the District, shall maintain all springs, tanks, watering troughs, and water lines as needed to provide water for its stock. The Licensee may use limited quantities of water, as available, which the District may produce from wells in its water production system, but the District has no obligation to provide water under pressure for supplying stock water to Licensee. Should Licensee need stock water at a pressure greater than those maintained by the District in the normal operation of its water production system, Licensee shall install, operate and pay for any additional pumps or equipment and all energy costs. Only such water as can efficiently be used by the Licensee for the watering of its stock shall be furnished by the District under this Agreement. The District retains the right to suspend supplying stock water to prevent waste.

2.3 Maintenance. Licensee shall, at no expense to District, maintain in good repair all fences and corrals on the Premises, including all fences along highways, roads and all Warner Ranch exterior or perimeter fences. Should Licensee's operations result in cattle grazing along the perimeter of Warner Ranch where fences do not exist, Licensee shall, at no expense to District, construct fences so as to confine its cattle to the Premises. Except as otherwise provided herein, Licensee shall keep and maintain all improvements on the Premises, including cattle-handling facilities, cattle-guards, and other appurtenances, in good condition and repair.

Licensee acknowledges that it has examined and is fully familiar with the Premises and all improvements and accepts them in their present condition. Licensee will save and hold harmless District from any and all claims for labor and materials (except where otherwise stated herein) in

connection with the improvements, repair, or alterations made to or upon the Premises by Licensee.

2.4 Required Improvements. As a condition of this License, the Licensee shall, at no expense to the District, perform the following improvements on the Premises not later than August 31, 2008:

- a.) Construct new, 4-strand barbed wire fence, per District specifications, between the westernmost corner of APN 195-020-02 and the easternmost corner of APN 195-050-20, and along the northern boundary of Boy Scout parcel APN 195-070-32, and between District property corners P-16 and -17, including three cattle-guard crossings and gates as needed;
- b.) Remove and dispose of unused fencing and "No Trespassing" signs from those boundaries of APN 195-050-20 (formerly known as the Boy Scout "thumb") that are contiguous with and adjacent to District parcel APN 193-080-30;
- c.) Redevelop Rock Springs, including piping needed to deliver water to the existing water tank on the ridge above the Ranch House;
- d.) Develop other cattle handling facilities as needed. All new facilities must be approved, in advance, in writing, by the District.
- e.) Redevelop and maintain unpaved 4-wheel drive vehicular access to the top and easternmost end of Mataguay Ridge, all on District property, in a route acceptable to the District.

If this Agreement is terminated by the District before January 1, 2013, and the improvements listed above are in good repair at the time of termination, and the District has not terminated the Agreement due to Licensee's default, as provided in Section 1.6.c, above, the District will reimburse the Licensee for the actual documented cost of these improvements according to the following schedule:

<u>If Agreement Terminates Before</u>	<u>District will Reimbursement Licensee</u>
January 1, 2009	100 percent of actual costs, not to exceed \$25,000
January 1, 2010	80 percent of actual costs, not to exceed \$20,000
January 1, 2011	60 percent of actual costs, not to exceed \$15,000
January 1, 2012	40 percent of actual costs, not to exceed \$10,000
January 1, 2013	20 percent of actual costs, not to exceed \$5,000

If the Agreement terminates after January 1, 2013, or if the District terminates the Agreement due to Licensee's default, as provided in Section 1.6.c, above, the District shall make no reimbursement for the costs of the Licensee's improvements under this Agreement.

2.5 Reports and Information. Upon request, Licensee shall furnish District copies of all brand inspection reports covering all cattle shipped to or removed from the Premises. Licensee shall further afford District full and complete access to books and records of Licensee at all reasonable times, or, in lieu thereof, furnish on demand, a statement, certified by a certified public accountant, covering Licensee's operations, including all expenses incurred insofar as the same relate to Licensee's utilization of the Premises.

2.6 Pest Control. Lessee shall carry on all of its operations hereunder in accordance with good husbandry and sound agronomic and environmental practices, including, but not limited to, pest eradication and control, but only to the extent reasonably necessitated by use of the Premises permitted by this License and as required by District's Representative in furtherance of

the foregoing. Lessee shall, in all its operations under this License and at its expense, comply with all applicable laws, rules and regulations, including, but not limited to the California Occupational Safety and Health Act of 1973, as amended. Any chemicals, sprays, or materials used for any purpose must be approved by the District's Representative for their compatibility with the District's water system operation.

2.7 Hazardous Material. Licensee shall comply with all applicable statutes, laws, ordinances, rules, and regulations now or hereafter mandated by any federal, state, or local governmental authority with respect to the use, generation, treatment, storage, disposal, emission, discharge, release or threatened release of any regulated chemical, pollutant, contaminant, hazardous waste, hazardous material, lead paint, toxic mold, medical waste, or hazardous, toxic, asbestos containing material, or radioactive substance (collectively, "Hazardous Materials"). Licensee shall not cause, or allow anyone else to cause, any Hazardous Materials to be used, generated, treated, stored, disposed of, emitted, discharged, or released, on or about the Property.

2.8 Taxes. Licensee shall be responsible for any property taxes imposed as a result of the use of the Premises by Licensee. Licensee specifically acknowledges that the grant of this License may subject Licensee to certain taxes under California Revenue and Taxation Code section 107.6 and agrees it is solely responsible for the payment of these taxes.

3. District's Rights and Obligations

3.1 Access to the Premises. District will allow twenty-four hour a day ingress and egress for Licensee, its agents, and contractors to the Premises, including reasonable access across the Property to effect such access to the Premises.

3.2 District's Access. District and its agents shall have the right to enter the Premises at all times and without notice.

3.3 Water Rights and Production. District reserves to itself all water which may be appurtenant to the Premises, or which originates in the watershed tributary to Lake Henshaw. Subject to this reservation, Lessee may use water upon the Premises to water its cattle thereon. District shall have the right at all times to drill upon the Premises such water wells, as it may from time to time determine, to install and maintain appropriate pumps and other facilities (including pipelines, ditches, canals, and electric lines), and to operate said wells and remove and transport water from the Premises.

3.4 Disposition of Improvements. Unless otherwise provided for herein, all improvements made by the Licensee on the Property shall, without compensation or expense to the District, become the property of the District upon termination of the Agreement.

4. Compliance With Laws.

4.1 Compliance with Laws and Regulations. Licensee shall construct, maintain, and operate its facilities and business in accordance with all applicable federal, state, and local laws and regulations.

4.2 Non-Discrimination. With respect to the performance of the terms and obligations of this Agreement, neither party will discriminate against any person on the basis of religion, color, ethnic group identification, sex, sexual orientation, age, physical or mental disability, or other protected class status.

5. Insurance and Indemnification.

5.1 Liability Insurance. Licensee shall obtain and maintain during the term of this Agreement insurance against claims for injuries to persons or damage to property which may arise out of or in connection with use of the Property or Premises by Licensee or Licensee's agents, representatives, employees, contractors, guests, invitees, or trespassers. The insurance will be obtained from an insurance carrier admitted and authorized to do business in the State of California. The insurance carrier is required to have a: (a) current A.M. Best Company Rating; (b) a policy holder's rating of "B+" or better; and (c) a financial rating of VII or better.

(A) Licensee will maintain the types of coverage and minimum limits indicated below. These minimum amounts of coverage will not constitute any limitations or cap on Licensee's indemnification obligations under this Agreement. District, its officers, agents and employees make no representation that the limits of the insurance specified to be carried by Licensee pursuant to this Agreement are adequate to protect Licensee. If Licensee believes that any required insurance coverage is inadequate, Licensee will obtain such additional insurance coverage, as Licensee deems adequate, at Licensee's sole expense.

(1) **Commercial General Liability Insurance.** \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general and products-completed operations aggregate limit is used, either the general and products-completed operations aggregate limit shall apply separately to this project/location or the general and products-completed operations aggregate limit shall be twice the required occurrence limit.

(2) **Automobile Liability.** \$1,000,000 combined single-limit per accident for bodily injury and property damage.

(3) **Workers Compensation and Employer's Liability.** Worker's Compensation limits as required by the California Labor Code and Employer's Liability limits of \$1,000,000 per accident for bodily injury.

(B) Licensee will ensure that the policies of insurance required under this Agreement contain, or are endorsed to contain, the following provisions:

(1) The District and its directors, officers, employees, or authorized volunteers will be named as an additional insured on General Liability.

(2) Licensee will obtain occurrence coverage, which will be written as claims-made coverage.

(3) This insurance will be in force at all times during the life of this Agreement and will not be canceled without thirty (30) days Notice.

(C) Licensee will furnish certificates of insurance and endorsements to District on the standard ACORD insurance form or on another form approved by the District before the Effective Date and annually thereafter.

(D) If Licensee fails to maintain any of these insurance coverages, District may immediately terminate this License by providing Licensee with written notice.

(E) District reserves the right to require, at any time, complete and certified copies of any or all required insurance policies and endorsements.

5.2 Nonliability for Damages and Indemnification.

(A) This License is made upon the express condition that the District and its directors, officers, employees, and agents are to be free from all liability, claims, damages, losses, expenses, and other costs arising out of or in any manner connected with Licensee's use of the Premises or Property. Licensee shall, to the fullest extent permitted by law, indemnify and hold the District and its directors, officers, employees, and agents harmless from and against all liability, claims, damages, losses, expenses and other costs (including costs of defense and attorneys fees in defending against all claims) for injury to all persons and property, whomsoever, whatsoever, and wheresoever, including, without limitation, to Licensee and its directors, officers, employees, agents, invitees, contractors, and subcontractors and all other persons both on or off the Premises, and the property of such persons including the loss of use thereof, arising out of, resulting from or in any manner connected with the Premises, the access ways thereto, the improvements constructed by Licensee thereon or the use and occupancy by Licensee thereof. Licensee's indemnity obligations and District's freedom from liability shall apply regardless of whether or not the claimed loss, damage or injury is caused in part by any act or omission, including the negligence, of a party indemnified hereunder, and further provided that in the event of claims or liability arising in part from the gross negligence or willful misconduct of a party indemnified hereunder, liability shall be determined on the basis of principles of comparative fault.

(B) Licensee has or will have made inspections, tests, and evaluations of the Premises, the subsurface thereof and the surrounding area as it deems necessary to fully satisfy itself that the Premises are entirely suitable for its intended use thereof and the construction and maintenance of improvements thereon and that it will not rely in any way upon any act or omission or representation of the parties to be indemnified in regard thereto. Accordingly, Licensee warrants that it places no reliance on any act or omission of a party to be indemnified with respect to the condition of or the suitability of the Premises for Licensee's use or any other uses.

(C) As to any and all claims against any of the parties to be indemnified by any employee of the Licensee, any contractor, any subcontractor, any supplier, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, this indemnification obligation shall not be limited in any way by any limitation on amount or type of damages, compensation or benefits payable by or for the Licensee, or any contractor, subcontractor, supplier, or other person under worker's compensation acts, disability benefit acts or other employee acts, except that in no event shall this indemnification obligation include indemnity for punitive or exemplary damages.

(D) Licensee shall be as fully responsible to the District for the acts and omissions of its agents, representatives, employees, guests, invitees, contractors and of the persons directly or indirectly employed by its contractors as it is for the acts and omissions of persons directly or indirectly employed by it. Nothing contained in this Agreement or in any agreement entered into by District shall create any contractual relationship between any contractor or others and District. Licensee shall bind every contractor to be bound by the terms of the foregoing nonliability and indemnity provisions.

(E) Licensee agrees that a number of factors make the foregoing indemnity and liability limitations reasonable, necessary, valid, enforceable, and not contrary to public policy:

- (1) The nature and extent of the License.
- (2) District is not seeking to lease the Premises.
- (3) District is not superior in bargaining strength to Licensee and Licensee is free to get other licenses elsewhere.
- (4) District is able to obtain insurance with respect to its property and its indemnity.
- (5) The amount of licensing fees to be paid.
- (6) The activities of Licensee are not subject to District's control.
- (7) District is a public agency with limited financial resources.
- (8) The potential liability to District without the indemnity and liability limitations could impede the public purposes for which District exists and adversely affect its ratepayers and water users.

5.3 Notice of Claims. Both parties agree to give Notice to the other of any claim, lawsuit, or administrative proceeding against it arising out of the Agreement within ten (10) days after the discovery of a claim, lawsuit, or administrative proceeding. Both parties have the right to participate in the contest and any defense of the claim at its own expense to the extent it is not covered by insurance or the indemnity provisions in the Agreement. This provision applies only to third-party claims and not disputes between the parties.

6. Representations And Warranties.

6.1 Both Parties. Both parties represent and warrant that:

- (A) the parties have the power to enter into and perform this Agreement; and the execution of this Agreement has been duly authorized by all necessary corporate action;
- (B) no consent or approval of any other person or governmental authority is necessary for this Agreement to be effective; and

(C) the performance of the obligations assumed under the Agreement will not violate any Laws or other applicable rules or regulations.

6.2 **Licensee.** Licensee represents and warrants that it has the requisite expertise and resources to perform its obligations under the Agreement.

6.3 **Survival.** All warranties and representations made by either party or in any certificate or other instrument delivered by either party as evidence of its compliance with obligations under the Agreement will be considered to have been relied upon by the other party and will survive the performance of all obligations under the Agreement.

7. **Attorney's Fees.** In the event either party requests arbitration or files a lawsuit for the interpretation, specific performance, or damages for the breach of this Agreement, the prevailing party is entitled to a judgment or award against the other in an amount equal to actual and reasonable attorney's fees and costs incurred, together with all other appropriate legal or equitable relief.

8. **Notices.**

8.1 **When Required.** When the Agreement requires that a party give Notice to the other party, including specifically notices of default, termination, or a demand for arbitration, the Notice must comply with the requirements in this Article.

8.2 **Methods.** Notice will be effective when:

(A) personally delivered to the recipient, Notice is effective upon delivery;

(B) mailed first class to the last address of the recipient known to the party giving Notice, Notice is effective three mail delivery days after deposit in a U.S. Postal Service office or mailbox;

(C) mailed certified mail, return receipt requested, Notice is effective on receipt, if a return receipt confirms delivery;

(D) delivered by overnight delivery (e.g., Federal Express/Airborne/United Parcel Service/DHL WorldWide Express), charges prepaid or charged to the sender's account, Notice is effective on delivery, if delivery is confirmed by the delivery service; and

(E) sent by facsimile, Notice is effective on receipt, except that any Notice given by facsimile is deemed received on the next business day if it is received after 5:00 p.m. or on a nonbusiness day, provided that a duplicate copy of the Notice is promptly sent by first-class or certified mail or by overnight delivery or the receiving party delivers a confirmation of receipt. Notice by facsimile is permissible only if all the parties and others to receive Notice have provided a facsimile number in accordance with this Article.

Any correctly addressed Notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified will be deemed effective as of the first date that Notice

was refused, unclaimed, or deemed undeliverable by the postal authorities, messenger, or overnight delivery service.

8.3 Recipients. Notices must be given to:

If to District, to:

General Manager
Vista Irrigation District
1391 Engineer Street
Vista, CA 92081
Telephone Number: (760) 597-3100
Facsimile Number: (760) 598-8757

If to Licensee, to:

Mendenhall Cattle Company
Attn: President
26439 Highway 76
Santa Ysabel, CA 92070
Tax I.D. # 26-1667106
Telephone Number: (760) 782-3503
Facsimile Number: (760) 782-9224

8.4 Change of Address. Either party may change either its address or telephone/facsimile number by giving the other party Notice.

8.5 Other Communications. All communications for which Notice is not required, including those provisions permitting or requiring a party to "approve," "advise," or "consent" may be given by facsimile or other electronic communications. In these circumstances only the contact person for each party need receive the communication.

9. Assignment and Sublicensing.

9.1 Licensee may not assign or sublicense the License granted by this Agreement, in whole or in part.

10. General Provisions.

10.1 Relationship of the Parties. The parties agree that the terms of the Agreement do not constitute the formation of a partnership, joint venture, or other relationship and that no form of agency exists between the parties. Neither party will hold itself, or its agents or employees out to be an agent of the other party, and neither party will have authority to bind or obligate the other party in any manner whatsoever.

10.2 No Third Party Beneficiaries. The provisions of this Agreement are for the benefit of the Parties and not for any other person or third party beneficiary. The provisions of the Agreement shall not impart rights enforceable by any person, firm or organization other than a Party or a successor of a Party to the Agreement.

10.3 Expenses. Except as expressly provided in the Agreement, both parties will pay their own expenses incident to the Agreement and the transactions contemplated, including all fees of counsel and accountants.

10.4 Waiver. One or more waivers of a term or condition in the Agreement by either party will not be construed as a waiver of any right to enforce the same or a different term or condition in the event of future defaults. Delay or omission by either party to seek a remedy for any default of the Agreement or to exercise a right accruing to the party with respect to the default will not be construed as a waiver.

10.5 Time is of the Essence. Time is of the essence in respect to all provisions of the Agreement that specify a time for performance; provided, however, that the foregoing will not be construed to limit or deprive a party of the benefits of any grace or use period allowed in the Agreement.

10.6 Entire Agreement. This Agreement contains the entire agreement between the parties relating to the transactions contemplated. All contemporaneous agreements, understandings, representations, and statements, whether oral or written, and whether by a party or the party's legal counsel, are merged into the Agreement. No modification, waiver, amendment, discharge, or change of the Agreement will be valid unless it is in writing and signed by the party against which the enforcement of the modification, waiver, amendment, discharge, or change is or may be sought.

10.7 Construction and Interpretation. The parties have participated fully in negotiating, preparing, and drafting the Agreement and the rule that an ambiguity in language is to be construed against the author will have no effect as to the Agreement. Article and Section headings are not to be considered a part of the Agreement and are included solely for convenience. Handwritten or typed words will have no greater weight than printed words. Unless the context requires otherwise; the plural and singular numbers will each be deemed to include the other; masculine, feminine, and neuter genders will each be deemed to include the others; "will," "will not," or "agrees" are mandatory, and "may" is permissive; "or" is not exclusive; "includes" and "including" are not limiting; and "days" mean business days. "Written approval," or "consent" means written approval or consent given in advance of the action or event signed by the other party giving its approval or non-approval, and if a party does not give approval or disapproval, approval is deemed denied.

10.8 Partial Invalidity. If any term or condition contained in the Agreement becomes to any extent invalid or unenforceable, the remainder of the Agreement, or the application of the term or condition to persons or circumstances other than those with respect to which it is invalid or unenforceable, will not be affected and every other term, provision, and condition will be valid and enforceable to the fullest extent permitted by law.

10.9 Facsimile Signature. The parties agree that the Agreement, ancillary agreements, and related documents will be considered signed when the signature of a party is delivered by facsimile transmission. This facsimile signature will be treated in all respects as having the same effect as an original signature.

10.10 Miscellaneous Provisions. This Agreement:


(A) will be binding upon, and inure to the benefit of, and be enforceable by the parties and their respective legal representatives, successors, or assigns;

(B) may be executed in any number of counterparts, each of which is deemed to be an original, but all of which together constitute one and the same instrument;

(C) must be construed and enforced in accordance with the laws of the State of California and local government agencies; and

(D) except as otherwise expressly provided, has been entered into in Vista, California as of the Effective Date.

**District: VISTA IRRIGATION DISTRICT,
a governmental agency**

By: 
Print Name: Roy Coox
Title: General Manager

**Licensee: MENDENHALL CATTLE COMPANY, INC.
a California corporation**


By: 
Name: Joel Mendenhall
Title: President

Exhibit "A"

Premises

The Premises shall consist of those portions of the legal lots included in the Assessor's Parcel Map numbers listed below which also lie east of the Highway 79 right-of-way and south of either the Highway S-2 or S-22 rights-of-way, subject to the terms, conditions and reservations contained in the Agreement:

Assessor's Parcel Numbers

137-090-35

193-080-30

195-020-02

195-050-20

195-070-31

The Premises comprise an area of about 8,100 acres, more or less. The area is informally broken into pastures which presently carry the names "Sloan", "Mataguay 1", "Mataguay 2", and "Barrel".



STAFF REPORT

Agenda Item: 6.B

Board Meeting Date:	September 21, 2016
Prepared By:	Al Ducusin
Reviewed By:	Brian Smith
Approved By:	Eldon Boone

SUBJECT: ACCEPTANCE OF WATER SYSTEM AND GRANT OF RIGHT OF WAY

RECOMMENDATION: That the Board accept this water system and Grant of Right of Way (S168) via TPM 21221 for a 3-lot single-family residential lot split known as Greenbush Lane, consisting of approximately 1.68 gross acres owned by Savage Family Revocable Trust, located at 1151 Greenbush Lane (private road), Vista (City of Vista Drawing No. 4089; LN 2014-041; WOI-3068; APN 181-121-20; DIV NO 3).

PRIOR BOARD ACTION:
10/21/2015 Approved waterline project.

FISCAL IMPACT: None.

SUMMARY: All the work required by the construction contract has been completed. The water system is ready for acceptance by the Board which will allow the Notice of Completion to be filed with the County Recorder.

The acceptance of Grant of Right of Way (S168) will allow the District to secure a dedicated 26-foot specific easement within the existing private road of Greenbush Lane.

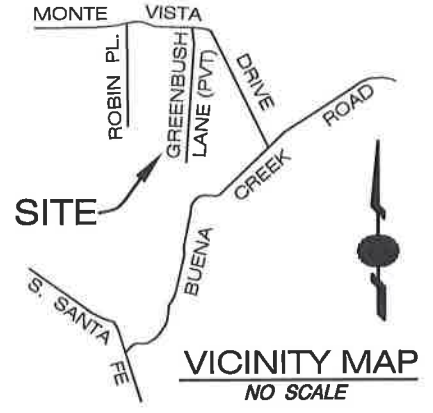
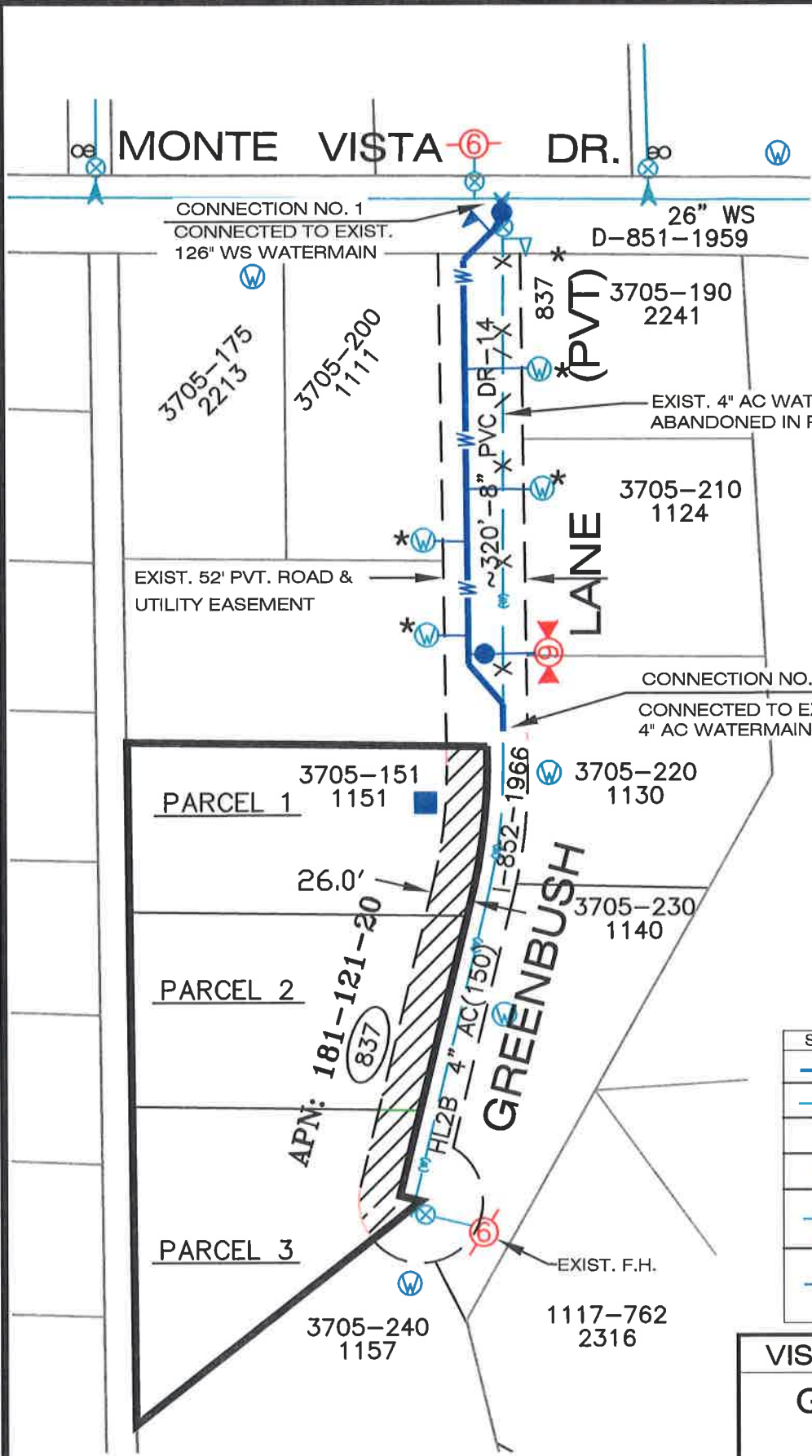
DETAILED REPORT: On February 22, 2016, Savage Family Revocable Trust paid the District to install this water system (WOI-3068) for their residential development. District forces installed approximately 320 feet of 8" PVC pipe, 10 feet of 4" PVC pipe, replaced four 1" domestic water services, and installed one standard 6" fire hydrant.

The owner has paid for a ¾" domestic meter (ACCT NO 3705-151) for parcel 1. The owner will apply for additional meters for parcels 2 and 3 when he is ready to develop.

The District currently has Reserved Easement N56 encumbering these parcels.

The acceptance of Grant of Right of Way (S168) via TPM 21221 will allow water facilities to be within a dedicated District specific easement.

ATTACHMENT: See attached map.



* EXISTING WATER METERS CONNECTED TO NEW 8" PVC (DR-14) WATER MAIN.

OWNER:
SAVAGE FAMILY REVOCABLE TRUST
365 RANCHO VISTA PLACE
VISTA, CA 92083
760-419-7417

ENGINEER:
ACAL ENGINEERING
145 N. MELROSE DRIVE, STE. 200
VISTA, CA 92083
760-724-7674

LEGEND

SYMBOL:	DESCRIPTION:
	NEW 8" PVC (DR-14) WATER MAIN
	EXIST. 4" A.C. (150) WATER MAIN
	EXIST. WATER METER
	NEW WATER METER
	EXIST. FIRE HYDRANT
	NEW FIRE HYDRANT

PROPOSED GRANT OF RIGHT OF WAY (S168) TO VID PER TPM 21221

VISTA IRRIGATION DISTRICT
GREENBUSH LANE
(PRIVATE ROAD)

APN	181-121-20	T.B.	1108-D1
SCALE	NONE	L.N.	2014-041
APPD. BY	<i>MS</i>	DATE	9/9/14
DRAWN BY	M.S.	DATE	12/10/14
SHEET	1 OF 1	MAP	J15 & J16
REVISED	09/09/16 AJD		
PATH Z:\Engineering\JOBS\I-JOBS\LN2011-028			

W.O.
I-3068



STAFF REPORT

Agenda Item: 6.C

Board Meeting Date: September 21, 2016
Prepared By: Al Ducusin
Reviewed By: Brian Smith
Approved By: Eldon Boone

SUBJECT: COMPLETION OF WATER SYSTEM IMPROVEMENTS FOR CARLSBAD DESALINATION CONVEYANCE PROJECT WITHIN DISTRICT BOUNDARIES

RECOMMENDATION: Receive information on the Carlsbad Desalination Conveyance project within District boundaries (I-3058; LN 2013-018; DIV NOS. 4 and 5).

PRIOR BOARD ACTION:

06/26/13 Approved Carlsbad Desalination Conveyance project within District boundaries.

FISCAL IMPACT: None. The San Diego County Water Authority (Water Authority) paid District inspection fees.

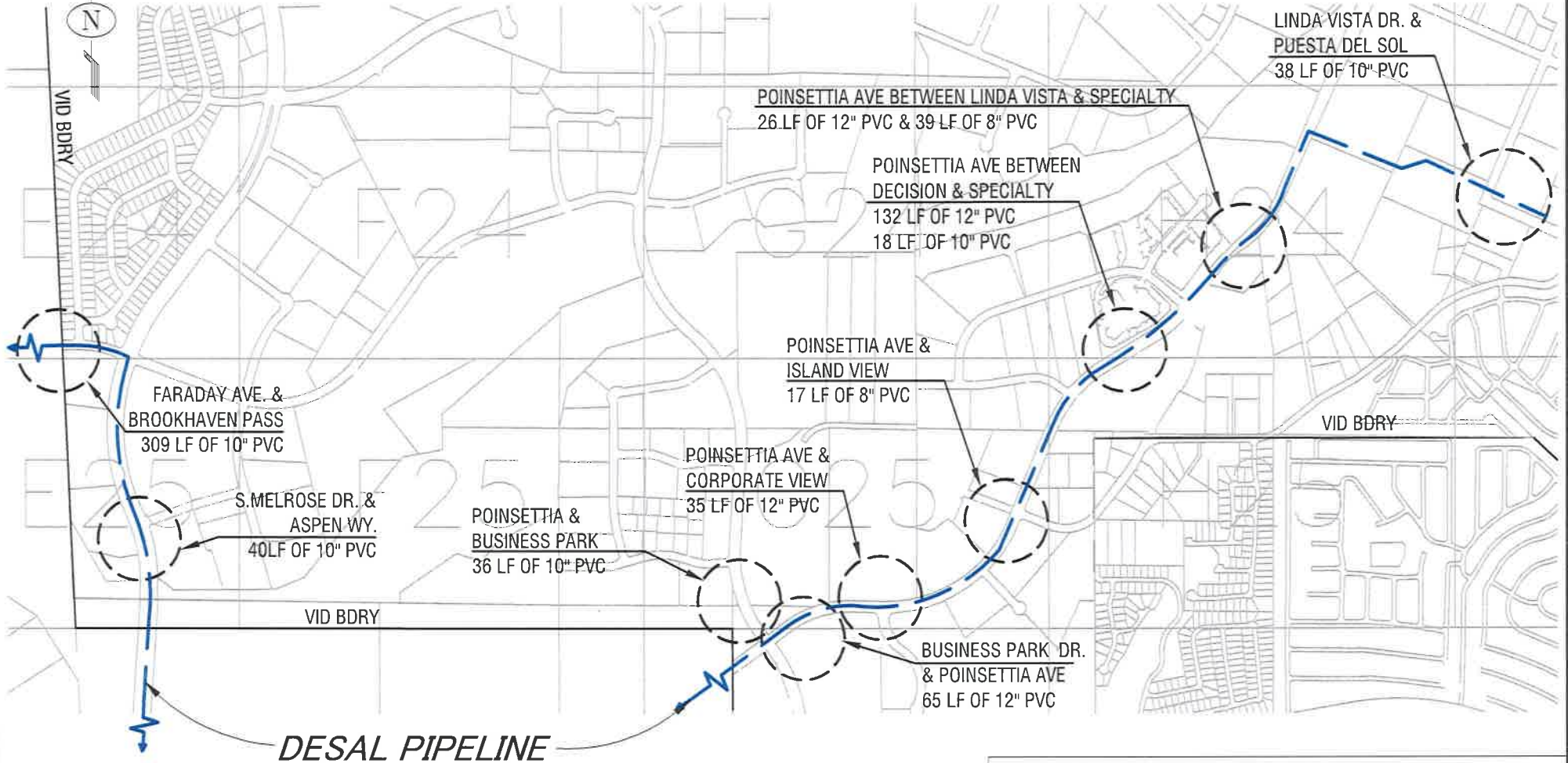
SUMMARY: The Water Authority has completed the water system contract with the District for the Carlsbad Desalination Conveyance Project. All of the water system improvements have been completed by the Water Authority's contractor under District inspection.

DETAILED REPORT: To accommodate the project, relocation of District facilities was required. Under District inspection, the Water Authority's contractor, Kiewit Shea Desalination (KSD) installed approximately 56 feet of 8" pipe, 441 feet of 10" pipe, and 258 feet of 12" pipe at various streets within District boundaries.

The street locations included the intersections of Faraday Avenue/Brookhaven Pass, South Melrose Avenue/Aspen Way, Poinsettia Avenue/Business Park Drive, Linda Vista Drive/Puesta Del Sol, and Faraday Avenue/South Melrose Drive.

ATTACHMENT: See attached map.

CARLSBAD DESALINATION CONVEYANCE PROJECT WITHIN DISTRICT BOUNDARIES (I-3058)



TOTAL PIPE INSTALLED AT VARIOUS CROSSINGS

56 FT. - 8" PVC
441 FT. - 10" PVC
258 FT. - 12" PVC

VISTA IRRIGATION DISTRICT

DESAL PROJECT

APN MISC		T.B. MISC	
SCALE NTS		L.N.	
APPD. BY <i>BD</i>	DATE <i>9/9/16</i>	W.O.	
DRAWN BY MM	DATE 3/17/16	I-3058	
SHEET 1 OF 1	MAP MISC		
REVISED:			
PATH: Z:\Engineering\JOBS\I-Jobs\I3058_Desal\Desal Overall Map.dwg			

Cash Disbursement Report



Payment Dates 08/25/2016 - 09/07/2016

Payment Number	Payment Date	Vendor	Description	Amount
54134	09/01/2016	ABABA Bolt	Stainless Steel Hardware	71.04
54135	09/01/2016	Airgas USA LLC	First Aid Supplies	145.93
54136	09/01/2016	Aquajet Art	Stainless Steel Buoy Line Anchor Parts	210.60
54137	09/01/2016	AT&T	Internet Service 08/19/16-09/18/16	1,076.10
54138	09/01/2016		Calnet3 Service 07/13/16-08/12/16	1,006.04
54139	09/01/2016	Auto Specialist Warehouse	Shocks (2) - Truck 32	135.60
54140	09/01/2016	Basic pacific	Flexible Benefits Svc/Cobra 08/2016	249.40
54141	09/01/2016	Blue Shield of CA Life & Health	Vision Insurance 09/2016 - Cobra	14.24
	09/01/2016		Vision Insurance 09/2016 - Employees	1,559.40
	09/01/2016		Vision Insurance 09/2016 - M Miller	14.24
	09/01/2016		Vision Insurance 09/2016 - P Dorey	14.24
	09/01/2016		Vision Insurance 09/2016 - R Vasquez	14.24
	09/01/2016		Vision Insurance 09/2016 - J MacKenzie	14.24
	09/01/2016		Vision Insurance 09/2016 - R Reznicek	22.54
54142	09/01/2016	Boot World Inc	Footwear Program	160.34
	09/01/2016		Footwear Program (2)	346.05
54143	09/01/2016	Craneworks Southwest Inc	Crane Cables (2)	226.80
54144	09/01/2016	Dion International Trucks Inc	Diagnose/Repair Ground Circuit	1,132.96
54145	09/01/2016	DIRECTV	Direct TV Service	73.99
54146	09/01/2016	DMV Renewal	DMV Fee	10.00
54147	09/01/2016	EDCO Waste & Recycling Services Inc	Trash/Recycle 08/2016	206.46
54148	09/01/2016	Central Voice	Answering Service 05/2016	56.00
	09/01/2016		Answering Service 06/2016	46.00
	09/01/2016		Answering Service 07/2016	56.50
	09/01/2016		Answering Service 08/2016	46.00
54149	09/01/2016	Evoqua Water Technologies LLC	DI Bottle Replacement	24.00
54150	09/01/2016	Fastenal	Stainless Hardware	9.97
54151	09/01/2016	Ferguson Waterworks	CLA-Val Parts	5,472.85
	09/01/2016		CLA-Val Maintenance Items	2,422.20
	09/01/2016		Brass Fittings	735.38
	09/01/2016		Brass Fittings	234.57
54152	09/01/2016	Coast Fitness Repair Shop	Fitness Equipment Maintenance	200.00

Payment Number	Payment Date	Vendor	Description	Amount
54153	09/01/2016	FreeWave Technologies Inc	Radios (6)	2,296.20
54154	09/01/2016	Galey Homes Inc	Customer Refund - Closing	1,734.78
54155	09/01/2016	Glennie's Office Products Inc	Office Supplies	72.99
	09/01/2016		Office Supplies	90.82
	09/01/2016		Office Supplies	97.48
54156	09/01/2016	Grainger	Handicap Signs	128.88
	09/01/2016		Portable Lights (2) - Truck 10	44.74
	09/01/2016		Power Cord, Packing Extractor, Shackles, Hose	129.04
54157	09/01/2016	Hach Company	PH Probe	636.90
54158	09/01/2016	Hawthorne Machinery Co	Wear Pads - B19	167.11
54159	09/01/2016	HD Supply Waterworks	Ultra Sonic Water Meters (7)	17,484.92
54160	09/01/2016	Hello Deli	Lunch for Interview Panel 08/24/16 (4)	37.23
54161	09/01/2016	Infrastructure Engineering Corporation	AB Line, Meyers Siphon Replacement 07/2016	6,950.72
54162	09/01/2016	Jo MacKenzie	Urban Water Institute Expenses 08/2016	328.60
54163	09/01/2016	Lawnmowers Plus Inc	Weed Whip String	35.59
54164	09/01/2016	Lighthouse Inc	Marker Lamps (6) - Truck 30	35.95
54165	09/01/2016	McMaster-Carr Supply Company	Safety Gates (2)	435.16
54166	09/01/2016	Moodys	Dump Fees (2)	400.00
	09/01/2016		Dump Fee	200.00
54167	09/01/2016	Mutual of Omaha	LTD/STD/Life Insurance 09/2016	5,799.40
54168	09/01/2016	NAPA Auto Parts	Headlight Dimmer Switch, Shocks - Truck 30	307.96
	09/01/2016		Bumper Spray Paint	15.17
54169	09/01/2016	North County Auto Parts	Filters, Diesel Exhaust Fluid	87.44
	09/01/2016		Shocks (2) - Truck 32	117.81
	09/01/2016		Oil, Air & Fuel Filters	107.66
	09/01/2016		Filter, Oil, Shocks - Truck 32	137.70
	09/01/2016		Oil, Wiper Blades - Shop	52.84
54170	09/01/2016	Pacific Pipeline Supply	End Cap	106.11
54171	09/01/2016	Pollardwater	Dechlorination Tablets	1,017.31
54172	09/01/2016	R.S. Hughes	Anti-fatigue Mat	72.18
54173	09/01/2016	Ramco Petroleum	Fuel 07/2016	923.73
54174	09/01/2016	Rancho Environmental Service	Eucalyptus Trees Cut Down & Removed	6,500.00
54175	09/01/2016	RC Auto & Smog	Recharge A/C & Add Dye	146.21
54176	09/01/2016	Richard Larsen	Footwear Program	175.00
54177	09/01/2016	San Diego Gas & Electric	Electric 07/2016 - Ranch House	40.41
	09/01/2016		Electric 08/2016 - Ranch House	31.56
54178	09/01/2016	Southern Counties Lubricants, LLC	Moly Grease (20)	87.89

Payment Number	Payment Date	Vendor	Description	Amount
	09/01/2016		Fuel	73.06
54179	09/01/2016	Stealth.Com	Stealth High Performance SCADA Computers (2)	4,879.00
54180	09/01/2016	TS Industrial Supply	Pull Cable	202.46
	09/01/2016		Air Compressor Ball Valve, Gaskets - A10	108.99
	09/01/2016		Cable Clamps, Safety Straps, Couplers, Plugs	131.54
	09/01/2016		Tool Repair, Electrical Supplies	96.85
54181	09/01/2016	Tyler Technologies Inc	Utility CIS System Svc	125.00
54182	09/01/2016	UniFirst Corporation	Uniform Service	458.05
54183	09/01/2016	Verizon Wireless	Air Cards 07/13/16 - 08/12/16	76.02
	09/01/2016		SCADA Remote Access	242.71
54184	09/07/2016	Airgas USA LLC	Grinder	102.35
	09/07/2016		Welding Jacket	46.50
54185	09/07/2016	Allied Electronics Inc	Circuit Breakers	342.48
54186	09/07/2016	Aquajet Art	Valve Lockout Plates (10)	183.60
	09/07/2016		ERT Meter Brackets (300)	972.00
54187	09/07/2016	Armstrong Feed & Supply Inc	Galvanized Gates	437.37
54188	09/07/2016	AT&T	Web Security 08/2016	66.00
54189	09/07/2016	Buckley Production, Inc	DOT Books "Driver Alert" (25)	150.20
54190	09/07/2016	CDW Government Inc	HPE LTO Ultrium 3 800 GB data cartridge	158.14
	09/07/2016		APC Tech support for APC DCE appliance	265.00
54191	09/07/2016	Cecilia's Safety Service Inc	Traffic Control - Goodwin Dr	1,360.00
	09/07/2016		Traffic Control - Oceanview Dr	1,275.00
	09/07/2016		Traffic Control - Mar Vista	1,815.00
	09/07/2016		Traffic Control - Las Flores Dr	5,195.00
	09/07/2016		Traffic Control - Avocado Dr	1,140.00
	09/07/2016		Traffic Control - Avocado Dr	1,235.00
54192	09/07/2016	Chamberlain Property Mgmt	Customer Refund - Closing	97.06
54193	09/07/2016	Coast Equipment Rentals	Dump Truck Rental	255.19
54194	09/07/2016	Department of Forestry & Fire Protection	Weed/Brush Abatement @ MW Bench	228.62
54195	09/07/2016	Diamond Environmental Services	Portable Restroom Service	89.73
	09/07/2016		Portable & Stationary Restroom Service	217.72
54196	09/07/2016	Drug Testing Network Inc	DOT Program Requirements	130.00
54197	09/07/2016	Electrical Sales Inc	Fluke Meter Test Leads	216.94
	09/07/2016		SCADA Back Panel	39.61
	09/07/2016		Enclosure Cooling Fans, Filters	1,044.39
54198	09/07/2016	Eurofins Eaton Analytical Inc	Lead & Copper Samples for Analysis	220.00
54199	09/07/2016	Fleet Pride	Mud Flaps (2) - Truck 51	27.80

Payment Number	Payment Date	Vendor	Description	Amount
	09/07/2016		Oil Hub Cap - T4	23.45
	09/07/2016		Gloves (2 Boxes) - Shop	21.70
54200	09/07/2016	Flyers Energy, LLC	Fuel	64.53
54201	09/07/2016	GEI Consultants Inc	Henshaw Calcs 07/2016	2,505.00
54202	09/07/2016	Glennie's Office Products Inc	Office Supplies	92.06
	09/07/2016		Office Supplies	839.87
54203	09/07/2016	HDR	FERC Relicensing Consulting 07/2016	1,892.23
54204	09/07/2016	Hidden Valley Pump Sys Inc	Replaced Windmill Shaft	1,848.75
54205	09/07/2016	Inland Water Works Supply Co	Meter 100W ERT (288)	23,436.00
54206	09/07/2016	Jeff Hawkins	Customer Refund - Overpayment	200.00
54207	09/07/2016	Karen Blea	Customer Refund - Overpayment	108.34
54208	09/07/2016	Mallory Safety and Supply, LLC	Impact Pro Gas Monitors (6)	2,083.20
54209	09/07/2016	Mission Resource Conservation District	Home Water Use Evaluation 08/2016	31.25
54210	09/07/2016	Moody's	Dump Fees (2)	400.00
	09/07/2016		Dump Fees (2)	400.00
54211	09/07/2016	North County Auto Parts	Tool Box Lift Support - Truck 73	29.30
54212	09/07/2016	One Source Distributors	Name Plates for Equipment (14)	126.53
54213	09/07/2016	Pacific Pipeline Supply	Coupling 8" Repair Macro (14)	3,463.93
	09/07/2016		Coupling 6" Deflection C900 (10)	256.93
	09/07/2016		Adapter 2.5" MNST X 2" MIPT Hose (6)	120.44
	09/07/2016		Clamp 1x3 Repair Full Circle 1.32OD Orangeburg (6)	128.57
	09/07/2016		Coupling 8" Repair PVC C900 (6)	423.93
	09/07/2016		Tubing 1" Copper Soft (600)	2,271.99
	09/07/2016		Ball Valve 1" swing away (10)	118.05
	09/07/2016		Corp Stop 2" (10)	1,832.67
	09/07/2016		Coupling 1"x1" Female Flare Super Grip (10)	224.27
54214	09/07/2016	Pacific Safety Center	Training/Luncheon (8)	325.00
54215	09/07/2016	Parkhouse Tire Inc	Tires & Mounting (2) - Truck 44	868.51
	09/07/2016		Tire & Mounting - Truck 22	456.92
	09/07/2016		Flat Repair - T4	103.84
54216	09/07/2016	R.S. Hughes	Anti Fatigue Mat	107.98
	09/07/2016		Anti Fatigue Mats (2)	144.35
54217	09/07/2016	Ramona Disposal Service	Trash Service 08/2016	153.43
54218	09/07/2016	Rawhide Ranch, LLC	VID Picnic 09/11/16	734.00
54219	09/07/2016	RC Auto & Smog	A/C Recharge - Truck 16	103.17
54220	09/07/2016	Red Wing Shoe Store	Footwear Program	174.27
54221	09/07/2016	Rincon del Diablo MWD	MD Reservoir Water Service 08/2016	36.81

Payment Number	Payment Date	Vendor	Description	Amount
54222	09/07/2016	S & J Supply Company Inc	Visqueen 8 mil 3'x100' (25)	596.75
54223	09/07/2016	San Diego Gas & Electric	Gas 08/2016	176.56
	09/07/2016		Electric 08/2016 - Well Field	17,580.31
54224	09/07/2016	Sherry Thorpe	Tuition Reimbursement	583.77
	09/07/2016		Employee Event Reimbursement	77.29
54225	09/07/2016	Sunrise Materials Inc	Gravel Bags, Caps, Pallets	2,096.22
54226	09/07/2016	T&T Real Estate Solutions, LLC	Customer Refund - Closing	135.26
54227	09/07/2016	The UPS Store 0971	Shipping 08/2016	174.68
54228	09/07/2016	Midas Service Experts	Replaced Sensor - Truck 76	164.71
	09/07/2016		Tire & Mounting - VM1	90.79
54229	09/07/2016	TS Industrial Supply	Fire Hose Repair	60.26
	09/07/2016		Chain, Safety Hook, Clevis Link - Shop	103.43
54230	09/07/2016	Tyler Technologies Inc	Utility CIS System Services	875.00
54231	09/07/2016	Verizon Wireless	Cell Phone Service 07/16/16 - 08/15/16	1,626.27
54232	09/07/2016	Vinje & Middleton Engineering Inc	Compaction Test - Buena Creek Rd	165.00
	09/07/2016		Compaction Test - Mar Vista Dr	391.25
54233	09/07/2016	Vulcan Materials Company and Affiliates	Cold Mix	1,997.78
54234	09/07/2016	Weseloh Chevrolet	Thermostat Housing - Truck 14	41.86
Grand Total:				159,834.25



STAFF REPORT

Agenda Item: 7

Board Meeting Date:	September 21, 2016
Prepared By:	Randy Whitmann
Reviewed By:	Brian Smith
Approved By:	Eldon Boone

SUBJECT: VISTA FLUME RELOCATION PROJECT

RECOMMENDATION: Authorize the General Manager to enter into a construction contract with Cass Construction, Inc. in the amount of \$1,763,611 and a professional services agreement with Infrastructure Engineering Corporation for inspection and construction support services for a cost not to exceed \$87,000 for the Vista Flume Relocation Project.

PRIOR BOARD ACTIONS:

- 6/3/15 Approved the concept of relocating a portion of the Flume, authorized staff to begin cost sharing negotiations and directed staff to bring the item back to the Board in closed session to discuss property transaction considerations.
- 6/17/15, 7/1/15, 7/15/15 and 8/5/15 Closed sessions to discuss price and terms of relocating a portion of the Flume.
- 5/11/16 Accepted Grant of Nonexclusive Easement for the Vista Flume Relocation Project.
- 6/22/16 Approved the Vista Flume Relocation Project and the Flume Relocation Reimbursement Agreement with Shea; determined that the Vista Flume Relocation Project was exempt from the provisions of CEQA and directed staff to file the Notice of Exemption with the County Clerk; and authorized staff to negotiate a construction contract with a qualified licensed contractor.

FISCAL IMPACT: Under the terms of the Reimbursement Agreement, Shea will pay for the first \$800,000 of the project construction costs and the District will pay the next \$600,000. Project construction costs above \$1.4 million will be shared equally between the parties. The inspection and construction support services costs will be paid by the District.

The Vista Flume Relocation Project is estimated to cost the District \$868,805 (approximately \$781,805 for construction services and \$87,000 for professional services). The Capital Budget cost estimate for the Vista Flume Relocation Project is \$800,000.

SUMMARY: Shea Homes Limited Partnership (Shea) is pursuing the development of a 179 lot residential subdivision adjacent to a portion of the Vista Flume, including sections known as Baumgartner Bench and Little Tunnel. The development, Canyon Grove Estates (formerly Hidden Valley Estates), is located north of Vista Verde Drive in the City of Escondido. The District and Shea have determined that relocating the Flume to an underground pipeline through the project is mutually beneficial and have agreed to share in the relocation costs through a Reimbursement Agreement. All public rights of way have been acquired to allow relocation of the Flume.

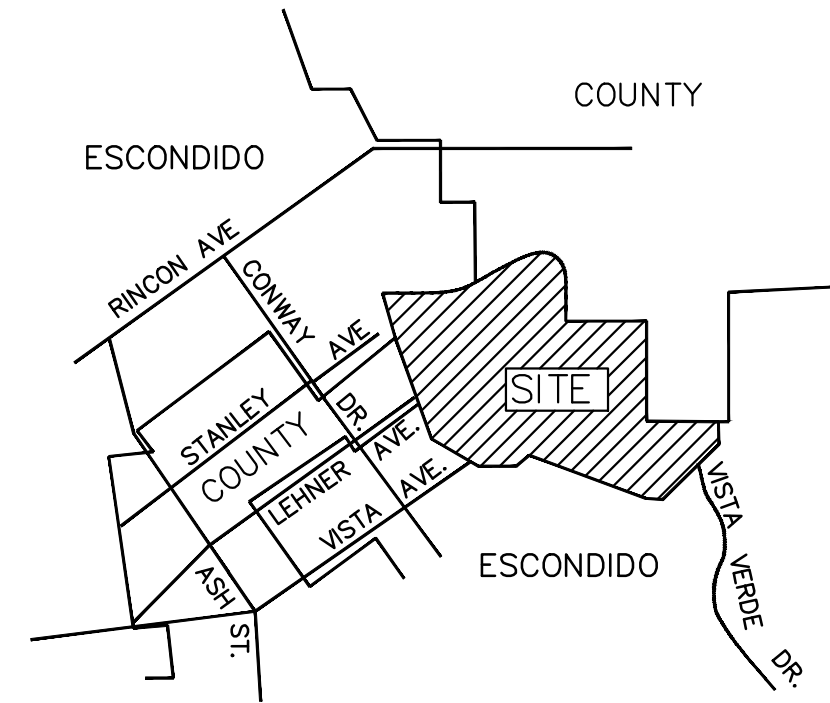
DETAILED REPORT: The Reimbursement Agreement with Shea includes provisions that allow the District to negotiate and enter into a construction contract directly with a qualified, licensed contractor. Shea's contractor hired for the subdivision's "wet" utilities, Cass Construction, Inc. (Cass), has experience installing high-density polyethylene (HDPE) pipelines and also has the capacity to include the Flume relocation work. Staff has negotiated a construction contract with Cass and recommends awarding the project to them, as their bid compares favorably with two engineering estimates of probable construction cost: \$2,021,280 from Shea's design engineer and \$1,933,000 from an independent consultant, Infrastructure Engineering Corporation (IEC). Cass's bid of \$1,763,611 includes staking, surveying, and soils engineering.

During project design, IEC was retained to provide plan check review services and staff wishes to continue using them during construction for inspection and engineering support (e.g., review of contractor requests for information, shop drawings, submittals, etc.). Their proposal is for as-needed services and assumes a project duration of three months.

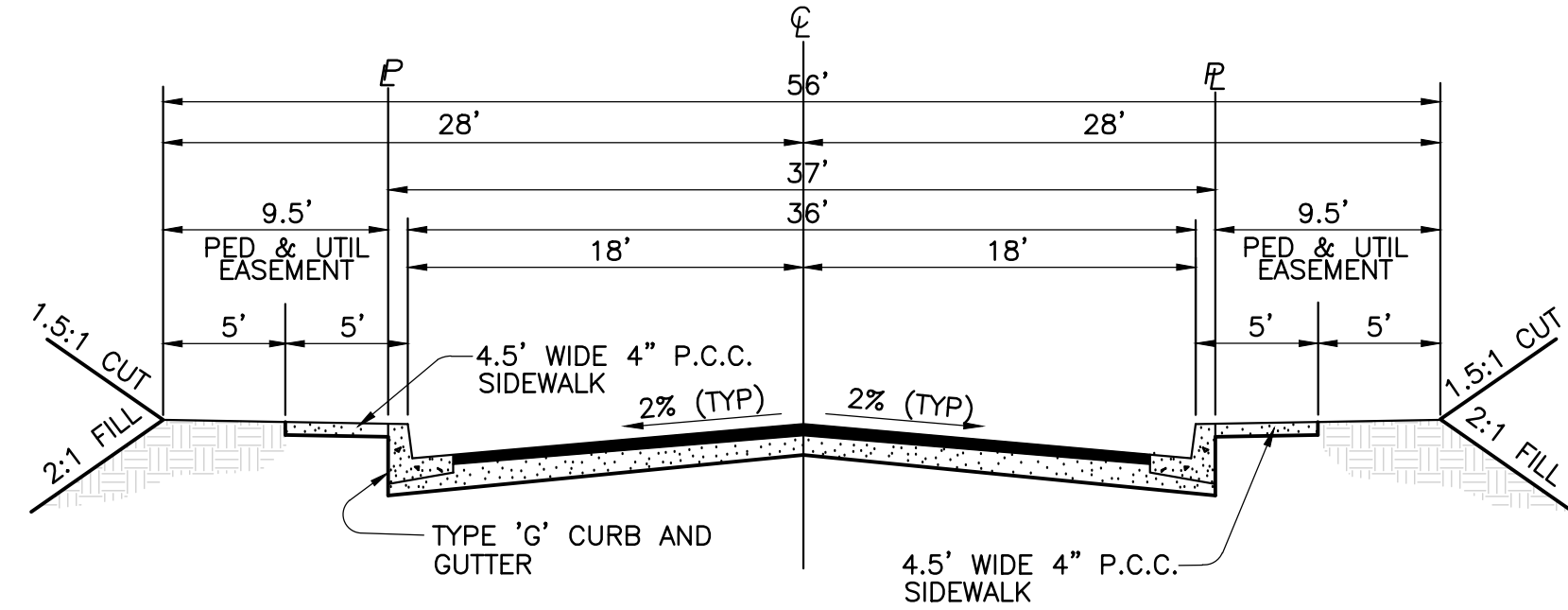
IEC's inspection services proposal does not include cultural resource monitoring during construction. Staff is currently evaluating the need for these services given that Shea is already providing a cultural resource monitor for the entire development. If necessary, the District will engage Helix Environmental Planning for these services, as they have been involved with the District's CEQA efforts on the project.

ATTACHMENT: Map of proposed relocation

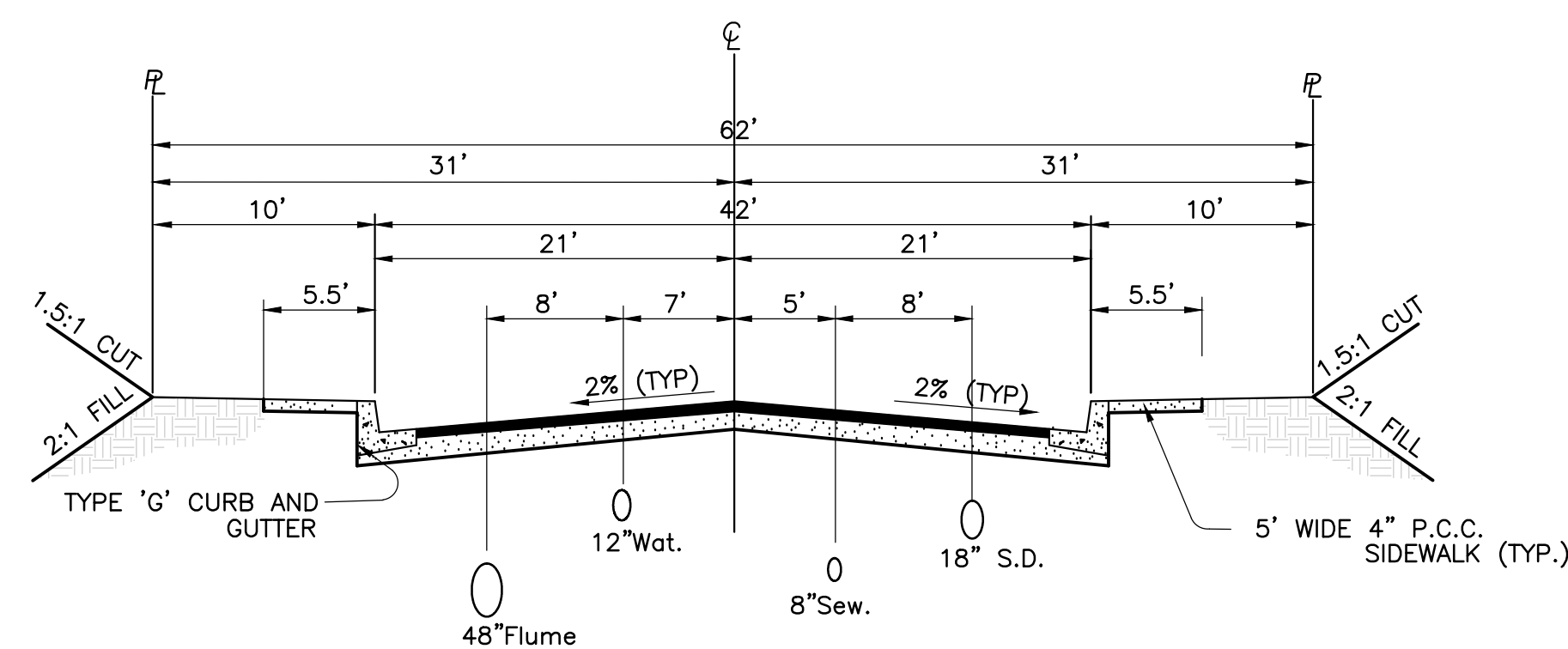
HIDDEN VALLEY T.M. - TRACT NO. 932



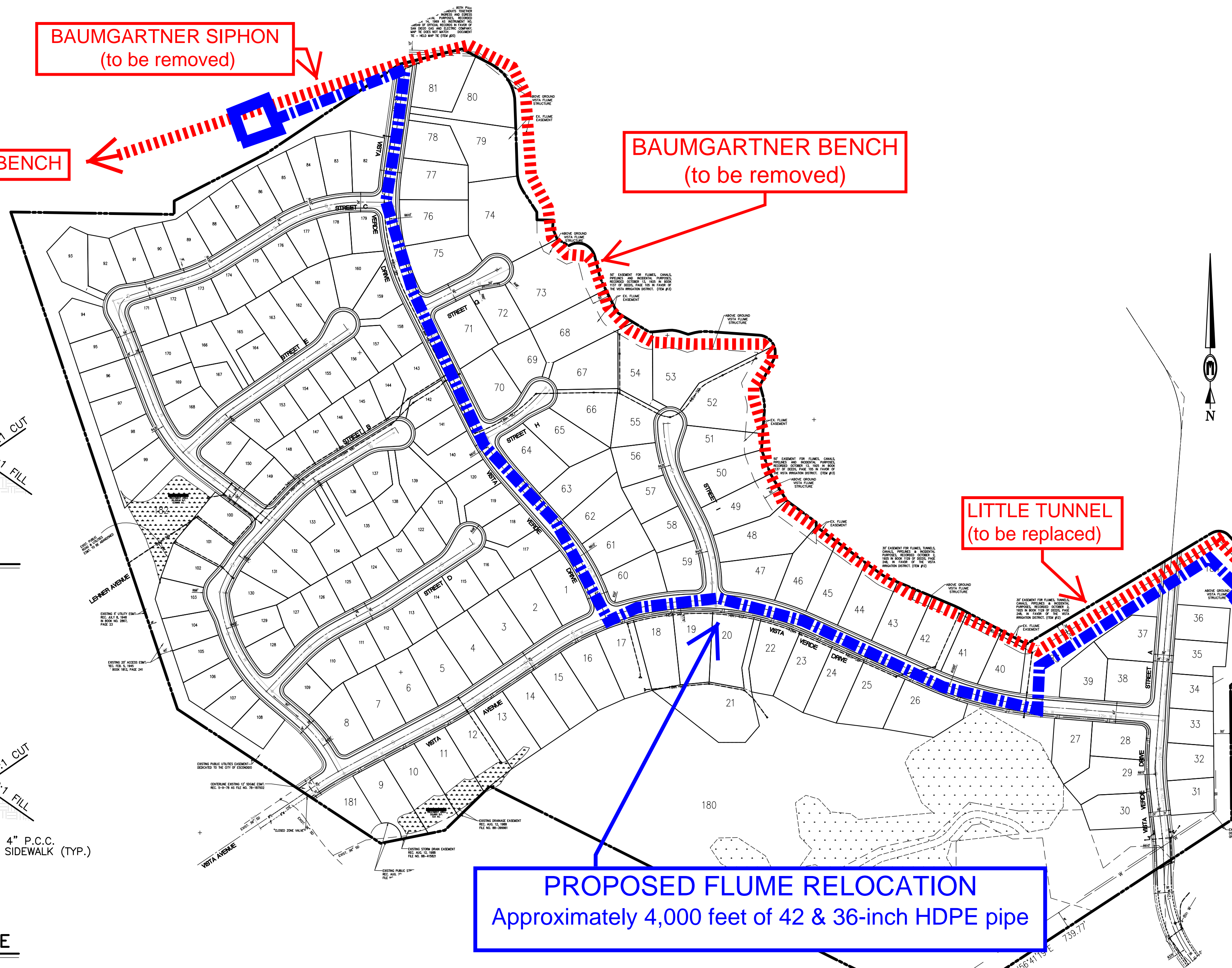
VICINITY MAP
NO SCALE TB 1109 J4, 1110 A4



TYPICAL SECTION - PRIVATE STREETS
NO SCALE



TYPICAL SECTION - VISTA AVENUE AND VISTA VERDE DRIVE
NO SCALE



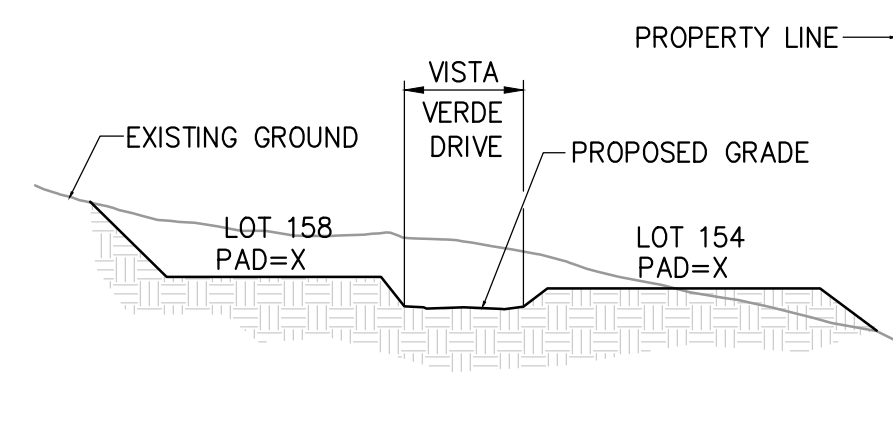
PROPOSED FLUME RELOCATION
Approximately 4,000 feet of 42 & 36-inch HDPE pipe

LEGEND

SYMBOL	DESCRIPTION
	MASONRY RETAINING WALL
	CUT (1 1/2:1 MAX.) FILL (2:1 MAX.)
	CONCRETE BROWDITCH
	FINISH CONTOUR
	STORM DRAIN SYSTEM
	SEWER GRAVITY MAIN
	SEWER MANHOLES
	WATER MAIN
	FIRE HYDRANT
	DAYLIGHT
	LIMITS OF GRADING
	EXIST. WATERLINE
	EXIST. STORM DRAIN SYSTEM
	EXIST. SEWERLINE

KEY MAP

SCALE 1"=200'



SECTION C-C

SCALE: HOR. 1"=100' VER. 1"=50'

EARTHWORK

RAW CUT VOLUME	xxxxxx C.Y.
BULKING (15.0%)	xxxxxx C.Y.
SPOILS	xxxxxx C.Y.
ADJUSTED CUT VOLUME	xxxxxx C.Y.
RAW FILL VOLUME	xxxxxx C.Y.
SHRINKAGE (3.0%)	xxxxxx C.Y.
ADJUSTED FILL VOLUME	xxxxxx C.Y.
EXPORT	xxxxxx C.Y.

* ESTIMATE ONLY.
MASSON & ASSOCIATES MAKES NO GUARANTEE THAT THESE QUANTITIES ARE ACCURATE AND COMPLETE. OWNER TO HAVE GRADING CONTRACTOR VERIFY PRIOR TO FINAL PRICING AND CONSTRUCTION.

NOTES:

- ZONING - EXISTING COUNTY A70, R-R-1, R-S-1
- GENERAL PLAN LAND USE DESIGNATION COUNTY R1, CITY E2 & R2
- MINIMUM LOT SIZE 10,000 S.F. & 20,000 S.F.
- MINIMUM AVERAGE LOT WIDTH 80'
- TOTAL LOTS 179 TOTAL UNITS 179
- SITE AREA 111.54 AC. REMAINDER PARCEL 37.75 AC.
- SITE ADDRESS 1185 LEHNER AVENUE, ESCONDIDO CA.
- CALIFORNIA COORDINATE INDEX 362-1743(x)27
- SOURCE OF TOPO SAN-LO AERIAL SURVEYS
- ASSESSOR'S PARCEL NO. 224-100-12, 57, 58, 59, AND 60
- WATER SUPPLIED BY CITY OF ESCONDIDO
- SEWAGE SUPPLIED BY CITY OF ESCONDIDO
- GAS AND ELECTRIC SUPPLIED BY SDG&E
- FIRE PROTECTION CITY OF ESCONDIDO
- SCHOOL DISTRICTS E.U.S.D. AND E.U.H.S.D.
- STREET LIGHTING PER CITY ORDINANCES, TREE PLANTING PER LANDSCAPE PLAN.
- BOUNDARY INFORMATION HAS BEEN COMPILED FROM RECORD DATA.
- ALL LOTS ARE ON A SANITARY SEWER SYSTEM. ALL UTILITIES TO BE UNDERGROUND.
- ALL IMPROVEMENTS TO BE TO THE CITY OF ESCONDIDO STANDARDS.
- ALL FILL SLOPES ARE 2:1, CUT SLOPES ARE 1.5:1 UNLESS NOTED OTHERWISE.
- ACCESS TO THE OPEN SPACE LOT WILL BE MAINTAINED AS A JOINT ACCESS D/W ALONG THE SIDE OF LOT 156

MULTIPLE FINAL MAPPING

THE SUBDIVIDER RESERVES THE RIGHT TO FILE MULTIPLE MAPS ON THIS TENTATIVE SUBDIVISION MAP IN ACCORDANCE WITH SECTION 66456.1 OF THE SUBDIVISION MAP ACT.

LEGAL DESCRIPTION

PARCEL 1, PARCEL 2, PARCEL 3, & PARCEL 4 OF PARCEL MAP NO. 17583 AND THE SE 1/4 OF THE NE 1/4 OF FRACTIONAL SECTION 3, T12S, R2W, SBB&M

OWNER/APPLICANT

SHEA HOMES, INC.
9990 MESA RIM ROAD SUITE #200
SAN DIEGO, CA 92121
PHONE: 858-526-6554

OWNER'S CERTIFICATE

I (WE) HEREBY CERTIFY THAT I (WE) AM (ARE) THE RECORD OWNER OF THE PROPERTY SHOWN ON THE TENTATIVE SUBDIVISION MAP AND THAT SAID MAP SHOWS ALL MY (OUR) CONTIGUOUS OWNERSHIP IN WHICH I (WE) HAVE ANY DEED OR TRUST INTEREST. I (WE) UNDERSTAND THAT MY (OUR) PROPERTY IS CONSIDERED CONTIGUOUS EVEN IT IS SEPARATED BY ROADS, STREETS, UTILITY EASEMENTS, OR RAILROAD RIGHTS-OF-WAY.

BY: _____ DATE: _____

ENGINEER

BY: _____ DATE: _____
MASSON & ASSOCIATES INC.
200 E. WASHINGTON AVE., STE 200
ESCONDIDO, CA. 92025
(760) 741-3570

Planning • Engineering • Surveying • Telecom
200 East Washington Ave., Suite 200
Escondido, CA 92025
P. 760.741.3570
F. 760.741.1786
MASSON & ASSOCIATES, INC.
www.masson-assoc.com



CITY PROJECT NO.
ENG. _____



CONSTRUCTION RECORD	REFERENCES	Date	By	REVISIONS	App'd	Date	BENCH MARK	SCALE	Office	Designed By	Drawn By	Checked By	Submitted	Approved	ENGINEERING SERVICES	Drawing No.	
Contractor								Horizontal	Filmed	Plans Prepared Under Supervision Of			By	Assitant City Engineer	By	Assist. Director of Public Works/Engineering	
Inspector								Vertical	Traffic	ROBERT D'AMARO							
Date Completed																	



STAFF REPORT

Agenda Item: 8

Board Meeting Date:	September 21, 2016
Prepared By:	Randy Whitmann
Reviewed By:	Brian Smith
Approved By:	Eldon Boone

SUBJECT: ENGINEERING SERVICES FOR PIPELINE REPLACEMENTS

RECOMMENDATION: Authorize the General Manager to enter into an Agreement for Professional Services with KEH & Associates for engineering services for pipeline replacements, for a cost not to exceed \$250,000 for fiscal year 2017.

PRIOR BOARD ACTION: On June 22, 2016, the Board approved the fiscal year 2017 Budget which included \$2.5 million for the main replacement program.

FISCAL IMPACT: The contract is proposed for an amount not to exceed \$250,000.

SUMMARY: The goal of the main replacement program is to replace pipelines before they reach the end of their useful lives and become a maintenance liability or pipelines that need to be replaced due to street realignments and/or improvements. In recent years, the District has focused on replacing a specific brand of asbestos cement (AC) pipe installed in the 1960s, known as Nipponite. Breaks on this type of pipe have been more frequent and catastrophic than on other pipe material. District crews have replaced nearly 5 miles of Nipponite pipe and there are approximately 11 miles remaining. In an effort to accelerate the replacement of Nipponite pipe, the District solicited proposals from engineering consultants to provide design, contract management and inspection services for various pipeline replacement projects.

DETAILED REPORT: District staff issued a Request for Proposal (RFP) for professional civil engineering planning and design, environmental, geotechnical, potholing, and construction management services for pipeline replacements on an as-needed basis. The RFP provided a sample project that included replacing a group of six Nipponite pipeline segments totaling approximately 6,500 feet. The RFP requested the consultants provide a scope of work and schedule for the replacements considering the level of detail and effort required to successfully solicit bids from contractors and complete each segment in a timely and cost effective manner (e.g., environmental, geotechnical, surveying, etc.). The RFP also requested that the scope contain enough detail to demonstrate knowledge of the issues associated with each segment and that a strategy had been developed to accomplish the work (e.g., customer service, public convenience, constructability, construction costs, environmental and permitting requirements, jurisdictional concerns, right-of-way, etc.).

Responsive proposals were received from Dudek, HDR, Infrastructure Engineering Corporation, KEH & Associates (KEH) and Louis Berger. A detailed evaluation matrix was used by a District selection committee to rank each proposal based on the consultant's understanding of the project, relevant experience, proposed project approach, scope of work, project team and schedule. After compiling all the scores, the selection committee ranked KEH the highest and then reviewed separate sealed fee estimates submitted by each consultant. The fees ranged from \$130,000 to \$300,000. KEH proposed the lowest fee estimate, illustrating that their approach provided economical alternatives for streamlining the design process. KEH is a local water and wastewater consulting firm based in San Marcos. They have provided pipeline replacement services to several local agencies in the area and reference checks regarding their work have been positive.

The selection committee recommends that an as-needed contract be awarded to KEH. Their proposal best matches the District's needs and the fees are reasonable for the scope of work proposed. The agreement would be for a one-year term, with an option to renew the agreement for a maximum of two additional one-year terms with prior approval from the Board.



STAFF REPORT

Agenda Item: 9

Board Meeting Date: September 21, 2016
Prepared By: Randy Whitmann
Reviewed By: Brian Smith
Approved By: Eldon Boone

SUBJECT: HP RESERVOIR REHABILITATION PROJECT

RECOMMENDATION: Authorize the General Manager to enter into a design-build construction contract with Richard Brady & Associates for the HP Reservoir Rehabilitation Project and determine that the project is exempt from the provisions of the California Environmental Quality Act and direct staff to file a Notice of Exemption with the County Clerk.

PRIOR BOARD ACTION:

5/11/16 Authorized the HP Reservoir Structural Evaluation

7/20/16 Authorized the HP Reservoir Rehabilitation Design

8/17/16 Authorized staff to begin negotiating a design-build contract for the HP Reservoir Rehabilitation

FISCAL IMPACT: The contract is proposed with an estimated \$3 million construction cost, a \$300,000 fixed fee for general contractor (GC) services and an amount not to exceed \$190,000 for construction manager (CM) services.

SUMMARY: The HP Reservoir is a 5 million gallon (MG), pre-stressed concrete tank constructed in the early 1960s and located at the end of Edgehill Road. It is one of two 5 MG tanks that serve the highest elevations in the eastern part of the District's system and is instrumental in providing regional operation, emergency and fire flow storage. HP Reservoir has been taken out of service until structural repairs can be completed. Although the distribution system can be operated without the HP Reservoir in service, it does present a variety of operational constraints and complexities, especially during higher demand periods. Therefore, staff recommends making every effort to complete repairs before next summer.

A structural evaluation of the reservoir has been completed and design efforts are underway. Scheduling estimates show that there is a long fabrication lead time for a new aluminum roof and that there are other critical path items that can be accomplished during the design phase. A design-build (DB) approach has been selected for the project which is estimated to save approximately 7 months of time compared to a conventional design-bid-build approach. The DB approach selected requires that each project component be competitively bid as a cost control measure. This approach provides an expedient and cost effective method for getting the HP Reservoir back in service.

DETAILED REPORT: District staff, Legal Counsel and the design consultant, Richard Brady & Associates (Brady), have begun developing a DB contract for the project based on the following terms:

- Brady provides design services through an existing professional services agreement.
- Brady becomes the CM and GC by separate contract and is responsible for overall project coordination and construction.
- Brady bids each work package for the construction of the project (unless approved to sole source certain items).
- Brady enters into contracts with selected bidder(s) with approval from the District.

- Brady manages project and subcontractors, including reviewing and approving invoices and change orders.
- All invoices and change orders are forwarded to the District for final approval.
- District pays Brady, Brady pays subcontractors.

Based on these terms, the following fees have been negotiated and are proposed for the DB contract for Brady's CM/GC services.

- Payment for CM services is time and materials, not to exceed \$190,000 (similar to a professional services agreement based on Brady's rate schedule).
- Payment for GC services is a fixed fee of \$300,000 (based on the attached construction cost estimate of \$3 million), covering general and administrative expenses, overhead, profit, etc.
- The total cost for the project is estimated to be \$3.49 million.

Based on staff's investigation, the fees appear reasonable for the scope of work proposed, availability of qualified staff, and their readiness to proceed under the critical timeline requested.

Staff has conducted a Preliminary Environmental Assessment and concluded that the HP Reservoir Rehabilitation Project qualifies for a Class 1 categorical exemption from the California Environmental Quality Act (CEQA) as established in Article 19, Section 15301 (Existing Facilities), subsection (d) of the CEQA Guidelines. This exemption consists of the restoration or rehabilitation of deteriorated or damaged structures, facilities, or mechanical equipment to meet current standards of public health and safety.

Representatives from Brady will be in attendance to answer any questions the Board may have about the project.

ATTACHMENT: Construction Cost Estimate

HP RESERVOIR CONSTRUCTION COST ESTIMATE

ITEM	ESTIMATE
Tank Rehab	
Demo existing gunite and wire	\$150,000
Removal of asphalt strip along tank curb and demo footing	\$35,000
Extend wall footing	\$310,000
Cut and cap existing roof columns	\$15,000
Abrasive blast exterior wall	inc.
Thicken existing core wall (pending design)	
Apply galv. 7-wire prestressing strand and shotcrete	\$845,300
Seismic cable required to meet code	inc.
Remove and replace floor/ wall joint mastic	\$85,000
Install backer-rod and Sikaflex between wall and inside wall footing curb	\$65,000
Epoxy inject floor cracks	\$10,000
Abatement and Demo	
Removal floor and wall mastic patch and encapsulate lead-paint	\$7,500
Disposal of asphalt	\$5,000
Disposal of gunite and wire	\$75,000
Removal from site concrete columns	inc.
Demo existing roof/columns and disposal	\$230,000
New Roof	
Design, fabricate and install new roof	\$620,000
SS structural columns	inc.
Add matte finish	\$30,000
Miscellaneous Items	
Special inspection services	\$12,000
Bonds	\$53,000
Interior SS staircase	\$75,000
Exterior galv. staircase	\$40,000
Exterior painting of tank	\$30,000
Furnish and install new pipe brackets for overflow pipe	\$10,000
Furnish and Install new overflow pipe and new interior waterline	\$10,000
Tank disinfection (by VID)	inc.
Site office	\$8,000
Site Restoration and Yard Piping Improvements	
Replace perimeter fence 750 lf and entry gate	\$28,400
Remove and replace perimeter asphalt 12,000 est. sf	\$100,800
Yard piping improvements	\$150,000
Subtotal	\$3,000,000
GC Fixed Fee	\$300,000
PM/CM Fee (Not to Exceed)	\$190,000
TOTAL	\$3,490,000



STAFF REPORT

Agenda Item: 10

Board Meeting Date: September 21, 2016
Prepared By: Eldon Boone

SUBJECT: STATUS OF SAN LUIS REY INDIAN WATER RIGHTS SETTLEMENT IMPLEMENTATION

SUMMARY: Discuss issues relating to implementation of the San Luis Rey Indian Water Rights Settlement.

- 1) H.R. 1296
- 2) "Local Water" System rights-of-way
- 3) Escondido-VID Water Facilities Agreement



1391 Engineer Street • Vista, California 92081-8840
Phone (760) 597-3100 • Fax: (760) 598-8757
www.vidwater.org

September 19, 2016

The Honorable Raul M. Grijalva, Ranking Member
Committee on Natural Resources
U.S. House of Representatives
1324 Longworth House Office Building
Washington, DC 20515

**Subject: H.R. 1296 – Congressman Duncan Hunter’s Bill to
Implement the San Luis Rey Indian Water Rights Settlement**

Dear Mr. Grijalva:

The Vista Irrigation District (VID) in Vista, California urges your support for H.R. 1296 which is scheduled to appear on the House Suspension Calendar this week. Enactment of this vital bill will approve and ratify the San Luis Rey Indian Water Rights Settlement Agreement as executed by all of the parties: VID; the City of Escondido (Escondido); the Pala, Pauma, Rincon, San Pasqual and La Jolla Bands of Mission Indians (Bands); and the Department of the Interior and the Department of Justice.

The Settlement Agreement, together with the unique comprehensive Implementing Agreement among VID, Escondido and the Bands, will forever resolve the 46-year old dispute over the waters of the San Luis Rey River and secure water supplies not only for the Bands but for the more than 300,000 residents of north San Diego County served by VID and Escondido. It will also save potentially tens of millions of dollars of additional legal fees that would come from protracted litigation, and finally gives VID and Escondido a clear picture of their own futures regarding improving long term water supply and efficiency.

I would like to emphasize that there are no appropriations or earmarks contained in this bill. Rather, it limits the distribution of monies previously set aside in the San Luis Rey Tribal Development Fund to avoid any impacts to the federal budget. This legislation is vital to implement the terms of the San Luis Rey Indian Water Rights Settlement Act which was sponsored by Congressman Ron Packard and was enacted into law in 1988. The provision of supplemental water authorized and the financial contribution appropriated under the authority of the 1988 Act are sufficient to satisfy the terms of the Settlement Agreement now and in the future without any future legislation by Congress or additional contribution of water or money by the United States. Indeed, the Settlement Agreement shields the United States from potential future expense by providing waivers and releases of liability in favor of the United States.

Thank you for the opportunity to express our support for this important legislation.

Sincerely yours,

A handwritten signature in blue ink that reads "Eldon Boone".

Eldon Boone
General Manager

Board of Directors

Richard L. Vásquez, *President*
Paul E. Dorey
Jo MacKenzie
Marty Miller
Randy L. Reznicek

Administrative Staff

Eldon L. Boone
General Manager/Treasurer
Brett L. Hodgkiss
Assistant General Manager
Lisa R. Soto
Board Secretary
Joel D. Kuperberg
General Counsel



Agenda Item: 11

STAFF REPORT

Board Meeting Date: September 21, 2016
Prepared By: Eldon Boone

SUBJECT: MATTERS PERTAINING TO THE ACTIVITIES OF THE SAN DIEGO COUNTY WATER AUTHORITY

SUMMARY: Informational report by staff and directors concerning the San Diego County Water Authority. No action will be required.



STAFF REPORT

Agenda Item: 12.A

Board Meeting Date: September 21, 2016
Prepared By: Lisa Soto
Approved By: Eldon Boone

SUBJECT: REPORTS ON MEETINGS AND EVENTS ATTENDED BY DIRECTORS

SUMMARY: Directors will present brief reports on meetings and events attended since the last Board meeting.



STAFF REPORT

Board Meeting Date: September 21, 2016
Prepared By: Marian Schmidt
Approved By: Eldon Boone

SUBJECT: SCHEDULE OF UPCOMING MEETINGS AND EVENTS AND DIRECTORS ATTENDING

SUMMARY: The following is a listing of upcoming meetings and events. Requests to attend any of the following events should be made during this agenda item.

	SCHEDULE OF UPCOMING MEETINGS AND EVENTS	ATTENDEES
1	Groundwater Resources Association Annual Conference and Meeting <i>Sept. 28-29, 2016 – Hilton Concord</i> <i>Registration deadline: 9/28/16</i>	Dorey (R,A,H)
2	ACWA Regulatory Summit <i>Oct. 3-4, 2016 – Hilton Sacramento Arden West</i> <i>Registration deadline: 9/26/16</i>	Vásquez (A,H) MacKenzie (A,H)
3	Groundwater Tour (Water Education Foundation) <i>Oct. 5-6, 2016 – Begins and ends at Sacramento International Airport</i> <i>Registration deadline: First come, first serve</i>	
4	WaterSmart Innovations Conference <i>Oct. 5-7, 2016 – Las Vegas, Nevada</i> <i>Registration deadline: 10/5/16</i>	
5	Governance Foundations Conference (CSDA) <i>Oct. 10, 2016. – Sheraton San Diego Hotel</i> <i>Registration deadline: 10/10/16</i>	
6	CSDA Annual Conference <i>Oct. 10-13, 2016 – Sheraton San Diego Hotel</i> <i>Registration deadline: 10/10/16</i>	MacKenzie (R,H) Miller (R,H) Reznicek (R,H) Vásquez (R,H)
7 *	Council of Water Utilities Meeting <i>Oct. 18, 2016, 7:15 a.m., Stoneridge Country Club, Poway</i> <i>Reservation deadline: 10/13/16</i>	
8	Northern California Tour (Water Education Foundation) <i>Oct. 19-21, 2016 – Tour starts at Sacramento Airport</i> <i>Registration deadline: First come, first serve</i>	
9	ACWA Region 10 Program and Tour <i>Oct. 28, 2016 – Vista Irrigation District</i> <i>Registration deadline: 10/21/16 or until space is full</i>	Vásquez (R&Tour) MacKenzie (R) Miller (R) Reznicek (R)
10	State Water Project/Bay Delta Tour (SDCWA/MWD) <i>Oct. 28-29, 2016</i> <i>Registration deadline: First come, first serve</i>	
11	San Joaquin Restoration Tour (Water Education Foundation) <i>Nov. 2-3, 2016 – Tour starts at Sacramento Airport</i> <i>Registration deadline: First come, first serve</i>	
12	Ethics AB 1234 Compliance Training Webinar (CSDA) <i>Nov. 8, 2016 – 10:00 a.m. – 12:00 p.m.</i> <i>Registration deadline: 11/3/16</i>	

13	California Water Law Conference (CLE International) <i>Nov. 14-15, 2016 – Hotel Nikko, San Francisco</i> <i>Registration deadline: 11/7/16</i>	
14 *	Council of Water Utilities Meeting <i>Nov. 15, 2016, 7:15 a.m., Stoneridge Country Club, Poway</i> <i>Reservation deadline: 11/10/16</i>	
15 *	CSDA Quarterly Dinner Meeting <i>Nov. 17, 2016 – 6:00-9:00 p.m. – The Butcher Shop Steakhouse, Kearny Mesa</i> <i>Reservation deadline: 11/10/16</i>	
16	ACWA Fall Conference <i>Nov. 29-Dec. 2, 2016 – Anaheim Marriott Hotel</i> <i>Registration deadline: 11/1/16</i>	Vásquez (H) Dorey (H) MacKenzie (H) Miller (H)
17	CEQA Conference (CLE International) <i>Dec. 12-13, 2016 – Hotel Nikko, San Francisco</i> <i>Registration deadline: 12/5/16</i>	
18	Colorado River Water Users Association Annual Conference <i>Dec. 14-16, 2016 – Caesar’s Palace, Las Vegas</i> <i>Registration deadline: TBD</i>	Miller (T) MacKenzie Reznicek Vásquez (T)
19 *	Council of Water Utilities Meeting <i>(No meeting in December)</i>	
20	Hoover & Colorado River Aqueduct System Tour (SDCWA/MWD) <i>Jan. 21-22, 2017</i> <i>Registration unavailable at this time</i>	
21	Colorado River Aqueduct System Tour (SDCWA/MWD) <i>Feb. 3-4, 2017</i> <i>Registration unavailable at this time</i>	
22	Urban Water Institute’s Spring Water Conference <i>Feb. 8-10, 2017 – Hilton Palm Springs</i> <i>Registration deadline: 1/23/17</i>	
23	State Water Project/Bay Delta Tour (SDCWA/MWD) <i>Feb. 24-25, 2017</i> <i>Registration unavailable at this time</i>	
24	ACWA Washington DC Conference <i>Feb. 28-Mar.1, 2017 – St. Regis Hotel, Washington DC</i> <i>Registration deadline: TBD</i>	
25	State Water Project/Bay Delta Tour (SDCWA/MWD) <i>March 4-5, 2017; Registration unavailable at this time</i>	
26	ACWA Legislative Symposium <i>March 8, 2017 – Sacramento Convention Center</i> <i>Registration deadline: TBD</i>	
27	Colorado River Aqueduct System Tour (SDCWA/MWD) <i>March 17-18, 2017; Registration unavailable at this time</i>	
28	ACWA Spring Conference <i>May 9-12, 2017 – Monterey;</i> <i>Registration deadline: TBD</i>	
29	Water Reclamation and Reuse Conference (International Water Association) <i>July 23-27, 2017 – Long Beach; Registration deadline: TBD</i>	
30	ACWA Fall Conference <i>Nov. 28-Dec. 1, 2017 – Anaheim Marriott Hotel</i> <i>Registration deadline: TBD</i>	

* Non-per diem meeting except when serving as an officer of the organization

The following abbreviations indicate arrangements that have been made by staff:

A=Airline; R=Registration; C=Car; H=Hotel; T=Tentative



Agenda Item: 13

STAFF REPORT

Board Meeting Date: September 21, 2016
Prepared By: Lisa Soto

SUBJECT: ITEMS FOR FUTURE AGENDAS AND/OR PRESS RELEASES

SUMMARY: This item is placed on the agenda to enable the Board to identify and schedule future items for discussion at upcoming Board meetings and/or identify press release opportunities.

Staff-generated list of tentative items for future agendas:

- Upper San Luis Rey Watershed Authority participation
- Review of meetings eligible for per diem compensation
- Groundwater Study update
- Development of policy on sale/lease of District properties
- Update on hydration station installations at Vista Unified School District sites