



**REVISED REGULAR MEETING OF THE
JOINT POWERS AUTHORITY BOARD OF DIRECTORS
THURSDAY, MAY 19, 2022 – 2:00 PM**

NOTICE TO THE PUBLIC

The meeting will be held at the appointed meeting place, the Board Room at Padre Dam's Customer Service Center, located at 9300 Fanita Parkway in Santee.

The meeting is also being held virtually via Zoom pursuant to recent amendments to the Brown Act permitting virtual meetings and waiving certain teleconference requirements under certain circumstances. Some Board Members may attend the meeting virtually pursuant to such Brown Act amendments.

Register to watch the webinar via the link below:

https://us06web.zoom.us/webinar/register/WN_DUDPLUK_SN2JL-Xk0gKnw

After registering, you will receive a confirmation with a link to join the webinar.

For teleconference dial:

+1 (646) 568-7788

Webinar/Meeting ID:

899 1365 8373#

Enter # for participant ID

PUBLIC COMMENT INSTRUCTIONS

Members of the public may address the Board on any item on the agenda when the item is considered, or under "Opportunity for Public Comment" regarding items not on the posted agenda that are within the subject matter jurisdiction of the Board. If attending via Zoom, attendees must click the hand raise icon within the meeting platform and will be called on to unmute themselves when it is their turn to speak. If attending in person, fill out a "request to speak" form located near the entrance of the board room and give to the Board Secretary. Public comments are limited to 3 minutes.

Public comments may also be submitted in writing through the [public comment e-form](#) at least a half hour prior to the start of the meeting or mailed to the attention of Amy Pederson, East County AWP JPA, PO Box 719003, Santee, CA 92072. These public comment procedures supersede the JPA's normal public comment policies and procedures to the contrary.

The complete agenda package is available for public review at www.EastCountyAWP.com. No action may be taken on any item not appearing on the posted agenda, except as provided by Gov. Code Section 54954.2. Any written materials provided to the Board within 72 hours of the meeting regarding any item on this agenda will be available for public inspection on the JPA's website. For questions or request for information related to this agenda contact Amy Pederson, Board Secretary, at 619.258.4614 or apederson@padre.org.

Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, as required by Section 202 of the American with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should contact Amy Pederson at 619.258.4614 or apederson@padre.org.

AGENDA

- **CALL TO ORDER**
- **PLEDGE OF ALLEGIANCE**
- 1. **AUTHORIZATION FOR REMOTE TELECONFERENCE PUBLIC MEETINGS IN ACCORDANCE WITH ASSEMBLY BILL 361**
Recommendation:
 1. Make findings pursuant to Government Code section 54953(e)(3) that the Board of Directors has reconsidered the circumstances of the Governor's Proclamation of a State of Emergency, that the State of Emergency remains in effect, and that state and local officials continue to impose or recommend social distancing due to COVID, and authorize remote teleconference meetings for the East County AWP JPA's legislative body pursuant to Brown Act provisions enacted by AB 361.
 2. Make additional, alternative findings pursuant to Government Code section 54953(e)(1)(A) that the Governor has proclaimed a State of Emergency and state or local officials have imposed or recommended measures to promote social distancing, and authorize remote teleconference meetings for the East County AWP JPA's legislative body pursuant to Brown Act provisions enacted by AB 361.
- **OPPORTUNITY FOR PUBLIC COMMENT**
Opportunity for members of the public to address the Board (Gov. Code 54954.3)
- **ITEMS TO BE ADDED, WITHDRAWN OR REORDERED ON THE AGENDA**
- **CLOSED SESSION**
At any time during the regular session, the Board may adjourn to closed session to consider litigation, or discuss with Legal Counsel matters within the attorney-client privilege, subject to the appropriate disclosures.
- 2. **CLOSED SESSION**
 - A. **CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION**
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9:
One potential case
- 3. **APPROVAL OF MINUTES**
Recommendation:
Approve the minutes of the April 5, 2022 Regular Board Meeting.

- **CONSENT AGENDA**

Items are considered to be routine and will be acted upon by a single motion without discussion, unless a Board member, staff, or the public request a specific item be removed from the consent agenda for discussion.

- 4. **AMENDMENTS TO THE EAST COUNTY AWP JOINT POWERS AUTHORITY (JPA) POLICIES AND PROCEDURES, ESTABLISHING A NEW SCHEDULE FOR ITS REGULAR MEETINGS**

Recommendation:

Adopt resolution amending the JPA's policies establishing a new schedule for its regular meeting to be held monthly on the third Thursday of each month at 2:00pm and delegating authority to the JPA's Administrator to cancel the monthly meetings, provided that meetings are held at least quarterly at 2:00pm in the months of February, May, August and November.

- **ACTION AGENDA**

Items on the Action Agenda call for discussion and action by the Board. All items are placed on the Agenda so that the Board may discuss and take action on the item if the Board is so inclined.

- 5. **CONSIDER ADOPTING A RESOLUTION OF NECESSITY FOR THE ACQUISITION OF REAL PROPERTY AND EASEMENTS**

Recommendation:

Hold a public hearing and consider adoption of a Resolution finding that the public interest and necessity require the acquisition of real property generally identified as Assessor's Parcel Numbers (APN) 383-080-05, -03 (portion), and -04 (portion), including related improvements, a nearby 174-foot long, 48-inch diameter gravity sewer pipe, permanent easements on portions of APNs 383-080-03 and -04 and temporary construction easements on portions of APNs 383-080-03 and -04 for the East County Advanced Water Purification (AWP) Project.

- 6. **AMENDMENT OF THE PROGRESSIVE DESIGN-BUILD (PDB) AGREEMENTS FOR PACKAGES 1, 2, & 3 OF THE EAST COUNTY ADVANCED WATER PURIFICATION (AWP) PROJECT TO PERFORM THE PHASE 2 ACTIVITIES (FINAL DESIGN AND CONSTRUCTION) FOR THE NEGOTIATED AND AGREED UPON SCOPE OF WORK (PHASE 2), PROJECT SCHEDULE, AND FIXED LUMP SUM PRICE**

Recommendation:

1. Hear staff report on the East County AWP Project (Project).
2. Adopt Resolution to allow each Design-Builder (DB) to identify and contract with Subcontractors who are not included in the Phase 1 or Phase 2 Proposal.
3. Adopt Resolution to accomplish each of the following:
 - a. Approve the form of the Phase 2 Amendments constituted by the following "Agreements", subject to non-substantial changes, correction of errors or inconsistencies and changes to comply with state or federal legal requirements or funding conditions and completion of the Agreement Exhibits to reflect agreed aspects of each PDB's Phase 2 Proposal as reviewed and approved by the East County AWP Joint Powers Authority (JPA) Administrator (Administrator) and the JPA's legal counsel:

- i. Amended and restated PDB Agreement (Package 1 Agreement) between the East County AWP JPA and AECOM & WML IV, a Joint Venture (Package 1 DB), to design, construct, and provide operations services and training for Package 1 of the Project, consisting of the Water Recycling Facility, Advanced Water Purification Facility, Visitor Center, Product Water Pump Station, Solids Handling Facilities, and Extended Facility Commissioning
- ii. Amended and restated PDB Agreement (Package 2 Agreement) between the East County AWP JPA and Orion Construction Corporation (Package 2 DB), to design and construct Package 2 of the Project, consisting of the Advanced Water Purification Pipeline, Dechlorination Facility, Lake Jennings Reservoir Inlet, and Water Feature; and
- iii. Amended and restated PDB Agreement (Package 3 Agreement) between the East County AWP JPA and AECOM & WML VI, a Joint Venture (Package 3 DB), to design and construct Package 3 of the Project, consisting of rehabilitating and upgrading the Influent Pump Station (IPS) and East Mission Gorge Pump Station (EMGPS), new Water Recycling Facility Force Main (WRFFM), and new Residuals Bypass System
- b. Subject to each of the Package 1 DB, Package 2 DB, and Package 3 DB's execution of the applicable Agreements and satisfaction of required conditions precedent under the Agreement, authorize the Administrator's CEO/General Manager to execute the applicable Agreements on behalf of the JPA generally in the form approved above and with the Exhibits on file with the Administrator;
- c. Authorize the Administrator to issue an initial notice to proceed (NTP 1) for Phase 2 for:
 - i. Phase 2 of Package 1 to the Package 1 DB (excluding any construction work on the Pond C Site) for a fixed lump sum of \$460,084,309 as provided in the Package 1 Agreement;
 - ii. Phase 2 of Package 2 to the Package 2 DB (excluding any construction work related to minor project modifications being environmentally evaluated) for a fixed lump sum of \$51,919,739 as provided in the Package 2 Agreement;
 - iii. Phase 2 of Package 3 to the Package 3 DB (excluding any construction work related to minor project modifications being environmentally evaluated) for a fixed lump sum of \$83,716,513 as provided in the Package 3 Agreement;
 subject to the requirements for NTP 1 being satisfied by DB and approved by the JPA Administrator. A further NTP (NTP 2) for Phase 2 will be required for construction work on the Pond C Site for Package 1 and construction work for Packages 2 and 3 on those areas with minor modifications that are being environmentally evaluated following the JPA Board's Approval of the Final Subsequent Initial Study/Mitigated Negative Declaration (Subsequent IS/MND) at the August 2022 Board Meeting. The decision to approve the Subsequent IS/MND and NTP 2 is within sole discretion of the JPA and is not proposed for action at this time;
- d. Authorize the Administrator to take such further actions and execute such further documents as are necessary to accomplish the purposes of said resolutions and Agreements.

7. PROFESSIONAL SERVICE AGREEMENTS AND AMENDMENTS TO EXISTING PROFESSIONAL SERVICE AGREEMENTS FOR WORK PERFORMED FOR PHASE 2 OF THE EAST COUNTY AWP PROJECT

Recommendation:

1. Authorize the Administrator, on behalf of the JPA, to execute professional services agreements and amendments to existing professional service agreements (contracts) in support of Phase 2 activities for the East County AWP Project:
 - a. Carollo Engineers, Inc. for Owner Advisor Services in the not-to-exceed (NTE) amount of \$36,849,992 through fiscal year (FY) 2026.
 - b. Trussell Technologies for Permit Support Services in the NTE amount of \$6,691,272 through FY 2027.
 - c. Nossaman, LLP for Specialty Legal Services in the NTE amount of \$3,884,442 through FY 2026.
 - d. NV5, Inc. for Public Relations and Outreach in the NTE amount of \$1,529,000 through FY 2026.
 - e. Tanner Pacific Inc. in the NTE amount of \$1,930,528 through FY 2026.
 - f. TAS Consulting in the NTE amount of \$1,233,330 through FY 2026.
 - g. Ken Weinberg Water Resources Consulting LLC in the NTE amount of \$168,000 through FY 2023.
 - h. Nexinite, LLC in the NTE amount of \$1,003,056 through FY 2026.
 - i. Clean Energy Capital (CEC) for Financial Services in the NTE amount of \$550,000 through FY 2026.
2. Authorize a total contingency of \$750,000 for the Administrator to modify the contracts identified above to support unforeseen changes during Phase 2 activities.

8. EAST COUNTY ADVANCED WATER PURIFICATION FY '23 BUDGET AND FY '23-'26 CAPITAL IMPROVEMENT BUDGET

Recommendation:

Adopt the FY '23 Proposed Operating Budget, which covers the term July 1, 2022 through June 30, 2023 (FY '23), and the FY '23-'26 Capital Improvement Budget.

● **REPORTS**

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

9. ADMINISTRATOR REPORT

10. INFORMATIONAL REPORT

- A. East County AWP Executive Overview Report

- **DIRECTORS COMMENTS**

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

- **ADJOURNMENT**

CERTIFICATION OF POSTING

I certify that on May 13, 2022, I posted a copy of the foregoing agenda near the regular meeting place of the East County Advanced Water Purification JPA, said time being at least 72 hours prior to the meeting, in accordance with Gov. Code Section 54954.2(a).



Amy Pederson, Board Secretary



BOARD AGENDA REPORT

Meeting Date: 05-19-2022

Submitted by: Amy Pederson, Board Secretary

Subject: Authorization For Remote Teleconference Public Meetings In Accordance With Assembly Bill 361

Recommendation(s):

1. Make findings pursuant to Government Code section 54953(e)(3) that the Board of Directors has reconsidered the circumstances of the Governor's Proclamation of a State of Emergency, that the State of Emergency remains in effect, and that state and local officials continue to impose or recommend social distancing due to COVID, and authorize remote teleconference meetings for the East County AWP JPA's legislative body pursuant to Brown Act provisions enacted by AB 361.
2. Make additional, alternative findings pursuant to Government Code section 54953(e)(1)(A) that the Governor has proclaimed a State of Emergency and state or local officials have imposed or recommended measures to promote social distancing, and authorize remote teleconference meetings for the East County AWP JPA's legislative body pursuant to Brown Act provisions enacted by AB 361.

Alternative(s):

None recommended. If the Board does not make findings as the first order of business, the Board meeting would need to be cancelled and agenda items tabled to a later meeting to allow the agenda to be posted in compliance with previous Brown Act provisions that require providing the address of each teleconference location on the agenda and posting the agenda at each publicly accessible teleconference site.

Attachment(s):

None

Funding:

Requested amount: n/a

Funding source:

Project Goals: The East County Advanced Water Purification Program is a regional water and wastewater solution. This Program is a collaborative partnership between Padre Dam Municipal Water District, County of San Diego, the City of El Cajon and Helix Water District. It will create a new, local, sustainable and drought proof drinking water supply using state-of-the-art technology to purify recycled water and diversify East County's water supply while reducing our dependence on imported water. This Program will provide up to 30 percent of East County's drinking water demands while reducing wastewater discharge into the ocean.

Reviewed by:

Padre Dam GM
Finance

☒
☐

Legal Counsel
Standard Form

☒
☐

Action Required:

Motion
Resolution

☒
☐

Ordinance
None

☐
☐

Executive Summary:

To continue to allow virtual or hybrid (virtual and in person) public meetings without the need to comply with the Brown Act's "pre-pandemic" teleconferencing requirements the Board must comply with provisions of AB 361 which include adopting findings that 1) the Board has reconsidered the circumstances of the state of emergency and 2) the state of emergency continues to directly impact the ability of the members to meet safely in person or state or local officials continue to impose or recommend measures to promote social distancing.

Currently the COVID-19 State of Emergency remains in effect, and state and local health officials continue to recommend or require social distancing. Such state and local recommendations or requirements include, but are not limited to, the "Health Officer Teleconferencing Recommendation," executed by San Diego County Public Health Officer Wilma Wooten, dated September 23, 2021. Therefore, it is recommended that the Board make the required findings and authorize remote teleconference meetings for the JPA's legislative bodies pursuant to Brown Act provisions enacted by AB 361.

Description:

As the COVID-19 pandemic has evolved, so has the legislation governing public meetings subject to the Brown Act. Assembly Bill (AB) 361 was passed and, effective October 1, 2021, amended the Brown Act to allow public agencies the flexibility to continue conducting virtual/remote meetings during a gubernatorial proclaimed state of emergency, without the need to comply with all of the "pre-pandemic" teleconferencing requirements, so long as the following conditions are met:

- The agenda must include the meeting link or dial-in for public access.
- Members of the public must be allowed to address the Board in real-time during the meeting.
- Public comments can no longer be required to be submitted in advance.
- If technical problems arise that result in the public's access being disrupted, the legislative body may not take any vote or other official action until the technical disruption is corrected and public access is restored.
- The governing body must adopt findings within 30 days that 1) the Board has reconsidered the circumstances of the state of emergency and 2) the state of emergency continues to directly impact the ability of the members to meet safely in person or state or local officials continue to impose or recommend measures to promote social distancing.

The provisions enacted by AB 361 providing flexibility to meet remotely during a proclaimed emergency will sunset on January 1, 2024.

Due to the JPA's quarterly meeting schedule the Board was unable to make the findings within 30 days so it is the first order of business on this agenda.

Currently the Governor-declared State of Emergency remains in effect, and due to continued threats to health and safety posed by indoor meetings/gatherings, state and local health officials continue to recommend or require social distancing. Therefore, it is recommended the Board make findings that the Governor-declared State of Emergency remains in effect and state and local officials continue to impose or recommend social distancing, and authorize remote teleconference meetings for the JPA's legislative body pursuant to Brown Act provisions enacted by AB 361.

Recommendation(s):

1. Make findings pursuant to Government Code section 54953(e)(3) that the Board of Directors has reconsidered the circumstances of the Governor's Proclamation of a State of Emergency, that the State of Emergency remains in effect, and that state and local officials continue to impose or recommend social distancing due to COVID, and authorize remote teleconference meetings for the East County AWP JPA's legislative body pursuant to Brown Act provisions enacted by AB 361.
2. Make additional, alternative findings pursuant to Government Code section 54953(e)(1)(A) that the Governor has proclaimed a State of Emergency and state or local officials have imposed or recommended measures to promote social distancing, and authorize remote teleconference meetings for the East County AWP JPA's legislative body pursuant to Brown Act provisions enacted by AB 361.



**MINUTES OF THE REGULAR MEETING OF THE
JOINT POWERS AUTHORITY BOARD OF DIRECTORS
HELD ON TUESDAY, APRIL 5, 2022**

The regular board meeting of the East County Advanced Water Purification (AWP) Joint Powers Authority (JPA) was held on Tuesday, April 5, 2022, at the appointed meeting place, the Board Room at Padre Dam's Customer Service Center, located at 9300 Fanita Parkway in Santee and by video conference as an option for remote participation pursuant to recent amendments to the Brown Act permitting virtual meetings and waiving certain teleconference requirements under certain circumstances.

Chair Goble called the meeting to order at 9:30 am. A quorum was declared by roll call vote, and the following Directors were present: Caires, Goble, Moneda and Scalzitti (Ex Officio Member).

Members absent: None

Padre Dam MWD (Administrator) Attendees: Allen Carlisle, CEO/General Manager; Kyle Swanson, Assistant General Manager; Mark Niemiec, Director of AWP; Karen Jassoy, CFO/Director of Finance; Amy Pederson, Board Secretary; Nicholas Norvell, Legal Counsel; Jessica Reifschneider, Administrative Assistant, Bill Pommering, Board Member; Jim Peasley, Board Member; Rebecca Abbott, AWP Engineering Manager

County of San Diego Attendees: Bill Morgan, Deputy Director of Engineering Services

City of El Cajon Attendees: Yazmin Arellano, Director of Public Works

Helix Water District Attendees: Brian Olney, Director of Water Quality and System Operations; Tim Ross; Engineer; Kathleen Hedberg, Board Member; Amy Pope, Finance Manager

Others present: Jason Danks, Orion Construction; John Maxon, OneSource; Justin Ryan, Santee resident; Katie Keach, City of San Diego

OPPORTUNITY FOR PUBLIC COMMENT

There were no public comments.

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

There were no items to be added, withdrawn, or reordered at this time.

1. APPROVAL OF MINUTES

On motion of Director Caires, seconded by Director Moneda, and unanimously carried by roll call vote, the minutes of the February 17, 2022 Regular Board Meeting and March 22, 2022 Special Board Meeting were approved as submitted.

● **ACTION AGENDA**

Items on the Action Agenda call for discussion and action by the Board. All items are placed on the Agenda so that the Board may discuss and take action on the item if the Board is so inclined.

2. CALIFORNIA STATE WATER RESOURCES CONTROL BOARD CONSTRUCTION INSTALLMENT SALE AGREEMENT PROJECT NO. 8548-110 EAST COUNTY ADVANCED WATER PURIFICATION PROJECT ("SRF LOAN") & AMENDMENT NO. 1 TO WATER INFRASTRUCTURE FINANCE AND INNOVATION ACT (WIFIA) LOAN ("WIFIA AMENDMENT")

Karen Jassoy, Director of Finance for Padre Dam, provided background information and stated the new amount of the State Revolving Fund (SRF) Loan is \$378,150,850 with a term of 30 years and 0.80 percent interest rate. She explained the already executed WIFIA loan agreement between the JPA and the United States Environmental Protection Agency (EPA) includes provisions stating the EPA must approve new debt before it can be issued and prohibits acceleration clauses in loan agreements, however the EPA has agreed to amend the agreement to waive the clause prohibition as long as the WIFIA loan is held to the same principles as the SRF loan.

On motion of Director Caires, seconded by Director Moneda, and unanimously carried by roll call vote, the Board adopted Resolution 2022-06, authorizing the Administrator's General Manager to 1) enter into a Financial Assistance Agreement with the SWRCB in an amount not to exceed \$378,150,850; and 2) enter into an amendment to the JPA's existing WIFIA agreement with the United States Environmental Protection Agency.

3. ENERGY RECOVERY PROJECT

Mark Niemiec, Director of AWP for Padre Dam, reviewed steps staff have taken to evaluate the feasibility and approaches available for the Energy Recovery Project and introduced Tim Suydam, Consultant, to present on the recently completed Energy Recovery market sounding.

Mr. Suydam provided an overview of the Energy Recovery Project, reviewed two options for energy recovery including Combined Heat and Power (CHP) and Renewable Natural Gas (RNG), and summarized the results of the market sounding stating RNG is likely not viable. In closing, he reviewed the proposed next steps including evaluating revenue sharing, tax laws and procurement options, issuing a Request for Proposals, and seeking Board approval in the fourth quarter of 2022 for the energy recovery contract and sales tax exclusion application.

Mr. Suydam answered Board questions regarding financial savings related to energy recovery and confirmed the JPA is in compliance with all legal requirements related to the procurement process.

Justin Ryan, Santee resident, inquired if information for the Energy Recovery Project can be made available to the public. Allen Carlisle, General Manager for Padre Dam, confirmed staff will update the website with the information after today's approval.

On motion of Director Moneda, seconded by Director Caires, and unanimously carried by roll call vote, the Board approved the following:

1. Authorized the JPA Administrator to release the Request for Proposal (RFP) for the Energy Recovery Project using alternate procurement methods, procedures, and criteria to be determined by the Administrator, subject to obtaining the JPA Board's approval of the Phase 2 Amendments for Packages 1, 2, & 3 at the May 19, 2022 Board meeting.
2. Directed the JPA Administrator to prepare and submit an application for State of California sales tax exclusion for applicable portions of the Project subject to obtaining the JPA Board's approval of the Phase 2 Amendments for Packages 1, 2, & 3 at the May 19, 2022 Board meeting.

- **REPORTS**

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

4. **ADMINISTRATOR REPORT**

No report.

- **DIRECTORS COMMENTS**

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

No comments.

- **CLOSED SESSION**

At any time during the regular session, the Board may adjourn to closed session to consider litigation, or discuss with Legal Counsel matters within the attorney-client privilege, subject to the appropriate disclosures.

5. **CLOSED SESSION**

At 10:04 am, the Board recessed to convene in closed session to discuss the following:

A. **CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION**

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code Section 54956.9: 1 potential case

The meeting reconvened in open session at 10:37 am and Nicholas Norvell, Legal Counsel reported no reportable action was taken in closed session.

- **ADJOURNMENT**

Chair Goble declared the meeting adjourned at 10:37 am.

ATTEST:

Board Secretary

Board Chair



BOARD AGENDA REPORT

Meeting Date: 05-19-2022

Submitted by: Amy Pederson, Board Secretary

Subject: Amendments to the East County AWP Joint Powers Authority (JPA) Policies and Procedures, establishing a new schedule for its Regular Meetings

Recommendation(s):

Adopt resolution amending the JPA's policies establishing a new schedule for its regular meeting to be held monthly on the third Thursday of each month at 2:00pm and delegating authority to the JPA's Administrator to cancel the monthly meetings, provided that meetings are held at least quarterly at 2:00pm in the months of February, May, August and November.

Alternative(s):

Do not approve, or provide alternative direction to the Administrator.

Attachment(s):

1. Draft Resolution

Funding:

Requested amount: n/a

Funding source:

Project Goals: The East County Advanced Water Purification Program is a regional water and wastewater solution. This Program is a collaborative partnership between Padre Dam Municipal Water District, County of San Diego, the City of El Cajon and Helix Water District. It will create a new, local, sustainable and drought proof drinking water supply using state-of-the-art technology to purify recycled water and diversify East County's water supply while reducing our dependence on imported water. This Program will provide up to 30 percent of East County's drinking water demands while reducing wastewater discharge into the ocean.

Reviewed by:		Action Required:	
Padre Dam GM	<input checked="" type="checkbox"/>	Motion	<input type="checkbox"/>
Finance	<input type="checkbox"/>	Resolution	<input checked="" type="checkbox"/>
		Ordinance	<input type="checkbox"/>
		None	<input type="checkbox"/>

Executive Summary:

Establishing a monthly board meeting schedule and delegating authority to the Administrator to cancel meetings if they are not needed will provide flexibility for the JPA to consider time sensitive items that may arise and ensure the project remains on schedule.

Recommendation(s):

Adopt resolution amending the JPA's policies establishing a new schedule for its regular meeting to be held monthly on the third Thursday of each month at 2:00pm and delegating authority to the JPA's Administrator to cancel the monthly meetings, provided that meetings are held at least quarterly at 2:00pm in the months of February, May, August and November.

RESOLUTION 2022-____

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
EAST COUNTY ADVANCED WATER PURIFICATION
JOINT POWERS AUTHORITY AMENDING ITS POLICIES AND PROCEDURES,
ESTABLISHING A NEW SCHEDULE FOR ITS REGULAR MEETINGS**

WHEREAS, the East County Advanced Water Purification Joint Powers Authority ("JPA" or "East County AWP JPA") is a California joint powers authority established pursuant to the Joint Exercise of Powers Act (Gov. Code § 6500 et seq.) and a Joint Exercise of Powers Agreement effective November 1, 2019; and

WHEREAS, Chapter 2, Section 4.4 of the JPA's Policies and Procedures Manual provides that regular meetings of the JPA are held each fiscal quarter at 2:00 pm on the third Thursday in the months of February, May, August and November at the JPA's principle office; and

WHEREAS, the JPA's Board of Directors desires to amend its policies to establishing regular meetings to be held monthly at 2:00pm on the third Thursday of each month to provide flexibility for the JPA to consider time sensitive items that may arise and delegate authority to the JPA's Administrator to cancel the monthly meetings, provided that meetings are held at least quarterly at 2:00pm in the months of February, May, August and November.

WHEREAS, Chapter 1, Section 1.4 of the Policies and Procedures provides that the Policies and Procedures may be amended by an ordinance or resolution providing for the insertion, amendment, or removal of language in the Policies and Procedures Manual.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the Board of Directors of the East County AWP JPA as follows:

1. Section 4.4 of Chapter 2 of the JPA's Policies and Procedures Manual is amended to read as follows (new text in **bold underline**):

Regular meetings of the JPA shall be held at 2:00pm on the third Thursday **of each month. Regular meetings may be cancelled by the JPA's Administrator by providing Notice of Cancellation at least 72 hours in advance of the scheduled meeting time, provided that meetings are held at least quarterly** in the months of February, May, August and November. ~~A regular meeting of the JPA shall also be held at 9:30 am on Tuesday, April 5, 2022.~~ Regular meetings will be held at the JPA's principle office located at 9300 Fanita Parkway, Santee, California 92071.

2. The Secretary shall cause this amendment to be made in the JPA's Policies and Procedures.
3. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED at a special meeting of the Board of Directors of the East County Advanced Water Purification Joint Powers Authority on May 19, 2022 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

Board Chair

Board Secretary



BOARD AGENDA REPORT

Meeting Date: 05-19-2022

Submitted by: Nicholaus Norvell, Best Best & Krieger, Interim JPA General Counsel

Subject: Consider Adopting a Resolution of Necessity for the Acquisition of Real Property and Easements

Recommendation(s):

Hold a public hearing and consider adoption of a Resolution finding that the public interest and necessity require the acquisition of real property generally identified as Assessor's Parcel Numbers (APN) 383-080-05, -03 (portion), and -04 (portion), including related improvements, a nearby 174-foot long, 48-inch diameter gravity sewer pipe, permanent easements on portions of APNs 383-080-03 and -04 and temporary construction easements on portions of APNs 383-080-03 and -04 for the East County Advanced Water Purification (AWP) Project.

Alternative(s):

Do not adopt the resolution; provide direction to JPA Administrator and Counsel.

Attachment(s):

1. Resolution Declaring that Acquisition of Real Property Generally Identified as Assessor's Parcel Numbers 383-080-05, -03 and -04 (portions), including Related Improvements, a Nearby 174-Foot Long, 48-Inch Diameter Gravity Sewer Pipe, and Permanent Easements and Temporary Construction Easements on APNs 383-080-03 and -04 Is Necessary for the East County AWP Project.
2. Offer Letter to Jay Goldstone at the City of San Diego dated May 4, 2022, regarding the JPA's Offer to Purchase to purchase the property and easements.
3. Notice of Hearing to Property Owner mailed to Jay Goldstone, Chief Operating Officer of the City of San Diego dated May 4, 2022, giving notice of a public hearing by the East County AWP JPA Board to consider adoption of a Resolution of Necessity to acquire the property and easements.

Funding:

Requested amount:

Funding source:

Project Goals: The East County Advanced Water Purification Program is a regional water and wastewater solution. This Program is a collaborative partnership between Padre Dam Municipal Water District, County of San Diego, the City of El Cajon and Helix Water District. It will create a new, local, sustainable and drought proof drinking water supply using state-of-the-art technology to purify recycled water and diversify East County's water supply while reducing our dependence on imported water. This Program will provide up to 30 percent of East County's drinking water demands while reducing wastewater discharge into the ocean.

Reviewed by:		Action Required:	
Padre Dam GM	<input checked="" type="checkbox"/>	Motion	<input type="checkbox"/>
Finance	<input type="checkbox"/>	Resolution	<input checked="" type="checkbox"/>
		Ordinance	<input type="checkbox"/>
		None	<input type="checkbox"/>

Executive Summary:

In relation to the development of the East County Advanced Water Purification Project (East County AWP Project or Project), the Administrator of the East County Advanced Water Purification Joint Powers Authority (JPA) has undertaken preliminary investigations required to identify and attempt to acquire Assessor's Parcel Numbers 383-080-05, -03 (portion), and -04 (portion), including the East Mission Gorge Pump Station and other improvements, and a nearby 174-foot long, 48-inch diameter gravity sewer pipe (collectively, the Subject Property), as well as permanent easements and temporary construction easements on Assessor's Parcel Numbers 383-080-03 and -04 (collectively, the Easements) needed to accommodate the Project.

The Subject Property, as well as the real property on which the proposed Easements are located, is owned by the City of San Diego (City) and has been declared by the City as exempt surplus property. Based on contractual obligations for the City and JPA to cooperate in good faith on the transfer of the Subject Property and Easements to the JPA, the JPA has sought to acquire the Subject Property and Easements through extensive discussions and negotiations with the City, to no avail. The JPA Administrator has substantial concerns about the imminent risk of delays to the East County AWP Project caused by the City's lack of timely action. While the JPA's Administrator and Legal Counsel will continue to pursue discussions with the City to reach mutually agreeable terms for a negotiated transfer, the Board is requested to consider taking the recommended actions described in this report to protect the JPA's option to timely obtain the property and easements through eminent domain.

Description:

The East County Advanced Water Purification Project

The JPA is implementing the East County AWP Project in East San Diego County. The Project will treat wastewater generated in the service areas of Padre Dam Municipal Water District, the City of El Cajon, and the San Diego County Sanitation District and recycle the water using state-of-the-art technology to create a sustainable supply of drinking water. Specifically, the Project will capture and treat approximately 15 million gallons per day (mgd) of wastewater generated within the East County area to produce approximately 11.5 mgd of drought-resistant and locally controlled water supply, which will be further treated and delivered to the customers of Helix Water District and Padre Dam Municipal Water District as drinking water. The Project includes, among other things, wastewater recycling facilities, advanced water purification facilities, solids handling facilities, and wastewater and recycled water conveyance facilities.

As is widely known, California is experiencing severe drought conditions, and new sources of water, such as will be produced by the Project, are urgently needed, as evidenced by recent statewide actions, including: Governor Newsom's October 19, 2021 Proclamation of a State of Emergency due to drought in all California counties, including San Diego County; the State Water Resources Control Board's adoption of Resolution No. 2022-0002 on January 4, 2022 as an emergency regulation in response to statewide drought conditions and the need to supplement voluntary water conservation measures; Governor Newsom's Executive Order N-7-22 on March 28, 2022 continuing the State of Emergency due to drought in all California counties and directing the State Water Resources Control Board to adopt emergency water conservation regulations by May 25, 2022, requiring urban water suppliers to reduce water use by up to 20%.

In addition to California's immediate severe drought condition, the Governor's Proclamation of a State of Emergency and Executive Order note that the effects of climate change are intensifying the impacts of drought and *"underscores the need for California to redouble near-, medium- and long-term efforts to*

adapt its water management and delivery system to a changing climate, shifting precipitation patterns and water scarcity.”

In addition, drought and climate change impacts in California are also compounded by the “Mega-Drought” conditions on the Colorado River, the source of most water supplies to San Diego County. In August 2021 the U.S. Bureau of Reclamation declared a first-of-its-kind water shortage for 2022. Shortages on the Colorado River and long-term trends in California make the expeditious implementation of new drought proof supply projects critical to the climate change resilience of California and its response to the emergency drought conditions.

The East County AWP Project will provide up to 14,000 acre-feet annually of new, reliable drought proof supplies that will increase regional drought resilience by reducing the need for imported water.

The Need for the Subject Property and Easements

The Subject Property includes the East Mission Gorge Pump Station (EMGPS), which is critical infrastructure for the East County AWP Project. Currently owned and operated by the City, the EMGPS will be retrofitted and used by the JPA to divert untreated wastewater from the three JPA member agencies to the new JPA-owned Water Recycling Facility for treatment and production of purified water.

The EMGPS was constructed by the City in 1992 as part of its Clean Water Program that contemplated constructing a water reclamation plant in East County to convey recycled water to customers in the City of San Diego. The City’s East County plant was one of seven proposed reclamation plants as part of its plan to comply with the federal Clean Water Act, but was eliminated when the City of San Diego downsized the Clean Water Program. When the proposed East County reclamation plant was eliminated, the EMGPS became a stranded asset.

In the late 1990s and early 2000s increased wastewater flows and projected growth in East County allowed the City to repurpose the EMGPS to convey peak wastewater flows to its Point Loma Wastewater Treatment Plant for treatment and ocean discharge. This use occurs approximately 2.6 times per year on average, according to City staff.

The useful life of the EMGPS is 30 years, and it is currently over 29 years old; as such, the mechanical and electrical components of the facility have reached the end of their useful life. Its overall condition and the need to redirect wastewater to the East County AWP treatment plant requires a complete replacement of the internal components and appurtenant facilities of the EMGPS.

As part of the East County AWP Project, the JPA intends to repurpose the EMGPS to convey untreated wastewater generated by its three member agencies to the new Water Recycling Facility for treatment and production of purified water. The repurposed operation of the EMGPS requires the JPA to own and operate the facility.

In addition, the JPA needs to obtain certain permanent easements and temporary construction easements on portions of the parcels owned by the City and identified as APNs 383-080-03 and -04 in order to construct, install, reconstruct, operate, maintain, repair, and replace conveyance and communications facilities between the EMGPS and Water Recycling Facility.

Prior Negotiations with the City of San Diego

The JPA has been collaborating with the City since at least 2018 to coordinate the planning and development of the East County AWP Project, including the transfer of the Subject Property, repurposing of the EMGPS for use by the East County AWP Project, and granting of related easements to the JPA. Below is a general timeline relating to negotiations and discussions between the JPA and the City:

- The potential transfer of the EMGPS by the City to the JPA was first discussed by the City and the JPA's member agencies in 2018, during discussions related to the Amended and Restated Regional Wastewater Disposal Agreement between the City and the Participating Agencies in the Metro Wastewater System. Part of that agreement, which was approved by the San Diego City Council on December 4, 2018 and fully executed in 2021, provides: "The City and Participating Agencies shall cooperate, coordinate, and negotiate in good faith with [JPA member agencies] Padre Dam Municipal Water District, San Diego County Sanitation District, and City of El Cajon on issues that relate to the East County AWP Program, *including, but not limited to, the potential transfer of the Mission Gorge Pump Station. . . .*"
- Prior to summer 2020, City staff and JPA Administrator staff formed a working group that developed a mutually agreed framework for assessing the cost and remaining useful life of the East Mission Gorge Pump Station and the 48-inch sewer pipeline that are included in the Subject Property. In June 2020, an appraisal of the Subject Property using the mutually agreed framework was prepared at the cost of the JPA's Administrator.
- In summer 2020, after initial meetings and discussions on the transfer of the Subject Property, the JPA and the City each prepared an initial draft of a Purchase and Sale Agreement and Joint Escrow Instructions ("Purchase Agreement") for the other party's review and comment. After the JPA agreed to use the City's version as the starting point for a revised Purchase Agreement, the Parties provided comments and revisions to the Purchase Agreement and discussed the transfer of certain easements to the JPA for the Project, either as part of the Purchase Agreement or a separate instrument/transaction. Throughout the process, the JPA has shared with the City the need for the JPA to have timely ownership of the property to perform certain construction activities and not incur delays in the JPA's anticipated construction timeline, which could impact financial incentives received by the JPA for developing the Project.
- On February 2, 2021, during the negotiation period on the Purchase Agreement, the JPA and City executed a Residuals Management and Disposal Agreement that, among other things, provides: "The Parties agree to continue to cooperate in good faith *regarding the City's transfer of the East Mission Gorge Pump Station [a.k.a. the Subject Property], East Mission Gorge Force Main, necessary easements, and a portion of the 42-inch gravity sewer . . . to the JPA.*"
- On September 21, 2021, the San Diego City Council declared the Subject Property exempt surplus land intended for sale to the JPA for the East County AWP Project. (City Resolution No. R-313714). The resolution stated that the Subject Property was reviewed by pertinent City departments and none of the City departments requested retention of the Subject Property for a City municipal use.
- In October 2021, in anticipation of an imminent completion of the transaction, the Subject Property was re-appraised at the cost of the JPA's Administrator. The re-appraisal was completed to ensure compliance with San Diego City Council Policy 700-10, which requires that appraisals to sell City property not be less than 6 months old.

- On November 18, 2021, based on representations from City staff and the City's preference that the JPA's Board approve the Purchase Agreement for the Subject Property prior to the San Diego City Council, the JPA's Board of Directors authorized JPA's Administrator to complete negotiations and execute the Purchase Agreement. At the time, based on representations from City staff, the JPA understood that the City would take the final Purchase Agreement to the San Diego City Council in or around December 2021. The plat and legal document included in the JPA's approved version of the Purchase Agreement includes reservations of easements to the City for access to adjacent City property, which were included at the request of the City.
- Since November 2021, City representatives have stated on multiple occasions that a revised version of the Purchase Agreement would be imminently forthcoming from the City for the JPA's review and completion of negotiations so that the San Diego City Council could approve the Purchase Agreement.
- On November 23, 2021 and January 12, 2022, staff of the JPA's Administrator held discussions with a right-of-way representative of the City's Department of Real Estate and Airport Management, including sharing preliminary easement exhibits and information and discussing next steps. The JPA's Administrator understands that sometime after the January 12, 2022 meeting, the City's representative assigned to process the grant of the Easements retired and the City has not yet assigned a new right-of-way representative related to the Project with whom the JPA could coordinate regarding the easements.
- On January 5, 2022, the JPA Administrator sent a letter to the City's Public Utilities Director to discuss the status of various pending agreements between the JPA and the City, including the Purchase Agreement for the Subject Property. The letter noted that City staff had been reviewing the final draft of the Purchase Agreement since early October 2021 and that the JPA Board authorized the JPA Administrator to complete negotiations and sign the agreement with the understanding that the City would have only minor, non-substantive changes (if any) and that approval by the San Diego City Council was forthcoming. Finally, the letter noted the time-sensitivity of moving the Purchase Agreement (among other agreements) forward to the City Council "at the earliest date possible."
- On February 14, 2022, the JPA Administrator sent a letter to the City's Chief Operating Officer to request that the City resume its productive, good faith partnership and cooperation with the JPA on various matters, including follow through on the City's transfer of certain facilities to the JPA, such as the Subject Property and other improvements and easements. The JPA's prior, January 5, 2022 letter to the City's Public Utilities Director was attached.
- Despite multiple representations by the City that the revised Purchase Agreement was forthcoming, and despite continuous inquiries by the JPA's Administrator (only a portion of which are described above), the JPA has still not received the City's proposed final form of the Purchase Agreement or any indication of when the Purchase Agreement will be considered by the San Diego City Council.
- On May 4, 2022, the JPA sent an Offer Letter to the City pursuant to California Government Code section 7267.2. The Offer Letter noted the protracted discussion and negotiations to date, the status of the previously negotiated Purchase Agreement, and the impending need to acquire the Subject Property and Easements prior to the start of Project construction, while explaining that the JPA Administrator would prefer to resolve the matter amicably and expeditiously through negotiations. The Offer Letter requested a written response from the City on or before May 12, 2022.

The JPA Administrator has substantial concerns about the imminent risk of delays to the East County AWP Project caused by the City's lack of timely action. Any further delays will impact the AWP Project's feasibility and timeline, and could lead to significant cost increases for the 500,000 customers who are counting on this local water supply.

Potential Use of Eminent Domain and Procedural Requirements

Pursuant to applicable law, the JPA had the property interests appraised. The appraisals resulted in an Offer Letter being sent to the City pursuant to Government Code section 7267.2 on May 4, 2022.

As extensively described above, the JPA Administrator has attempted to undertake negotiations with the City, but to date has not been able to secure an agreement for the transfer of the Subject Property and/or Easements by way of negotiated agreement. The JPA Administrator and Counsel will continue to pursue discussions with the City regardless of the Board of Directors' actions with respect to the proposed Resolution, in an attempt to reach mutually agreeable terms for a negotiated transfer.

The Resolution before the Board is a Resolution of Necessity under California Code of Civil Procedure sections 1245.210, *et seq.* Such a Resolution must be considered and approved by the legislative body after a public hearing and prior to any exercise of eminent domain to acquire real property. The Resolution must be passed by a two-thirds majority (at least two affirmative votes of the members of the Board).

Hearing and Notice Compliance

The JPA was required to send notice of this hearing by first-class mail to each person whose name and address appeared on the last equalized county assessment roll (including the roll of state-assessed property) as having an interest in the property proposed to be acquired by eminent domain stating the time, place, and subject of this hearing.

Notices were mailed by first class mail to the following persons: Jay Goldstone, Chief Operating Officer, City of San Diego.

As required by California Eminent Domain Law, the City was given notice of the JPA's consideration of the Resolution, and notified of the opportunity to appear and be heard on whether the JPA has undertaken all required steps and met all procedural prerequisites to the exercise of eminent domain to acquire the property interests proposed to be taken. As of the date of writing this report, the City has not contacted the JPA to inform it that it desires to be heard at the meeting.

Public Hearing

Before adopting the proposed Resolution of Necessity, the Board must conduct a public hearing, consider, and determine whether:

1. The public interest and necessity require the project for which the property is proposed to be acquired;
2. The project is planned in a manner that will create the greatest public good and the least private injury;
3. The property proposed to be acquired is necessary for the project; and
4. The offer required by Government Code section 7267.2 has been made to the owner(s) of record.

The Resolution must be passed by a two-thirds majority, or two affirmative votes of the members of the JPA's Board of Directors.

As discussed below, the findings required for the adoption of the Resolution of Necessity have been satisfied.

- Finding 1: Public Interest and Necessity Require the Project. The public interest and necessity require the Project. "Public interest and necessity" include all aspects of the public good including but not limited to social, economic, environmental, and esthetic considerations. Generally, the public interest and necessity require the Project, in that the Project is designed to offload up to 16 mgd of wastewater from ocean discharge through treatment at the Pt. Loma Wastewater Treatment Plant and will instead be used to create a new, local, sustainable and drought-proof drinking water supply for East San Diego County. The Project will purify East County's recycled water using advanced water purification technologies before sending the purified water through a proposed pipeline to Lake Jennings, after which it will be further treated and supplied as drinking water to the customers of Helix Water District and Padre Dam Municipal Water District.
- Finding 2: The Project is Planned or Located in a Manner Most Compatible with Greatest Public Good and Least Private Injury. A thorough analysis was conducted to identify the necessary improvements and best location for this Project. The Subject Property and Easements are located at the nexus of various existing wastewater conveyance facilities that currently convey wastewater generated by customers of Padre Dam Municipal Water District, the City of El Cajon, and the San Diego County Sanitation District to the Pt. Loma Wastewater Treatment Plant for ocean discharge. The Project would repurpose these existing public facilities rather than require development of duplicative facilities or the need to potentially acquire private property for these portions of the Project. Further, the Project is located in a manner most compatible with the greatest public good and least private injury, in that all of the property sought to be acquired is currently publicly owned and operated, the Project will be consistent with and similar to the existing use and development of the property, and the Subject Property has been declared exempt surplus property by the current property owner. In addition, the Project will still continue to use the reconstructed EMGPS located on the Subject Property in the same manner as its current use—conveying peak wastewater flows to the Point Loma Wastewater Treatment Plant or future Metro System facilities during infrequent peak flow (i.e., wet weather) events.
- Finding 3: The Real Property to be Acquired is Necessary for the Project. The Subject Property and permanent easements are needed to construct, reconstruct, install, use, operate, maintain, repair, replace or rehabilitate various conveyance facilities related to the wastewater treatment and advanced water purification facilities that are part of the Project. The temporary construction easements are needed for purposes of construction staging and other construction activities involved with the construction and installation of Project improvements on the Subject Property or within the permanent easements.
- Finding 4: Offers of Just Compensation Have Been Made to the Property Owners. Pursuant to applicable requirements of law, the JPA had the properties and property interests appraised. The appraisals resulted in offer letters being sent to the owner of record pursuant to Government Code section 7267.2. The amount of compensation due for the property interests involved is not a subject of the Resolution, and therefore not before the Board as an issue to be considered as part of this Resolution. Offers of just compensation were made to the record owner of the properties.

- Additional Finding: The Proposed Use Does Not Interfere with Existing Public Uses and/or Is More Necessary Than Those Public Uses. As noted above, the property interests to be acquired include existing public facilities, including the EMGPS and a 174-foot long, 48-inch diameter gravity sewer pipe. The proposed acquisition of those facilities with the proposed improvements will not unreasonably interfere with or impair the public use as it now exists or may reasonably be expected to exist in the future. Specifically, the JPA will continue to use the reconstructed EMGPS for the same existing public use for which it is currently used, i.e., to convey peak wastewater flows to the Point Loma Wastewater Treatment Plant or future Metro System facilities during infrequent wet weather events (approximately 2.6 times per year). Further, the current property owner has declared the Subject Property exempt surplus property intended for sale to the JPA for the Project. The 174-foot, 48-inch gravity pipeline is currently used by the City to convey flows from the JPA's member agencies to either the Metro System or the EMGPS during peak flow (i.e., wet weather) events. The 174-foot, 48-inch sewer pipeline will continue to be used by the JPA for the Project to convey flows from the JPA's member agencies to the Project's wastewater treatment and advanced water purification facilities or to the EMGPS during peak flow events. If not acquired for the Project, the pipeline segment would become a stranded City asset. Alternatively, even to the extent that the proposed use could be considered to unreasonably interfere with or impair the continuance of the public use as it now exists or may reasonably be expected to exist in the future, the proposed use is more necessary in that it will use the Subject Property and Easements to convey untreated wastewater to the Project's new Water Recycling Facility for treatment and production of a drought-resistant and locally controlled water supply for the region.

Proposed Action – Adopt the Resolution of Necessity

The Board has the option of either adopting, or refusing to adopt, the proposed Resolution. If the Resolution is adopted, the JPA Administrator and Counsel may proceed to initiate eminent domain proceedings, which ultimately would lead to a determination of the fair market value of the property interests proposed to be taken through court proceedings. If the Board does not adopt the Resolution, the JPA can either (i) commit to acquiring the identified Subject Property and Easements from the owner only by negotiated acquisition, (ii) decide not to implement the Project, or (iii) provide alternative direction to the JPA Administrator and Counsel.

Based on all the foregoing, and on the matters recited in more detail in the Resolution itself, the JPA Administrator and Counsel recommend that the Board adopt the Resolution.

Compliance with the California Environmental Quality Act

The Padre Dam Municipal Water District (the "District"), as the lead agency for the Project, prepared an Initial Study/Mitigated Negative Declaration ("MND"; SCH No. 2018091029) that analyzed the Project's potential environmental impacts under the California Environmental Quality Act ("CEQA") and concluded that the Project would have less than significant impacts with the implementation of identified mitigation measures. On December 5, 2018, the District adopted the MND and approved the Project. Thereafter, the JPA reviewed and considered the MND as a responsible agency for the Project. On February 20, 2020, the JPA adopted the MND for the Project under CEQA, adopted a Mitigation Monitoring and Reporting Program ("MMRP") for the Project, and approved the Project. Shortly thereafter, the JPA filed a Notice of Determination documenting its adoption of the MND and MMRP, and its approval of the Project.

No additional environmental review is necessary for the proposed action under State CEQA Guidelines section 15162, as none of the conditions set forth in State CEQA Guidelines section 15162(a) exist. Notably, the Subject Property and Easements that JPA seeks to acquire are within the Project alignment analyzed in the MND. Accordingly, the acquisition of the Subject Property and Easements does not constitute a substantial change in the project that will require major revisions of the MND due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects. The potential environmental impacts of the Project's alignment, which this acquisition would not alter, have already been analyzed. The JPA's acquisition of the Subject Property and Easements is merely a subsequent approval for an already-approved Project for which an MND has already been adopted under CEQA.

Recommendation(s):

Hold a public hearing and consider adoption of a Resolution finding that the public interest and necessity require the acquisition of real property generally identified as APNs 383-080-05, -03 (portion), and -04 (portion), including related improvements, a nearby 174-foot long, 48-inch diameter gravity sewer pipe, permanent easements on portions of APNs 383-080-03 and -04 and temporary construction easements on portions of APNs 383-080-03 and -04 for the East County AWP Project.



May 19, 2022
Board Meeting

Agenda Item 5

Consider Adopting a Resolution of Necessity for the Acquisition of Real
Property and Easements

Handout

Draft Resolution Declaring that Acquisition of Real Property Generally Identified as Assessor's Parcel Numbers 383-080-05, -03 and -04 (portions), including Related Improvements, a Nearby 174-Foot Long, 48-Inch Diameter Gravity Sewer Pipe, and Permanent Easements and Temporary Construction Easements on APNs 383-080-03 and -04 Is Necessary for the East County AWP Project, amended to include Exhibit G.

RESOLUTION 2022 - _____

RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST COUNTY ADVANCED WATER PURIFICATION JOINT POWERS AUTHORITY DECLARING THAT ACQUISITION OF REAL PROPERTY GENERALLY IDENTIFIED AS ASSESSOR'S PARCEL NUMBERS 383-080-05, -03 (PORTION), AND -04 (PORTION), INCLUDING RELATED IMPROVEMENTS, A NEARBY 174-FOOT LONG, 48-INCH DIAMETER GRAVITY SEWER PIPE, AND PERMANENT EASEMENTS AND TEMPORARY CONSTRUCTION EASEMENTS ON 383-080-03 AND -04 IS NECESSARY FOR THE EAST COUNTY ADVANCED WATER PURIFICATION PROJECT

WHEREAS, the East County Advanced Water Purification Joint Powers Authority ("JPA") is a California joint powers authority established pursuant to the Joint Exercise of Powers Act (Gov. Code § 6500 et seq.) and a Joint Exercise of Powers Agreement effective November 1, 2019; and

WHEREAS, pursuant to Government Code Section 6509 and Section 1.5.1 of the Joint Exercise of Powers Agreement, the JPA has all powers common to its member agencies, subject to the restrictions upon the manner of exercising powers possessed by the City of El Cajon, a charter city; and

WHEREAS, the JPA proposes to acquire real property owned by the City of San Diego ("City") generally identified as Assessor's Parcel Numbers ("APN") 383-080-05, -03 (portion), and -04 (portion), including related improvements, and a nearby 174-foot long, 48-inch diameter gravity sewer pipe (collectively, the "Subject Property"), permanent easements on portions of APNs 383-080-03 and -04 ("Permanent Easements"), and temporary construction easements on portions of APNs 383-080-03 and -04 (the "TCEs," and together with the Permanent Easements, the "Easements") for the East County Advanced Water Purification ("AWP") Project ("Project"), pursuant to Government Code section 37350.5 and Code of Civil Procedure section 1240.040; and

WHEREAS, pursuant to Code of Civil Procedure section 1245.235, the JPA scheduled a public hearing for May 19, 2022, at 2:00 p.m. in the Board Room of Padre Dam Municipal Water District, 9300 Fanita Parkway, Santee, CA 92071, and gave to each person whose property is to be acquired and whose name and address appears on the last equalized county assessment roll, notice and a reasonable opportunity to appear at said hearing and be heard on the matters referred to in Code of Civil Procedure section 1240.030; and

WHEREAS, said hearing has been held by the JPA and each person whose property is to be acquired by eminent domain was afforded the opportunity to be heard on said matters; and

WHEREAS, the JPA may adopt a resolution of necessity pursuant to Code of Civil Procedure section 1240.040.

NOW THEREFORE BE IT RESOLVED, DETERMINED, AND ORDERED, by a vote of two-thirds or more of all members of the Board of the JPA as follows:

Section 1. Notice and Hearing Compliance.

The JPA has provided notice of this hearing as required by Code of Civil Procedure section 1245.235.

Section 2. Compliance with the California Environmental Quality Act.

The Padre Dam Municipal Water District (the "District"), as lead agency for the Project, prepared an Initial Study/Mitigated Negative Declaration ("MND"; SCH No. 2018091029) that analyzed the Project's

potential environmental impacts under the California Environmental Quality Act (“CEQA”) and concluded that the Project would have less than significant impacts with the implementation of identified mitigation measures. On December 5, 2018, the District adopted the MND and approved the Project. Thereafter, the JPA reviewed and considered the MND as a responsible agency for the Project. On February 20, 2020, the JPA adopted the MND for the Project under CEQA, adopted a Mitigation Monitoring and Reporting Program (“MMRP”) for the Project, and approved the Project. Shortly thereafter, the JPA filed a Notice of Determination documenting its adoption of the MND and MMRP, and its approval of the Project.

No additional environmental review is necessary for the Project under State CEQA Guidelines section 15162, as none of the conditions set forth in State CEQA Guidelines section 15162(a) exist. Notably, the Subject Property and Easements that JPA seeks to acquire are within the project alignment analyzed in the MND. Accordingly, the acquisition of the Subject Property and Easements does not constitute a substantial change in the Project that will require major revisions of the MND due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects. The potential environmental impacts of the Project’s alignment, which this acquisition would not alter, have already been analyzed. The JPA’s acquisition of the Subject Property and Easements is merely a subsequent approval for an already-approved Project for which an MND has already been adopted under CEQA.

Section 3. Public Use.

The public use for which the real property is to be acquired is for the JPA’s proposed Project to create a new, local, sustainable and drought proof drinking water supply for East San Diego County. The Project will purify East County’s recycled water using advanced water purification technologies before sending the purified water through a proposed pipeline to Lake Jennings. The Subject Property and Permanent Easements are needed for various conveyance facilities of influent to and effluent from wastewater treatment and advanced water purification facilities that are part of the Project. The TCEs are needed for construction of the above-described facilities. The JPA is authorized to acquire by eminent domain property necessary for such a purpose in accordance with Government Code section 37350.5 and Code of Civil Procedure section 1240.040.

Section 4. Description of Property.

The Subject Property is generally described as APNs 383-080-05, -03 (portion), and -04 (portion), including related improvements and nearby 174-foot long, 48-inch diameter gravity sewer pipe. The Easements are described as permanent easements on APNs 383-080-03 and 383-080-04 and temporary construction easements on APNs 383-080-03 and 383-080-04. Attached hereto as Exhibits A through F are the legal descriptions and depictions of the real property interests required for the Project, which describe the general location of the Subject Property and Easements to be acquired by the JPA with sufficient detail for reasonable identification.

Section 5. Findings.

The JPA hereby finds and determines the following:

- a. The public interest and necessity require the proposed Project; and
- b. The proposed Project is planned or located in the manner that will be the most compatible with the greatest public good and least private injury; and
- c. The Subject Property and Easements are necessary for the proposed Project; and
- d. The offer required by Government Code section 7267.2 was made.

Section 6. Use Not Unreasonably Interfering with Existing Public Use(s).

Some of the property includes existing public facilities. The proposed acquisition of those facilities with the proposed improvements will not unreasonably interfere with or impair the public use as it now exists or may reasonably be expected to exist in the future, as the JPA will continue to use the facilities for the same or similar purposes, in addition to the enhanced uses for the Project. Some or all of the real property to be acquired is subject to easements and rights-of-way appropriated to existing public uses. The legal descriptions of these easements and rights-of-way are on file with the JPA and describe the general location and extent of the easements and rights-of-way with sufficient detail for reasonable identification. In the event the herein described use or uses will not unreasonably interfere with or impair the continuance of the public use as it now exists or may reasonably be expected to exist in the future, counsel for the JPA is authorized to acquire the real property subject to such existing public use(s) pursuant to section 1240.510 of the California Code of Civil Procedure.

Section 7. More Necessary Public Use.

Some or all of the real property to be acquired may be devoted to other public uses or easements and rights-of-way appropriated to existing public uses. To the extent that the herein described use or uses will unreasonably interfere with or impair the continuance of the public use as it now exists or may reasonably be expected to exist in the future, the JPA finds and determines that the herein described use or uses are more necessary than said existing public use. Counsel for the JPA is authorized to acquire the real property appropriated to such existing public use(s) pursuant to section 1240.610 of the California Code of Civil Procedure. The JPA Administrator is further authorized to make such improvements to the real property being acquired that it determines is reasonably necessary to mitigate any adverse impact upon the existing public use.

Section 8. Further Activities.

Best Best & Krieger LLP ("BBK"), as counsel for the JPA, is hereby authorized to acquire the described real property in the name of and on behalf of the JPA by eminent domain. BBK is further authorized to institute and prosecute such legal proceedings as may be required. BBK may take such steps as may be authorized and required by law, and make such deposits as may be required, to permit the JPA to take possession of and use said real property at the earliest possible time. BBK is further authorized to correct any errors or to make or agree to non-material changes in the legal descriptions of the real property that is deemed necessary for the conduct of the condemnation action, or any other proceedings or transactions required to acquire the Subject Property and Easements.

Section 9. Severability.

If any provision of this resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the resolution which can be given effect without the invalid provision or application, and to this end the provisions of this resolution are severable. The Board of Directors hereby declares that it would have adopted this resolution irrespective of the invalidity of any particular portion thereof.

Section 10. Effective Date.

This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the East County
Advanced Water Purification Joint Powers Authority on May 19, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Board Chair

ATTEST

Board Secretary

EXHIBITS: EXHIBITS A - F

EXHIBIT A

EXHIBIT "A"
LAND SALE AND ACCESS EASEMENT RESERVATION

THAT PORTION OF LOT 1 OF THE RESUBDIVISION OF PART OF FANITA RANCHO, ACCORDING TO MAP NO. 1703, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, STATE OF CALIFORNIA, FEBRUARY 28, 1918 AND DESCRIBED IN DEED TO THE STATE OF CALIFORNIA AS FILE NO. 72380, RECORDED MARCH 28, 1972 IN THE OFFICE OF SAID RECORDER, ALONG WITH THAT PORTION OF TRACT T OF RANCHO EL CAJON BEING ALSO A PORTION OF LOT 7 OF FANITA RANCHO, ACCORDING TO MAP THEREOF NO. 790, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, DECEMBER 21, 1894, DESCRIBED AS PARCEL 28057-2, IN FINAL ORDER OF CONDEMNATION TO THE STATE OF CALIFORNIA AS DOCUMENT NO. 1995-0079132, RECORDED FEBRUARY 23, 1995, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A BRASS DISC STAMPED "CALTRANS BM 52-13.6 1984", BEING POINT NO. 147 ACCORDING TO RECORD OF SURVEY MAP NO. 14492, FILED IN THE OFFICE OF THE COUNTY RECORDER ON MARCH 31, 1994, WHICH BEARS NORTH 71°00'53" WEST 19755.94 FEET FROM A BRASS DISC STAMPED "USC&GS G 281 1955", BEING POINT NO. 54 ACCORDING TO SAID RECORD OF SURVEY MAP NO. 14492; THENCE SOUTH 72°59'42" EAST 5767.29 FEET TO A 1" IRON PIPE WITH BRASS DISC STAMPED "CAL DOT" PER RECORD OF SURVEY MAP NO. 16019, FILED IN THE OFFICE OF THE COUNTY RECORDER ON JANUARY 8, 1999, SAID POINT BEING THE NORTHWEST TERMINUS OF COURSE NO. 1 OF PARCEL 28057-1 IN FINAL ORDER OF CONDEMNATION TO THE STATE OF CALIFORNIA RECORDED FEBRUARY 23, 1995 AS DOCUMENT NO. 1995-0079132 OF OFFICIAL RECORDS, SAID POINT ALSO BEING THE SOUTHEAST CORNER OF PARCEL 28057-2 IN SAID FINAL ORDER OF CONDEMNATION AND THE SOUTHEAST CORNER OF LAND PER DEED TO THE CITY OF SAN DIEGO RECORDED AUGUST 8, 1997 AS DOC. NO. 1997-1380426 OF OFFICIAL RECORDS (CITY LAND), SAID POINT HEREINAFTER REFERRED TO AS POINT "A" AND ALSO BEING THE **TRUE POINT OF BEGINNING**;

1. THENCE ALONG THE NORTHERLY LINE OF SAID PARCEL 28057-1 AND THE SOUTHERLY LINE OF SAID PARCEL 28057-2 AND SAID CITY LINE SOUTH 86°39'57" WEST (RECORD SOUTH 86°40'21" WEST) 381.59 FEET
2. THENCE LEAVING SAID NORTHERLY LINE NORTH 00°06'23" WEST 96.24 FEET;
3. THENCE NORTH 67°54'04" EAST 135.63 FEET;
4. THENCE NORTH 00°56'01" WEST 42.44 FEET;
5. THENCE NORTH 70°06'48" EAST 142.36 FEET;
6. THENCE NORTH 89°49'39" EAST 58.22 FEET TO THE CENTER MERIDIAN LINE OF SECTION 29 IN TOWNSHIP 15 SOUTH, RANGE 1 WEST, SAN BERNARDINO BASE AND MERIDIAN;
7. THENCE ALONG SAID CENTER MERIDIAN LINE SOUTH 0°28'47" WEST 41.54 FEET TO THE NORTHERLY LINE OF SAID PARCEL 28057-2 AND SAID CITY LAND;
8. THENCE LEAVING SAID CENTER MERIDIAN LINE ALONG SAID NORTHERLY LINE SOUTH 89°54'24" EAST 67.00 FEET TO THE BEGINNING OF A TANGENT 88.00-FOOT RADIUS CURVE CONCAVE SOUTHWESTERLY;

9. THENCE CONTINUING ALONG SAID NORTHERLY LINE EASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 37°38'10" A DISTANCE OF 57.80 FEET;
10. THENCE CONTINUING ALONG SAID NORTHERLY LINE SOUTH 52°16'14" EAST 51.18 FEET TO THE NORTHEAST CORNER OF SAID PARCEL 28057-2 AND SAID CITY LAND AND THE BEGINNING OF A NON-TANGENT 930.00-FOOT RADIUS CURVE CONCAVE SOUTHEASTERLY, A RADIAL LINE TO SAID POINT BEARS NORTH 51°03'00" WEST;
11. THENCE ALONG THE SOUTHEASTERLY LINE OF SAID PARCEL 28057-2 AND SAID CITY LAND SOUTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 1°13'14" A DISTANCE OF 19.81 FEET;
12. THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE SOUTH 37°43'46" WEST 138.08 FEET TO THE **TRUE POINT OF BEGINNING**.

AREA = 75,187 SQUARE FEET (1.726 ACRES), MORE OR LESS

RESERVING THEREFROM AN ACCESS EASEMENT MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT SAID POINT "A"; THENCE ALONG THE SOUTHEASTERLY LINE OF SAID PARCEL 28057-2 NORTH 37°43'46" EAST 132.08 FEET TO THE **TRUE POINT OF BEGINNING**;

1. THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE NORTH 37°43'46" EAST 6.00 FEET TO THE BEGINNING OF A TANGENT 930.00-FOOT RADIUS CURVE CONCAVE SOUTHEASTERLY;
2. THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE NORTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 0°22'11" A DISTANCE OF 6.00 FEET;
3. THENCE LEAVING SAID SOUTHEASTERLY LINE NORTH 52°13'30" WEST 45.97 FEET TO THE BEGINNING OF A TANGENT 69.00-FOOT RADIUS CURVE CONCAVE SOUTHWESTERLY;
4. THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 37°52'25" A DISTANCE OF 45.61 FEET;
5. THENCE SOUTH 89°54'05" WEST 265.42 FEET;
6. THENCE SOUTH 00°56'01" EAST 12.00 FEET;
7. THENCE NORTH 89°54'05" EAST 265.24 FEET TO THE BEGINNING OF A TANGENT 57.00-FOOT RADIUS CURVE CONCAVE SOUTHWESTERLY;
8. THENCE EASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 37°52'25" A DISTANCE OF 37.68 FEET;
9. THENCE SOUTH 52°13'30" EAST 45.96 FEET TO THE **TRUE POINT OF BEGINNING**.

AREA = 4,235 SQUARE FEET (0.097 ACRES), MORE OR LESS

THE BEARINGS AND DISTANCES USED IN THE ABOVE DESCRIPTION ARE BASED ON THE CALIFORNIA COORDINATE SYSTEM OF 1983, ZONE VI (UNLESS OTHERWISE NOTED). MULTIPLY DISTANCES SHOWN BY 1.0000198 TO OBTAIN GROUND DISTANCES.

ATTACHED HERETO IS CITY OF SAN DIEGO DRAWING NO. 41361-B LABELED
EXHIBIT "B" AND BY THIS REFERENCE MADE A PART HEREOF.

SIGNATURE

Joel D. Riipinen 9/16/21

JOEL D. RIIPINEN DATE
PLS 7942

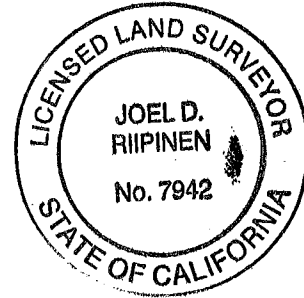
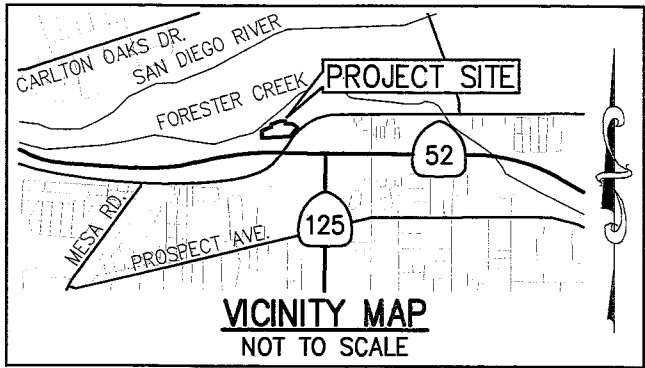


EXHIBIT B

EXHIBIT "B"

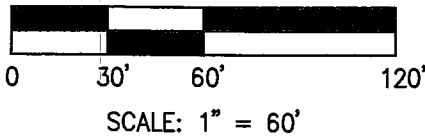


BASIS OF BEARINGS

THE GRID BEARING BETWEEN POINT NO. 54 AND POINT NO. 147 PER ROS 14492. I.E., N 71°00'53" W

REFERENCES

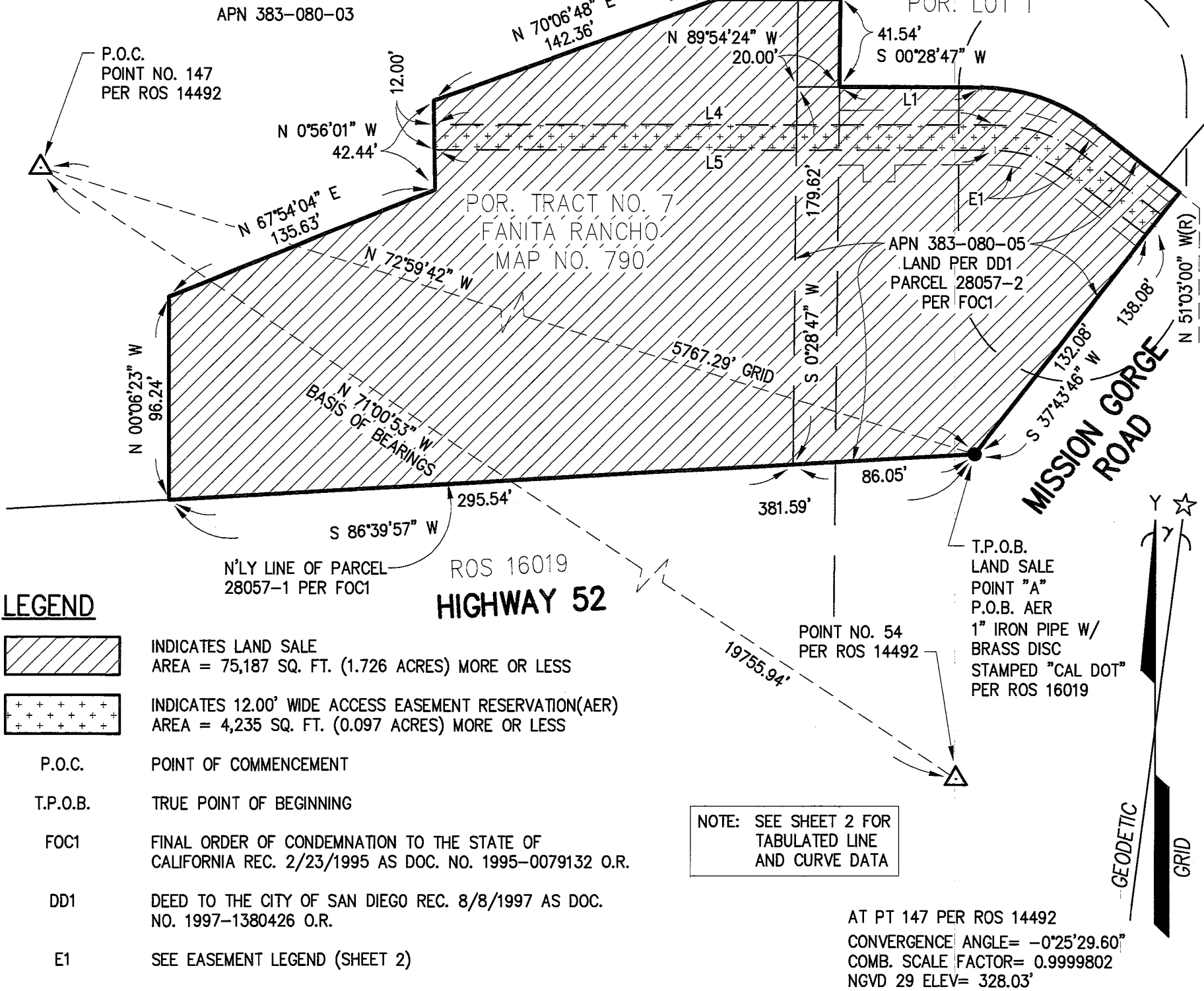
MAP NO. 790
MAP NO. 1703
ROS 14492
ROS 16019



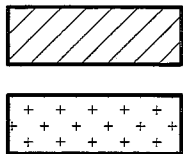
CENTER MERIDIAN LINE OF SECTION 29 IN TOWNSHIP 15 SOUTH, RANGE 1 WEST, SAN BERNARDINO BASE AND MERIDIAN

SEE DETAIL SHEET 2

RESUB. OF PART OF FANITA RANCHO
MAP NO. 1703
POR. LOT 1



LEGEND



INDICATES LAND SALE
AREA = 75,187 SQ. FT. (1.726 ACRES) MORE OR LESS

INDICATES 12.00' WIDE ACCESS EASEMENT RESERVATION(AER)
AREA = 4,235 SQ. FT. (0.097 ACRES) MORE OR LESS

P.O.C. POINT OF COMMENCEMENT

T.P.O.B. TRUE POINT OF BEGINNING

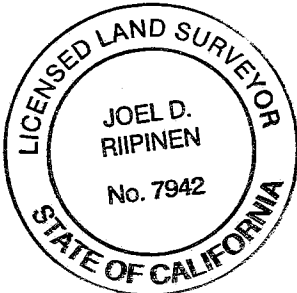
FOC1 FINAL ORDER OF CONDEMNATION TO THE STATE OF CALIFORNIA REC. 2/23/1995 AS DOC. NO. 1995-0079132 O.R.

DD1 DEED TO THE CITY OF SAN DIEGO REC. 8/8/1997 AS DOC. NO. 1997-1380426 O.R.

E1 SEE EASEMENT LEGEND (SHEET 2)

AGUIRRE & ASSOCIATES
8363 CENTER DRIVE, SUITE 5A
LA MESA CA 91942 (619) 464-6978

Joel D. Riipinen 9/16/21
JOEL D. RIIPINEN L.S. 7942 DATE



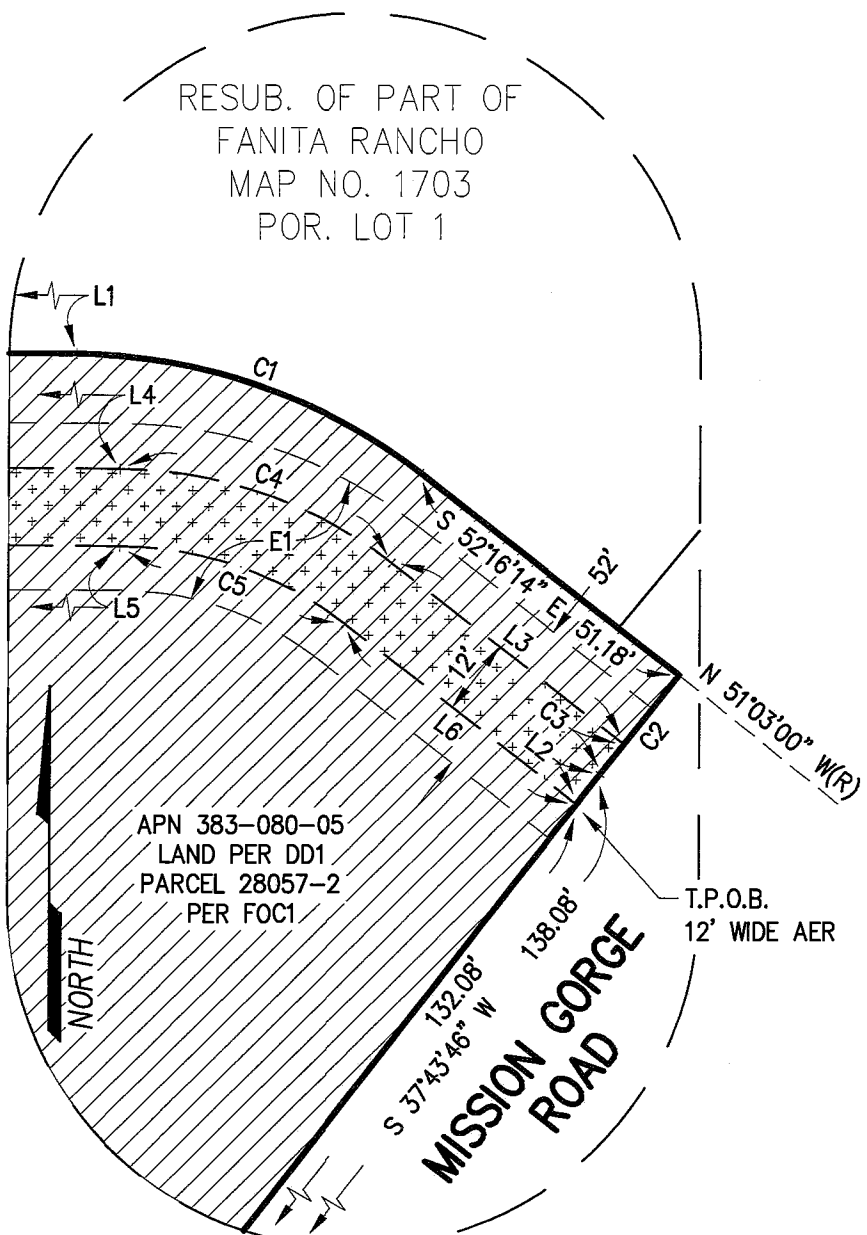
RESOLUTION No. _____
RECORDED _____
DOCUMENT No. _____
RECORDED _____

LAND SALE AND ACCESS EASEMENT RESERVATION

PORTION OF LOT 1 OF RESUB. FANITA RANCHO, MAP 1703, ALONG WITH THAT PORTION OF TRACT T RANCHO EL CAJON, BEING A PORTION OF TRACT 7 OF FANITA RANCHO MAP 790

DESCRIPTION	BY	APPROVED	DATE	FILMED	CITY OF SAN DIEGO, CALIFORNIA	PTS 633065
ORIGINAL	JR				SHEET 1 OF 2 SHEETS	I.O. 21004705
						1885-6329
					FOR CITY LAND SURVEYOR DATE	CCS 83 COORDINATES
						242-1767
						NAD 27 COORDINATES
						41361-1-B
STATUS						

EXHIBIT "B"



LINE TABLE		
LINE NO.	DIRECTION	LENGTH
L1	N 89°54'24" W	67.00'
L2	N 37°43'46" E	6.00'
L3	N 52°13'30" W	45.97'
L4	S 89°54'05" W	265.42'
L5	N 89°54'05" E	265.24'
L6	S 52°13'30" E	45.96'

CURVE TABLE			
CURVE NO.	DELTA	RADIUS	LENGTH
C1	37°38'10"	88.00'	57.80'
C2	1°13'14"	930.00'	19.81'
C3	0°22'11"	930.00'	6.00'
C4	37°52'25"	69.00'	45.61'
C5	37°52'25"	57.00'	37.68'

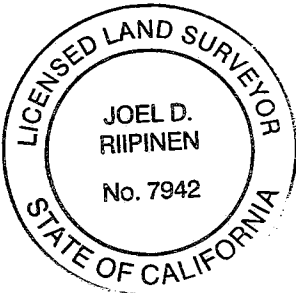
DETAIL
SCALE: 1" = 30'

EASEMENT LEGEND

- E1 A RIGHT-OF-WAY EASEMENT IN FAVOR OF PADRE DAM MUNICIPAL WATER DISTRICT REC. 5/3/2001 AS DOC. NO. 2001-0279319 O.R.
- AN ACCESS EASEMENT IN FAVOR OF THE CITY OF SAN DIEGO REC. 10/25/2012 AS INST. NO. 2012-0658045 O.R. IS NOT PLOTTABLE.
- NO OTHER EASEMENTS APPEAR TO BE IN THE VICINITY OF THE PERMANENT ACQUISITION AREA.
- EASEMENT DATA HEREON IS DISCLOSED IN BNT TITLE COMPANY OF CALIFORNIA PRELIMINARY REPORT ORDER NO. CA18143433 A DATED DECEMBER 28, 2018 AT 7:30 AM.

AGUIRRE & ASSOCIATES
8363 CENTER DRIVE, SUITE 5A
LA MESA CA 91942 (619) 464-6978

Joel D. Riipinen 9/16/21
JOEL D. RIIPINEN L.S. 7942 DATE



RESOLUTION No. _____
RECORDED _____
DOCUMENT No. _____
RECORDED _____

LAND SALE AND ACCESS EASEMENT RESERVATION

PORTION OF LOT 1 OF RESUB. FANITA RANCHO, MAP 1703, ALONG WITH THAT PORTION OF TRACT T RANCHO EL CAJON, BEING A PORTION OF TRACT 7 OF FANITA RANCHO MAP 790

DESCRIPTION	BY	APPROVED	DATE	FILMED	CITY OF SAN DIEGO, CALIFORNIA SHEET 2 OF 2 SHEETS	PTS 633065 I.O. 21004705
ORIGINAL	JR					
					FOR CITY LAND SURVEYOR DATE	1885-6329 CCS 83 COORDINATES
						242-1767 NAD 27 COORDINATES
STATUS						41361-2-B

EXHIBIT C

EXHIBIT A

ALL THAT PORTION OF TRACT 7 OF FANITA RANCHO ACCORDING TO MAP NO. 790, IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON DECEMBER 21, 1894, O.R., MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A STRIP OF LAND BEING 50 FEET IN WIDTH LYING 25 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

COMMENCING AT THE EASTERLY TERMINUS OF COURSE 43 OF PARCEL MAP NO. 16978, IN THE CITY OF SANTEE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON OCTOBER 19, 1992 AS FILE NO. 92-0665040, O.R.; THENCE, SOUTH 64°09'19" WEST 304.58 FEET ALONG SAID COURSE 43 TO THE TRUE POINT OF BEGINNING, SAID TRUE POINT OF BEGINNING BEING A POINT ON A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 2,786.58 FEET, A RADIAL LINE TO SAID TRUE POINT OF BEGINNING BEARS SOUTH 77°23'55" WEST; THENCE SOUTHERLY 113.11 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 2°19'33"; THENCE SOUTH 14°55'38" WEST 935.07 FEET TO A POINT ON COURSE 44A OF SAID PARCEL MAP NO. 16978.

THE SIDELINES OF SAID STRIP OF LAND SHALL BE LENGTHENED OR SHORTENED TO TERMINATE ON THE EAST AT COURSE 44A OF SAID PARCEL MAP NO. 16978, AND ON THE NORTH AT COURSE 43 OF SAID PARCEL MAP 16978.

AREA EQUALS 52,409 SQUARE FEET, MORE OR LESS.

APN: 383-080-03 (48,689 SQUARE FEET) AND 383-080-04 (3,720 SQUARE FEET)

EXHIBIT D

EXHIBIT B

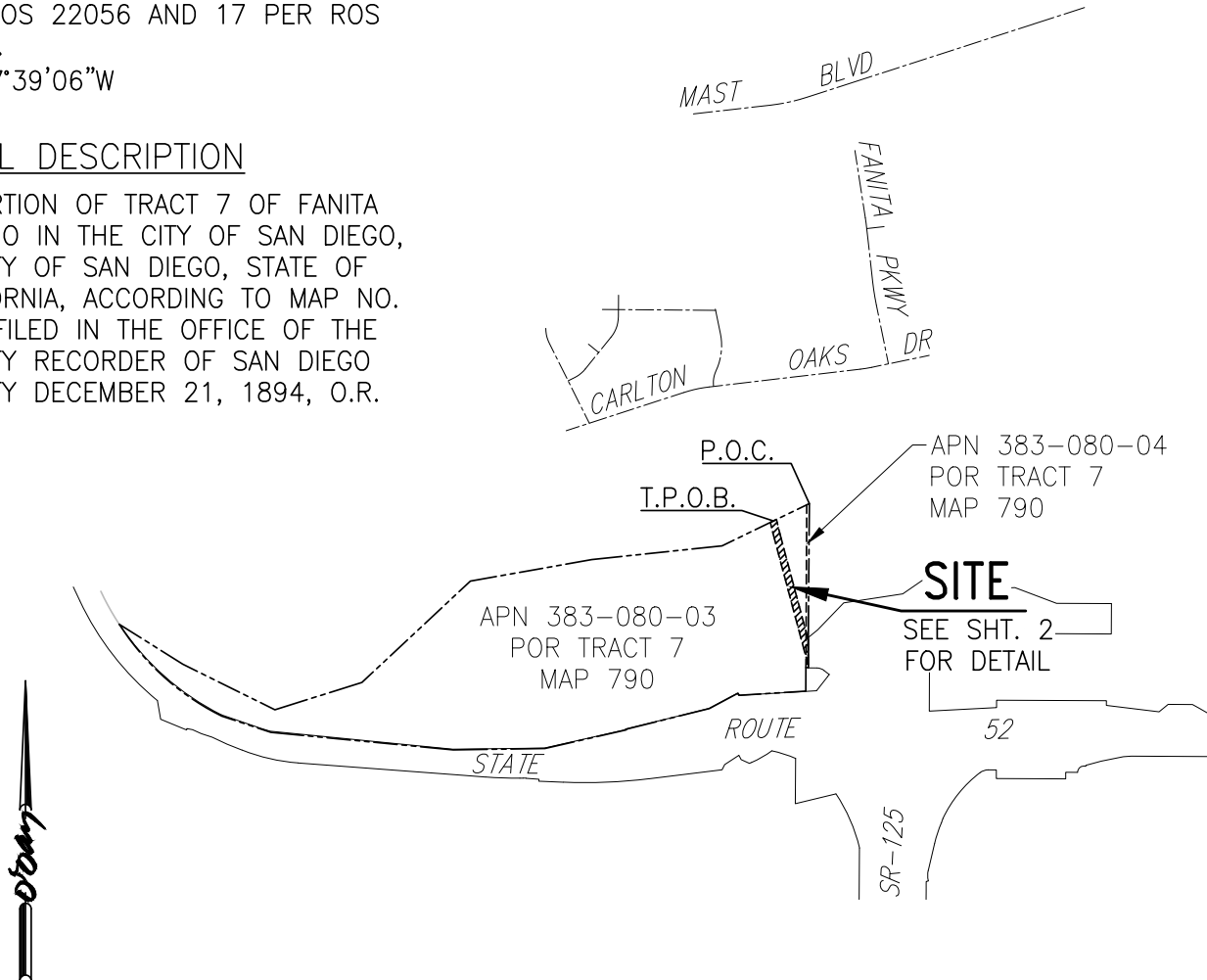
BASIS OF BEARINGS

THE BASIS OF BEARINGS FOR THIS PLAN IS THE CALIFORNIA COORDINATE SYSTEM (CCS 83), ZONE 6, EPOCH 1991.35, CONSTRAINING TO HORIZONTAL CONTROL POINTS SDRF1 PER ROS 22056 AND 17 PER ROS 14492.

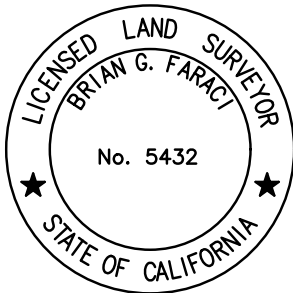
IE S77°39'06"W

LEGAL DESCRIPTION

A PORTION OF TRACT 7 OF FANITA RANCHO IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP NO. 790, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY DECEMBER 21, 1894, O.R.

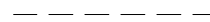


VICINITY MAP NO SCALE



LEGEND:

PROPOSED SEWER EASEMENT
EASEMENT CENTERLINE
SUBDIVISION BOUNDARY
EXISTING LOT/PARCEL LINES
TEMPORARY CONSTRUCTION
EASEMENT PER SEPARATE
DOCUMENT
RIGHT-OF-WAY (R/W)
EXISTING EASEMENT LINES
MUNICIPAL BOUNDARY



AREA

383-080-03: 48689 SF
383-080-04: 3720 SF

Prepared by:

O'Day
CONSULTANTS

5/3/2022
Date

**PLAT TO ILLUSTRATE SEWER EASEMENT
ACROSS PORTION TRACT 7
FANITA RANCHO MAP NO. 790**

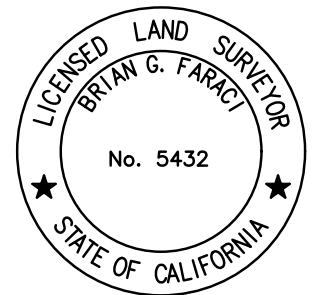
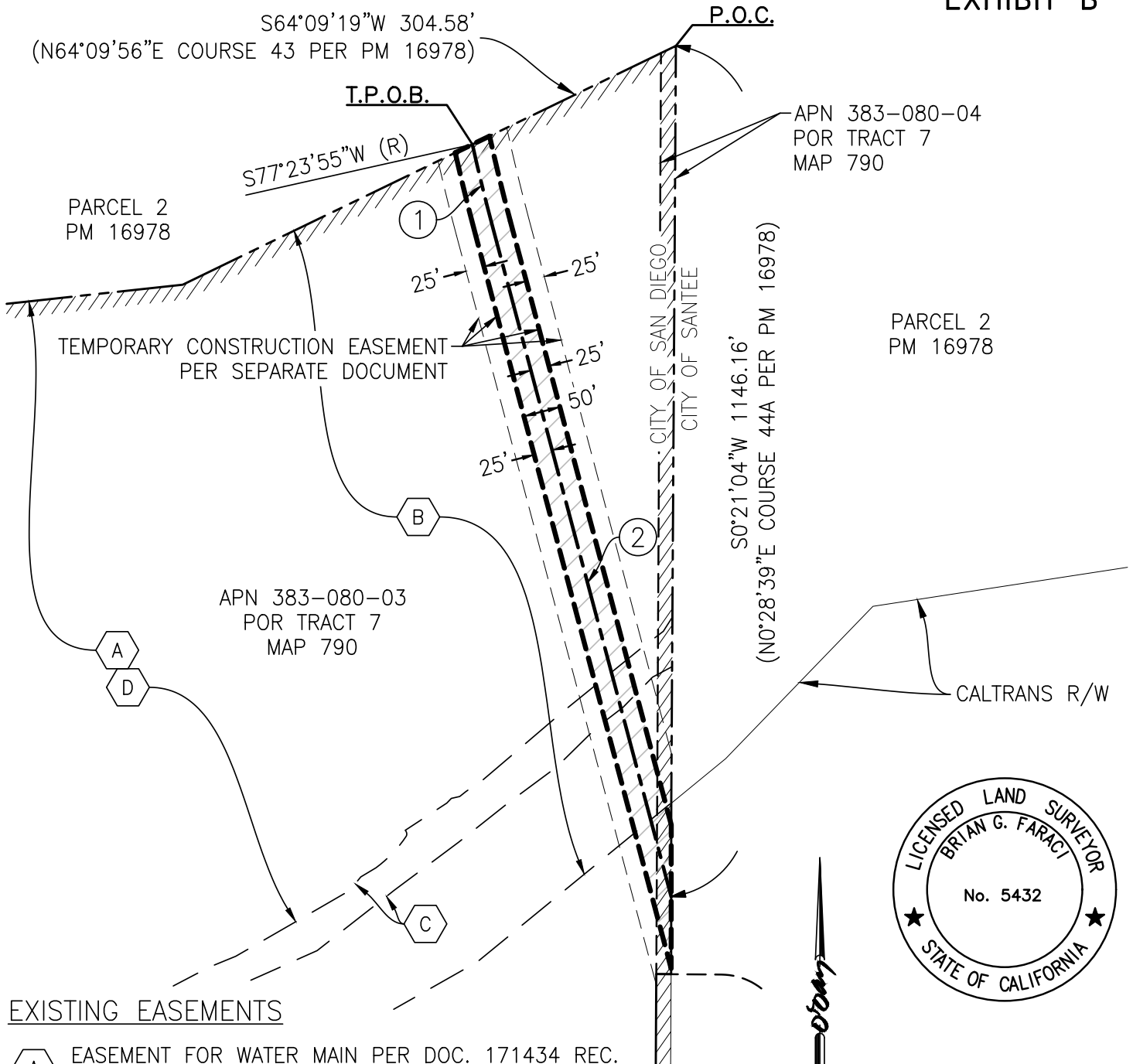
EASEMENT

**APN 383-080-03
APN 383-080-04**

DOC. NO. -

SHEET: 1 OF 2

EXHIBIT B



EXISTING EASEMENTS

- A** EASEMENT FOR WATER MAIN PER DOC. 171434 REC. 10-4-1962, O.R.
- B** MEMORANDUM OF LEASE PER DOC. 2000-0482119 REC. 9-7-2000, O.R., AND DOC. 2000-0497293 REC. 9-15-2000, O.R.
- C** EASEMENT FOR BERM MAINTENANCE PER DOC. 2012-0658046 REC. 10-25-2012, O.R.
- D** MEMORANDUM OF GROUND LEASE PER DOC. 2014-0252193 REC. 6-18-2014, O.R.

0' 200'
SCALE: 1"=200'

(NO)	DELTA/BEARING	RADIUS	LENGTH
1	$\Delta=2^{\circ}19'33''$	2786.58'	113.11'
2	S14°55'38"E	---	935.07'

Prepared by:

O'Day
CONSULTANTS

5/3/2022
Date

**PLAT TO ILLUSTRATE SEWER EASEMENT
ACROSS PORTION TRACT 7
FANITA RANCHO MAP NO. 790**

EASEMENT
APN 383-080-03
APN 383-080-04
DOC. NO. -
SHEET: 2 OF 2

EXHIBIT E

EXHIBIT A

ALL THAT PORTION OF TRACT 7 OF FANITA RANCHO ACCORDING TO MAP NO. 790, IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON DECEMBER 21, 1894, O.R., MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A STRIP OF LAND BEING 100 FEET IN WIDTH LYING 50 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

COMMENCING AT THE EASTERLY TERMINUS OF COURSE 43 OF PARCEL MAP NO. 16978, IN THE CITY OF SANTEE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON OCTOBER 19, 1992 AS FILE NO. 92-0665040, O.R.; THENCE, SOUTH 64°09'19" WEST 304.58 FEET ALONG SAID COURSE 43 TO THE TRUE POINT OF BEGINNING, SAID TRUE POINT OF BEGINNING BEING A POINT ON A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 2,786.58 FEET, A RADIAL LINE TO SAID TRUE POINT OF BEGINNING BEARS SOUTH 77°23'55" WEST; THENCE SOUTHERLY 113.11 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 2°19'33"; THENCE SOUTH 14°55'38" WEST 935.07 FEET TO A POINT ON COURSE 44A OF SAID PARCEL MAP NO. 16978.

THE NORTHEASTERLY SIDELINE OF SAID STRIP OF LAND SHALL BE LENGTHENED OR SHORTENED TO TERMINATE ON THE EAST AT COURSE 44A OF SAID PARCEL MAP NO. 16978, AND ON THE NORTH AT COURSE 43 OF SAID PARCEL MAP 16978. THE SOUTHWESTERLY SIDELINE OF SAID STRIP OF LAND SHALL BE LENGTHENED OR SHORTENED TO TERMINATE ON THE EAST AT A LINE LYING 20 FEET WEST OF MEASURED AT A RIGHT ANGLE TO AND PARALLEL TO SAID COURSE 44A OF SAID PARCEL MAP NO. 16978, AND ON THE NORTH AT COURSE 43 OF SAID PARCEL MAP 16978.

EXCEPTING THEREFROM A STRIP OF LAND BEING 50 FEET IN WIDTH LYING 25 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

COMMENCING AT THE EASTERLY TERMINUS OF COURSE 43 OF PARCEL MAP NO. 16978, IN THE CITY OF SANTEE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON OCTOBER 19, 1992 AS FILE NO. 92-0665040, O.R.; THENCE, SOUTH 64°09'19" WEST 304.58 FEET ALONG SAID COURSE 43 TO THE TRUE POINT OF BEGINNING, SAID TRUE POINT OF BEGINNING BEING A POINT ON A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 2,786.58 FEET, A RADIAL LINE TO SAID TRUE POINT OF BEGINNING BEARS SOUTH 77°23'55" WEST; THENCE SOUTHERLY 113.11 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 2°19'33"; THENCE SOUTH 14°55'38" WEST 935.07 FEET TO A POINT ON COURSE 44A OF SAID PARCEL MAP NO. 16978.

THE SIDELINES OF SAID STRIP OF LAND SHALL BE LENGTHENED OR SHORTENED TO TERMINATE ON THE EAST AT COURSE 44A OF SAID PARCEL MAP NO. 16978, AND ON THE NORTH AT COURSE 43 OF SAID PARCEL MAP 16978.

AREA EQUALS 51,427 SQUARE FEET, MORE OR LESS.

APN: 383-080-03 (48,726 SQUARE FEET) AND 383-080-04 (2,701 SQUARE FEET)

EXHIBIT F

EXHIBIT B

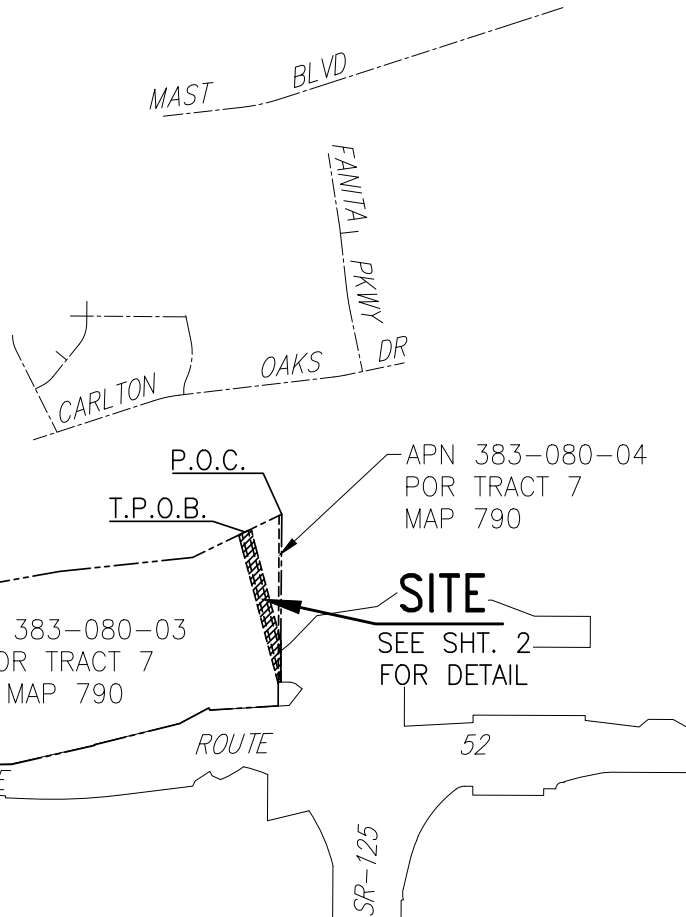
BASIS OF BEARINGS

THE BASIS OF BEARINGS FOR THIS PLAN IS THE CALIFORNIA COORDINATE SYSTEM (CCS 83), ZONE 6, EPOCH 1991.35, CONSTRAINING TO HORIZONTAL CONTROL POINTS SDRF1 PER ROS 22056 AND 17 PER ROS 14492.

IE S77°39'06"W

LEGAL DESCRIPTION

A PORTION OF TRACT 7 OF FANITA RANCHO IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP NO. 790, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY DECEMBER 21, 1894, O.R.



VICINITY MAP
NO SCALE

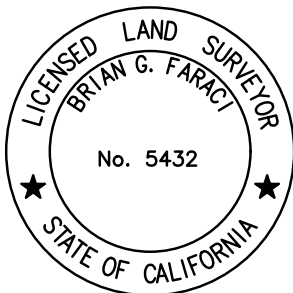
LEGEND:

TEMPORARY CONSTRUCTION EASEMENT
EASEMENT CENTERLINE
SUBDIVISION BOUNDARY
EXISTING LOT/PARCEL LINES
50' WIDE SEWER EASEMENT
PER SEPARATE DOCUMENT
RIGHT-OF-WAY (R/W)
EXISTING EASEMENT LINES
MUNICIPAL BOUNDARY

AREA



383-080-03: 48726 SF
383-080-04: 2701 SF



Prepared by:

O'Day
CONSULTANTS

5/3/2022
Date

**PLAT TO ILLUSTRATE TEMPORARY
CONSTRUCTION EASEMENT ACROSS
PORTION TRACT 7
FANITA RANCHO MAP NO. 790**

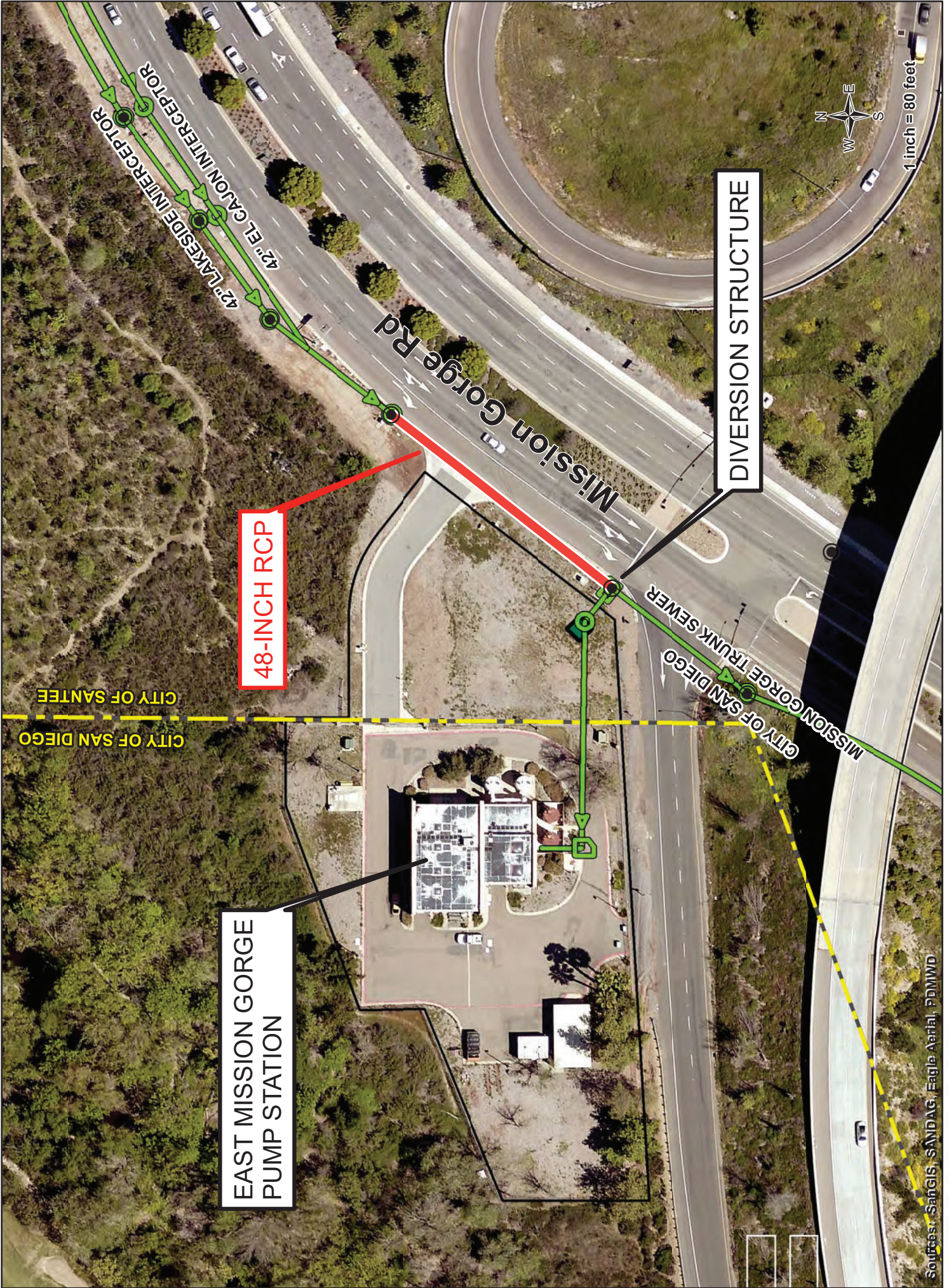
EASEMENT

APN 383-080-03
APN 383-080-04

DOC. NO. -

SHEET: 1 OF 2

EXHIBIT G





May 4, 2022

Jay Goldstone
Chief Operating Officer
City of San Diego
202 C St.
San Diego, CA 92101

Dear Mr. Goldstone:

This letter is regarding the contemplated acquisition of the real property owned by the City of San Diego ("City") generally identified as APNs 383-080-05, -03 (portion), and -04 (portion), including related improvements, and a nearby 174-foot long, 48-inch diameter gravity sewer pipe (as more fully described and depicted in Exhibits A and B, which are incorporated herein by reference) (collectively, the "Subject Property") by the East County Advanced Water Purification Joint Powers Authority ("JPA") for the East County Advanced Water Purification ("AWP") Project ("Project"). As the City is aware, the Parties have been in negotiation to transfer the Subject Property since at least Fall 2020. The Parties substantially completed negotiations on a Purchase and Sale Agreement and Joint Escrow Instructions ("Purchase Agreement") in the Fall of 2021. The JPA also seeks to acquire permanent easements on portions of APNs 383-080-03 and -04 from the City (as more fully described and depicted in Exhibits C and D, which are incorporated herein by reference) (collectively, the "Permanent Easements"), as well as temporary construction easements on portions of APNs 383-080-03 and -04 (as more fully described and depicted in Exhibits E and F, which are incorporated herein by reference) (collectively, the "TCEs," and together with the Permanent Easements, the "Easements").

As you may know, the Subject Property was previously reviewed by pertinent City departments and none of the City departments requested retention of the Subject Property for a City municipal use. As a result, on September 21, 2021, the San Diego City Council declared the Subject Property as exempt surplus land intended for sale to the JPA for the AWP Project. (City Resolution No. R-313714).

On November 18, 2021, based on representations from City staff and the City's preference that the JPA approve the Purchase Agreement for the Subject Property prior to the San Diego City Council, the JPA's Board of Directors authorized JPA's Administrator to complete negotiations and execute the Purchase Agreement. At the time, based on representations from City staff, the JPA understood that the City would take the final Purchase Agreement to the San Diego City Council in or around December 2021. Since that time, City representatives have stated on multiple occasions that a revised version of the Purchase Agreement would be imminently forthcoming from the City for the JPA's review and completion of negotiations by the Parties so that the San Diego City Council could approve the Purchase Agreement.



Despite these multiple representations and continuous inquiries by the JPA, the JPA has still not received the City's proposed final form of the Purchase Agreement or any indication of when the Purchase Agreement will be considered by the San Diego City Council. Although the JPA and the City continue to work on other, separate items related to the JPA's Project and the City's Pure Water Program, the JPA believes there is no reasonable, good faith basis for any further delay in the City's finalization and approval of the Purchase Agreement.

The JPA needs to secure possession of the Subject Property and Easements to move forward with the Project. The Project will create a new, local, sustainable and drought proof drinking water supply for East County San Diego. The Project will also purify East County's recycled water using advanced water purification technologies before sending the purified water through a proposed pipeline to Lake Jennings. Construction on the Project is slated to begin later this year.

As the Administrator of the JPA, we are deeply concerned about the imminent risk of delays to the East County AWP Project caused by the City's lack of timely action. Any further delays will impact our Project feasibility and timeline, and could lead to significant cost increases for the 500,000 customers who are counting on this local water supply.

As you know, California is experiencing severe drought conditions and new sources of water, such as will be produced by the AWP Project, are urgently needed, as evidenced by recent statewide actions. On October 19, 2021, under Government Code Section 8625 Governor Newsom issued a Proclamation that a State of Emergency exists due to drought in all counties in California, including San Diego County. On January 4, 2022, the State Water Resources Control Board adopted Resolution No. 2022-0002 under Water Code section 1058.5 as an Emergency Regulation in response to statewide drought conditions and the need to supplement voluntary water conservation measures. On March 28, 2022, Governor Newsom issued Executive Order N-7-22 under Government Code sections 8567, 8571, and 8627; the order continued the State of Emergency due to drought in all counties of California and among other items directed the State Water Resources Control Board to adopt emergency water conservation regulations by May 25, 2022, requiring urban water suppliers to reduce water use by up to 20%. The State Water Resources Control Board is expected to adopt the emergency regulations in May 2022.

In addition to California's immediate severe drought condition, the Governor's Proclamations of a State of Emergency and Executive Order all note that the effects of climate change are intensifying the impacts of drought and *"underscores the need for California to redouble near-, medium- and long-term efforts to adapt its water management and delivery system to a changing climate, shifting precipitation patterns and water scarcity."* The East County AWP Project will provide up to 14,000 acre feet annually of new, reliable drought proof supplies that will increase regional drought resilience by reducing the need for imported water. Any delay in Project implementation conflicts with the intent of the Governor's State of Emergency Proclamation and Executive Order N-7-22.

Drought and climate change impacts in California are also compounded by the "Mega-Drought" conditions on the Colorado River, the source of most water supplies to San Diego County. In August 2021 the U.S. Bureau of Reclamation declared a first-of-its-kind water shortage for 2022. Shortages on the Colorado

River and long-term trends in California make the expeditious implementation of new drought proof supply projects critical to the climate change resilience of California and its response to the emergency drought conditions.

To get some closure on this issue, the JPA has prepared and is providing this Offer to Purchase the Subject Property and Easements pursuant to Government Code Section 7267.2. The Offer to Purchase the Subject Property is based upon the value established in the Appraisal prepared by Robert P. Caringella dated October 11, 2021, who was retained by the JPA and the City to prepare the Appraisal. A copy of the Appraisal Report for the Subject Property is attached as Exhibit G and incorporated herein by reference. The Offer to Purchase the Easements is based upon the value established in the Appraisal prepared by David C. Ottley and James Brabant dated January 31, 2022, who was retained by the JPA to prepare the Appraisal. A copy of the Appraisal Report for the Easements are attached as Exhibit H and incorporated herein by reference.

While this letter is being sent to preserve the JPA's legal options, we value our longstanding relationship with the City and would greatly prefer to resolve this matter amicably. Our hope is that both Parties can return to the table without delay and negotiate a path forward.

OFFER FOR ACQUISITION OF PROPERTY AND EASEMENTS

APNs: 383-080-05, -03 (portion), -04 (portion) (including related improvements), 174-foot long gravity sewer pipe, and permanent and temporary construction easements on portions of APNs 383-080-03 and -04

Pursuant to California Government Code section 7267.2, the JPA offers to purchase: (1) the Subject Property in fee for the sum of \$2,042,000; (2) the Permanent Easements for the sum of \$14,000; and (3) the TCEs for the sum of \$2,125.07, which the JPA believes to be just compensation for the property and easements.¹ Attached as Exhibit I is the Purchase Agreement outlining the terms and conditions of the proposed acquisition of the Subject Property, including the optional Temporary Operating Agreement that was previously discussed as an exhibit to the Purchase Agreement. The JPA is open to including the Permanent Easements and TCEs in the Purchase Agreement, or acquiring them via a separate instrument. If acceptable, please respond in writing if the City is willing to move forward with the purchase and sale under these terms.

At this point in time, the JPA has not made any decision to exercise its powers of eminent domain but may consider doing so in the future after holding a public hearing at which all affected property owners are given the opportunity to be heard on the issues stated in Section 1245.230 of the Code of Civil Procedure. Pursuant to Government Code section 7267.2(a)(2), we have also enclosed as Exhibit J an informational pamphlet detailing the process of eminent domain and the property owner's rights under the Eminent Domain Law.

¹ The TCEs' value was calculated by multiplying the appraised value of the property per square foot (as reflected in Exhibit H) by .08 (8%), to determine the annual "rent" for the temporary use of the property, with a six (6) month use of the TCEs by the JPA.

Jay Goldstone
City of San Diego
May 4, 2022
Page 4 of 4



The City is entitled to reimbursement from the JPA for the reasonable costs, not to exceed \$5,000, for an independent appraisal, should you elect to retain another appraiser. In order to receive this reimbursement, the independent appraisal can only be conducted by an appraiser licensed by the Office of Real Estate Appraisers. If you would like to obtain an independent appraisal, please contact Rebecca Abbott, Engineering Manager, at (619) 258-4643.

As noted above, the JPA continues to desire to acquire the Subject Property and Easements expeditiously through negotiations and will continue to make reasonable efforts to do so. However, given the protracted discussion to date, the status of the previously negotiated Purchase Agreement, and the impending need to acquire to the Subject Property and Easements prior to the start Project construction, the JPA would appreciate a written response on or before **May 12, 2022**.

If you have any questions please contact me at (619) 258-4614.

Sincerely,

A handwritten signature in black ink that reads "Allen Carlisle".

Allen Carlisle
CEO/General Manager
Padre Dam Municipal Water District
as Administrator of the East County Advanced Water Purification Joint Powers Authority

cc: Alia Khouri, Deputy Chief Operating Officer, City of San Diego
Juan Guerreiro, Interim Director, Public Utilities Department, City of San Diego
Jean Jordan, Assistant City Attorney, City of San Diego
Mark Niemiec, Director of Advanced Water Purification, Padre Dam MWD
Nicholaus Norvell, General Counsel, East County Advanced Water Purification JPA
James Gilpin, Special Counsel, East County Advanced Water Purification JPA

EXHIBIT A

EXHIBIT "A"
LAND SALE AND ACCESS EASEMENT RESERVATION

THAT PORTION OF LOT 1 OF THE RESUBDIVISION OF PART OF FANITA RANCHO, ACCORDING TO MAP NO. 1703, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, STATE OF CALIFORNIA, FEBRUARY 28, 1918 AND DESCRIBED IN DEED TO THE STATE OF CALIFORNIA AS FILE NO. 72380, RECORDED MARCH 28, 1972 IN THE OFFICE OF SAID RECORDER, ALONG WITH THAT PORTION OF TRACT T OF RANCHO EL CAJON BEING ALSO A PORTION OF LOT 7 OF FANITA RANCHO, ACCORDING TO MAP THEREOF NO. 790, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, DECEMBER 21, 1894, DESCRIBED AS PARCEL 28057-2, IN FINAL ORDER OF CONDEMNATION TO THE STATE OF CALIFORNIA AS DOCUMENT NO. 1995-0079132, RECORDED FEBRUARY 23, 1995, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A BRASS DISC STAMPED "CALTRANS BM 52-13.6 1984", BEING POINT NO. 147 ACCORDING TO RECORD OF SURVEY MAP NO. 14492, FILED IN THE OFFICE OF THE COUNTY RECORDER ON MARCH 31, 1994, WHICH BEARS NORTH 71°00'53" WEST 19755.94 FEET FROM A BRASS DISC STAMPED "USC&GS G 281 1955", BEING POINT NO. 54 ACCORDING TO SAID RECORD OF SURVEY MAP NO. 14492; THENCE SOUTH 72°59'42" EAST 5767.29 FEET TO A 1" IRON PIPE WITH BRASS DISC STAMPED "CAL DOT" PER RECORD OF SURVEY MAP NO. 16019, FILED IN THE OFFICE OF THE COUNTY RECORDER ON JANUARY 8, 1999, SAID POINT BEING THE NORTHWEST TERMINUS OF COURSE NO. 1 OF PARCEL 28057-1 IN FINAL ORDER OF CONDEMNATION TO THE STATE OF CALIFORNIA RECORDED FEBRUARY 23, 1995 AS DOCUMENT NO. 1995-0079132 OF OFFICIAL RECORDS, SAID POINT ALSO BEING THE SOUTHEAST CORNER OF PARCEL 28057-2 IN SAID FINAL ORDER OF CONDEMNATION AND THE SOUTHEAST CORNER OF LAND PER DEED TO THE CITY OF SAN DIEGO RECORDED AUGUST 8, 1997 AS DOC. NO. 1997-1380426 OF OFFICIAL RECORDS (CITY LAND), SAID POINT HEREINAFTER REFERRED TO AS POINT "A" AND ALSO BEING THE **TRUE POINT OF BEGINNING**;

1. THENCE ALONG THE NORTHERLY LINE OF SAID PARCEL 28057-1 AND THE SOUTHERLY LINE OF SAID PARCEL 28057-2 AND SAID CITY LINE SOUTH 86°39'57" WEST (RECORD SOUTH 86°40'21" WEST) 381.59 FEET
2. THENCE LEAVING SAID NORTHERLY LINE NORTH 00°06'23" WEST 96.24 FEET;
3. THENCE NORTH 67°54'04" EAST 135.63 FEET;
4. THENCE NORTH 00°56'01" WEST 42.44 FEET;
5. THENCE NORTH 70°06'48" EAST 142.36 FEET;
6. THENCE NORTH 89°49'39" EAST 58.22 FEET TO THE CENTER MERIDIAN LINE OF SECTION 29 IN TOWNSHIP 15 SOUTH, RANGE 1 WEST, SAN BERNARDINO BASE AND MERIDIAN;
7. THENCE ALONG SAID CENTER MERIDIAN LINE SOUTH 0°28'47" WEST 41.54 FEET TO THE NORTHERLY LINE OF SAID PARCEL 28057-2 AND SAID CITY LAND;
8. THENCE LEAVING SAID CENTER MERIDIAN LINE ALONG SAID NORTHERLY LINE SOUTH 89°54'24" EAST 67.00 FEET TO THE BEGINNING OF A TANGENT 88.00-FOOT RADIUS CURVE CONCAVE SOUTHWESTERLY;

9. THENCE CONTINUING ALONG SAID NORTHERLY LINE EASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 37°38'10" A DISTANCE OF 57.80 FEET;
10. THENCE CONTINUING ALONG SAID NORTHERLY LINE SOUTH 52°16'14" EAST 51.18 FEET TO THE NORTHEAST CORNER OF SAID PARCEL 28057-2 AND SAID CITY LAND AND THE BEGINNING OF A NON-TANGENT 930.00-FOOT RADIUS CURVE CONCAVE SOUTHEASTERLY, A RADIAL LINE TO SAID POINT BEARS NORTH 51°03'00" WEST;
11. THENCE ALONG THE SOUTHEASTERLY LINE OF SAID PARCEL 28057-2 AND SAID CITY LAND SOUTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 1°13'14" A DISTANCE OF 19.81 FEET;
12. THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE SOUTH 37°43'46" WEST 138.08 FEET TO THE **TRUE POINT OF BEGINNING**.

AREA = 75,187 SQUARE FEET (1.726 ACRES), MORE OR LESS

RESERVING THEREFROM AN ACCESS EASEMENT MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT SAID POINT "A"; THENCE ALONG THE SOUTHEASTERLY LINE OF SAID PARCEL 28057-2 NORTH 37°43'46" EAST 132.08 FEET TO THE **TRUE POINT OF BEGINNING**;

1. THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE NORTH 37°43'46" EAST 6.00 FEET TO THE BEGINNING OF A TANGENT 930.00-FOOT RADIUS CURVE CONCAVE SOUTHEASTERLY;
2. THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE NORTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 0°22'11" A DISTANCE OF 6.00 FEET;
3. THENCE LEAVING SAID SOUTHEASTERLY LINE NORTH 52°13'30" WEST 45.97 FEET TO THE BEGINNING OF A TANGENT 69.00-FOOT RADIUS CURVE CONCAVE SOUTHWESTERLY;
4. THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 37°52'25" A DISTANCE OF 45.61 FEET;
5. THENCE SOUTH 89°54'05" WEST 265.42 FEET;
6. THENCE SOUTH 00°56'01" EAST 12.00 FEET;
7. THENCE NORTH 89°54'05" EAST 265.24 FEET TO THE BEGINNING OF A TANGENT 57.00-FOOT RADIUS CURVE CONCAVE SOUTHWESTERLY;
8. THENCE EASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 37°52'25" A DISTANCE OF 37.68 FEET;
9. THENCE SOUTH 52°13'30" EAST 45.96 FEET TO THE **TRUE POINT OF BEGINNING**.

AREA = 4,235 SQUARE FEET (0.097 ACRES), MORE OR LESS

THE BEARINGS AND DISTANCES USED IN THE ABOVE DESCRIPTION ARE BASED ON THE CALIFORNIA COORDINATE SYSTEM OF 1983, ZONE VI (UNLESS OTHERWISE NOTED). MULTIPLY DISTANCES SHOWN BY 1.0000198 TO OBTAIN GROUND DISTANCES.

ATTACHED HERETO IS CITY OF SAN DIEGO DRAWING NO. 41361-B LABELED
EXHIBIT "B" AND BY THIS REFERENCE MADE A PART HEREOF.

SIGNATURE

Joel D. Riipinen 9/16/21

JOEL D. RIIPINEN DATE
PLS 7942

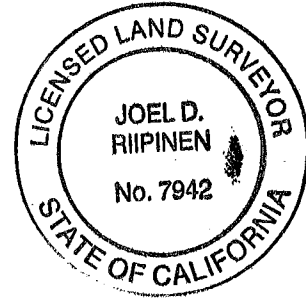
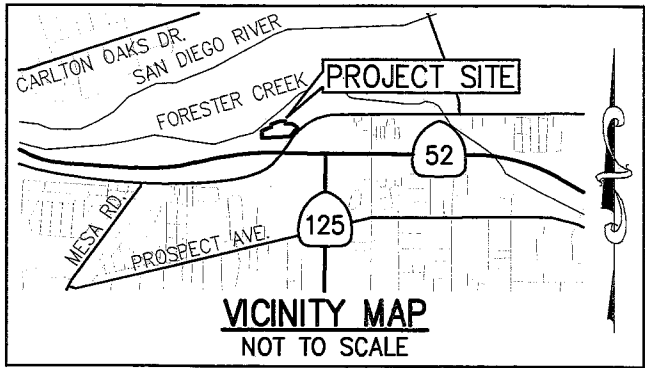


EXHIBIT B

EXHIBIT "B"

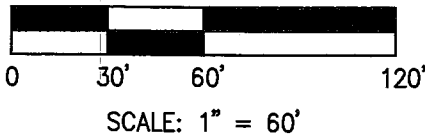


BASIS OF BEARINGS

THE GRID BEARING BETWEEN POINT NO. 54 AND POINT NO. 147 PER ROS 14492. I.E., N 71°00'53" W

REFERENCES

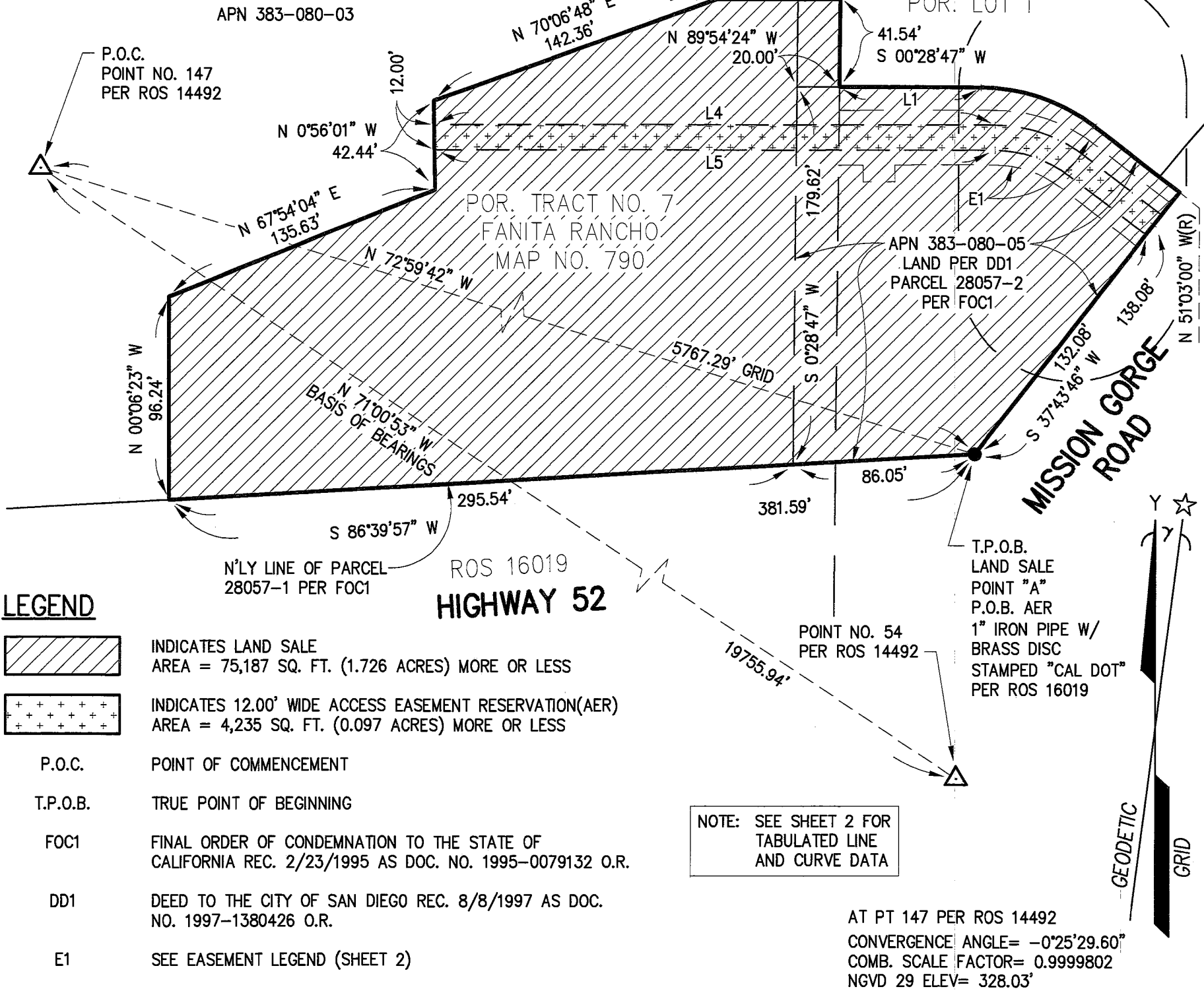
MAP NO. 790
MAP NO. 1703
ROS 14492
ROS 16019



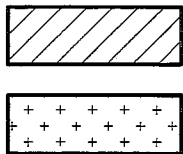
CENTER MERIDIAN LINE OF SECTION 29 IN TOWNSHIP 15 SOUTH, RANGE 1 WEST, SAN BERNARDINO BASE AND MERIDIAN

SEE DETAIL SHEET 2

RESUB. OF PART OF FANITA RANCHO MAP NO. 1703 POR. LOT 1



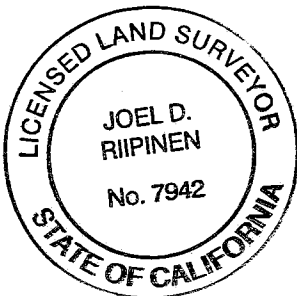
LEGEND



- P.O.C. POINT OF COMMENCEMENT
- T.P.O.B. TRUE POINT OF BEGINNING
- FOC1 FINAL ORDER OF CONDEMNATION TO THE STATE OF CALIFORNIA REC. 2/23/1995 AS DOC. NO. 1995-0079132 O.R.
- DD1 DEED TO THE CITY OF SAN DIEGO REC. 8/8/1997 AS DOC. NO. 1997-1380426 O.R.
- E1 SEE EASEMENT LEGEND (SHEET 2)

AGUIRRE & ASSOCIATES
8363 CENTER DRIVE, SUITE 5A
LA MESA CA 91942 (619) 464-6978

Joel D. Riipinen 9/16/21
JOEL D. RIIPINEN L.S. 7942 DATE



RESOLUTION No. _____

RECORDED _____

DOCUMENT No. _____

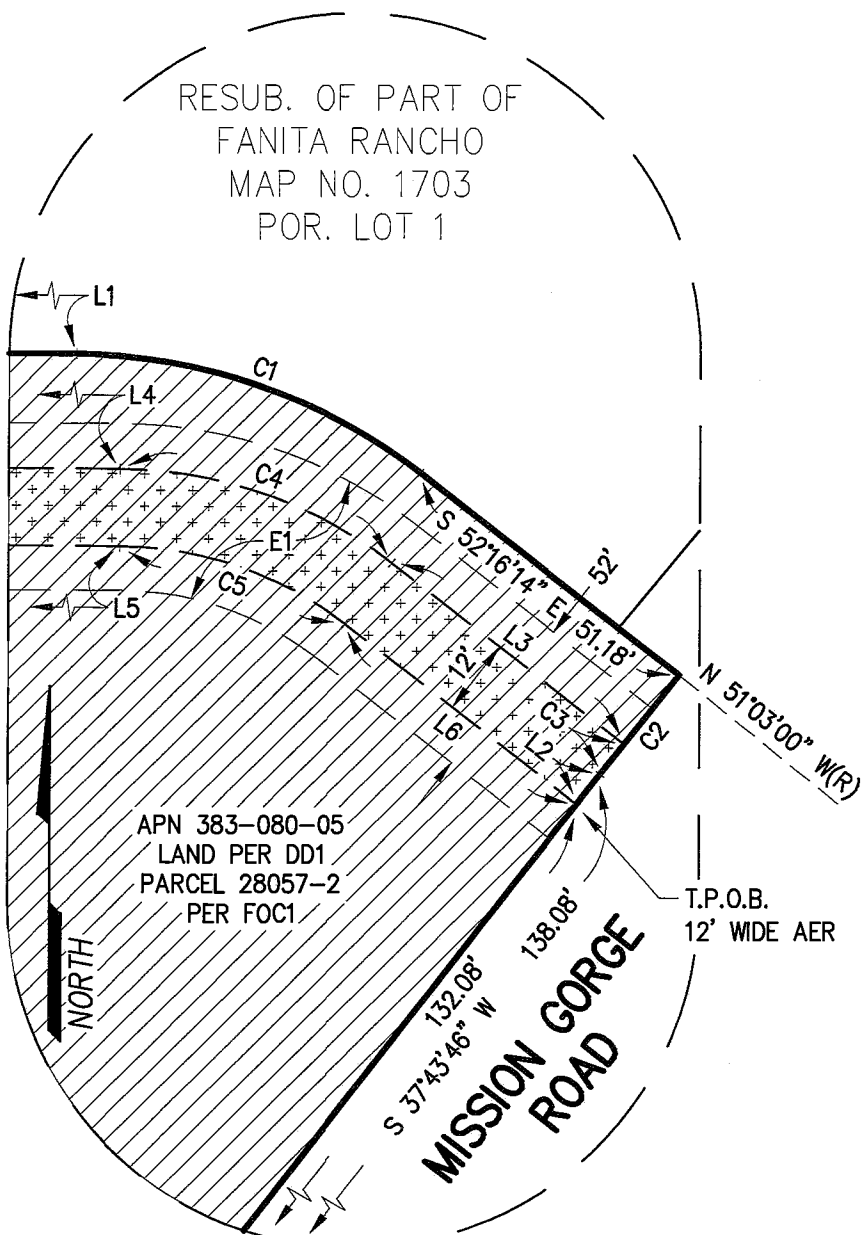
RECORDED _____

LAND SALE AND ACCESS EASEMENT RESERVATION

PORTION OF LOT 1 OF RESUB. FANITA RANCHO, MAP 1703, ALONG WITH THAT PORTION OF TRACT T RANCHO EL CAJON, BEING A PORTION OF TRACT 7 OF FANITA RANCHO MAP 790

DESCRIPTION	BY	APPROVED	DATE	FILMED	CITY OF SAN DIEGO, CALIFORNIA	PTS 633065
ORIGINAL	JR				SHEET 1 OF 2 SHEETS	I.O. 21004705
						1885-6329
					FOR CITY LAND SURVEYOR DATE	CCS 83 COORDINATES
						242-1767
						NAD 27 COORDINATES
						41361-1-B
STATUS						

EXHIBIT "B"



LINE TABLE		
LINE NO.	DIRECTION	LENGTH
L1	N 89°54'24" W	67.00'
L2	N 37°43'46" E	6.00'
L3	N 52°13'30" W	45.97'
L4	S 89°54'05" W	265.42'
L5	N 89°54'05" E	265.24'
L6	S 52°13'30" E	45.96'

CURVE TABLE			
CURVE NO.	DELTA	RADIUS	LENGTH
C1	37°38'10"	88.00'	57.80'
C2	1°13'14"	930.00'	19.81'
C3	0°22'11"	930.00'	6.00'
C4	37°52'25"	69.00'	45.61'
C5	37°52'25"	57.00'	37.68'

DETAIL
SCALE: 1" = 30'

EASEMENT LEGEND

- E1 A RIGHT-OF-WAY EASEMENT IN FAVOR OF PADRE DAM MUNICIPAL WATER DISTRICT REC. 5/3/2001 AS DOC. NO. 2001-0279319 O.R.
- AN ACCESS EASEMENT IN FAVOR OF THE CITY OF SAN DIEGO REC. 10/25/2012 AS INST. NO. 2012-0658045 O.R. IS NOT PLOTTABLE.
- NO OTHER EASEMENTS APPEAR TO BE IN THE VICINITY OF THE PERMANENT ACQUISITION AREA.
- EASEMENT DATA HEREON IS DISCLOSED IN BNT TITLE COMPANY OF CALIFORNIA PRELIMINARY REPORT ORDER NO. CA18143433 A DATED DECEMBER 28, 2018 AT 7:30 AM.

AGUIRRE & ASSOCIATES
8363 CENTER DRIVE, SUITE 5A
LA MESA CA 91942 (619) 464-6978

Joel D. Riipinen 9/16/21
JOEL D. RIIPINEN L.S. 7942 DATE



RESOLUTION No. _____
RECORDED _____
DOCUMENT No. _____
RECORDED _____

LAND SALE AND ACCESS EASEMENT RESERVATION

PORTION OF LOT 1 OF RESUB. FANITA RANCHO, MAP 1703, ALONG WITH THAT PORTION OF TRACT T RANCHO EL CAJON, BEING A PORTION OF TRACT 7 OF FANITA RANCHO MAP 790

DESCRIPTION	BY	APPROVED	DATE	FILMED	CITY OF SAN DIEGO, CALIFORNIA SHEET 2 OF 2 SHEETS	PTS 633065 I.O. 21004705
ORIGINAL	JR					
						1885-6329
					FOR CITY LAND SURVEYOR	CCS 83 COORDINATES
					DATE	242-1767
						NAD 27 COORDINATES
STATUS						41361-2-B

EXHIBIT C

EXHIBIT A

ALL THAT PORTION OF TRACT 7 OF FANITA RANCHO ACCORDING TO MAP NO. 790, IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON DECEMBER 21, 1894, O.R., MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A STRIP OF LAND BEING 50 FEET IN WIDTH LYING 25 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

COMMENCING AT THE EASTERLY TERMINUS OF COURSE 43 OF PARCEL MAP NO. 16978, IN THE CITY OF SANTEE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON OCTOBER 19, 1992 AS FILE NO. 92-0665040, O.R.; THENCE, SOUTH 64°09'19" WEST 304.58 FEET ALONG SAID COURSE 43 TO THE TRUE POINT OF BEGINNING, SAID TRUE POINT OF BEGINNING BEING A POINT ON A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 2,786.58 FEET, A RADIAL LINE TO SAID TRUE POINT OF BEGINNING BEARS SOUTH 77°23'55" WEST; THENCE SOUTHERLY 113.11 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 2°19'33"; THENCE SOUTH 14°55'38" WEST 935.07 FEET TO A POINT ON COURSE 44A OF SAID PARCEL MAP NO. 16978.

THE SIDELINES OF SAID STRIP OF LAND SHALL BE LENGTHENED OR SHORTENED TO TERMINATE ON THE EAST AT COURSE 44A OF SAID PARCEL MAP NO. 16978, AND ON THE NORTH AT COURSE 43 OF SAID PARCEL MAP 16978.

AREA EQUALS 52,409 SQUARE FEET, MORE OR LESS.

APN: 383-080-03 (48,689 SQUARE FEET) AND 383-080-04 (3,720 SQUARE FEET)

EXHIBIT D

EXHIBIT B

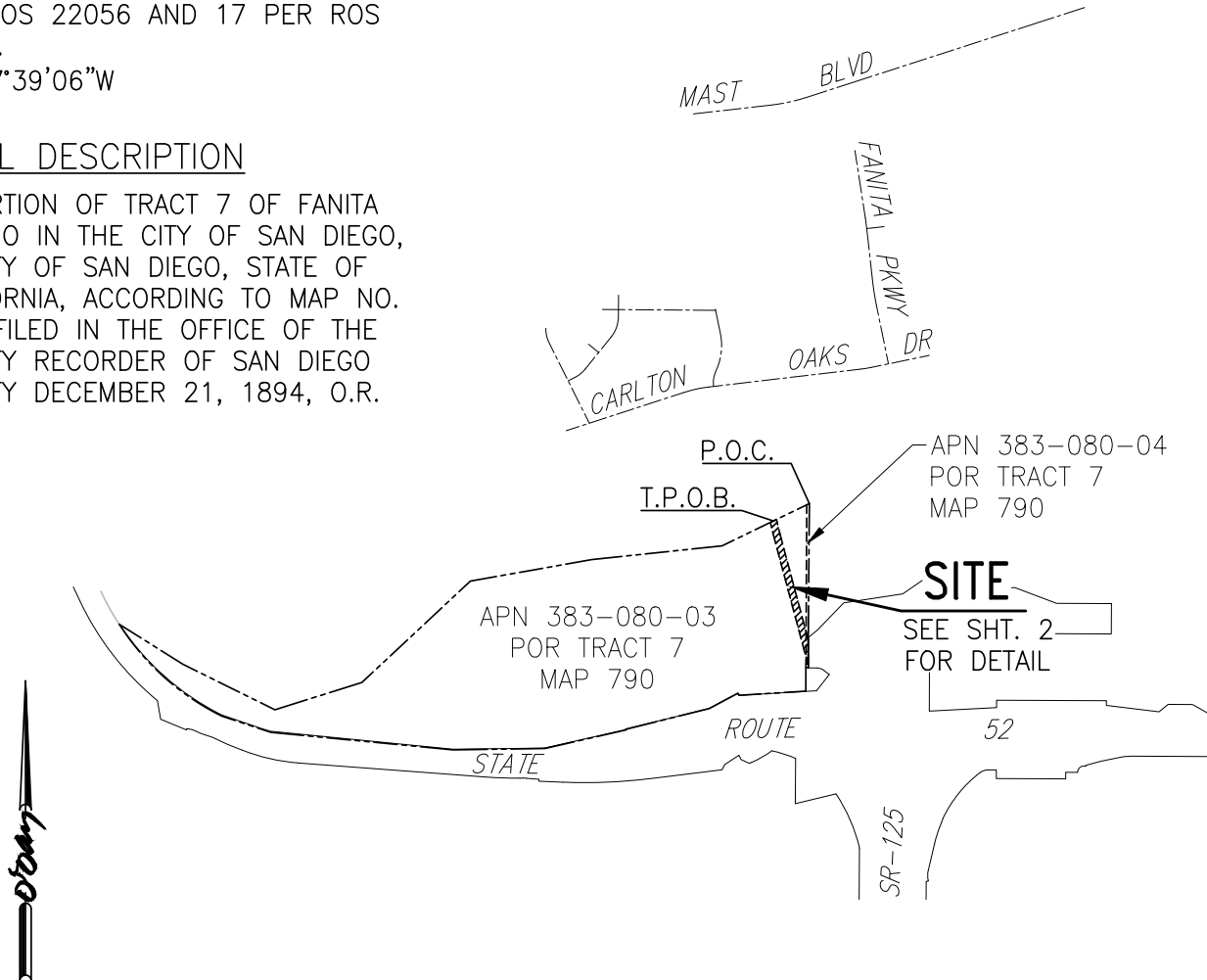
BASIS OF BEARINGS

THE BASIS OF BEARINGS FOR THIS PLAN IS THE CALIFORNIA COORDINATE SYSTEM (CCS 83), ZONE 6, EPOCH 1991.35, CONSTRAINING TO HORIZONTAL CONTROL POINTS SDRF1 PER ROS 22056 AND 17 PER ROS 14492.

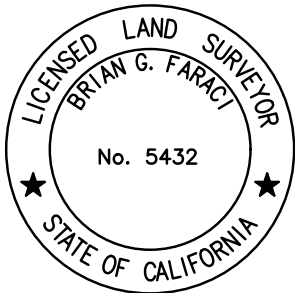
IE S77°39'06"W

LEGAL DESCRIPTION

A PORTION OF TRACT 7 OF FANITA RANCHO IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP NO. 790, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY DECEMBER 21, 1894, O.R.

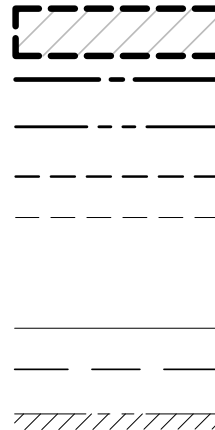


VICINITY MAP NO SCALE



LEGEND:

PROPOSED SEWER EASEMENT
EASEMENT CENTERLINE
SUBDIVISION BOUNDARY
EXISTING LOT/PARCEL LINES
TEMPORARY CONSTRUCTION
EASEMENT PER SEPARATE
DOCUMENT
RIGHT-OF-WAY (R/W)
EXISTING EASEMENT LINES
MUNICIPAL BOUNDARY



AREA

383-080-03: 48689 SF
383-080-04: 3720 SF

Prepared by:

O'Day
CONSULTANTS

5/3/2022
Date

**PLAT TO ILLUSTRATE SEWER EASEMENT
ACROSS PORTION TRACT 7
FANITA RANCHO MAP NO. 790**

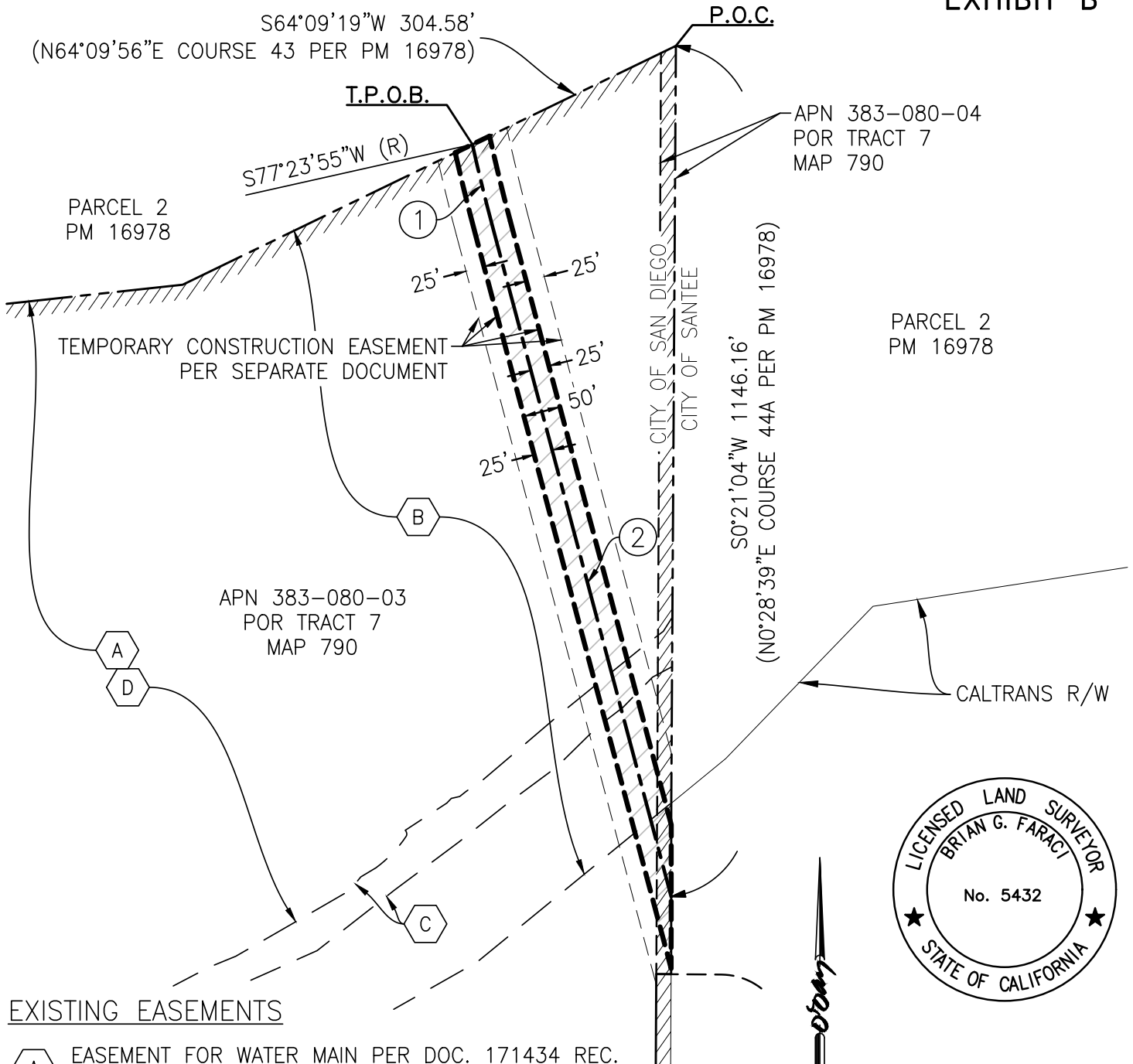
EASEMENT

**APN 383-080-03
APN 383-080-04**

DOC. NO. -

SHEET: 1 OF 2

EXHIBIT B



EXISTING EASEMENTS

- A** EASEMENT FOR WATER MAIN PER DOC. 171434 REC. 10-4-1962, O.R.
- B** MEMORANDUM OF LEASE PER DOC. 2000-0482119 REC. 9-7-2000, O.R., AND DOC. 2000-0497293 REC. 9-15-2000, O.R.
- C** EASEMENT FOR BERM MAINTENANCE PER DOC. 2012-0658046 REC. 10-25-2012, O.R.
- D** MEMORANDUM OF GROUND LEASE PER DOC. 2014-0252193 REC. 6-18-2014, O.R.

(NO)	DELTA/BEARING	RADIUS	LENGTH
1	$\Delta=2^{\circ}19'33''$	2786.58'	113.11'
2	S14°55'38"E	---	935.07'

Prepared by:

O'Day
CONSULTANTS

5/3/2022
Date

PLAT TO ILLUSTRATE SEWER EASEMENT ACROSS PORTION TRACT 7 FANITA RANCHO MAP NO. 790

EASEMENT
APN 383-080-03
APN 383-080-04
DOC. NO. -
SHEET: 2 OF 2

EXHIBIT E

EXHIBIT A

ALL THAT PORTION OF TRACT 7 OF FANITA RANCHO ACCORDING TO MAP NO. 790, IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON DECEMBER 21, 1894, O.R., MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A STRIP OF LAND BEING 100 FEET IN WIDTH LYING 50 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

COMMENCING AT THE EASTERLY TERMINUS OF COURSE 43 OF PARCEL MAP NO. 16978, IN THE CITY OF SANTEE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON OCTOBER 19, 1992 AS FILE NO. 92-0665040, O.R.; THENCE, SOUTH 64°09'19" WEST 304.58 FEET ALONG SAID COURSE 43 TO THE TRUE POINT OF BEGINNING, SAID TRUE POINT OF BEGINNING BEING A POINT ON A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 2,786.58 FEET, A RADIAL LINE TO SAID TRUE POINT OF BEGINNING BEARS SOUTH 77°23'55" WEST; THENCE SOUTHERLY 113.11 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 2°19'33"; THENCE SOUTH 14°55'38" WEST 935.07 FEET TO A POINT ON COURSE 44A OF SAID PARCEL MAP NO. 16978.

THE NORTHEASTERLY SIDELINE OF SAID STRIP OF LAND SHALL BE LENGTHENED OR SHORTENED TO TERMINATE ON THE EAST AT COURSE 44A OF SAID PARCEL MAP NO. 16978, AND ON THE NORTH AT COURSE 43 OF SAID PARCEL MAP 16978. THE SOUTHWESTERLY SIDELINE OF SAID STRIP OF LAND SHALL BE LENGTHENED OR SHORTENED TO TERMINATE ON THE EAST AT A LINE LYING 20 FEET WEST OF MEASURED AT A RIGHT ANGLE TO AND PARALLEL TO SAID COURSE 44A OF SAID PARCEL MAP NO. 16978, AND ON THE NORTH AT COURSE 43 OF SAID PARCEL MAP 16978.

EXCEPTING THEREFROM A STRIP OF LAND BEING 50 FEET IN WIDTH LYING 25 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

COMMENCING AT THE EASTERLY TERMINUS OF COURSE 43 OF PARCEL MAP NO. 16978, IN THE CITY OF SANTEE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON OCTOBER 19, 1992 AS FILE NO. 92-0665040, O.R.; THENCE, SOUTH 64°09'19" WEST 304.58 FEET ALONG SAID COURSE 43 TO THE TRUE POINT OF BEGINNING, SAID TRUE POINT OF BEGINNING BEING A POINT ON A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 2,786.58 FEET, A RADIAL LINE TO SAID TRUE POINT OF BEGINNING BEARS SOUTH 77°23'55" WEST; THENCE SOUTHERLY 113.11 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 2°19'33"; THENCE SOUTH 14°55'38" WEST 935.07 FEET TO A POINT ON COURSE 44A OF SAID PARCEL MAP NO. 16978.

THE SIDELINES OF SAID STRIP OF LAND SHALL BE LENGTHENED OR SHORTENED TO TERMINATE ON THE EAST AT COURSE 44A OF SAID PARCEL MAP NO. 16978, AND ON THE NORTH AT COURSE 43 OF SAID PARCEL MAP 16978.

AREA EQUALS 51,427 SQUARE FEET, MORE OR LESS.

APN: 383-080-03 (48,726 SQUARE FEET) AND 383-080-04 (2,701 SQUARE FEET)

EXHIBIT F

EXHIBIT B

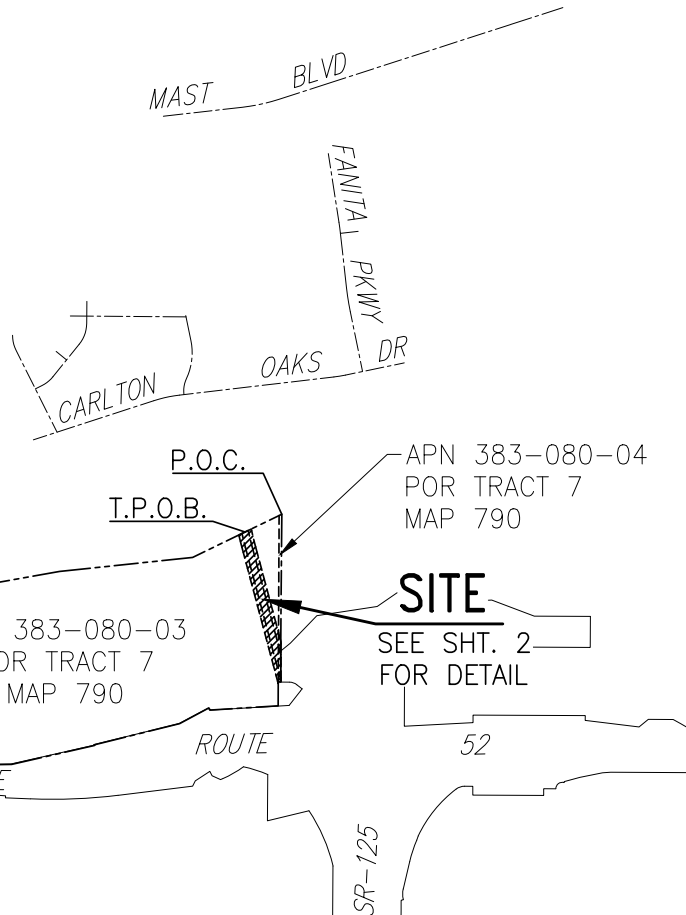
BASIS OF BEARINGS

THE BASIS OF BEARINGS FOR THIS PLAN IS THE CALIFORNIA COORDINATE SYSTEM (CCS 83), ZONE 6, EPOCH 1991.35, CONSTRAINING TO HORIZONTAL CONTROL POINTS SDRF1 PER ROS 22056 AND 17 PER ROS 14492.

IE S77°39'06"W

LEGAL DESCRIPTION

A PORTION OF TRACT 7 OF FANITA RANCHO IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP NO. 790, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY DECEMBER 21, 1894, O.R.



VICINITY MAP
NO SCALE

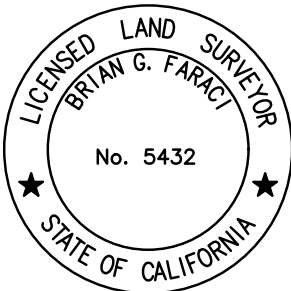
LEGEND:

TEMPORARY CONSTRUCTION EASEMENT
EASEMENT CENTERLINE
SUBDIVISION BOUNDARY
EXISTING LOT/PARCEL LINES
50' WIDE SEWER EASEMENT
PER SEPARATE DOCUMENT
RIGHT-OF-WAY (R/W)
EXISTING EASEMENT LINES
MUNICIPAL BOUNDARY

AREA



383-080-03: 48726 SF
383-080-04: 2701 SF



Prepared by:

O'Day
CONSULTANTS

5/3/2022
Date

**PLAT TO ILLUSTRATE TEMPORARY
CONSTRUCTION EASEMENT ACROSS
PORTION TRACT 7
FANITA RANCHO MAP NO. 790**

EASEMENT

APN 383-080-03
APN 383-080-04

DOC. NO. -

SHEET: 1 OF 2

EXHIBIT G

ALISON E. ROACH, MAI, SRA
ERIC C. SCHNEIDER, MAI, SRA, AI-GRS, R/W-AC
BENJAMIN F. KUNKEL, MAI

JONES, ROACH & CARINGELLA, INC.
REAL ESTATE VALUATION CONSULTANTS
11920 VIA FRONTERA, SUITE 440
SAN DIEGO, CALIFORNIA 92127
(858) 565-2400 FAX: (858) 565-4916
www.jrcvaluation.com

ROBERT P. CARINGELLA, MAI, AI-GRS
ROBERT N. JONES, MAI (RETIRED)
STEPHEN D. ROACH, MAI, SRA, AI-GRS,
CDEI

October 11, 2021

Ms. Rebecca Abbott, P.E.
Engineering Manager
Padre Dam Municipal Water District
P.O. Box 719003
Santee, California 92072

Re: *East Mission Gorge Pump Station, Mission Gorge Road*

Dear Ms. Abbott:


At your authorization and request, I have performed an appraisal of the referenced special purpose property. The purpose of this appraisal is to estimate the value in use (use value) of the fee simple interest in the subject property. The intended use of this report is to provide the client, Padre Dam Municipal Water District, an estimate of value for proposed acquisition of the facility from the city of San Diego (city of San Diego, part of the Working Group, is also an intended user). The effective date of value is October 1, 2021.

The findings of the appraisal are presented in the following appraisal report. This report is intended to comply with the reporting requirements set forth under Standards Rule 2 of the *Uniform Standards of Professional Appraisal Practice* (USPAP). The report contains a summary of the information analyzed, the appraisal methods and techniques employed, and the reasoning that supports the analysis, opinions, and conclusions (other supporting documentation is retained in my workfile). The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated above.

This appraisal was performed in conformance with USPAP and the supplemental requirements of the Appraisal Institute. The appraisal is subject to certain assumptions and limiting conditions that are made a part of this report. The appraiser is not responsible for unauthorized use of this report. Acceptance and use of this report by the client or any intended user constitutes acceptance of these assumptions and limiting conditions.

The value conclusion is presented on page one of this report. Thank you for this opportunity to be of service.

Sincerely,



Robert P. Caringella, MAI, SRA, AI-GRS
AG003295

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

PROPERTY OWNER:	City of San Diego
PROPERTY LOCATION:	Northwest side of Mission Gorge Road at the on-ramp to State Route 52, straddling the cities of San Diego and Santee.
APNs:	383-080-03 (portion), -04 (portion), and -05
LAND DATA:	The subject site contains about 75,187 square feet and is irregular in shape (to be conveyed with an access easement crossing the parcel, reserved for the city). The parcel is generally level at street grade. The larger westerly portion is located in the city of San Diego and is zoned RS-1-8 (Residential - Single Unit), and the smaller easterly portion is located in the city of Santee and zoned Park/Open Space (with a general plan designation of Public). The land is on the south edge of the San Diego River corridor. A small portion may be in FEMA flood plain with riparian vegetation.
IMPROVEMENT DATA:	This special use property is improved with a sewer pump station constructed in December 1992 (originally for recycled water). The 6,862 square foot building is a two-level pump station with a motor room, electrical room, office, screen room, and blower room on ground level. Below grade are influent channel, bar screen channels, wet wells and pumps (four, 500 HP pumps). The site includes concrete pads for equipment, asphalt paving, and landscaping. There is a small metal building. The pumps have a design capacity of 32 MGD, but only operate intermittently. During a typical operation, the facility may experience 3.5 MGD. The pump station is used as a relief station to handle intermittent wet weather flows, and is proposed to be re-purposed.
ESTATE APPRAISED:	Fee simple interest
DATE OF VALUE:	October 1, 2021
DATE OF REPORT:	October 11, 2021
VALUE ESTIMATED:	Value in use
HIGHEST AND BEST USE:	Interim use as improved, then re-purpose or replacement
VALUE CONCLUSION:	\$2,042,000

ASSUMPTIONS AND LIMITING CONDITIONS

The report is subject to the following general and special assumptions and limiting conditions.

Special Limiting Condition (which may affect assignment results)

1. I estimated the fee simple value in use (use value) of the subject property. A “value in use” can be described as the value of a property to a specific user. In the case of the specialized subject improvements, is it likely that only a public utility could find value in the property in the manner constructed. Use value may not necessarily be an indicator of market value. The pool of buyers for this property is very limited by the special use of the facility.

General Assumptions and Limiting Conditions

1. Information, estimates, and opinions furnished by others and contained in this report are assumed to be true, correct, and reliable. A reasonable effort has been made to verify such information; however, no responsibility for its accuracy is assumed.

2. No responsibility is assumed for matters legal in character, nor do I render an opinion as to title, which is assumed to be held in fee simple estate as of the date of valuation unless otherwise stated.

3. It is assumed that the property is readily marketable and free of all liens and encumbrances except any specifically discussed in this report.

4. Photographs, plats, and maps furnished in this report are to assist the reader in visualizing the subject property. No survey of the subject property has been made, and no responsibility has been assumed in this matter.

5. It is assumed that there are no legitimate environmental or ecological reasons that would prevent orderly development or use of the land to its highest and best use under economically feasible conditions unless stated otherwise in the appraisal report.

6. A soils engineering study has not been provided for this appraisal. It is assumed that there are no hidden or unapparent conditions which would render the property more or less valuable. No responsibility is assumed for such conditions or for engineering which might be required to discover such factors.

7. Possession of this report, or a copy thereof, does not carry with it the right of publication. Disclosure of the contents of this appraisal report is governed by the by-laws and regulations of the Appraisal Institute. Neither all nor any part of the contents of this report (especially reference to the Appraisal Institute or its professional designations) may be disseminated to the public through advertising media, public relations media, news media, sales media, or any other public means of communications without prior written consent and approval.

ASSUMPTIONS AND LIMITING CONDITIONS
(continued)

8. This report may not be used for any purpose by anyone other than the party to whom it is addressed without written consent.
9. The submission of this report constitutes completion of the services authorized. It is submitted on the condition that the client will provide customary compensation relating to any subsequent required depositions, conferences, additional preparation, or testimony.
10. No warranty is made as to the seismic stability of the subject property.
11. The date of value to which the opinions expressed in this report apply is set forth herein. No responsibility is assumed for economic or physical factors occurring at some later date which may affect the opinions herein stated.
12. I have not made an engineering survey. Except as specifically stated, data relative to size and area were taken from sources considered reliable, and no encroachment of real property improvements is assumed to exist.
13. No opinion is expressed as to the value of subsurface oil, gas, or mineral rights and it is assumed that the property is not subject to surface entry for the exploration or removal of such materials except as is expressly stated.
14. The projections included in this report are utilized to assist in the valuation process and are based on current market conditions and anticipated short-term supply and demand factors. Therefore, the projections are subject to changes in future conditions that cannot be accurately predicted and could affect the future income or value projections.
15. Testimony or attendance in court or any other hearing is not required by reason of rendering this appraisal unless such arrangements are made a reasonable time in advance.
16. By acceptance and use of this report, the user agrees that any liability for errors, omissions, or judgment of the appraisers is limited to the amount of the fee charged for the appraisal. Anyone acting in reliance upon the opinions, judgments, conclusions, or data contained herein, who has the potential for monetary loss due to the reliance thereon, is advised to secure an independent review and verification of all such conclusions and/or facts. The user agrees to notify me, prior to any loan or irrevocable investment decision, of any error which could reasonably be determined from a thorough and knowledgeable review.
17. The property has been assumed to be free of hazardous chemical contamination. As noted in a conditions report, there is some evidence of chemical staining on concrete areas of the subject property. The client is urged to retain an expert, if desired. I assumed that the subject site is free of hazardous wastes and chemicals of any kind.

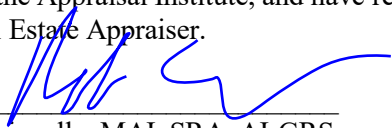
ASSUMPTIONS AND LIMITING CONDITIONS
(continued)

18. A preliminary title report was reviewed for this assignment and is discussed in the body of this appraisal report. Plotted easements, if any, were reflected in the valuation. The appraised value was based on the assumption that there are no other adverse easements or encroachments affecting the subject property.

APPRAISER'S CERTIFICATE

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The analyses, opinions, and conclusions in this review report are limited only by the assumptions and limiting conditions stated in this review report, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of the work under review and no personal interest with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of the work under review or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this review.
7. My compensation for completing this assignment is not contingent upon the development or reporting of predetermined assignment results or assignment results that favors the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal review.
8. My analyses, opinions, and conclusions were developed and this review report was prepared in conformity with the *Uniform Standards of Professional Appraisal Practice* of the Appraisal Foundation, and the *Code of Professional Ethics and Standards of Professional Appraisal Practice* of the Appraisal Institute.
9. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
10. Eric C. Schneider, MAI, SRA, AI-GRS, R/W-AC provided significant appraisal assistance to the person signing this certification. Mr. Schneider assisted with market data research and verification.
11. I have personally inspected the subject of the work.
12. I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.
13. As of the date of this report, I have completed the continuing education program for Designated Members of the Appraisal Institute, and have received certification from the state of California as a Certified General Real Estate Appraiser.


Robert P. Caringella, MAI, SRA, AI-GRS
AG003295

October 11, 2021
Date

IDENTIFICATION OF THE PROPERTY

The subject of this appraisal is a pump station facility situated on a 75,187 square foot site. The property is located along the northwest side of Mission Gorge Road, at State Route 125 and State Route 52. The property straddles the cities of San Diego and Santee. The property is also identified as Assessor Parcel Numbers (APNs) 383-080-03 (portion), -04 (portion), and -05. The property is depicted on maps contained herein.

OWNERSHIP AND PROPERTY HISTORY

According to public records, title to the subject property is vested in the city of San Diego, a public agency. The property was originally constructed to pump recycled water, but was later used to pump sewer to supplement a gravity flow system. The facility is only used periodically and can be described as a gravity sewer relief station (it is mainly needed only during wet weather events). The force main that extends for about eight miles to the west is reportedly in poor condition; this metal force main pipe was intended for recycled water, but has experienced corrosion during 20 years of use as a sewer force main.

I have no knowledge of any arm's length sales, listings, or purchase offers involving the subject property within the past three years. The property is proposed to be purchased by the Padre Dam Municipal Water District as part of a re-purposing plan. A description of this plan, East County Advanced Water Purification, is provided in the Addenda.

LARGER PARCEL

In some cases, a property being acquired may be appraised as part of a "larger parcel". In this case, buyer and seller are public agencies and are able to carve out a legal lot for their purposes, unlike the private sector that must follow the Subdivision Map Act. Furthermore, the subject site is physically different and has more use potential than the more than 100 acres of contiguous floodplain owned by the city of San Diego. For these reasons, it was not necessary for credible assignment results to appraise a "larger parcel" in this case.

EFFECTIVE DATE OF APPRAISAL

The effective date of the appraisal is October 1, 2021.

PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to estimate the value in use (use value) of the subject property.

INTENDED USE AND USERS OF THE REPORT

The intended use of this report is to provide the client, Padre Dam Municipal Water District, an estimate of the value in use (use value) for a potential purchase from the city of San Diego. Both Padre Dam and city of San Diego are intended users of the appraisal.

DEFINITION OF VALUE

Value in Use (Use Value) is referenced on page 245 of the *Dictionary of Real Estate Appraisal, 6th Edition*, (2015), published by the Appraisal Institute, as follows:

“The value of a property assuming a specific use, which may or may not be the property’s highest and best use on the effective date of the appraisal. Value in use may or may not be equal to market value but is different conceptually.”

A “value in use” can be described as the value of a property to a specific user. In the case of the somewhat specialized subject improvements, it is likely that only a public utility could find value in the property in the manner constructed. This is insufficient to constitute a “market” and is not necessarily an indicator of market value. The pool of buyers for this property is severely limited by the special use facility. The subject property was appraised on the basis of cash.

DEFINITION OF PROPERTY RIGHTS APPRAISED

A fee simple estate is defined on page 90 of *The Dictionary of Real Estate Appraisal, 6th Edition* as follows:

“Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.”

I am not aware of any covenants, conditions, and restrictions (CC&R's) or other such agreements or restrictions affecting the subject property beyond those noted in this report.

EXPOSURE TIME

According to Standard Rule 1-2(c)(iv) located on page 17 of the 2020-2021 *Uniform Standards of Professional Appraisal Practice* (USPAP), Comment: “When reasonable exposure time is a component of the definition for the value opinion being developed, the appraiser must also develop an opinion of reasonable exposure time linked to that value opinion”. However, this is not a component of value in use (use value) and was not necessary for this assignment.

SCOPE OF THE APPRAISAL

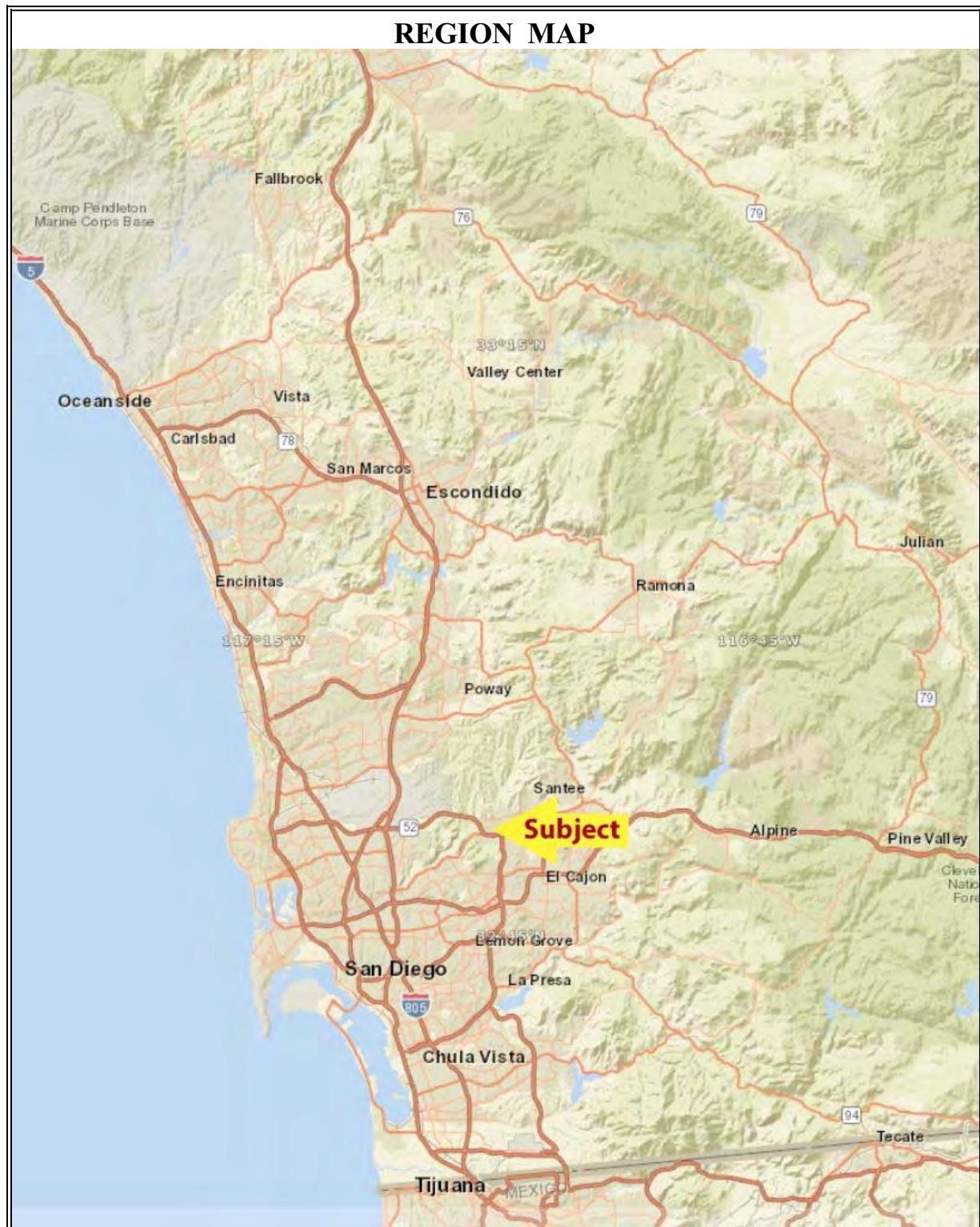
This analysis is intended to be an "appraisal" as defined in USPAP. It is my intent that the appraisal service be performed in such a manner that the results of the analysis, opinion, or conclusion be that of a disinterested third party. All appropriate data deemed pertinent to the solution of the appraisal problem was collected, confirmed, and reported in conformity with USPAP and the supplemental requirements of the Appraisal Institute. In preparing this appraisal, the following tasks were performed:

- information relating to the subject property provided by the client and the city of San Diego was reviewed by the appraiser (including information from Padre Dam and the city of San Diego Working Group outlining agreed upon cost figures and depreciation);
- the subject property was inspected by the appraiser, and the operations supervisor was interviewed;
- the physical, legal, and economic characteristics of the subject were investigated, including

review of consultant reports provided by the client and an interview of a representative of project consultant Kennedy Jenks;

- the highest and best use of the subject was analyzed;
- research was conducted to locate, inspect, and verify sales of similar land; and
- a cost approach was used to value the subject property (information from Padre Dam, city of San Diego, and Kennedy Jenks was relied upon for use this assignment - this includes costs and depreciation).

This report includes a description of the subject as well as a discussion of the reasoning that has resulted in the opinions. This appraisal is subject to certain assumptions and limiting conditions that are made part of this report.



REGION DESCRIPTION

The subject property is located in San Diego County along the edge of the city of Santee in East San Diego County. Located in the southwest corner of the United States, San Diego County is bordered on the north by Orange and Riverside Counties, on the east by Imperial County, on the south by Mexico, and on the west by the Pacific Ocean. The terrain varies from ocean beaches to foothills, mountains, and deserts.

Originally created in 1850, San Diego was the first county in California. Upon creation, it covered approximately 40,000 square miles, and included the present counties of Riverside, San Bernardino, and Imperial, but these were removed by the state legislature in the first few years of statehood. San Diego County now encompasses 4,261 square miles, of which about 1,928 square miles, or 45 percent, is privately owned. The balance is in various forms of public ownership including incorporated cities, the U.S. Forest Service, the Department of Defense, the Bureau of Land Management, and numerous Indian reservations.

San Diego County includes 18 incorporated cities, but also contains large unincorporated areas. A large portion of the unincorporated land in the county of San Diego is undeveloped or designated as open space. In the developed portions of unincorporated San Diego County, the most common land use is residential. The unincorporated county represents 84 percent of the total land area. San Diego County was previously reliant on the military and defense related industries, but now has a diverse economy that includes manufacturing, telecommunications, tourism, trade, biosciences, software, multimedia, and digital technology, among others.

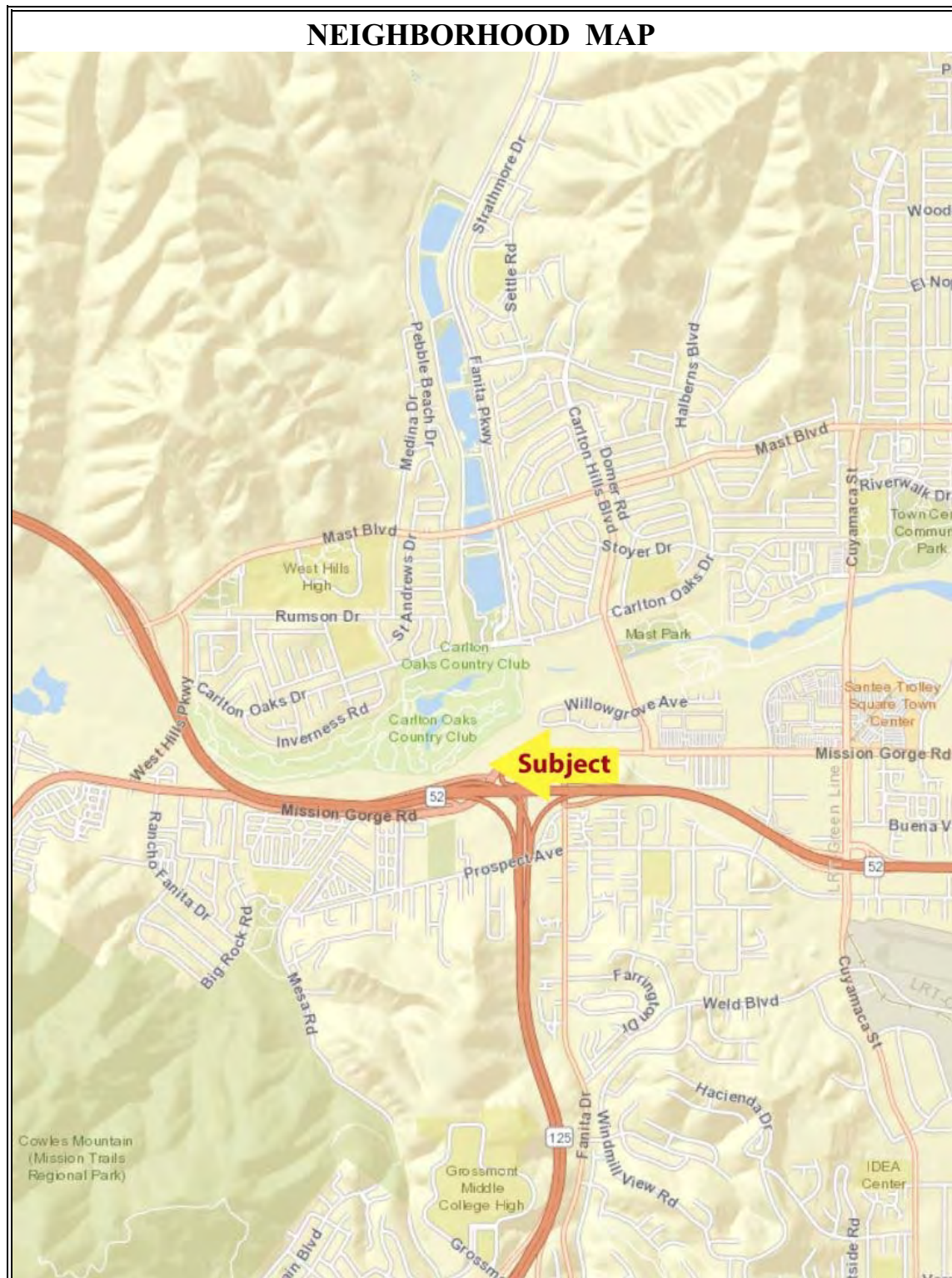
The population of San Diego County, estimated by the United States Census Bureau, was 3,298,634 persons as of the 2020 census, up about 6 percent from the 2010 census. The San Diego Association of Governments population forecasts for 2035 indicate that the population of the entire county will grow to about 3,853,698 persons. In the county of San Diego, there were 1,216,039 housing units as of April 2020.

As San Diego has grown in size, the economic base of the region has diversified. From the days of a "Navy town", San Diego has become a high-tech, biotech and tourism-based center. Although other industries have developed and now lend more stability to the local economy, military bases and defense industries still contribute heavily to the area's economic base. Leading industry sectors in terms of employment are government; trade, transportation, and utilities, professional and business services, and leisure and hospitality.

According to data compiled by the San Diego Regional Economic Development Corporation, the current unemployment rate through the second quarter of 2021 is around 7 percent. This is an improvement from about one year prior when the unemployment rate was approximately 13.5 percent. The impacts of the COVID-19 pandemic (declared as such by the World Health Organization in 2021) have considerably improved over the last 18 months, but unemployment still continues to be relatively higher than pre-pandemic levels. While almost 18,000 jobs were gained in this last quarter, total employment remains about 100,000 jobs lower than before the pandemic declaration.

The San Diego retail market continues to be on a path of recovery. For the last 18 months, retail rents have been relatively level, but are projected to increase; depending on some retail sectors and locations, this has already occurred. Further, general vacancy rates are projected to decrease following an increase in 2020 on account of the pandemic. Following significant negative absorption in 2020, the office market has somewhat rebounded, with developers continuing to focus on repositioning projects. One trend is that sites are being developed and redeveloped for life science uses, though this is mostly occurring in the region's western submarkets (downtown, Sorrento Valley, etc.). Industrial vacancy rates in the region also are at relative lows on account of low supply and increased demand. Residential is very strong as well, with significant increased demand over the last 18 months that has resulted in double-digit price increases.

Overall, the regional economy has been strong for several years and the outlook continues to be favorable. While some sectors have been negatively impacted (e.g., retail, hospitality, traditional office) a portion of these sectors have recovered. Further, other sectors such as residential and industrial have performed rather well. On the date of value, market conditions were overall positive.



AREA/NEIGHBORHOOD DESCRIPTION

The subject property is mostly influenced by the city of Santee, which is located east of Miramar Marine Corps Air Station (MCAS) and north of El Cajon. Comprising approximately 16.6 square miles, Santee is generally bounded on the north by Sycamore Canyon County Open Space Preserve, on the south by the City of El Cajon, on the east by the community of Lakeside, and on the west by Miramar Marine Corps Air Station. Nearby employment locations are in La Mesa, El Cajon, and the portion of the city of San Diego adjacent west of Santee.

The Santee area is primarily a level valley split by the San Diego River and traversed by several canyons and hillsides. Santee is a primarily residential community with more than half of its land undeveloped. Other significant land uses include commercial on Mission Gorge Road, on which the subject property is located, and light industrial on Prospect Avenue. Significant retail and office centers are located in the Santee Town Center, at the northeast corner of Mission Gorge Road and Cuyacama Street less than one mile east of the subject. As of the date of value, there is a supply of available office land in Santee, however, the current office market for new development is somewhat soft. The residential sector continues to be fairly strong.

Fanita Ranch is located in the undeveloped northern portion of Santee and encompasses almost 25 percent of the city. This is the proposed site of a significant master-planned community providing residential and recreation uses. The Fanita Ranch project has been in some stage of planning and development since the 1980's but has faced a variety of setbacks. HomeFed acquired the property in 2011. HomeFed now has an application for over 3,000 dwelling units and is in the EIR stage. The project was adopted by city council in late 2020, but is now subject to a November 2022 ballot measure.

There are three main freeways serving Santee: State Route 52, an east-west freeway; State Route 125, a north-south freeway in the westerly portion of the city; and State Route 67, a north-south freeway in the easterly portion of the city. Major streets in the city include Mission Gorge Road, Mast Boulevard, Cuyamaca Street, Magnolia Avenue, Carlton Hills Boulevard, and Fanita Drive.

Demographic information relating to the city of Santee, taken from the SANDAG website, was reviewed for this assignment. The most recent 2020 estimated population was 57,999, with 20,918 total housing units. This represents more than an 8 percent increase in population from the 2010 U.S. Census. By 2035, SANDAG estimates the population to be 63,812 persons, an increase

of 10 percent from the 2020 estimated population. The 2020 estimated median household income is \$77,388.

Residential Market Conditions

Much like the region as whole, the Santee housing market has been relatively strong, with very strong appreciation occurring over the past 18 months. The city has a mix of housing stock, ranging from mobile homes to luxury residences. Most of the homes in the immediate subject neighborhood range in price from about \$500,000 to \$800,000. Some custom lots are being developed, as well as builder tract housing. The market data utilized in this assignment indicates that land is currently being purchased for single family residential development as well. According to the local Multiple Listing Service (MLS), in the Santee zip code areas of 92071 and 92072, there were 440 detached home sales from January 2021 through September 2021, ranging in price from \$437,000 to \$2,307,000. The median price during this time was \$707,500.

Retail Market Conditions

The greater Santee Submarket was studied using data provided by CoStar. During the past two years, sales volume has increased from \$7,069,274 in 2018 to \$13,600,000 in 2020 (though volume in 2021 has been relatively lower at \$6,575,000). Over the past two years there have only been seven sales; these sales averaged \$395 per square foot, with an average capitalization rate of 5.9 percent. CoStar reports a total inventory of 2,672,398 square feet with a vacancy rate of 4.5 percent and an average market rent of \$1.72 per square foot per month (all service types). Net absorption was negative 31,558 square feet in 2020 and continues to be negative through 2021. There have been no new deliveries of retail product since 2020. Proposed construction is reported by CoStar to range from a 1,800 square foot pad site to a 101,652 square foot neighborhood center known as the Schoolyard Shopping Center. While the vacancy rate in the city has increased, it is still relatively low. The retail market will continue to stabilize, but has been impacted the pandemic.

Office Market Conditions

The city of Santee office market is small, with CoStar reporting an existing inventory of about 637,106 square feet, about one-quarter of the square footage of the Santee retail market. The broader East County market, which includes El Cajon and La Mesa, was studied to discern any trends. The East County market has a total inventory of about 5.7 million square feet, and CoStar

reports that the market is currently experiencing a 4.1 percent vacancy rate.

Voit Real Estate Services was also consulted for office market information. Their second quarter 2021 report continues to show relatively level trends overall in the San Diego County office market. The East County market area was reported to have a total of 3,767,329 square feet with a vacancy rate of 4.12 percent; the inventory reported by by Voit is notably lower, but the vacancy rate is relatively similar. The average asking lease rate was \$2.19 per square foot per month. In 2021, the net absorption is 18,189 square feet. As with the retail market, the office market continues to stabilize as work-from-home orders cease. However, changing work trends such as video conferencing and increased tele-commuting (as well as redevelopment trends) will continue to have an impact on the office sector.

Summary

The Santee location is outlying from the city of San Diego, but provides a desirable location for residential and commercial uses. Most of the Santee commercial land provides support services for residences located in the greater Santee area. The residential market has been fairly strong, which is similar to the county as a whole; the residential market has experienced significant demand and price increases. The subject location would be suitable for residential use, but would not be considered a typical estate lot location due to heavy traffic and noise impacts. Residential properties in the Santee area are known more for being more affordable compared to the more coastal locations.

LAND DESCRIPTION - PHYSICAL CHARACTERISTICS

Location and Access

The subject property is located along the northwest side of Mission Gorge Road at the interchange of State Route 52 and State Route 125. The site is adjacent to the west-bound on-ramp to State Route 52. Access to the property is average, as this location is not signalized and there is no left turn into the property (a signal serves the on-ramp). There is right-in/right-out driveway access from the public street.

Street Improvements

Mission Gorge Road is a six-lane asphalt-paved public street with a concrete and landscaped median. The road transitions to four lanes west of the subject. In front of the subject, the right lane is dedicated to a right turn onto the on-ramp to west-bound State Route 52. Along the subject frontage there is curb and gutter, and no improvements along the on-ramp. Near the subject, Mission Gorge Road has a right-of-way width of about 100 feet.

Size and Shape

Based on information from the client, the total area of the property is about 75,187 square feet (1.73 acres), noting that approximately 4,235 is being reserved for an access easement in favor of the city. The parcel is irregular in shape.

Physical Condition

The subject property is partially dirt and partially paved, and also contains a sewer pump station and appurtenances. A portion of the property is fenced. Any portion of the site outside of the fence to the north and west contains riparian vegetation.

Topography, Drainage, and Flood Control

The topography of the site is generally level near street grade. The property is adjacent south of the San Diego River corridor. According to FEMA Flood Insurance Rate Map 06073C1634G, with an effective date of May 16, 2012, most of the subject parcel is in FEMA zone X, areas of

minimal flooding. A very small portion appears to be located in the flood plain fringe (Zone AE, a special flood hazard area. The property is also proximate to the San Diego River, identified as a regulatory floodway (maps show that the property is located along the Forester Creek).

Soils

A soils report was not available for this appraisal. Since there are existing structures on the property, I assumed that the property is capable of supporting buildings similar to those in the adjacent and surrounding area.

Biological Resources

I am not aware of and did not observe any sensitive biological resources on the developed portion of the property during my physical inspection. However, there are sensitive resources (riparian vegetation and possibly occupied bird habitat) located on the west and northwest portions of the property outside of the fenced yard area. Future construction activities on the subject property could be limited due to protected birds (habitat and nesting) in the vicinity.

Cultural and Archaeological Resources

I have no knowledge of cultural or archaeological resources located on the subject property. Without a study indicating the contrary, the values estimated in this appraisal are based on an assumption that archaeological/historic resources, if any, affecting the subject property do not measurably impact its value. Such resources, if discovered on the subject, would only have a potential impact on the developable portion (unless a site were to be excavated). In many cases, archeological sites can be protected in place, and do not materially alter development potential.

Seismic Stability

The property is not known to be impacted by an active earthquake fault. I have assumed that the property is subject to the same seismic risk as other properties in the general area.

Utilities and Public Services

The subject is served by public utilities. I assumed that the utilities are sufficient for the

existing use. Electrical service is provided by San Diego Gas & Electric Company. All utilities are available to the site and are located in the adjacent public street. Water is available from Padre Dam, but service cannot extend to the west parcel (it is in another water jurisdiction) without LAFCO approval. Sewer (for new development) would have to be connected to a manhole that then feeds into a major gravity sewer line just southwest of the subject.

Hazardous Waste

I researched the subject property on GeoTracker. The GeoTracker map shows no contamination cases related to the subject. Farther west of the subject there are former and current clean up activities with what appear to be fueling stations. The consultant report on the subject property does mention chemical staining in some areas of the subject property. I assumed that the subject site is free of hazardous wastes of any kind. If contamination is present, this could have an adverse impact on value. The client is urged to retain an expert if desired.

Adverse Influences

The subject is located along a major river corridor, so flooding could be a risk regardless of the precise boundaries of the FEMA map. Sensitive habitat is also located on and near the property. Further, the site is located along a major traffic thoroughfare (public street and highway), which generates noise. I did not note any other adverse influences during my inspection of the subject property.

LAND DESCRIPTION - LEGAL CHARACTERISTICS

Legal Description

A legal description of the subject property has been provided. The subject property is described as APNs 383-080-03 (portion), -04 (portion), and -05.

Easements and Encumbrances

A preliminary report prepared by BNT Title Company, dated December 13, 2018, was provided for this assignment. The report covers more city of San Diego land than being appraised

at this time (over 100 additional acres are included in the report). The plotted easement map shows one easement impacting the subject property. This is a water line easement in favor of Padre Dam. The easement was granted by the city of San Diego and may be rescinded by them if no longer required to serve the pump station facility. In addition, it is noted that an access easement containing 4,235 square feet is being reserved by the city of San Diego. This easement is located near the northern portion of the property. I did not note any other easements or encumbrances during my inspection. The appraised value was based on the assumption that there are no other adverse easements or encroachments affecting the subject property.

Zoning and Land Use Regulations

The subject property straddles two land use jurisdictions, the city of Diego and the city of Santee. Most of the subject land area is located in the city of San Diego where the zone designation is RS-1-8 (Residential - Single Unit). This allows one unit per 40,000 square feet. Permitted uses include single family, small residential care facilities, and certain other uses subject to conditional permits. Retail and most commercial and industrial uses are not permitted. The minimum lot width and minimum street frontage is 100 feet. The maximum structure height is 35 feet. Setbacks and floor area ratio constraints also apply. It appears that splitting the site may not meet the minimum lot requirements; even if the Santee portion is included, the minimum lot width and potential problems with a “flag lot” shape may preclude splitting property. Further, the land area is less than 80,000 square feet (which would be the minimum lot size for two residences). The developed portion of the property is an “island” in that there is no surrounding development - only the river corridor and the freeway and roadway. A general plan amendment and zone change are considered speculative for this property.

A small portion of the property is located in the city of Santee and is zoned Park/Open Space (with a general plan designation of Public). Permitted uses in the Park/Open Space zone include single family homes. Other uses, including public buildings and facilities, are allowed subject to a conditional use permit.

The zoning and planning regulations impacting the subject property are complex. The information provided above is meant to summarize the land use constraints to assist in valuation of the property as if vacant.

LAND DESCRIPTION - ECONOMIC CHARACTERISTICS

Assessment Information

The subject property is identified as Assessor's Parcel Nos. 383-080-03 (portion), 383-080-04 (very small portion), and 383-080-05. Properties in the immediate area (Santee jurisdiction) are located in Tax Rate Area 16016, which carries a 2021-2022 tax rate of \$1.19226 per \$100 of assessed valuation. Properties in San Diego property have a relatively similar tax rate; for example, properties in the 08060 tax rate area have a rate of \$1.19726. The subject property is not currently assessed due to the city ownership. Fixed charge assessments for Vector Disease Control, MWD Water Standby Charge, CWA Water Availability, and Mosquito Surveillance generally apply in this area. The annual fees for these items are minor in comparison to the underlying property taxes.

IMPROVEMENT DESCRIPTION

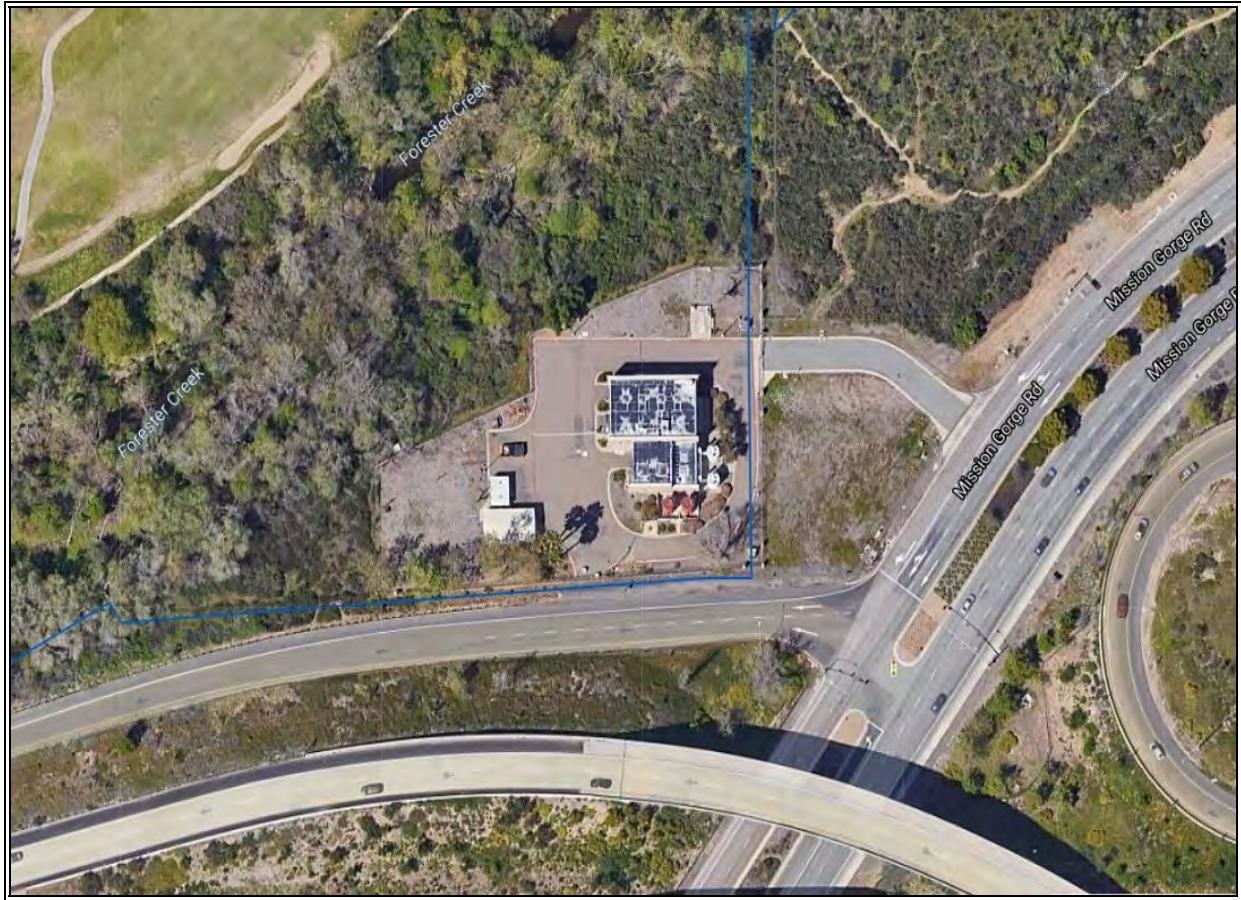
The subject property is improved with a sewer pump station that was constructed in 1991/1992, and completed in December 1992. The main building contains 6,862 square feet, which includes above and below ground building area in this two-level structure. There is also a corrugated metal building containing about 860 square feet that appears to be used for storage. As for the main building, the walls and ceilings appear to be a combination of slump stone and poured-in-place concrete. The facility is described as a two-level pump station with a motor room, electrical room, office, screen room, and blower room on the ground level. Below grade, the facility has an influent channel, bar screen channels, wet wells and pumps (four, 500 HP pumps). There are site improvements including concrete pads for equipment. A 174-foot-long, 48-inch sewer main extends along the east side of the facility and was included in this appraisal (see aerial along with subject photographs in the Addenda to this report). The facility is designed for 32 million gallons per day (MGD). The pumps have experienced up to 38 MGD of flow during peak wet weather conditions. Normal operations are closer to 3.5 MGD.

Overall Condition and Utility

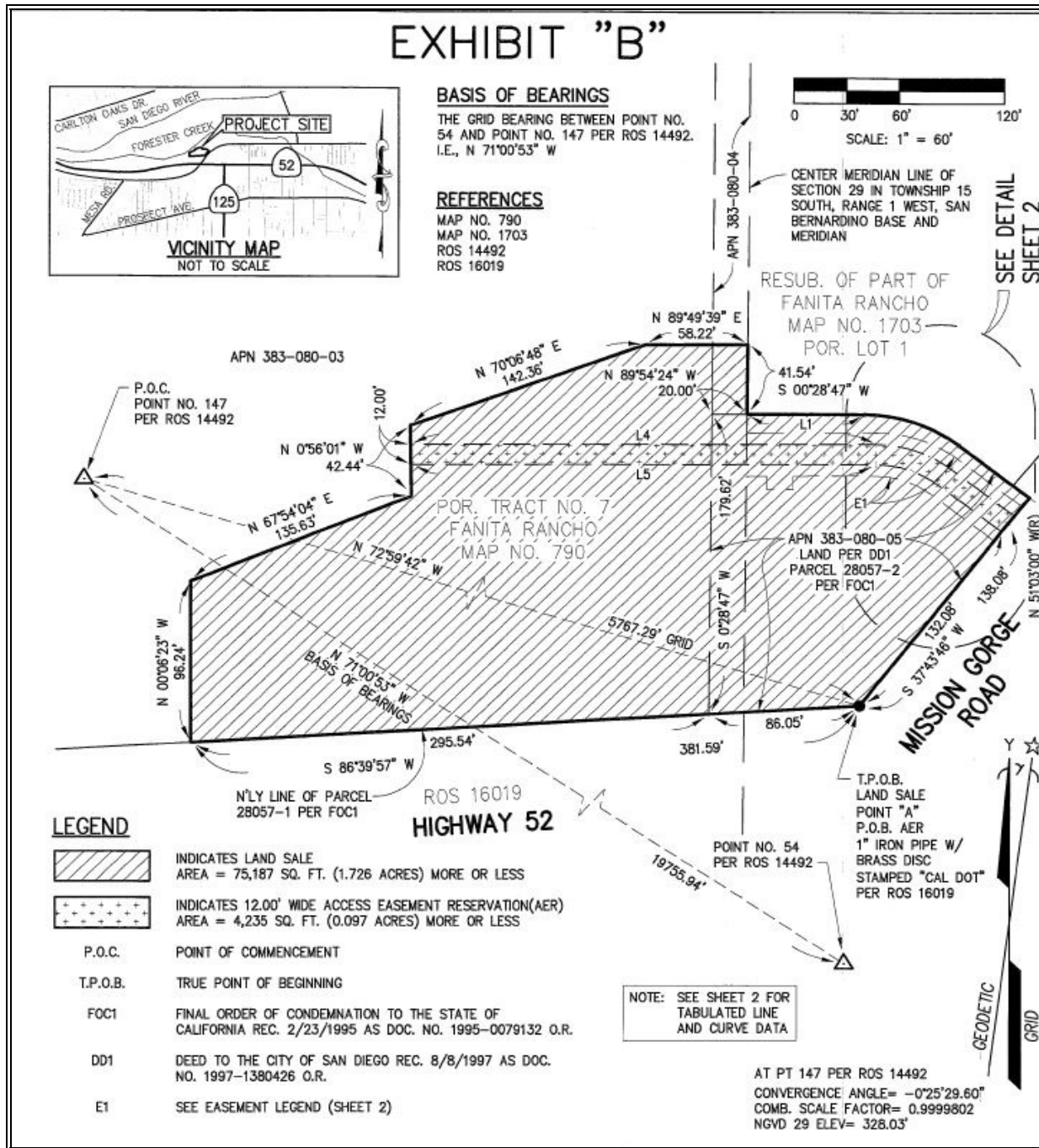
The facility was originally planned for recycled water, but later used for pumping sewer. The facility is only used periodically, mostly during wet weather events. It is operated weekly for

just a few hours to exercise the system. The facility can best be described as a gravity sewer relief station. The facility feeds into a reportedly corroded force main, and the facility has some shortcomings described by the operations supervisor. According to project consultants, some elements of the facility need replacement, and portions are in fair condition. Project engineers report that a facility like this has a typical service life that ranges based on conditions and the range of component parts. The facility is now about 29 years old, and operates below capacity since it was not originally intended to be a back-up sewer facility (some of the facility components have now exceeded their useful life). In fact, the property has not been used for its intended use for many years. It operates only occasionally as outlined in the project summary provided in the Addenda to this appraisal report. The facility is now proposed to be re-purposed for the Advanced Water Purification project. According to a Padre Dam project engineer, to continue the current operation, the corroded steel force main to the west needs to be replaced, or lined at a cost of about \$20 million. A copy of the consultant report describing the subject improvements is included in the Addenda.

SUBJECT AERIAL



SITE MAP



VALUATION METHODOLOGY

The purpose of this appraisal is to estimate the “value in use” of the fee simple interest of the subject property as previously described. There are three generally recognized approaches to value - the cost, sales comparison, and income capitalization approaches. Of these three approaches, the cost approach was used to estimate the value in use of the subject property. This is generally considered the most appropriate method to establish not only the value of the special use property, but value in use. A sales comparison approach was used to value the land, but was not used to value the property as improved due to the lack of meaningful sale data to analyze; these facilities tend not to sell. The income capitalization approach was not used due to the specialized nature of the subject property and because these types of facilities are not income-producing properties.

The sales comparison approach is based on the principle of substitution, and relates the subject land to similar properties that have recently sold. The sales search was focused on land purchased for residential and commercial use (the underlying zoning allows residential, but not retail). In the cost approach, the depreciated cost of the improvements is estimated and then added to the estimated value of the land.

Prior to valuation, the highest and best use of the subject property was determined. The purpose of the highest and best use analysis is to establish which use will result in the highest value, and to assist in identifying relevant market data. This analysis is brief since the value in use is the focus of this assignment.

HIGHEST AND BEST USE

Highest and best use is an important concept in real estate valuation as it represents the premise upon which value is based. As used in this report, highest and best use is defined in *The Appraisal of Real Estate, 15th Edition* (2020) as follows:

"The reasonably probable use of property that results in the highest value."

This definition applies to vacant land or improved property. The highest and best use of vacant land could be immediate development of the property or holding for future development. The determination of the highest and best use of a site, either improved or vacant, must be (1) physically possible, (2) legally permissible, and (3) financially feasible. These criteria are often considered in that order because qualification under a latter test does not matter if the property fails

an earlier test. Uses which meet these three criteria are then tested for economic productivity, and the reasonably probable use with the highest value (i.e. maximally productive) is then determined to be the highest and best use.

As If Vacant

The subject property is located in a low density planning area intended mostly for open space and public uses (with residential allowed), and is next to the San Diego River flood plain. The site is relatively level, and fronts on a busy arterial. Access is average, and visibility is high. The site is physically suitable for a range of uses. Zoning allows residential, and essentially no traditional commercial or industrial use. The most common use in the RS zone is single family, but the site is located on a noisy street. As such, it is not ideal for estate residential use, but that use is allowed.

The next question is financial feasibility. Any use which returns positive value to the land is considered financially feasible. The financial feasibility of residential use is demonstrated by the land sales used in this analysis. No other physically possible and legally permissible uses were judged to be more productive. However, given the special use of the property, I have considered the fact that a “replacement cost” theory could be applied to the site in this case for valuation purposes. This theory is based on the premise that a civic or public use may have to occupy otherwise developable sites including multifamily, commercial, or industrial land. In other words, any vacant land in the area that could also be improved with a sewer pump station. The maximally productive use was considered to be residential, with potential for some type of civic use. As such, the land value was estimated using primarily residential sites, but with an eye toward other vacant land in the surrounding area. A plan amendment and zone change were considered too speculative to add value in this case.

As Improved

The subject property is improved with a pump station that is nearing the end of its economic life in terms of its use by the city of San Diego. While originally built to serve as a full time recycled water pump station, the need changed and the facility now only serves a part time role pumping sewer. The new proposal for the Advanced Purification project could eliminate any need for the existing facility to pump sewer to the west. It was determined that the subject facility could be re-purposed and serve in a different capacity (at a cost of about \$12 million). According to consultants interviewed for this assignment and the City/Padre Dam Working Group, the current

facility is near the end of its ordinary life span given the purpose of the facility. Since it is near the end of its economic life, it is heavily depreciated. Nonetheless, it does have interim use potential until the facility can be re-purposed. The purpose of this appraisal assignment is to estimate the value in use of this facility, and I have considered the improvements in their current configuration, condition, and usefulness.

VALUATION ANALYSIS

As described previously, the value in use of the subject property was the focus of this assignment. The cost approach was used to estimate the value of the property.

Cost Approach

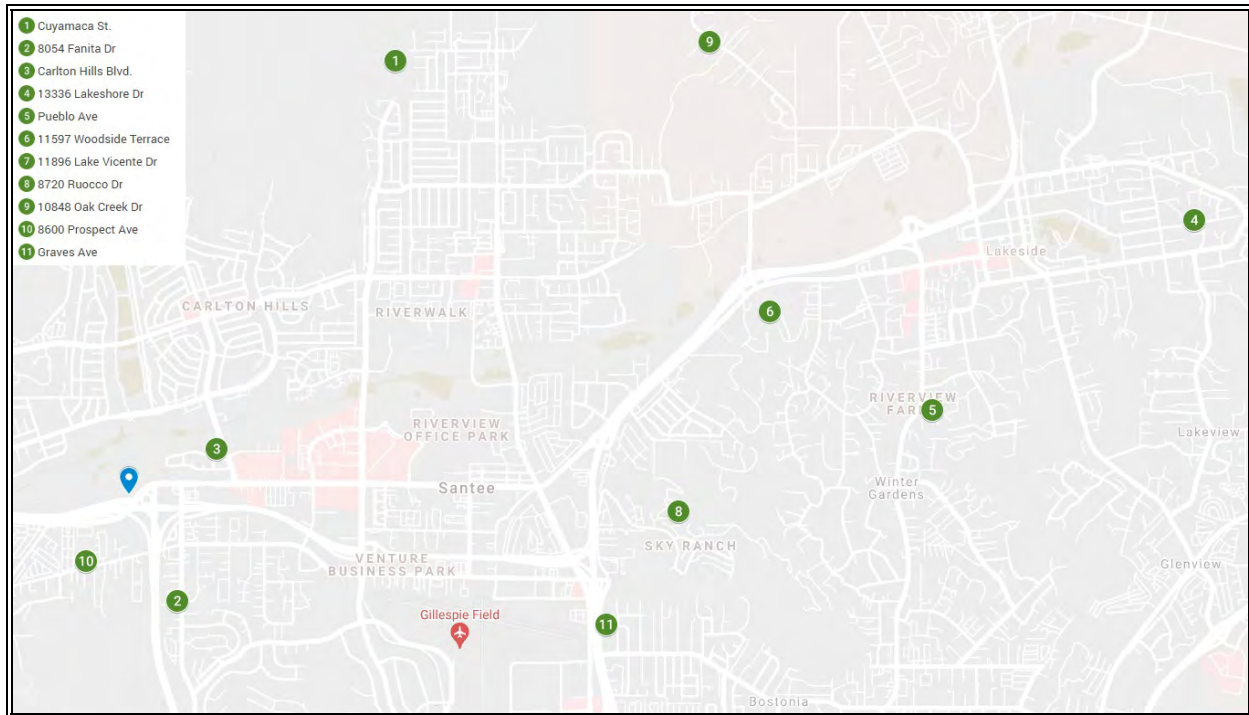
The cost approach is based on the principle of substitution, which in this approach implies that an informed purchaser would pay no more for a property than the cost of acquiring land and producing substitute improvements with the same utility. In this approach to value, the current estimated replacement cost of the improvements, less depreciation, was added to the land value as if vacant.

Valuation of the Land

To estimate the value of the subject land, I conducted a search for land sales in the immediate area, with emphasis on residentially-zoned sites. However, due primarily to the size of the subject property, there was a lack of land sales in the immediate area. For this reason, I extended the search to other competing areas in the greater Santee area and surrounding competitive areas. The following table summarizes these sales, followed by a land sales map and narrative descriptions and analysis.

Mission Gorge Pump Station

Land Comparable Summary							
No.	Location/APN/Document No.	Date	Zoning	Sale Price	Size (SF)	Price per SF	Comments
1	Cuyamaca Street, Santee 378-140-03 2021-387388	04/21	R1 (Low Density Residential)	\$308,000	430,373	\$0.72	View property with sloping topography.
2	8504 Fanita Drive, Santee 386-690-38 2021-145200	02/21	R7 (Medium Density Residential)	\$550,000	29,621	\$18.57	Level, corner site marketed for multifamily (eight units)
3	Calton Hills Boulevard, Santee 383-071-04 2020-595525	10/20	R7 (Medium Density Residential)	\$275,000	120,661	\$2.28	Site with soil and flood issues
4	13336 Lakeshore Drive, Lakeside 395-292-73 2019-602070	12/19	RS (Single Family Residential)	\$200,000	51,401	\$3.89	Rough graded single home site
5	Pueblo Avenue, Lakeside 394-370-10 2019-597624	12/19	RS (Single Family Residential)	\$160,000	103,237	\$1.55	Gently sloping single home site
6	11597 Woodside Terrace, Santee 382-310-51, 52; 382-210-26, -27, -44 2019-508842	11/19	R1 (Low Density Res., Santee) & RR (Rural Res., County)	\$325,000	645,124	\$0.50	Total of five APNs; three in the county of San Diego and two in the city of Santee
7	11896 Lake Vicente Drive, Lakeside 329-120-27 2019-307447	07/19	A-70 (Limited Agriculture)	\$450,000	386,377	\$1.16	Homesite features extensive lake views
8	8720 Ruocco Drive, Santee 385-433-27 2018-483283	11/18	R1 (Low Density Residential)	\$200,000	24,829	\$8.06	Single home site with all utilities
9	10848 Oak Creek Drive, Lakeside 379-040-06, 07, 28 2018-453870	10/18	A-70 (Limited Agriculture)	\$287,000	373,745	\$0.77	Single home site with electricity and water, creek crossing
10	8600 Prospect Ave, Santee 383-112-55 2018-361337	08/18	R2 (Low-Medium Density Residential)	\$2,000,000	152,460	\$13.12	Zoning allows multiple homes on the site (about 15 tentatively)
11	Graves Avenue, Santee 387-061-12 2018-81704	03/18	R-14 (Medium-High Density Residential)	\$1,000,000	95,832	\$10.43	Zoning allows multiple residences on the site, possible office



Land Sale No. 1 is the April 2021 transfer of a 9.88-acre site located north of the end of Cuyamaca Street, between Princess Joann Road to the north and Lafe Drive to the south, in the city of Santee. The site consists of natural, sloping land. Access is via Princess Joan Road, which terminates at the property. Utilities are available at the edge of the property. According to the site plan included in the MLS listing, development of the site requires a long driveway to access a single family home site. The site plan also notes the extension of Cuyamaca Street. Zoning is R-1, Low Density Residential, per the city of Santee. According to the agent that handled both the selling and buying side of the transaction, there were easement issues related to the Cuyamaca Street extension. Additionally, there were environmental issues related to the gnatcatcher. Of the approximate 10 acres, about five or fewer acres considered usable based on these issues. The buyer planned to build four to five residences on the site, but it is unclear if this is possible.

Land Sale No. 2 is the February 2021 transfer of a 0.68-acre site located at the southwest corner of Fanita Drive and Watson Place in the city of Santee. The property consists of level, rectangular-shaped land located among residential uses. Access is available via the aforementioned streets. Utilities are available to the site. The property had been purchased by the sellers for a multi-unit development to house their family, but eventually the property was sold to a developer that may build multiple residential units. While the property was marketed for eight detached residences, the buyer is unsure of the exact density they will be able to achieve. No unusual conditions were

reported. The property is zoned R7, medium density residential, per the city of Santee.

Land Sale No. 3 is the October 2020 transfer of 2.77 acres located on the west side of Carlton Hills Boulevard, north of Willowgrove Avenue, in the city of Santee. The property consists of raw land. Utilities are available to the site. The property is located entirely within a special hazard flood area (Zone AE), and is adjacent to a regulatory floodway. In addition, it was reportedly by the listing broker that there is sensitive habitat and soil issues that preclude development on about half of the site. The buyer plans to build two custom residences, but it is unclear if this can actually be achieved; the property was marketed as an urban infill location with the potential for seven to 14 units per acre (which does not appear realistic). The property is zoned R7, medium density residential, per the city of Santee. The property was originally marketed at a listing price of \$750,000 (considerably above the \$275,000 sale price), before selling four months later.

Land Sale No. 4 is the December 2019 transfer of a 1.18-acre site located along Lakeshore Drive in the Lakeside community of unincorporated San Diego County. The site is rough graded, with most of the site being usable. Access to the site is by way of a bridge over a small creek. There is water, sewer, and electricity in Lakeshore Drive immediately adjacent to the property. Most of the development in the area consists of single family homes on one acre or larger sites. The site is situated approximately one-half mile east of Lindo Lake and downtown Lakeside. Zoning is RS (Single Family Residential) per the county of San Diego.

Land Sale No. 5 is the December 2019 transfer of a 2.37-acre site located along Pueblo Avenue, just east of Winter Gardens Boulevard in the Lakeside community of unincorporated San Diego County. The site features gently sloping topography. The property cannot be annexed into the local sewer district without neighboring parcels participating. The listing broker stated that a percolation test was not performed prior to the sale but he thought that the property would support a septic system. There is water and electricity in the adjacent street. Most of the development in the area consists of single family homes on one acre or larger sites. There are views to the north from the property. Zoning is RS (Single Family Residential) per the county of San Diego.

Land Sale No. 6 is the November 2019 transfer of a 14.81 acre site located at 11597 Woodside Terrace. The transfer consisted of five APNs, two of which are located in the eastern portion of the city of Santee (zoned R-1, low density residential) and three of which are in unincorporated San Diego County (zoned RR - rural residential). Most of the property is sloping. There are some rough graded pad-like areas on the site, but additional grading and site work is necessary to establish access, bring utilities to the site, and to create a building pad. Per the listing

broker, the property consists of five legal lots, but the property may not necessarily yield this number. The location and elevation allows for views from those lots in the city of Santee. Per the listing broker, total costs to establish access and create building pads could exceed \$200,000. The buyer reportedly purchased the site as an investment and has no immediate plans to develop the property.

Land Sale No. 7 is the July 2019 transfer of a 8.87 acre site located at 11896 Lake Vicente Drive, in the Lakeside community of unincorporated San Diego county. The property is located on a hill overlooking San Vicente Lake and features extensive views of the lake and surrounding countryside. The site is inside the Lakeview Estates gated community, but is reportedly not part of the community association and there are no HOA dues associated with the property. The site was previously developed with a structure that burned. Per the broker, the site needs grading and a well to establish water service. Development in the area consists primarily of luxury homes on multi-acre lots. Zoning is A-70, Limited Agriculture, in the county of San Diego.

Land Sale No. 8 is the November 2018 transfer of a 0.57 acre site located along Ruocco Drive in east Santee, part of a six-lot gated subdivision. There are utilities to the site and it was partially graded. The buyer plans to construct a single family home on the site. Most of the site is reportedly usable, though further grading is required. The listing broker stated that the site offered very good views and privacy. The community fees are approximately \$150 per year, and the owners are responsible for all maintenance of the roads and the gate. The parcel is located within the Sky Ranch neighborhood where newer move-up homes are located. Zoning is R-1, low density residential.

Land Sale No. 9 is the October 2018 transfer of an 8.58 acre home site located along Oak Creek Drive in the Eucalyptus Hills area of Lakeside, in unincorporated San Diego county, just east of Santee city limits. The site comprises three Assessor's parcels. The parcel that is set back farthest from the road features the highest elevation and best views, but apparently has development restrictions imposed by sensitive slopes and habitat. The buyer was aware of the potential development restrictions and purchased the site with the understanding that he may have to build his home at a lower elevation. The two front lots are crossed by a creek. There is electrical service and water to the property. The buyer's broker stated that there is also a well onsite. The property is zoned A-70, Limited Agriculture in the county of San Diego. The property also includes a small older home that had been boarded up and abandoned.

Land Sale No. 10 is the August 2018 transfer of a 3.50 acre vacant site located at 8600

Prospect Avenue in Santee. The site is partially graded, but has mostly level tiers and is near street grade. The zone and the General Plan designation are both R2. The R2 zoning allows for single family development at a density of 2-5 dwelling units per gross acre. This equates to between seven and 17 potential home sites. All necessary utilities are available in the area. The purchase price was negotiated in 2015 and closing escrow was reportedly contingent upon the buyer securing an approved tentative map. A map was submitted but reportedly not approved. The buyer also purchased the 3.61 acre parcel to the north (also for \$2 million) and plans to develop the combined acreage. The Santee Planning Department confirmed that a 15-home tentative map for the 3.5 acre site was submitted in 2016 but it has not been approved.

Land Sale No. 11 is the March 2018 transfer of vacant land located along Graves Avenue, a frontage road for Highway 67, in Santee. The 2.26 acre site is zoned R-14, Medium to High Density Residential. The General Plan Designation is also R-14. The site is within Safety Zone 2 overlay due to its proximity to the Gillespie Field airport. The site is raw but mostly level and at street grade. It was purchased along with an adjacent parcel by a local developer. The developer plans to hold both properties for now, but eventually develop the adjacent parcel with multi-family residential. The 2.26 acre sale property has a 15-foot height limit due to the Safety Zone. The buyer stated that there was no planned use for the site, but single story residential or office development was a possibility. The site was purchased for \$1,000,000, which equates to \$10.43 per square foot. The adjacent multi-family site was purchased for \$2,200,000, which equates to \$18.04 per square foot.

In addition to the sales presented above, I am aware of an additional relevant transaction. The 2.61 acre property is located approximately one mile west of the subject, along the north side of State Route 52 and east of Mast Boulevard in Santee. It was purchased in October 2012 for \$104,400 by the city of San Diego for riparian corridor linkage. The seller is the owner-operator of the nearby Carlton Oaks golf course that leases some of its land from the city of San Diego. Terms of the sale involved a rent credit equal to the purchase price. The purchase price equates to \$40,000 per acre and \$0.92 per square foot. Most of the of the property is in the FEMA flood plain and vegetation includes some non-native and disturbed areas. There is no access to the parcel except through city ownership and the golf course. Given the heavy vegetation, the property had little to no potential for agricultural, golf course, or residential use, but had potential for wetland enhancement. This property is considered inferior to the subject, but was included to demonstrate that the contributory value of riparian-impacted land is relatively low.

Valuation Analysis

In order to assist in the reconciliation of the market data, a table of market comparisons was created. Ideally, quantitative adjustments for each characteristic considered in the analysis of the comparable sales would be empirically supported. However, due to the limited market data and the nature of this property type, it was not possible to develop paired sale analyses. As such, qualitative comparisons were made. The reasoning used to arrive at the comparisons is presented in the following sections. A comparison grid is presented after the discussion that focuses on Sale Nos. 1 through 8, which are the most recent transactions analyzed.

Property Rights: The fee simple estate in the land was valued in this analysis. All of the comparable land sales represented the transfer of the fee interest in the land. No adjustments were deemed necessary, and this item is not in the adjustment grid.

Financing Terms: The land comparables sold as cash or cash to the seller. None of the transactions were adjusted for financing terms, and this item is not included in the comparison grid.

Conditions of Sale: Conditions of sale takes into account any atypical motivations of the buyer or seller. None of the land comparables were reported to have had atypical motivations of the sellers or buyers, and this characteristic was not included in the comparison grid.

Market Conditions: Market conditions for end uses tend to be reflected in land prices. In 2018 and 2019 there was a general uptrend in home prices, but higher construction costs have tended to soften the rate of appreciation of land in the year prior to the date of value. While the market “paused” in early 2020 on account of the pandemic, residential market conditions continued to increase, with improved property prices increasing significantly. This has not resulted in significantly higher land prices, particularly on account of higher construction and labor costs. Based on my analysis, a slight upward adjustment has been applied to those transfers that took place in 2018.

Location: The subject is located along a busy, multi-lane thoroughfare in an area that is not an established estate lot neighborhood. This is a location that was considered less desirable for an estate residential home site. Most of the market data are in locations considered superior relative to the subject. An adjustment has been made for this difference where relevant.

Development Potential/Intensity: The subject property is located in the jurisdiction of the city of San Diego and the city of Santee, and is limited to very low density residential use (limited density or “intensity”). Most of the market data are limited to development with a single home, with

some having higher density. A higher density or intensity tends to skew price per square foot upward. Sale No. 6 has the potential for multiple lots, however, the cost to do so may be prohibitive at this time, so the site is overall similar to the subject. Sale No. 9 has some development constraints related to slopes and sensitive habitat that limit the development potential, making it inferior to the subject. Sale No. 11 is zoned for multi-family residential and may also have potential for office use. Despite the 15-foot height limit, the potential development intensity of this site was considered superior to the subject.

Views: Some of the market data feature views, an element considered superior to the subject. An adjustment has been made for those properties that feature views.

Site Condition: The subject is level and at street grade, elements that are suitable for use and development. The native vegetation would likely have to be preserved, and any flood plain fringe avoided. Most of the market data sold in a fairly usable condition, but with some minor grading required or slope constraints. An adjustment has been made to those data that feature significantly sloping topography or unusable portions, an element considered inferior when compared to the subject.

The following land comparison grid reflects the overall comparisons made between the sales and the subject property, and it focuses on the variables relative to this data set. It is important to note that the individual comparisons are not weighted equally; the comparisons vary by degree. The reader's attention is invited to the "overall" comparison consideration in the final analysis.

Land Sale Comparison Grid								
	No. 1	No. 2	No. 3	No. 4	No. 5	No. 6	No. 7	No. 8
Size (SF)	430,373	29,621	120,661	51,401	103,237	645,124	386,377	24,829
Sale Price/SF	\$0.72	\$18.57	\$2.28	\$3.89	\$1.55	\$0.50	\$1.16	\$8.06
Date of Sale	04/21	02/21	10/20	12/19	12/19	11/19	07/19	11/18
Market Conditions	similar	similar	inferior	inferior	inferior	inferior	inferior	inferior
Location/Noise	superior	superior	similar	superior	superior	similar	superior	superior
Dev Pot./Intensity	superior	superior	similar	superior	similar	superior	similar	superior
Views	superior	similar	similar	similar	superior	superior	superior	superior
Site Condition	inferior	similar	inferior	similar	inferior	inferior	inferior	similar
Overall Comparison	inferior	superior	inferior	superior	inferior	inferior	inferior	superior
Indicated	above	below	above	below	above	above	above	below
Value	\$0.72	\$18.57	\$2.28	\$3.89	\$1.55	\$0.50	\$1.16	\$8.06

The subject land is bracketed by the market data. The data exhibit a range of \$0.50 to \$18.57 per square foot. This relatively wide range is caused mostly by development density and intensity. The highest indicator, Land Sale No. 2, has the potential for multiple residential units, an element notably superior to the subject. Sale Nos. 4 and 8 are smaller than the subject yet still have the potential for a home (higher development density/ intensity). Sale No. 8 in particular suggests a value below \$8.00 per square foot for the subject site. Comparable Nos. 1 and 6, at the low end of the range, are much larger than the subject and have less intense development potential, which demonstrates how these elements combine to result in a relatively low price per square foot indicator. The most recent datum, Sale No. 1, is larger and may have more development potential, but its sloping topography and easement/environmental issues adversely impacted the price. Both Sale Nos. 1 and 6 were considered outlying, low indicators for the subject (on the basis of price per square foot). Sale No. 5 was considered inferior, so the subject would be expected to fall well above \$1.55 per square foot. Overall, the data support a value in the range of \$3.00 to \$5.00 per square foot when viewed on the basis of price per square foot.

Also a meaningful indicator and to further assist in reconciling the data, the gross price for each of the single homesites was considered. Most buyers of single family home sites are focused on the total purchase price, or gross price, as opposed to the price per square foot. Land Sale Nos. 4, 5, and 7 thru 9 were purchase for development with a single family home; the gross purchase prices range from \$160,000 to \$450,000. Given the size and usability of the subject, it would be expected to fall well above \$200,000, but well below the superior homesite that sold for \$450,000. The subject's (private) highest and best use as a potential home site indicates the value should fall toward the middle of the range. I also considered the gross price of the three most recent transactions, Sale Nos. 1, 2, and 3, that ranged in price from \$275,000 to \$550,000. The subject would be expected to fall toward the lower end of this range. A value of \$325,000 equates to \$4.32 per square foot, which falls within the range indicated in the paragraph above.

Based on my investigation and analysis, the market value of the subject site was concluded to be \$325,000 as of October 1, 2021. This was included as part of the overall cost approach.

Replacement Cost of the Improvements

The subject facility was built to suit a particular location and capacity for pumping recycled water, and the facility was completed in December 1992. However, the need for this use did not materialize and the facility was converted for pumping sewer as a back-up to the local gravity system. The improvements are so specialized that they could suffer from functional and/or external

obsolescence in that they are not adaptable to a traditional commercial or industrial property. Except for the public agencies that currently use the pump station, there are no other buyers likely to need or want the improvements. According to the *Appraisal of Real Estate, 15th Edition* published by the Appraisal Institute, “in some cases, a developer or owner creates functional obsolescence by incorporating special features at the request of the occupant that would not appeal to the market in general”. For this appraisal, I included all of the special features in the cost approach (cost new) as the purpose of the appraisal was to estimate value in use. Depreciation from any and all forms was then applied to the cost new estimate.

Replacement Cost Estimate

The city of San Diego and Padre Dam staff formed a Working Group to exchange information and develop an agreed framework for assessing the cost and remaining useful life of the pump station and a portion of a 48-inch sewer pipeline east of the subject property (depicted on the exhibit on page 42 of this report). Information presented below was provided by both agencies as the summary of the approach taken for determining the remaining value of the pump station and the portion of the sewer pipeline. According to City Council Resolution R-283340, the pump station construction was substantially completed on December 28, 1992. The city of San Diego has provided the Working Group information related to historical project development costs for the facility. Based on the City Council Resolutions, the pump station’s historical development cost is \$6,890,087, including the design and construction

The historical cost was then trended forward to present cost using an index method. The 20 Cities Engineering News Record (ENR) Construction Cost Index (ENR-CCI) was agreed upon as a valid method to use for cost trending purposes. Calculation of the current cost of the pump station is summarized as follows:

December 1992 ENR = 5,059

September 2021 ENR = 12,464

ENR index change ratio = 2.463728

Historic cost = \$6,890,087

Cost New Trended to 2021 = \$17,000,000 (rounded)

In addition to the pump station, Padre Dam and East County JPA are proposing to acquire a 174-foot-long, 48-inch diameter sewer pipeline that extends off-site to the east of the subject property (depicted on the aerial photograph exhibit on page 42). This pipeline was constructed at

the same time as the pump station (December 1992). No historical development cost was available for this portion of the pipeline. Directed by the Working Group, Kennedy Jenks provided a 2021 estimated construction cost for a 48-inch sewer pipeline at \$301 per linear foot. The calculation of the current cost of the 48-inch sewer pipeline is summarized as follows:

Unit construction cost for 48-inch sewer pipe = \$301/ LF

Pipeline length = 174 FT

Total Cost = \$301/LF x 174 LF = \$52,374

The costs reported in this section of the appraisal were provided by the Working Group and subject matter experts and have been relied upon in this appraisal report.

Profit or Developer Fee: While typical developer's profit is generally not applied in a use value scenario, a developer fee may be reasonably anticipated to manage the endeavor. The total costs and fees related to constructing the subject facility are assumed to be included in the cost estimate provided by the city of San Diego. As such, a separate line item for a developer's fee was not included in the cost estimate below.

Accrued Depreciation: The Working Group determined that an acceptable approach to determine the remaining useful life and the depreciated value of the pump station is to break down the pump station cost to its major components since expected depreciation for each component would be different for a complex facility like a pump station. For example, expected depreciation to structural components would be less than mechanical or electrical components.

Existing data on the subject facility capital cost is limited to total design and construction costs. A further breakdown of the capital cost to major components was needed. Directed by the Working Group, the consultant Kennedy Jenks developed a representative percent cost breakdown for the pump station based on costs of several similar facilities. Kennedy Jenks pulled cost information for eight pump stations using a schedule of values from actual project bid estimates to determine representative average cost breakdown percentages that can reasonably be applied to the subject facility. Details of this evaluation is shown in Attachment A. The pump station cost breakdown components and the covered items under each component are as listed below:

1. Controls: RTUs, flow meters, instruments and equipment used in the control of the pump station operation
2. Electrical: MCCs, switchboards, VFDs, electrical conduits
3. Mechanical: all mechanical equipment, piping (including yard piping), valves, appurtenances, and HVAC
4. Structural and Architectural: Building and all architectural features
5. Civil –Depreciable: Fencing, gates, asphalt paving, bollards, manholes.
6. Civil –Non-depreciable: Site work may include clearing/grubbing, grading, excavation, dewatering, shoring, backfill, etc.

The non-depreciable civil component is considered as sunk cost spent for development of the land and would be covered by the site value in its current condition; there does not appear to be any significant present day land development costs required as the site is usable, free of biological/environmental concerns as to the development footprint, and has developed street access. Additionally, this item would have been subjected to the same high depreciation (90 percent or more economic depreciation as discussed below) since the facility is near the end of its useful life. Therefore, this corresponding sunk cost was agreed in the Working Group to be deducted from the costs of the pump station in estimating the remaining value of the asset. In order to increase the confidence on estimated value of this cost component, Kennedy Jenks developed a “bottom up” cost estimate for the relevant non-depreciable civil cost items for the pump station. Details of this cost estimate are provided in Attachment B. Results of the bottom up cost estimate were used for this cost component while the average representative percent cost breakdown from the eight example pump stations was used for other cost components.

The structural and architectural cost component is expected to have the longest remaining useful life and therefore has the least depreciation. Therefore, in order to increase the confidence on the estimated value of this cost component, Kennedy Jenks also developed a range of structural and architectural component cost per square foot of building area based on the size of the structural improvements with the example pump stations. The average structural and architectural component cost was determined to be \$613/SF. Details of this analysis is provided in Attachment C. For comparison in the same Attachment, the calculated unit structural/architectural cost for subject pump station is \$616/SF based on the estimated structural and architectural component cost of \$4,224,611 (also see Table 1 below) and the structural area of 6,862 square feet. This correlates well with the average unit cost value developed based on the example pump stations data, therefore provides another check on the estimated cost. Table 1 shows the pump station costs by individual cost components.

Table 1. Pump Station Cost/Value and Depreciation

Pump Station Component	Percent of Total PS Cost ^a	Component Cost	Expected Average Useful Life ^c	Average Remaining Useful Life ^d	Depreciation
Controls	6%	\$1,038,113	20	0	100%
Electrical	22%	\$3,714,265	20	0	100%
Mechanical	34%	\$5,788,627	30	1	97%
Structural & Architectural	25%	\$4,224,611	45	16	64%
Site Work-Depreciable	4%	\$714,384	23	0	100%
Site Work-Non-Depreciable	9%	\$1,520,000 ^b	NA	NA	NA
Total	100%	\$17,000,000			

(a) Based on eight pump station bid estimates cost breakdown - figures are rounded (Attachment A)

(b) Based on bottom up cost estimate developed for non-depreciable components of site work (Attachment B)

(c) Based on information provided in Attachment D

(d) Based on asset age of 29 years

The pump station is almost 29 years old based on the December 1992 construction completion date. The improvements have a certain expected useful life, some of which is higher or lower than the actual age. Therefore, depreciation is expected in this case. Depreciation comes in the form of physical, functional, and external. Physical depreciation is a loss in value due to physical deterioration. Functional, or technical obsolescence, refers to a loss in value due to diminished utility or desirability of some or all of the improvements or equipment. External, or economic obsolescence, refers to a loss in value caused by outside forces such as shifting market needs and desires. As noted, the facility is no longer in operation full time, and may be rendered obsolete with sewer flows being diverted to other locations. The 40,000 linear feet of sewer force main extending to the west is reportedly in poor condition could cost over \$20,000,000 to repair in order to extend the life of the pump station under its current operation by the city of San Diego (the steel force main was not intended for sewer). As noted by the operations supervisor, the facility has some design problems such as screen operation and pump deficiencies, and concerns over the adequacy of discharge valves. The pressure demands from this facility caused by the uphill force main and several 90 degree turns of the force main exiting the facility require careful monitoring by the operations staff. Also, the screen deficiencies create a need for the facility to be manned during operations, so the facility cannot be considered “automated”. Depreciation in this case requires careful consideration of the condition and functionality of the facility, the external factors

related to this facility, and the relative usefulness to the city of San Diego. As to the latter point, the facility has arguably reached the end of its economic life for the city of San Diego. In that case, the value in use to the city of San Diego would reflect a very high depreciation rate, perhaps 90 percent or more. As noted, the facility requires at least \$12,000,000 in expenditures by Padre Dam to update and re-purpose the facility.

According to the Working Group information, Kennedy Jenks assembled a matrix of estimated useful service life, age, and remaining service life for major components at the subject facility, including 23 separate asset line items ranging from mechanical, electrical, piping, building, and control system. Details of this remaining useful life matrix are provided in Attachment D.

As seen in Attachment D, typical life expectancy for the components of the pump station range from 15 to 45 years, but will depend on design features and external factors. Electrical and controls system life expectancy is about 20 years. These systems are still under use at the 29-year old facility, which are at the end of their useful life. Mechanical items include a variety of components such as pumps, valves, screens, flow meter, piping, odor control, chemical tanks and feed system, with a varying level of useful life expectancy from 15 years to 40 years. The useful life of the overall mechanical components is averaged as 30 years in consideration of the relative value of the components. Therefore, the average remaining asset life of all the mechanical components is one year given the asset age of 29 years. Structural components including the building have expected useful life of 45 years, therefore have 16 years of remaining useful life. The depreciable civil site improvements including fencing, gates, asphalt paving has an average expected useful life of 23 years.

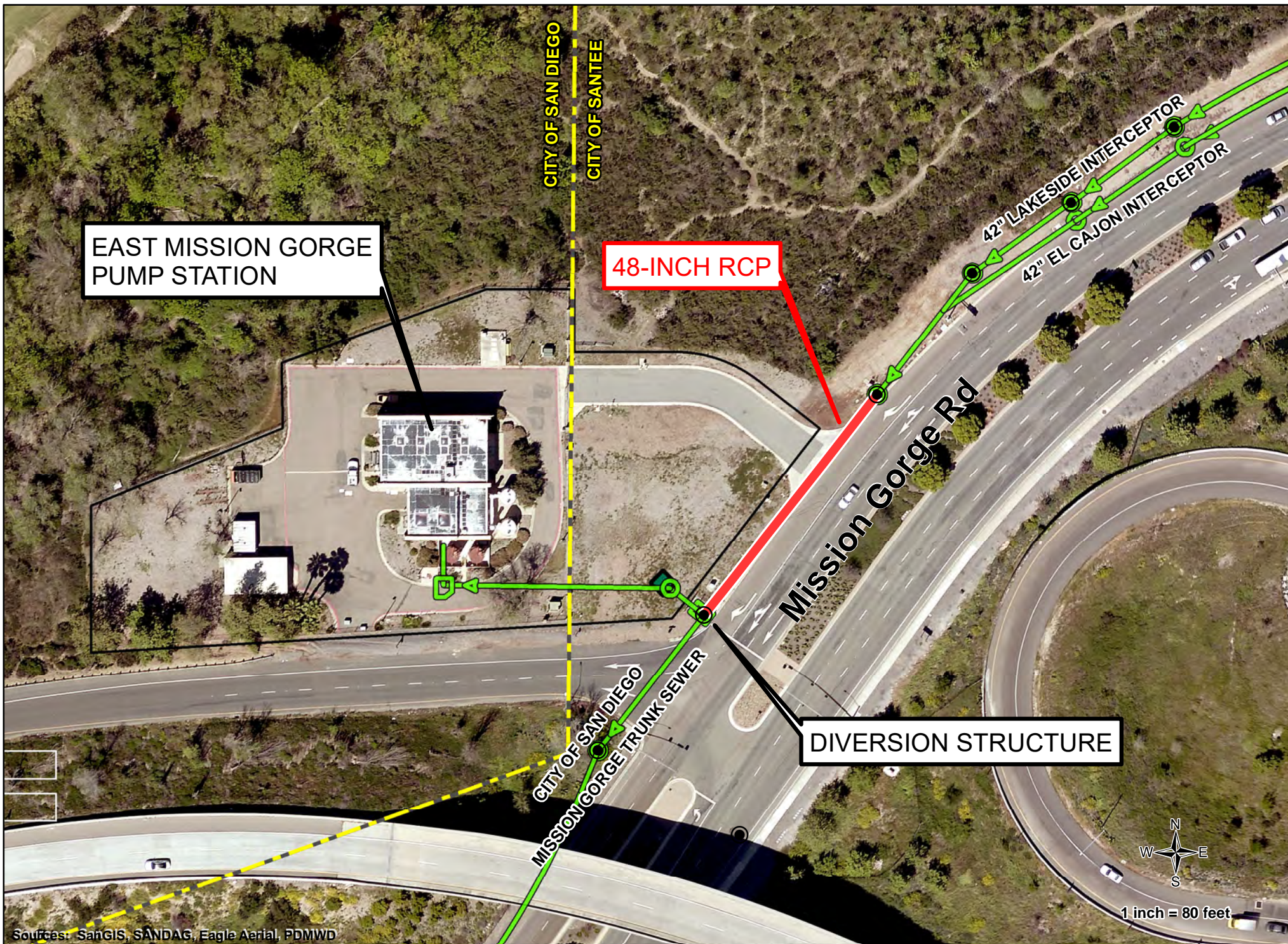
The average representative useful life for each pump station component (as seen in Table 1) was determined based on the details provided in the matrix in Attachment D and the summary above. Average remaining useful life for each pump station component is calculated based on the assigned average useful life for a component and age of the facility. Depreciation percentage for each component was calculated based on the expected useful life and the remaining useful life. For example, an item that has a useful service life of 30 years and an actual age of 29 years has a remaining service life of one year - this translates to 97 percent depreciation (29/30).

With regard to the 48-inch sewer pipeline, the expected useful life of an RCP pipe is 50 years and the pipeline is 29 years old based on construction year of December 1992. This equates to 58 percent depreciation on a straight line basis (29/50).

Cost Study Summary and Conclusion

The following cost study is based on the preceding parameters and reflects the indicated fee simple value in use of the subject property by this approach. The date of value is October 1, 2021. The appraisal is subject to certain assumptions and limiting conditions contained in this report.

Cost Study Summary			
Direct and Indirect Building Costs			
Pump Station and Site Imps (Working Group, actual costs adjusted to 2021)			\$17,000,000
Sewer Main Off-Site (174 feet @ \$301 per Kennedy Jenks)			<u>52,374</u>
Total Replacement Cost New			\$17,052,374
Less Depreciation: Controls	\$1,038,113 @ 100%	\$1,038,113	
Electrical	\$3,714,265 @ 100%	\$3,714,265	
Mechanical	\$5,788,627 @ 97%	\$5,614,968	
Structural	\$4,224,611 @ 64%	\$2,703,751	
Site Work	\$714,384 @ 100% (depreciable)	\$714,384	
Site Work	\$1,520,000 (sunk per Working Group)	\$1,520,000	
Sewer Main	\$52,374 @ 58%	\$30,377	
Less Depreciation - Subtotal			<u>15,335,858</u>
Total Depreciated Cost			\$1,716,516
Land Value (from Sales Comparison Approach)			<u>325,000</u>
Indicated Use Value by the Cost Approach			\$2,041,516
Rounded			\$2,042,000



Sources: SanGIS, SANDAG, Eagle Aerial, PDMWD

SUBJECT PHOTOGRAPHS

December 2018

Viewing west toward the pump station from near Mission Gorge Road.



Viewing east toward the rear of the pump station.



Viewing inside the basement pump room.



ATTACHMENT A

	Percentage of Total PS Value (%)									
	Schedule of Values									
	New RW PS, 7.2 mgd	New RW PS, 7.2 mgd	New RW PS, 3.6 mgd	Rehab Sewer LS, 2.9 mgd	New Sewer LS, 2.7 mgd	New Sewer LS, 20 mgd	New Water PS, 1.7 mgd	New Water PS, 2.9 mgd		
Discipline	San Jacinto Reservoir Recycled Water Pump Station	Alessandro Pump Station & Pipe Line	Sun City Pump Station & Pipe Line	Moonlight Beach Pump Station Rehabilitation	Olivenhain Sewer Pump Station	North Interceptor Sewer Project, Bend OR	Flagler Wells Water Booster PS	Issaquah South SPAR - Water PS	Average	Range
Controls ⁽¹⁾	3%	3%	3%	6%	8%	4%	13%	9%	6%	5-10%
Electrical	23%	23%	25%	21%	16%	25%	18%	25%	22%	20-25%
Mechanical ⁽²⁾	37%	38%	35%	33%	17%	36%	38%	38%	34%	30-35%
Structural & Architectural	19%	24%	25%	30%	35%	25%	22%	13%	24%	25-30%
Civil - Depreciable ⁽³⁾	2%	5%	1%	7%	5%	2%	3%	10%	4%	3-7%
Civil - Non-Depreciable ⁽⁴⁾	17%	8%	11%	4%	20%	8%	6%	5%	10%	10-15%
	100%	100%	100%	100%	100%	100%	100%	100%		

1. Controls includes RTUs, flow meters, instruments and equipment used in the control of the pump station operation.
2. Mechanical includes mechanical equipment, piping (including site/yard piping), valves, appurtenances and HVAC.
3. Civil (depreciable) includes fencing, gates, asphalt paving, bollards, manholes, etc.
4. Civil (non-depreciable) includes site work (e.g. clearing/grubbing, grading, etc.), excavation, dewatering, shoring, backfill, etc.
5. Cost summary does not include startup, mobilization, insurance, demolition of existing piping or infrastructure, or project close out costs.

Pump Station Information								
Item	San Jacinto Reservoir Recycled Water Pump Station	Alessandro Pump Station & Pipe Line	Sun City Pump Station & Pipe Line	Moonlight Beach Pump Station Rehabilitation	Olivenhain Sewer Pump Station	North Interceptor Sewer Project, Bend OR	Flagler Wells Water Booster PS	Issaquah South SPAR - Water PS
PS Capacity (mgd)	7.2	7.2	3.6	2.9	2.7	20	1.7	2.9
PS Configuration	Single level + below grade wet well	Single level + below grade wet well	Single level + below grade wet well	Three level w/ below grade dry & wet wells	Single level + below grade dry & wet wells	Separate Single Level Electrical Building + Below grade PS and Wet Wells	Single Level + below grade piping gallery structure and pump intake structure	Single level
PS Purpose	New RW PS	New RW PS	New RW PS	Rehab exisitng sewer PS	New sewer PS	New sewer LS, Pumps WW to WRF	New water PS (Well Pumps and Booster PS)	New water PS
Building Size (sf)	640	745	640	880	400	950 ⁽¹⁾	1,350	1,000
Building Height (ft)	18	18	18	16	16	18	17	12
Below Grade Size (sf)	180	240	180	1,300	1,150	900 ⁽²⁾	360 ⁽³⁾	0
Below Grade Depth (ft)	20	23	33	28	40	20	13 ⁽⁴⁾	0
Site Access	Compacted DG	Compacted DG	Compacted DG	Paved	Paved	Paved	Paved	Paved

- Notes:**
- 1). Electrical building only, PS and associated piping are not located in a building.
 - 2). Concrete slab for generator, misc. equipment, concrete slab area around electrical building and concrete slab for above grade pump station pipig are not includes in these numbers
 - 3). Concrete slab foundation for tank and misc. equipment (approx. 800 sf) is not included in these numbers.
 - 4). Average depth of below grade structures.

ATTACHMENT B

OPINION OF PROBABLE CONSTRUCTION COST

Client: Padre Dam Municipal Water District

Project: East Mission Gorge PS: Non-Depreciable Civil

Estimate Type: ☒ Other ☐ Preliminary (w/o plans) ☐ Design Development @ ☐ Construction ☐ Change Order
 ___% Complete

KENNEDY JENKS CONSULTANTS

Prepared By: JLH

Date Updated: 2-Dec-19

K/J Project No.: 1944100*02

SUMMARY

ITEM DESCRIPTION	QTY		UNIT Price	TOTAL
Non Depreciable Civil Work *	1	LS	758,838	758,838
Subtotals				758,838
Division 1 Costs @ 8%				60,707
Subtotals				819,545
Taxes - Materials (applied to 1/2 of costs) @ 7.75%				31,757
Subtotals				851,303
Bonds & Insurance @ 2.25%				19,154
Subtotals				870,457
Contractor OH&P @ 15%				130,569
Subtotals				1,001,026
Estimate Contingency @ 20%				200,205
Subtotal				1,201,231
Escalate to Midpt. of Const. Per year @ *				
Estimated Bid Price				1,201,231
Environmental Mitigation Allowance				187,500
Total Opinion of Probable Construction Cost				1,390,000
Estimate Accuracy				
+50%			Total Est.	-30%
\$2,090,000			\$1,390,000	\$970,000

*Does not include escalation.

*Includes site work (e.g. clearing/grubbing, grading, etc.), excavation, dewatering, shoring & backfill. Excludes costs associated with site/yard piping.

**Assumes 0.75 acre disturbed habitat at a cost of \$250,000/acre of disturbed habitat.

Sep 2021/Dec 2019 ENR = 1.0952

2021 cost = \$1,520,000

Client: Padre Dam Municipal Water District
Project: Padre Dam Municipal Water District - East Mission Gorge Pump Station (Non-Depreciable Civil Costs)
Location: Santee, California

KENNEDY JENKS CONSULTANTS

Prepared By: JLH
Date Updated: 2-Dec-19
K/J Project No.: 1944100*02

Non-Depreciable Civil Work Cost												
Spec. Section	Item No.	Description	Qty	Units	Materials		Installation		Sub-contractor		Total	Comments
					\$/Unit	Total	\$/Unit	Total	\$/Unit	Total		
DIVISION 02 - EXISTING CONDITIONS												
		Clear & Grub Site	1406	CY		\$ -	5	\$ 7,028		\$ -	\$ 7,028	assumes 1' over finished site area
		Haul & Dispose grubbed materials	2751	TN		\$ -	15	\$ 41,271		\$ -	\$ 41,271	Allowance assumes not contaminated
Subtotal - Division 2						\$ -		\$ 48,298		\$ -	\$ 48,298	
DIVISION 31 - EARTHWORK												
		Rough Grading	4217	SY		\$ -	2.00	\$ 8,433		\$ -	\$ 8,433	
		Excavation (Pump Station Below Grade Structures)	5773	CY		\$ -	15.00	\$ 86,600		\$ -	\$ 86,600	
		Excavation (Flow metering Vault)	637	CY		\$ -	15.00	\$ 9,558		\$ -	\$ 9,558	
		Excavation (Influent Manhole)	363	CY		\$ -	15.00	\$ 5,445		\$ -	\$ 5,445	
		Haul and Dispose Excavated Materials	2616	CY			15.00	\$ 39,237		\$ -	\$ 39,237	
		Shoring and Bracing (PS Below Grade Structures)	8290	VSF	20	\$ 165,800	15.00	\$ 124,350		\$ -	\$ 290,150	
		Shoring and Bracing Excavation (Flow metering Vault)	2151	VSF	20	\$ 43,020	15.00	\$ 32,265		\$ -	\$ 75,285	
		Shoring and Bracing Excavation (Influent Manhole)	1661	VSF	20	\$ 33,220	15.00	\$ 24,915		\$ -	\$ 58,135	
		Dewatering Excavation (over 8' Deep)	5766	SF		\$ -		\$ -	10	\$ 57,660	\$ 57,660	Allowance included dewatering water treatment
		Dewatering Excavation (Flow metering Vault)	1110	SF		\$ -		\$ -	10	\$ 11,100	\$ 11,100	"
		Dewatering Excavation (Influent Manhole)	594	SF		\$ -		\$ -	10	\$ 5,940	\$ 5,940	"
						\$ -		\$ -		\$ -	\$ -	
		Backfill Excavation (Pump Station Below Grade Structures)	3596	TCY		\$ -	10.00	\$ 35,965		\$ -	\$ 35,965	includes compaction , assumes native suitable
		Backfill Excavation (Flow metering Vault)	2393	TCY		\$ -	10.00	\$ 23,933		\$ -	\$ 23,933	"
		Backfill Excavation (Influent Manhole)	310	TCY		\$ -	10.00	\$ 3,098		\$ -	\$ 3,098	"
						\$ -		\$ -		\$ -	\$ -	
						\$ -		\$ -		\$ -	\$ -	
Subtotal - Division 31						\$ 242,040		\$ 393,800		\$ 74,700	\$ 710,540	
TOTAL						\$ 242,040		\$ 442,098		74,700	\$ 758,838	

ATTACHMENT C

Example Pump Station's Structural/Architectual Cost Componenet per Area of Structural Improvements Footprint

Pump Station Information								
Item	San Jacinto Reservoir Recycled Water Pump Station	Alessandro Pump Station & Pipe Line	Sun City Pump Station & Pipe Line	Moonlight Beach Pump Station Rehabilitation	Olivenhain Sewer Pump Station	North Interceptor Sewer Project, Bend OR	Flagler Wells Water Booster PS	Average \$/SF
PS Capacity (mgd)	7.2	7.2	3.6	2.9	2.7	20	1.7	
PS Configuration	Single level + below grade wet well	Single level + below grade wet well	Single level + below grade wet well	Three level w/ below grade dry & wet wells	Single level + below grade dry & wet wells	Separate Single Level Electrical Building + Below grade PS and Wet Wells	Single Level + below grade piping gallery structure and pump intake structure	
PS Purpose	New RW PS	New RW PS	New RW PS	Rehab existing sewer PS	New sewer PS	New sewer LS, Pumps WW to WRF	New water PS (Well Pumps and Booster PS)	
Building Size (sf)	640	745	640	880	400 ⁽³⁾	940 ⁽⁵⁾	1,350	
Below Grade Size (sf)	180 ⁽¹⁾	240 ⁽¹⁾	180 ⁽¹⁾	1300 ⁽²⁾	1,150	900 ⁽⁶⁾	360 ⁽¹⁾	
Other Structural Structures/Concrete Slabs	160	285	145	460	480 ⁽⁴⁾	5000 ⁽⁷⁾	800 ⁽⁸⁾	
Structural/Architectural Cost (\$)	\$287,000	\$369,400	\$352,500	\$636,740	\$1,020,920	\$6,634,242	\$863,448	
Year	2013	2012	2012	2007	2010	2019	2017	
Structural/Architectural Cost 2021 \$s	\$344,945	\$450,483	\$429,874	\$859,854	\$1,310,861	\$7,265,822	\$986,230	
Structural/Architectural Cost (\$/SF)	\$431	\$437	\$548	\$642	\$804	\$970	\$459	\$613
Building Height (ft)	18	18	18	16	16	18	17	
Below Grade Depth (ft)	20	23	33	28	40	20	13 ⁽⁹⁾	
Site Access	Compacted DG	Compacted DG	Compacted DG	Paved	Paved	Paved	Paved	

LEGEND

	PS included in \$/SF average
	SF numbers included in \$/SF calculation

Notes:

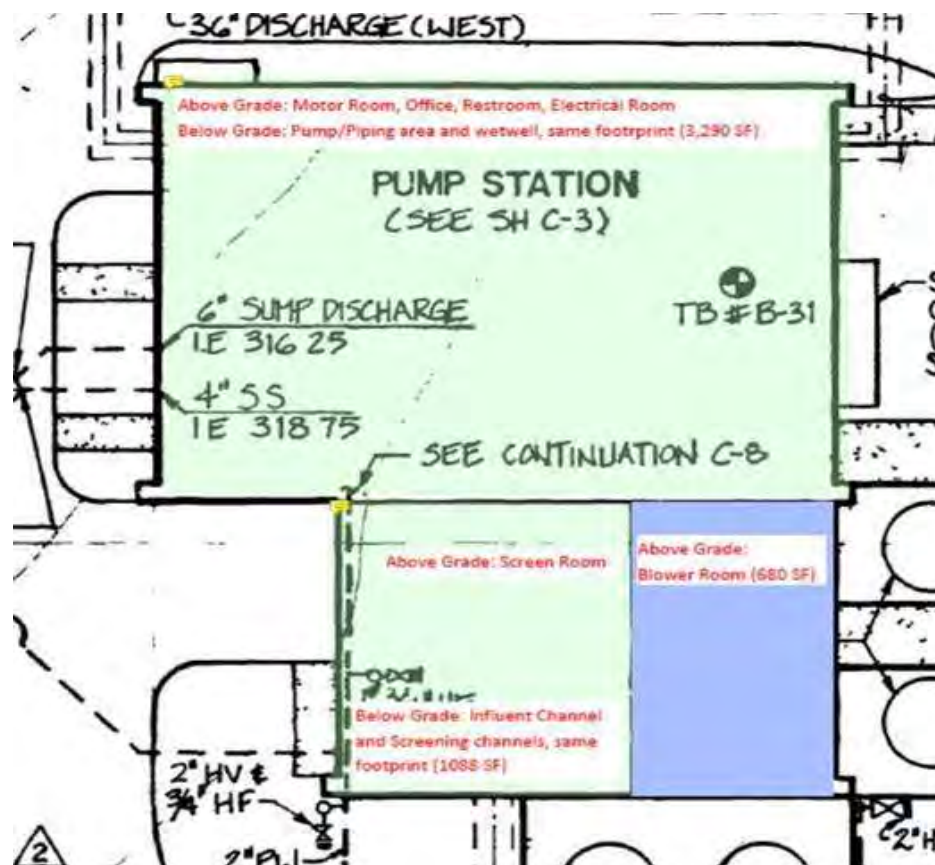
- 1). SF included in building footprint not additive to structural square footage.
- 2). SF included in building and other structure footprint, not additive.
- 3). SF for building is encompassed by the below grade footprint, not additive.
- 4). Includes structural canopy, below grade vaults, and misc. concrete slabs.
- 5). Electrical building only, PS and associated piping are not located in a building.
- 6). Includes influent channel and wet well (below grade structures not included in building foot print) does not include concrete slab for generator, misc. equipment, concrete slab area around electrical building and concrete slab for above grade pump station piping are not included in these numbers (approx. 5,000 sf).
- 7). Includes concrete slab for generator, misc. equipment, concrete slab area around electrical building and concrete slab for above grade pump station piping are not included in these numbers (approx. 5,000 sf). Below grade structure accounted for building and other structure footprint (not additive).
- 8). Includes concrete slab foundation for tank and misc. equipment (approx. 800 sf).
- 9). Average depth of below grade structures.

East Mission Gorge Pump Station Structural Footprint

EMGPS	
Description	Area (SF)
Motor Room, Office, Restroom, Electrical Room	3,290
Screen Room & Blower Room	1,768
Chemical Area	688
Carbon Area	481
Influent MH	145
Flow Metering Vault	389
Transformer Pads	100
Total Structure Area	6,862
Structural & Architectural Cost	\$ 4,224,611
\$/SF	\$ 615.62

The 6,862 SF encompasses both the above grade and below grade footprint (i.e., the below grade footprint area is encompassed within the above grade footprint). The below grade area is 4,380 SF with the above grade rooms sitting on top. Please see image on the right for clarification. The green area is area contained within the building that has a below grade footprint. The total building footprint area is 5,058 sf encompassed by the green and purple boxes below.

Please note, a similar approach was taken in \$/sf analysis for the below grade areas that were encompassed within the building footprint of the reference pumps stations (these common footprint areas were not added to the square footage numbers). In other words it was considered in the SF (footprint) of the structure above.



ATTACHMENT D

Capital Asset	Quantity	Estimated Useful Service Life (years)	Age ⁽⁴⁾ (years)	Remaining Asset Service Life (years)	Will Replace?	Justification
Mechanical						
Mechanical Bar Screens	2	15 ⁽¹⁾	27	0	Yes	The bar screens have exceeded their useful life and require replacement. The bar screens have insufficient capacity to handle high loading scenarios, cannot function in "Auto" mode and must be operated in manual mode at all times.
Vertical Centrifugal Pumps (500 HP)	4	30 ⁽⁵⁾	27	3	Yes	Require replacement to meet future PDWF Emergency Conditions
Odor Control Carbon Adsorption Unit	2	30 ⁽¹⁾	27	3	No	
Odor Control Fans (50 HP)	2	15 ⁽¹⁾	27	0	No	Plan to re-use existing fans, appear to be in good condition. Further evaluation may be required to determine re-use potential.
Chemical Ferrous Chloride Tanks (10,000 gal)	2	30 ⁽¹⁾	27	3	No	
Chemical Metering Pumps	2	10 ⁽³⁾	6 ⁽³⁾	4	Yes	It is KJ's understanding the existing chemical metering system, including chemical metering pumps, is owned and operated by USP Technologies for the City of San Diego. It is anticipated the contract with USP Technologies will be terminated and new chemical metering system would be installed.
Traveling Bridge Cranes	2	30 ⁽¹⁾	27	3	No	
HVAC System (140,000 BTU/hr AC unit)	1	15 ⁽⁶⁾	6 ⁽⁶⁾	9	No	
Air Compressor	2	15 ⁽¹⁾	27	0	Yes	Ancillary item not currently in use. May have a new compressor on site at EMGPS in the future for instrument air, etc.,
Sluice Gate	6	25 ⁽¹⁾	27	0	Yes	The sluice gates have exceeded their useful life, malfunction, and are unable to actuate when required.
Piping						
Pipe, Pipe Appurtenances, Valves and Pipe Supports	-	40 ⁽¹⁾	27	13	Yes	Pump suction and discharge piping within the PS will be replaced with smaller diameter piping and piping configurations to support efficient flow. The existing pump suction and discharge header piping is oversized and requires reconfiguration to increase velocity and minimize solids deposition. Valves will be replaced with smaller diameter valves that are more suitable for wastewater. Pipe supports will need to be replaced to accommodate new pipe layout and valve lay lengths. Piping in the flow meter vault will be replaced and surge valves within the meter vault are anticipated to be replaced.
Flow Meter	1	20 ⁽¹⁾	6 ⁽⁷⁾	14	Yes	The original magnetic flow meter installed in the meter vault has been replaced with a strap-on, external flow meter. A permanent magnetic flow meter is required to replace the current flow meter to adequately meter flow. Inaccuracies up to 2 MGD have been reported by SD staff with the strap-on flow meter. Meter will be downsized to provide sufficient velocity across the meter and improve accuracy.
Electrical						
Outdoor Service Centers	2	20 ⁽²⁾	27	0	No	Currently not planned for replacement, observed to be in good working condition. Due to equipment age further evaluation may be required to determine re-use potential. There is limited available spare parts for existing equipment.
Main Switchboards	2	20 ⁽²⁾	27	0	No	Currently not planned for replacement, observed to be well maintained and in good working condition. Replacement circuit breakers and parts are still available. Further evaluation may be required to determine re-use potential.
Variable Frequency Drives (Vintage)	2	20 ⁽²⁾	27	0	Yes	The existing vintage VFDs have exceeded their useful life and require replacement.
Variable Frequency Drives (Yaskawa P1000, Pump 1 and 3 VFDs)	2	20 ⁽²⁾	2	18	Yes	The VFD's do not have harmonic mitigation measures. The VFD's may be retrofitted to add harmonic mitigation; however, the effort and cost to do so and additional space required may be more difficult and costly than replacement.
Motor Control Center	1	20 ⁽²⁾	27	0	No	Not planned for replacement at this time, observed to be in good working condition. Due to equipment age further evaluation may be required to determine re-use potential.
Indoor/Outdoor Lighting System	1	20 ⁽²⁾	27	0	Yes	Lighting systems have exceeded their useful service life and are antiquated technologies. Replacement required due to age and better energy savings and reduced maintenance costs.
Control System						
PLC Based Control System	1	20 ⁽²⁾	27	0	Yes	System has exceeded is estimated useful life. The existing control panel is limited to local operations only, do not have secured access, and provides minimal ability to historically archive pump station data. An updated controls system is required to connect the EMGPS and associated sytems to Padre Dam's SCADA system.
Miscellaneous						
Miscellaneous Civil (Fencing & Gates)	1	20 ⁽²⁾	27	0	No	Fencing appears to be in good condition; uncertain if the fencing and gates are the original or if they have been replaced since the original pump station construction.
Miscellaneous Civil (Asphalt Paving)	1	25 ⁽²⁾	27	0	No	Asphalt paving appears to be in good condition; uncertain if there have been repairs to the paving/extent of repairs since original construction.
Concrete Structure	1	45 ⁽²⁾	27	18	No	
Flow Metering Vault	1	40 ⁽¹⁾	27	13	No	
Control Room/ Office Misc.	1	15 ⁽²⁾	27	0	Yes	The existing office equipment has exceeded its useful life and requires replacement.
Irrigation System	1	15 ⁽²⁾	27	0	No	The irrigation system was not evaluated in BODR for replacement.

Notes:

⁽¹⁾ Based on California State Controller’s Uniform System of Accounts for Water Utility Districts, Appendix A: Suggested Useful Lives of Fixed Assets

⁽²⁾ Based on Government of Yukon - Estimated Maximum Useful Life for Asset Management

⁽³⁾ Anticipated service life provided by D&H Water Systems. Age estimated based on known fact these are not original chemical metering pumps and visual observation.

⁽⁴⁾ Age based on pump station construction in December 1992 to December 2019 (27 years), unless otherwise specifically noted.

⁽⁵⁾ Based upon manufacturer input, 50% pump operation.

⁽⁶⁾ Anticipated service life based on San Francisco Controller, City and County of San Francisco Fixed Assets, Definitions and Guidelines. The AC unit and HVAC system was not installed with the original pump station. Age based on unit manufacture date of March 2013.

⁽⁷⁾ Age estimated based on known fact that it is not the original flow meter and staff recollection that it was installed within the last 6 years.

⁽⁸⁾ Green/olive highlighted rows are assets that have been identified to have remaining useful service life and are also identified for replacement.

EAST COUNTY ADVANCED PURIFICATION PROJECT

Background on Padre Dam MWD

The Padre Dam Municipal Water District (MWD) provides water, wastewater, and recycled water services to areas northeast of the City of San Diego. Specifically, the District serves approximately 100,000 residents within the City of Santee (Santee), a small portion of the City of El Cajon (El Cajon), and a small portion of the unincorporated community of Lakeside in the Western Service Area (WSA), and within the unincorporated areas of Flinn Springs, Harbison Canyon, Blossom Valley, Alpine, Dehesa, and Crest in the Eastern Service Area (ESA). Padre Dam MWD provides wastewater treatment services at the Ray Stoyer Water Recycling Facility (WRF) to customers within the WSA.

The Ray Stoyer WRF treats 2 million gallons per day (mgd) of wastewater generated within the WSA and produces 1.8 mgd of recycled water for non-potable reuse. The remainder of the wastewater generated in the WSA is conveyed to the City of San Diego's Metropolitan Wastewater System (Metro) to be treated at the Point Loma Wastewater Treatment Plant (PLWWTP) and discharged into the Pacific Ocean. Recycled water is also delivered to the Santee Lakes Recreation Preserve (Santee Lakes), which is owned and operated by the District. Recycled water is dechlorinated and released into the Santee Lakes to maintain stable lake water levels year-round.

ECAWP Program Goal

Padre Dam MWD is a leading member of the East County Advanced Water Purification (AWP) Program, a partnership of four water and wastewater agencies in East San Diego County (East County): Padre Dam MWD, Helix Water District, City of El Cajon, and County of San Diego. The goal of the East County AWP Program is to explore and implement development of potable reuse to increase water supply reliability. The Program's goal is to ultimately produce up to 30 percent of East County's potable water supply, which would reduce reliance on imported water and provide a drought-resistant and locally controlled water supply to the East County. The East County agencies currently generate approximately 14.5 mgd of wastewater. Most of this wastewater is transported to Point Loma Wastewater Treatment Plant (PLWWTP) to be treated and discharged into the Pacific Ocean. The ECAWP Project would treat the wastewater locally and recycle the water using state-of-the-art technology to create a safe, sustainable supply of drinking water for the region through surface water augmentation (SWA) at a local reservoir, Lake Jennings which is owned and operated by Helix Water District.

The ECAWP Project Components and Use for the EMG Pump Station

The proposed ECAWP Project would include expansion of the existing 2 mgd capacity Ray Stoyer WRF to 15 mgd annual average capacity; construction of an Advanced Water Treatment Plant (AWTP) at 11.5 mgd average annual capacity; and construction of facilities to convey purified water from the AWTP to Lake Jennings. The ECAWP Project also proposes modifications to existing facilities at the East Mission Gorge (EMG) Pump Station and construction of a new force main to deliver an average daily flow of up to 15.0 mgd of wastewater to the expanded Ray Stoyer WRF. Construction at the EMG Pump Station would include the following activities:

- Removal of miscellaneous unused equipment and equipment replacement from within the interior of the EMG Pump Station
- The existing concrete metering vault may be modified or removed and replaced to facilitate wastewater flow and discharge flow metering to the new EMG force main
- The existing diversion structure will either be replaced with a new diversion structure, or the existing structure may be modified in place
- Removal of four existing 500 hp wastewater pumps and replacement with four new 600 hp pumps
- Removal and replacement of existing bar screens
- Electrical equipment removal and replacement (pump variable frequency drives)
- Control system removal and replacement
- Emergency generator installation and construction of associated pads and electrical work
- Odor control and surge protection systems modifications
- Piping modifications, valve and appurtenance removal and replacement

The EMG Pump Station is owned by City of San Diego. The pump station and the force main (later called east Mission Gorge Interceptor) were constructed in 1991 as part of the City's Clean Water Program with the purpose of conveying recycled water to the Mission Valley area. As part of the Clean Water Program, the Ray Stoyer WRF was planned for expansion for increased production of recycled water to be used within the City of San Diego. However, after its construction, the City eliminated the project through Consumers Alternatives evaluation to reduce the overall cost impact of Clean Water Program on the rate payers. Therefore, the pump station and force main stayed idle for several years. See Figure 1 attached for facilities and pipelines alignment.

At the time, all East County's sewer flow (sewer flows from Padre Dam MWD, City of El Cajon, and County of San Diego) has been conveyed through 42-inch diameter Mission Gorge Trunk Sewer via gravity to the Metro facilities which then conveys flows to the PLWWTP. The City has lined interior of the gravity pipeline in 199X. Lining restored the condition of the pipe, however resulted in reduction of the internal diameter available for conveyance. Conveyance capacity of the pipeline has been reduced by 3.8 mgd to a point that the pipeline capacity was not enough to convey the peak wet weather flows from East County. City has then repurposed the EMG Pump Station to convey excess sewer flows from East County under wet weather conditions. The constructed forcemain alignment was suitable for this purpose. As a result, the City has constructed a diversion manhole upstream of the pump station and started operating the EMG Pump Station whenever the sewer flows exceeds the predetermined capacity of the gravity main (approximately 28 mgd). Excess flow goes over the weir at the diversion manhole and directed to the EMG Pump Station. Although the pump station is used only during wet weather events, the City of San Diego has been exercising the pumps on a weekly basis for about 6.5 hours.

The EMG Pump Station force main is a 48 inch diameter steel rod wrapped pipe per AWWA C303, which was designed for a recycled water conveyance, not for raw sewage. Therefore, after approximately 20 years of operation, the City has identified major corrosion issues with the pipe and has been considering implementing a major lining project with a planning budget of \$20 million.

The EMG Pump Station and force main are defined as Muni facilities under the Transportation Agreement between the East County agencies and the City of San Diego since this pump station and the force main are currently not serving for any City of San Diego flows. According to the Muni Transportation Agreement the East County agencies are responsible for capital improvement and operation and maintenance costs.

With the ECAWP Project implementation all the sewer flows from East County would be directed to Ray Stoyer WRF, eliminating the need for the EMG Pump Station and the force main. Once the project is implemented the current 15 mgd of raw sewage will be pumped to the Ray Stoyer WRF for recycled water production all year-round. As a result, capacity of the existing gravity pipe conveying the East County's sewer flows to the Metro facilities would be enough to handle the remaining flows at peak wet weather events. Need for the EMG Pump Station would be eliminated and the station would be a stranded asset for the City.

Given the background and future of the pump station, Padre Dam MWD along with other East County agencies is proposing to take ownership of the EMG Pump Station and modify the mechanical components to repurpose this asset for the ECAWP Project.

Robert P. Caringella, MAI, SRA, AI-GRS

Educational Background

B.A. degree in Management Science, Economics Department, University of California, San Diego	1987
Professional Courses Completed:	
Appraisal Institute (or AIREA):	
Real Estate Appraisal Principles/Valuation Procedures	1987
Capitalization Theory and Techniques - Parts A & B	1988
Case Studies in Real Estate Valuation	1989
Report Writing	1991
Standards of Professional Practice	2005, 2008, 2010, 2012, 2014, 2016, 2018
Limited Partnership and Common Tenancy Valuation	2002
Fundamentals of Separating Real/Personal Property and Intangibles	2012
Review Theory - General	2015
The Cost Approach	2020
Seminars Attended (partial list):	
Appraisal Institute (or AIREA):	
Business Practices and Ethics	2017
Historic Districts and Properties	2016
Uniform Appraisal Standards for Federal Land Acquisitions	2011
Appraising Unique Properties	2010
Annual Litigation Seminar	1989, 1990, 1995, 1996, 2007
Conservation Easements	2005
Planning and Land Use	1990
OREA Federal and State Laws and Regulations	1995, 1999
Attorneys, Appraisers & Real Estate	1996, 1997, 1998
Blueprint Reading	1996
Environmental Issues	1996
San Diego Economic Update	2004, 2005, 2006, 2007, 2009, 2012, 2013
Mitigation Land Update and Valuation	1997
Tax Assessment	1997
Apartment Seminar	1998, 2003, 2005
Retail Property Analysis; Single Tenant Net Leased Properties	1998;1999
Trends in R&D Market	2002
Advanced Appraisal	2004
International Right-of-Way Association:	
Easement Valuation	1990
Mock Condemnation Trial	1994, 2000, 2012
Eminent Domain Case Update	1995, 1997, 2002, 2005, 2018
IRS Symposium	2006, 2018

Professional Affiliations

Member, Appraisal Institute (MAI No. 9649) (SRA and AI-GRS)
Certified under Continuing Education Program
Appraisal Institute, Admissions and Designation Qualifications Committee 2015-2017
Vice-Chair 2017
Appraisal Institute, National Finance Committee, 2015-16 and prior; 2019-2020

Appraisal Institute Education Trust - Board, 2011-2013
National Board of Directors, Regional Vice Chair 2007, Regional Chair 2008
President, San Diego Chapter of Appraisal Institute, 2005
Board of Directors, San Diego Chapter, 1999-2001, 2003-2005
Leadership Development and Advisory Council, 1999 and 2000 (National)
Chairman of Experience Review Committee, San Diego Chapter 1996-98
California Certified General Real Estate Appraiser (AG003295)
Member, International Right-of-Way Association
Board of Directors, San Diego Chapter, 1999-2003
Young Leadership Council, 1998 and 1999 (National)

Appraisal Company Experience

Co-Owner - Jones, Roach & Caringella, Inc. (formerly Jones & Roach, Inc.), Since 1996
Staff Appraiser - Jones & Roach, Inc. - 1987-1996

Testimony Experience

San Diego Superior Court
San Diego Assessor Tax Hearing
Los Angeles Superior Court
Imperial County Superior Court
US District Court, Special Master Hearing
Mediations and Arbitrations

Teaching and Education Experience

Speaker - San Bernardino Assessors Office - Effective Testimony: 2020
Speaker - CLE International - Eminent Domain, Precondemnation Damages: 2019
Speaker - Appraisal Institute - Residential "Spring Symposium": 2018
Speaker - IRWA Seminar - "Eminent Domain and Valuation": 2018
Guest Lecturer at UCSD, SDSU, USD, and Point Loma Nazarene University on Appraisal
Guest Instructor - USD Real Estate Class: 2017
Speaker - CLE International, Eminent Domain: 2015
Speaker - Lormon Seminar, Law of Easements: 2013
Speaker - MCLE Seminar, Eminent Domain: 2011
Speaker - Caltrans Seminar, Contaminated Properties: 2011
Speaker - Appraisal Institute Litigation Seminar So. Cal.: 2007
Speaker - IRS Symposium, Conservation Easements: 2006
Co-Creator, Co-Instructor - "Advanced Refresher": 2004
Co-Instructor - "Rates and Ratios", Appraisal Institute: 2003
Seminar Creator/Moderator - "The Client": 2003
Speaker - IRS Seminar "Valuation of Fractional Interests": 2000
Speaker - San Diego Assessor's Seminar: 1998
Seminar Coordinator/Moderator - "Attorneys, Appraisers & Real Estate": 1996, 97, and 98
Seminar Co-Coordinator/Moderator - Int'l Right-of-Way Assoc. "Valuation Tour": 1996

Other Affiliations

Board of Directors - Willow Grove Educational Foundation 2008 -2013
Board of Directors - USE Credit Union, San Diego, 1999-2006
Investor Manager of LLC - \$5,000,000 Loft Development, Downtown San Diego 2000

Types of Appraisals

Agricultural
Apartment Buildings
Auto Dealerships
Auto Repair
Aviation Facilities
Commercial Buildings
Contaminated Properties
Development Rights
Easements
Eminent Domain/Partial Acquisitions
Fractional Interests
Historical Appraisals
Industrial & Office Buildings
Leasehold and Leased Fee Estates
Mining - Aggregate
Mitigation Credits
Mixed-Use Properties
Notes/Loans
Mobilehome/RV Parks and Homes
Planned Communities
Research & Development Buildings
Residential Subdivisions
Retail Centers
Self-Storage Facilities
Single Family Homes and Condominiums
Single Room Occupancy Hotels
Vacant Land
View Impairment
Wetlands/Other Sensitive Habitat

Partial List of Clients**Public Agencies**

California Department of Transportation
California Coastal Conservancy
California State Lands Commission
Centre City Devel. Corp. (Civic San Diego)
Chula Vista Redevelopment Agency
City of Chino Hills
City of Dana Point
City of Escondido
City of National City
City of Oceanside
City of Redlands
City of San Diego

County of San Diego
Del Mar Union School District
IRS
Metropolitan Transit System (MTS and MTDB)
MiraCosta Community College District
Oceanside Redevelopment Agency
Otay Water District
Regents of the University of California
Resolution Trust Corporation (RTC)
San Diego Association of Governments
San Diego City College District
San Diego County Water Authority
San Diego Unified Port District
Solana Beach School District
Southeastern Economic Development Corp.
U.S. Department of Justice
Wildlife Conservation Board (California)

Lenders and Developers

Ayres Land Company
Bank of America
Bank of California
Barratt American
Brookfield Homes
Buie Corporation
California Transportation Ventures
Citicorp Acceptance Company
Coast Federal Bank
Column Financial
Continental Bank
Downey Savings
D.R. Horton
First Interstate Bank
Garden Communities
Great American Bank
Home Savings of America
HomeFed Bank and Home Capital Dev. Corp.
KB Home
Leisure Technology
Nexus Development Corporation
Pardee Homes
McMillin Communities
San Diego National Bank
Sherritt Development Services
Union Bank
US Bank

Wells Fargo Bank
Western National Properties
Western Pacific Housing

Corporations, Attorneys, and Individuals

American Assets
Anderson, Mann & Hilbert, LLP
ARCO Petroleum Products Co.
Bartz & McCarberg, LLP
Berger & Norton
Best, Best & Krieger LLP
Bob Baker Enterprises
Brobeck, Phleger & Harrison
Burger King Franchisee
Burke, Williams & Sorensen, LLP
Coldwell Banker Realty Advisory Services
Daley & Heft
Endeman, Lincoln, Turek & Heater
English & Gloven
Epsten & Grinnell
Ford Motor Company
Fraser Engineering, Inc.
Golden Eagle Insurance Company
Golub & Morales
Gordon & Rees
Gray, Cary, Ware & Friedenrich
Greenberg Traurig
Haight, Brown & Bonesteel
Hearthstone Advisors
HomeFed Corporation
Insurance Company of the West
Irell & Manella, LLP
John H. Reaves, Attorney at Law
Judge Robert C. Thaxton (retired)
Lempres & Wulfsberg
Liberty Mutual Insurance Company
McKenna & Cuneo
McKenna Long & Aldridge, LLP
Meisenheimer Herron & Steele
Morris, Polich & Purdy
Olmstead, Hughes & Garrett
Orrick, Herrington & Sutcliffe, LLP
Palmieri Tyler Weiner Wilhelm & Waldron
Procopio Cory Hargreaves & Savitch
Rick Engineering Company
Ryals & Associates
San Diego Gas & Electric Company
Seltzer Caplan McMahon Vitek

Sheppard, Mullin, Richter & Hampton, LLP
Sierra Club Legal Defense Fund
Silldorf, Burdman, Duignan & Eisenberg
Solomon Ward Seidenwurm & Smith, LLP
Sullivan Wertz McDade & Wallace
Texaco Oil
Thorsnes, Bartolotta, McGuire & Padilla
Trust Company of the West
Trust for Public Land
UETA
Walmart
Withers Bergman

EXHIBIT H

APPRAISAL REPORT

**EAST COUNTY ADVANCED WATER
PURIFICATION PROJECT
PACKAGE 4 PIPELINE EASEMENTS
OVER CARLTON OAKS GOLF COURSE
SAN DIEGO, CALIFORNIA
PIPELINE ID NOS. 6.1 & 6.2
APN'S 383-080-03-00 & 04-00**

CLIENT

Chip Willett
Vice President
BENDER ROSENTHAL, INC.
750 B Street, Suite 3130
San Diego, CA 92101

DATE OF VALUATION

January 20, 2022

DATE OF REPORT

January 31, 2022

APPRAISED BY

Anderson & Brabant, Inc.
353 West Ninth Avenue
Escondido, California 92025-5032

File No. 21-101-A&B

ANDERSON & BRABANT, INC.

REAL ESTATE APPRAISERS AND CONSULTANTS

353 W. NINTH AVENUE

ESCONDIDO, CALIFORNIA 92025-5032

TELEPHONE (760) 741-4146

January 31, 2022

Chip Willett
Vice President
BENDER ROSENTHAL, INC.
750 B Street, Suite 3130
San Diego, CA 92101

**RE: East County Advanced Water Purification Project
Appraisal of Proposed Permanent Easement Rights
Package 4 Pipeline – East Mission Gorge Force Main & Regional Brine Line
Pipeline ID Nos. 6.1 and 6.2
Carlton Oaks Golf Course, City of San Diego, California**

Dear Mr. Willett:

As requested, we have conducted an appraisal relating to proposed permanent easement rights to be acquired for the above referenced Package 3 Pipeline over the Carlton Oaks Golf Course owned by the City of San Diego. The objective of this appraisal is to provide our estimates of fair market value that will be used as the basis upon which to negotiate the acquisition of the proposed easements. The value opinions expressed herein are set forth as of January 20, 2022, the most recent date of our property inspection.

The following is recognized as an Appraisal Report under the Uniform Standards of Professional Appraisal Practice (USPAP). As such, our report is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of USPAP. It has been prepared in conformance with the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.

Based upon an investigation and analysis of relevant market data, it is our opinion that the fair market values of the required easement rights, as of the above mentioned date, are as follows.

Pipeline ID	Larger Parcel APN	Larger Parcel Size (Acres)	Easement Parcel Size (SF)	Fair Market Value of Easement Rights
6.1	383-080-04-00	0.60	3,720	\$1,000
6.2	383-080-03-00	106.08	48,689	\$13,000
Totals		106.68	52,409	\$14,000

Mr. Chip Willett
BENDER ROSENTHAL, INC.
January 31, 2022
Page 2


The opinions of fair market value expressed herein are subject to certain assumptions and limiting conditions as set forth in the attached report. We appreciate the opportunity to be of service, and please let us know if we can be of further assistance in this matter.

Respectfully submitted,

ANDERSON & BRABANT, INC.



David C. Ottley, MAI
State Certification No. AG002149



James Brabant, MAI
State Certification No. AG002100

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ADDENDA

Preliminary Title Report
Plat of the Proposed Easements
Aerial Photographs of the Market Data
Qualifications of the Appraisers

ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal is subject to the following special assumptions and limiting conditions:

1. It is assumed that the existence of significant cultural resources, if any, discovered within the subject parcel will not create any abnormal hardship nor measurably impact fair market value in conjunction with our determination of highest and best use.
2. The corners of the proposed easement parcels were not staked at the time of the property inspection, and the appraisers estimated the corner locations based on provided maps. It is an assumption of this report that the herein described physical features of the proposed acquisition parcels are reasonably accurate.
3. We have reviewed a preliminary title report for the subject property that was prepared by BNT Title Company of California. The document can be identified by reference to Order ID CA18143433, and it is dated February 6, 2020. The title company was unable to determine the locations of five identified easements within the report for utility purposes, and another three for drainage, storm drains, and/or slopes. For purposes of analysis, we have assumed that the easements for which the locations are unknown do not adversely affect the utility or value of the larger parcel in conjunction with its estimated highest and best use.

This appraisal is subject to the following general assumptions and limiting conditions:

1. It is assumed that information furnished to us by our client, including maps, and legal descriptions, is substantially correct.
2. No responsibility is assumed for matters legal in character, nor do we render an opinion as to title, which is assumed to be held in full fee interest, subject to any easements of record, as of the date of valuation unless otherwise specified.
3. It is assumed that the property is readily marketable, free of all liens and encumbrances except any specifically discussed herein, and under responsible ownership and management.
4. Exhibits furnished in this appraisal are to assist the reader in visualizing the property.
5. It is assumed that there are no legitimate environmental or ecological reasons that would prevent the continued use of the property or orderly development of the land as though vacant to its highest and best use under economically feasible conditions.
6. For purposes of this appraisal, it is assumed that there are no hidden or unapparent conditions of the property such as hazardous or toxic wastes and/or other subsoil conditions, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which might be required to discover such factors.
7. We are not qualified to detect hazardous waste and/or toxic materials. Any comment by us that might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property.

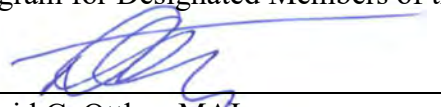
Our value estimates are predicated on the assumption that there is no such material on or in the property that would cause a loss in value unless otherwise stated in this report. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. Our descriptions and resulting comments are the result of the routine observations made during the appraisal process.

8. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may be used for any purpose or by any person other than the party to whom it is addressed without the written consent of Anderson and Brabant, Inc., and in any event, only with proper written qualification and only in its entirety.
9. Disclosure of the contents of this appraisal report is governed by the by-laws and regulations of the Appraisal Institute. Neither all nor any part of the contents of this report (especially reference to the Appraisal Institute or the MAI designation) shall be disseminated to the public through advertising media, public relations media, news media, sales media, or any other public means of communication without prior written consent and approval of Anderson and Brabant, Inc.
10. The submission of this report constitutes completion of the services authorized. It is submitted on the condition that the client will provide the appraiser customary compensation relating to any subsequent required depositions, conferences, additional preparation or testimony.
11. The valuation estimate is of surface rights only and the mineral rights, if any, have been disregarded. No warranty is made as to the seismic stability of the subject property.
12. It is assumed that all required licenses, or other legislative or administrative permits from any local, state, or national governmental or private entity or organization can be obtained for any use on which the value estimate contained in this report is based.

APPRAISER'S SIGNED CERTIFICATION

I do hereby certify that, to the best of my knowledge and belief ...

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, are my personal, impartial, and unbiased professional analyses, opinions and conclusions.
3. I have no present or prospective future interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the property or parties involved with this assignment.
4. I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three (3) year period immediately preceding the agreement to perform this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My compensation for completing this assignment is not contingent upon the developing or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice* and the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.
8. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
9. I made a personal inspection of the property that is the subject of this report.
10. No one provided significant real property appraisal assistance to the persons signing this appraisal report.
11. As of January 31, 2022, the date of this report, I have completed the continuing education program for Designated Members of the Appraisal Institute.




David C. Ottley, MAI
Certified General Real Estate Appraiser
BREA Appraiser No. AG002149

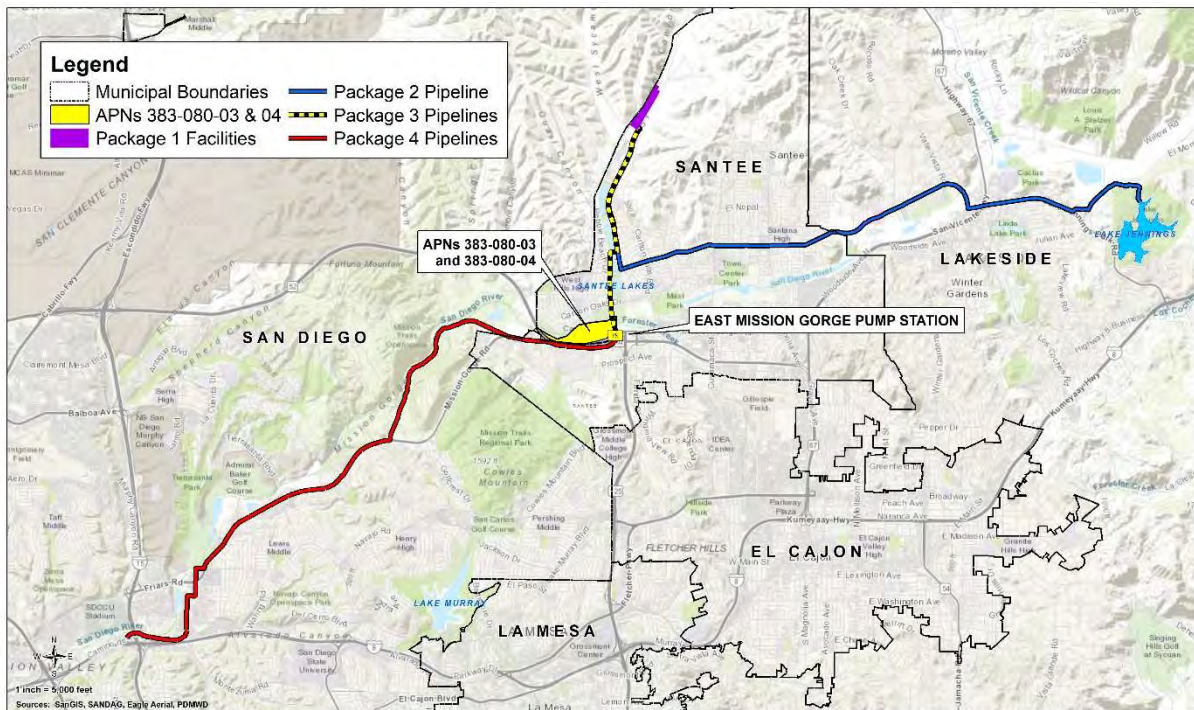
APPRAISER'S SIGNED CERTIFICATION

I do hereby certify that, to the best of my knowledge and belief ...

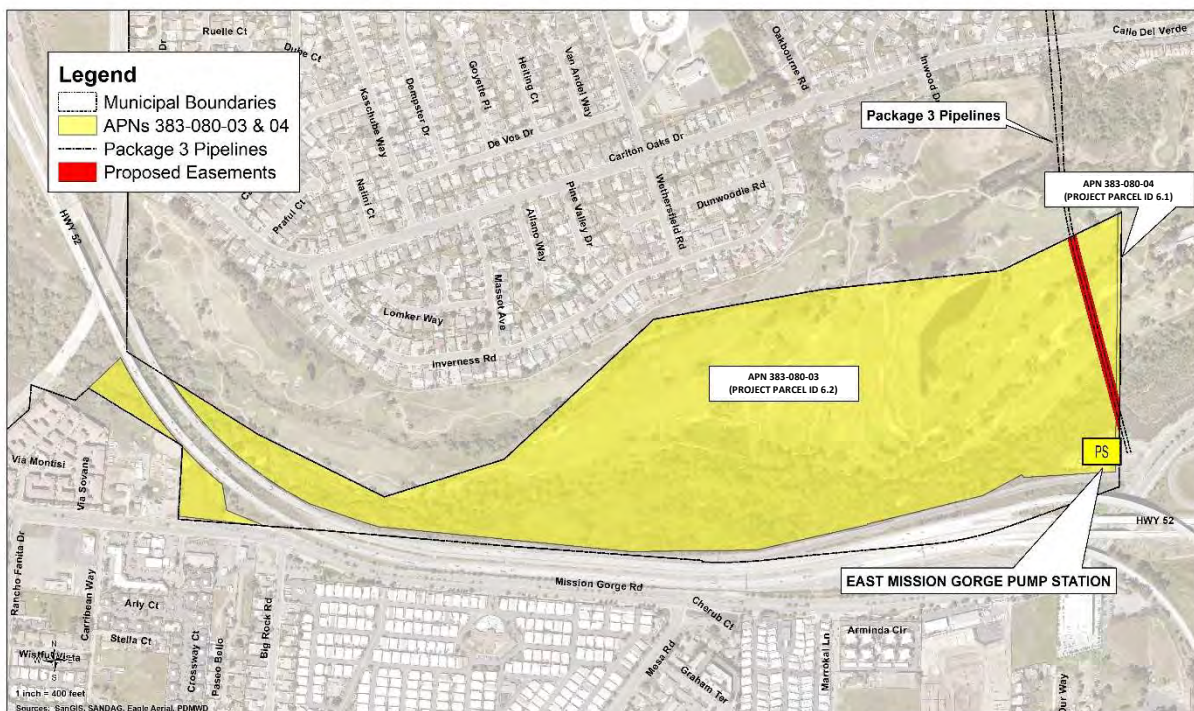
1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, are my personal, impartial, and unbiased professional analyses, opinions and conclusions.
3. I have no present or prospective future interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the property or parties involved with this assignment.
4. I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three (3) year period immediately preceding the agreement to perform this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My compensation for completing this assignment is not contingent upon the developing or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice and the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.
8. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
9. I did not make a personal inspection of the property that is the subject of this report during the course of the current analysis.
10. No one provided significant real property appraisal assistance to the persons signing this appraisal report.
11. As of January 31, 2022, the date of this report, I have completed the continuing education program for Designated Members of the Appraisal Institute.


James Brabant, MAI
Certified General Real Estate Appraiser
BREA Appraiser No. AG002100

PROJECT MAPS – EAST COUNTY ADVANCED WATER PURIFICATION PROJECT



This map illustrates the overall project.



This map illustrates the location of Package 3, which includes the subject larger parcel.

INTRODUCTION

PROJECT

East County Advanced Water Purification Package 4 Pipeline Project

SUBJECT PROPERTY

Carlton Oaks Golf Course
North of Mission Gorge Road, City of San Diego

OWNER

City of San Diego

AREAS BEING ACQUIRED

Pipeline Easement Parcel ID 6.1: 3,720 Square Feet
Pipeline Easement Parcel ID 6.2: 48,689 Square Feet

DATE OF VALUE

January 20, 2022

DATE OF REPORT

January 31, 2022

SUMMARY OF VALUE CONCLUSIONS

Pipeline ID	Larger Parcel APN	Larger Parcel Size (Acres)	Easement Parcel Size (SF)	Fair Market Value of Easement Rights
6.1	383-080-04-00	0.60	3,720	\$1,000
6.2	383-080-03-00	106.08	48,689	\$13,000
Totals		106.68	52,409	\$14,000

CLIENT

The client is Bender Rosenthal, Incorporated.

INTENDED USE AND USERS

The intended use is to assist the client in the acquisition of property rights for the East County Advanced Water Purification Package 3 Pipeline Project. The intended users of this report are our client, and representatives of the property ownership (the City of San Diego).

EXTRAORDINARY ASSUMPTIONS

An extraordinary assumption is defined as an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraisers' opinions or conclusions. No extraordinary assumptions were considered in this appraisal report.

HYPOTHETICAL CONDITIONS

A hypothetical condition is defined as a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. In our valuation of the larger parcel, we have disregarded any project influence as stated on the following page. We have also assumed that the

proposed project has been completed in our analysis of the remainder. These are hypothetical conditions that are necessary for reasonable analysis. No other hypothetical conditions were considered in our analysis.

PURPOSE OF THE APPRAISAL

The purpose of this appraisal assignment is to estimate the fair market values of the property rights appraised, subject to certain assumptions and limiting conditions as set forth in this report. As used in this report, **Fair Market Value** is defined as follows:

- (a) The fair market value of the property taken is the highest price on the date of valuation that would be agreed to by a seller, being willing to sell but under no particular or urgent necessity for so doing, nor obliged to sell, and a buyer, being ready, willing, and able to buy but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available.
- (b) The fair market value of property taken for which there is no relevant, comparable market is its value on the date of valuation as determined by any method of valuation that is just and equitable.¹

PROJECT INFLUENCE

The term ***Project Influence*** as used in this report is defined as follows:

The fair market value of the property taken shall not include any increase or decrease in the value of the property that is attributable to any of the following:

- (a) The project for which the property is taken;
- (b) The eminent domain proceeding in which the property is taken; or
- (c) Any preliminary actions of the plaintiff relating to the taking of the property.²

OTHER DEFINITIONS

Easement: “The right to use another’s land for a stated purpose.”³

Damages: “Damage to the remainder is the damage, if any, caused to the remainder by either or both of the following:

- a) The severance of the remainder from the part taken.
- b) The construction and use of the project for which the property is taken in the manner proposed by the plaintiff whether or not the damage is caused by a portion of the project located on the part taken.”⁴

¹ *California Code of Civil Procedures*, Title 7, Sec. 1263.320

² *California Code of Civil Procedures*, Title 7, Sections 1263.320 and 1263.330

³ *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022), p. 58

⁴ *California Code of Civil Procedures*, Title 7, Sec. 1263.420

Benefits: Benefits to the remainder is the benefit, if any, caused by the construction and use of the project for which the property is taken in the manner proposed by the plaintiff whether or not the benefit is caused by a portion of the project located on the part taken.”⁵

SCOPE OF WORK

In preparing this appraisal report, we have completed the following tasks.

- Reviewed material provided by the client, and set forth all assumptions and limiting conditions affecting the appraisal.
- Inspected the subject larger parcel and took photographs on January 20, 2022.
- Analyzed the local market for neighborhood development trends, and reviewed existing neighborhood development and considered its influence on fair market value of the identified larger parcel.
- Researched City of San Diego zoning and Community Plan information.
- Set forth and analyzed the physical and legal characteristics of the identified larger parcel.
- Estimated the highest and best use for the larger parcel.
- Researched the current market for sales of properties to be used in the valuation analysis.
- Conducted the valuation of the identified larger parcel based on a Direct Sales Comparison Analysis.
- Arrived at value conclusions for the property rights to be acquired.
- Considered and analyzed the potential for severance damages and benefits.
- Prepared the Appraisal Report.

REPORT OPTION

This is an Appraisal Report as defined by the Uniform Standards of Professional Appraisal Practice (USPAP). It presents summary discussions of the data, reasoning and analyses that were used in the appraisal process to develop the appraisers’ opinions of value.

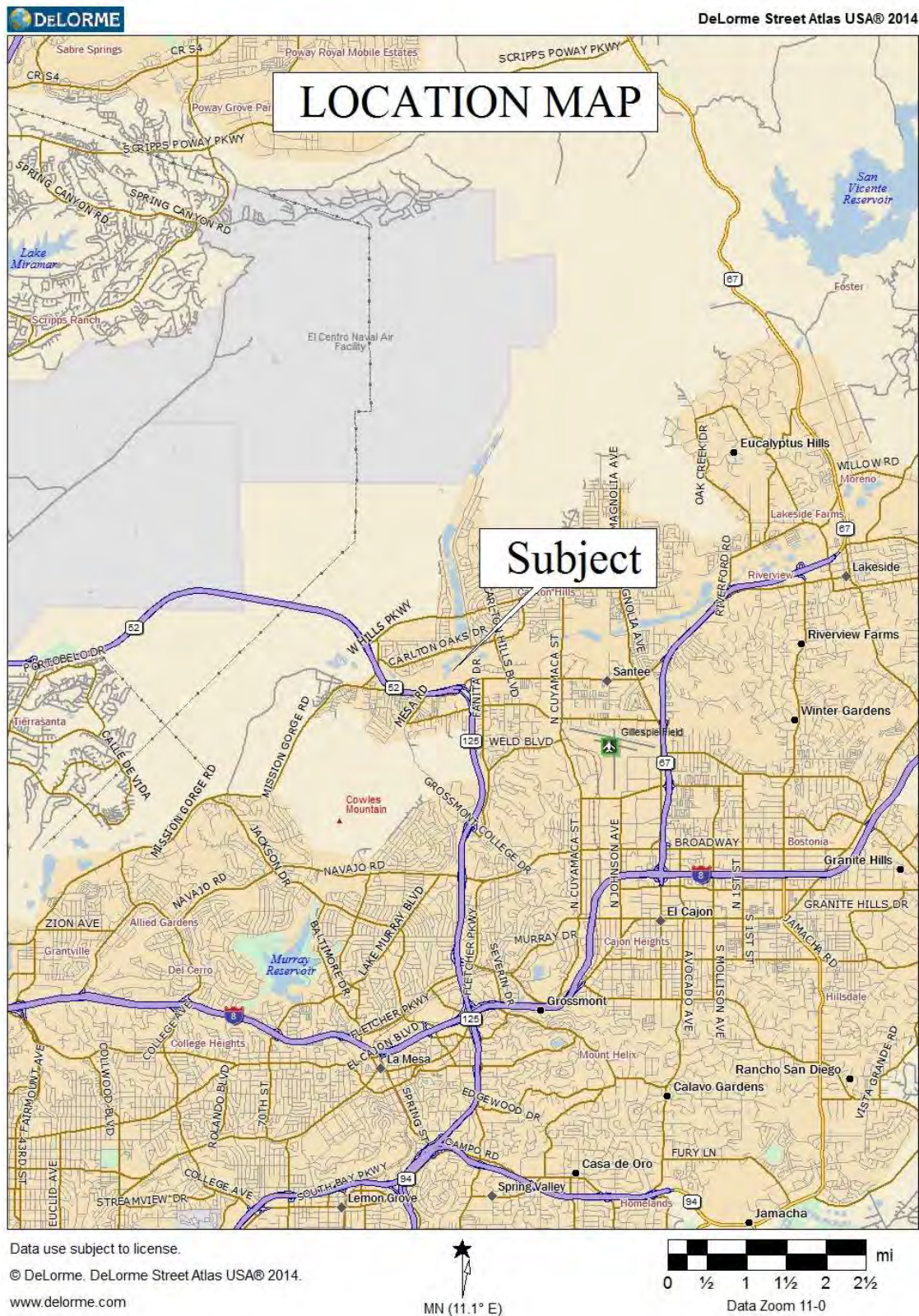
SALES HISTORY OF THE SUBJECT PROPERTY

According to public records the larger parcel has been under City of San Diego ownership since at least 2001.

PRIOR APPRAISAL SERVICES

We have performed no services, as appraisers or in any other capacity, regarding the property that is the subject of this report within the three (3) year period immediately preceding the agreement to perform this assignment.

⁵ California Code of Civil Procedures, Title 7, Sec. 1263.430



LOCATION DESCRIPTION

Region

The subject property is located in the East Elliott Community Planning Area of the City of San Diego in San Diego County, and it is surrounded by land in the City of Santee. San Diego County is the second largest county in the State of California based on population which, as of January 1, 2021, was estimated by the California Department of Finance Demographic Research Unit at 3,315,404 persons. This reflects a slight decrease of about 0.5 percent from the January 1, 2020 total of 3,331,279.

The County includes the State's second most populous city and offers such geographic features as mountainous regions of the Cleveland National Forest, the Anza Borrego Desert, the International Border with Mexico, and over 50 miles of Pacific Ocean coastline. These features, and the area's temperate year-round climate, are among the county's major attractions. Most of the county's population is located along the coastal region, inland valleys, and foothills, within approximately 25 to 30 miles of the ocean. The mountains and deserts are only sparsely developed and populated.

On a regional basis, San Diego County is served by three major freeways. These include Interstate 5, a coastal route connecting San Diego with Baja California to the south and the states of California, Oregon, and Washington to the north; Interstate 8, a major east-west route connecting San Diego with Arizona and other southwestern states to the east; and Interstate 15, an inland route connecting San Diego with Riverside and San Bernardino Counties and other points to the northeast. There are several important local freeways that provide access within the region. These include Interstate 805 that runs inland from and parallel to Interstate 5; State Route 94, parallel to Interstate 8; State Route 163, connecting Interstate 15 with Downtown San Diego; and State Route 78, the major east-west freeway in northern San Diego County.

San Diego International Airport (Lindbergh Field) is located about 16 miles to the southwest of the subject and is close to Downtown San Diego. This airport is serviced by 18 commercial airlines and four scheduled air-freight services. There are an additional eight small public airports located throughout the county. There is little commercial air activity at these facilities. Rail service is provided by San Diego and Arizona Eastern Railroad, Santa Fe Railroad, and Amtrak. Industrial/commercial use of the rail lines for freight carriage has declined in San Diego over the past 15+ years. However, the Amtrak line between San Diego and Los Angeles is popular with commuters. The San Diego Trolley (light rail transit system) has opened several commuter routes in the southern and eastern portions of San Diego County that have proven very popular. Individual transit districts throughout the county provide local bus service.

An important factor needs to be addressed that has impacted national, state, and local economic conditions, at least over the short-term. The outbreak of the coronavirus in China in December 2019 and January 2020 has spread as a worldwide pandemic and severely impacted the United States, including the State of California. The term "social distancing" has become familiar to everyone, and the wearing of face covering masks has become common. As a result of the pandemic, many industries have been hit hard with some severely impacted including, among others, entertainment, travel, lodging, restaurants, and other types of retail businesses. Millions of employees in the country lost their jobs, much of which can be attributed to businesses being forced

to close to comply with social distancing restrictions. The Federal Reserve stepped up in an attempt to offset the economic impact of the virus that began with an emergency half-percentage-point rate cut in early March 2020, and the government later approved stimulus bills into law aimed at relieving workers and businesses hurt by the pandemic. Regardless, it is noted that the unemployment rate has been steadily improving over the past six to nine month period. As for real estate, there is no empirical evidence of an impact on the local market for vacant parcels with the subject characteristics (which support residential development), and it remains to be seen what the long-term impacts might be for the market. The readers of this appraisal are cautioned and reminded that the value conclusions presented herein apply only as of the effective valuation date. The appraisers make no representation as to any impacts on the subject property that could result due to any unforeseen events subsequent to the date of value.

Community and Neighborhood Description

The subject is located within the City of San Diego corporate boundaries, but it is surrounded by land within the City of Santee and closely identifies with that City. Santee is a suburban community situated approximately 18 miles northeast of Downtown San Diego. Incorporated in December 1980, Santee is bordered by the City of El Cajon to the south, the City of San Diego to the west and southwest, and unincorporated areas of the county to the east and northeast. The City population as of January 1, 2021 was estimated at 56,800, which reflects a decrease of about 1.1 percent from total of 57,430 one year earlier.

Primary access into the community is provided by State Highway 67, which passes through the eastern part of Santee and intersects with Interstate 8 to the south, and by State Highway 52, which runs in an east/west direction from coastal route Interstate 5 through Santee and connects with Highway 67 at the east side of the city. Highway 52 also links with Route 125 at the west side of Santee, and the 125 freeway extends southward from that location to the south part of the county. The Metropolitan Transit Development Board has constructed a light rail trolley line that extends from the Main and Marshall Trolley Station in El Cajon to the Santee Town Center located at Mission Gorge and Cuyamaca Street. This project represents the final leg of the Trolley's East Line, which carries more than 3,000 daily riders.

Santee is about 17 square miles in size, and the reported population of the city as of January 2017 was 57,100 persons. This represents an increase of 0.7 percent over the January 2016 population of 56,725 and an average annual increase of approximately 0.93 percent above the 1980 population of 40,471. Single family homes comprise about two-thirds of the housing stock, with apartments contributing close to one-fourth of the residences and mobile homes comprising around 12 percent.

Based on the latest City of Santee General Plan, land use within the city includes approximately 4,379 acres (41.2 percent) zoned for residential use, 414 acres (3.9 percent) zoned for industrial purposes, and 282 acres (2.6 percent) designated for commercial use. There are currently about 4,418 acres of vacant land in Santee with a significant portion of that planned for residential use with densities varying from estate housing on minimum one-acre parcels to higher densities up to 30 dwelling units per gross acre.

AERIAL PHOTOGRAPH – SUBJECT LARGER PARCEL



(Pipeline ID 6.1 highlighted in green; Pipeline ID 6.2 highlighted in light blue)

SUBJECT PROPERTY PHOTOGRAPHS



Looking southeasterly toward the east side of the subject larger parcel and location of the proposed easements.



View to the south over a segment of the subject larger parcel at its east side.

SUBJECT PROPERTY PHOTOGRAPHS

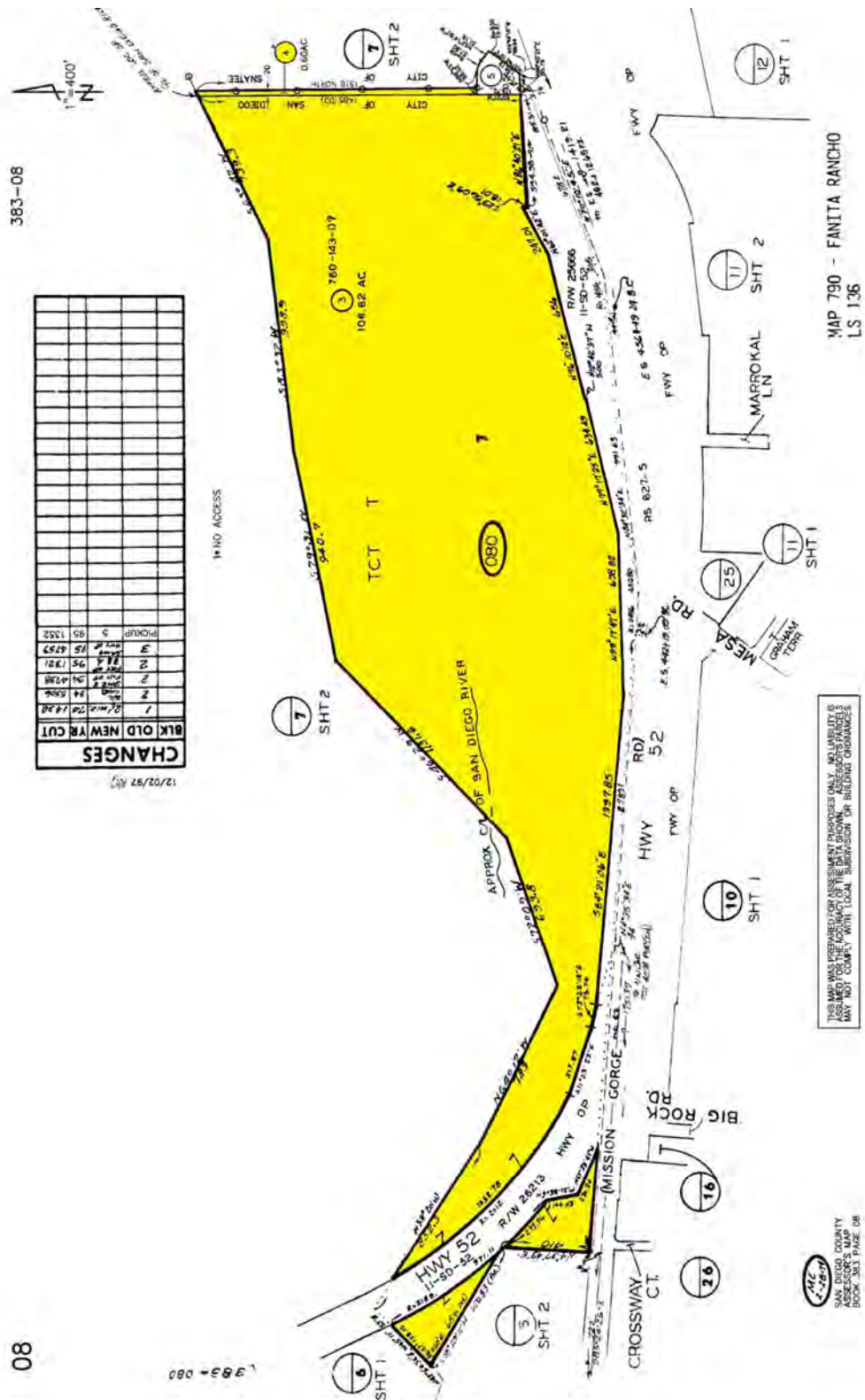


Looking southwesterly across the approximate center of the subject larger parcel.



View to the northwest toward the southeast corner of the subject larger parcel and location of the proposed easement parcels.

PLAT MAP – SUBJECT LARGER PARCEL



DESCRIPTION OF THE LARGER PARCEL

DETERMINATION OF THE LARGER PARCEL

The Joint Powers Authority proposes to acquire easement rights on land owned by the City of San Diego within what is known as the Carlton Oaks Golf Course. Portions of the course are within the City of San Diego, while others are within the City of Santee corporate boundaries. The term "larger parcel" is a legal concept that is applied to determine the physical boundaries and property interests to be appraised in situations involving the acquisition of private property rights by an entity possessing the right of eminent domain. Even though this assignment does not contemplate an eminent domain action, it is instructive and useful to determine the appropriate larger parcel as it will establish the basis upon which to value the proposed easements.

Larger parcel is defined in the Dictionary of Real Estate Appraisal, 7th Edition, published by the Appraisal Institute (copyright 2022) as:

In government land acquisitions and in valuation of charitable donations of partial interests in property such as easements, the tract or tracts of land that are under the beneficial control of a single individual or entity and have the same, or an integrated, highest and best use. Elements for consideration by the appraiser in making a determination in this regard are contiguity, or proximity, as it bears on the highest and best use of the property, unity of ownership, and unity of highest and best use. In most states, unity of ownership, contiguity, and unity of use are the three conditions that establish the larger parcel for consideration of severance damages. In federal and some state cases, however, contiguity is sometimes subordinated to unitary use.

The City of San Diego ownership at this location encompasses multiple parcels within the Carlton Oaks Golf Course. The two proposed easements are contained within the following County of San Diego Assessor tax parcels, which cover 106.68 acres (according to public records).

Pipeline ID	Larger Parcel APN	Larger Parcel Size (Acres)
6.1	383-080-04-00	0.60
6.2	383-080-03-00	106.08
Totals		106.68

An aerial photograph and flood zone plat of the subject larger parcel is on the top of page 17. The property is comprised of two contiguous County of San Diego Assessor Parcels encompassing a total of 106.68 acres. The two parcels are within the boundaries of the Carlton Oaks Country Club Golf Course, which extends onto land in both the corporate limits of the Cities of San Diego and Santee. There are plans in place to renovate the country club, including the golf course, and updates to a 52-room hotel and pro shop, restaurant, and a public trail head to the San Diego River Trail multi-use pathway. New housing is also planned as part of the greater project. The larger parcel effectively includes all that area of the golf course property that lies within the City of San Diego limits. As can be seen, small segments of the parcel are severed from the bulk

of the land at its southwest corner by State Route 52, which is developed to freeway standards at this location.



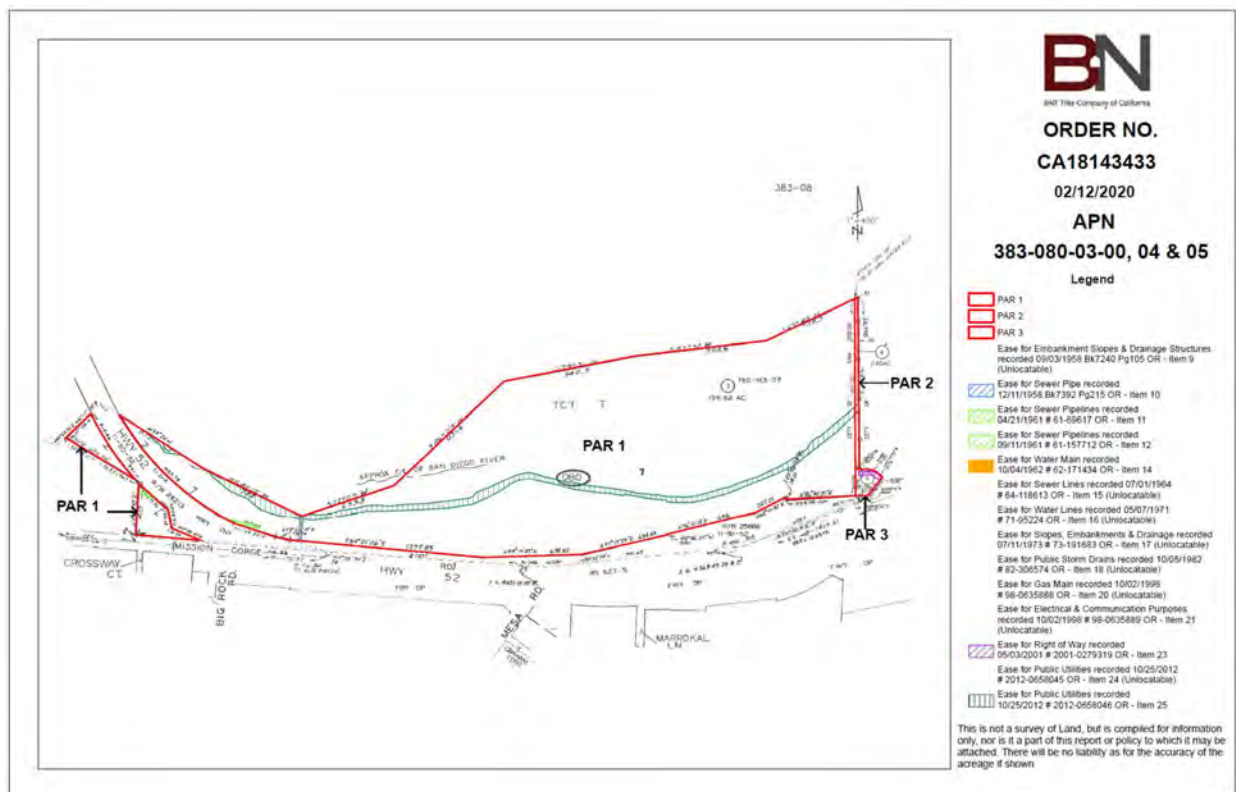
The area of the larger parcel is within the San Diego River basin, and it is predominantly in a designated regulatory floodway. The larger parcel is designated Open Space within the effective Community Plan. Inasmuch as the proposed easement rights are to encumber those areas of the country club that are held in title by the City of San Diego, and because of the limited use of the area resulting from its Open Space land use designation and location within a floodway, the 106.68 acres are deemed to comprise the larger parcel for purposes of analysis.

LAND DESCRIPTION

APN'S/Size (acres):	383-080-03-00	106.08
	383-080-04-00	<u>0.60</u>
	Total Acreage	106.68
Shape:	Irregular	
Access:	Through Carlton Oaks Country Club, situated on the south side of Carlton Oaks Drive, Santee.	
Topography:	Mostly rolling within the San Diego River basin.	
Utilities:	All in the area, including electrical power, sewer, water, natural gas, and cable.	
Flood Zone:	The larger parcel is predominantly within Flood Zone AE, specifically in a regulatory floodway, according to Flood Insurance Rate Map No. 06073C1634G, dated May 16, 2012. Small and rather insignificant areas of the property are within a 100 year floodplain or in Zone X, an area of minimal flood hazards.	

East County Advanced Water Purification Project

Soils/Drainage:	No soils report was provided. Soil conditions are assumed to be adequate for the allowed uses.
Earthquake Zone:	The subject property is not located within an identified Earthquake Zone.
Zoning/Community Plan:	The subject is zoned RS-1-8 by the City of San Diego. This land use provides for development with single dwelling units and a minimum lot size of 40,000 square feet. However, the land is designated Open Space within the City's East Elliott Community Plan. Such a use, along with the fact that the property is nearly all within a regulatory floodway, precludes most any development of the site.
Easements/Encumbrances:	We have reviewed a preliminary title report for the subject larger parcel (identified on the following plat as Parcels 1 and 2) that was prepared by BNT Title Company of California. (What is identified as Parcel 3 is not a part of the larger parcel.) The document can be identified by reference to Order ID CA18143433, and it is dated February 6, 2020. The following is a plat that illustrates the locations of six of 14 easements set forth in the title report.



The above plat indicates the locations of five utility easements and one for right-of-way use. The title company was unable to determine the locations of five easements for utility purposes, and

another three for drainage, storm drains, and/or slopes. For purposes of analysis, we have assumed that the easements for which the locations are unknown do not adversely affect the utility or value of the larger parcel in conjunction with its estimated highest and best use.

Present Use: Portion of the Carlton Oaks Country Club Golf Course.

IMPROVEMENT DESCRIPTION

The subject larger parcel is within the limits of an existing golf course and is structurally unimproved.

ASSESSMENT AND TAX DATA

The larger parcel is owned by a public agency, and there are no ad valorem taxes pertinent to this appraisal assignment.

OWNER CONTACT - PROPERTY INSPECTION

David Ottley of Anderson and Brabant, Inc. spoke with Mike Keagy, Principal Appraiser/Program Manager with the City of San Diego, regarding the appraisal. The property was inspected by Mr. Ottley on January 20, 2022.

PROPOSED PROJECT

The proposed project is a critical component of the East County Advanced Water Purification Program which will create a new drought-proof drinking water supply utilizing state-of-the-art technology to recycle and reuse the local region's wastewater. The program is a collaborative partnership between Padre Dam Municipal Water District, Helix Water District, County of San Diego and the City of El Cajon. A Joint Powers Authority was formed in November 2019 to provide the governance structure for the Program. The program is the result of many years of strategic, long-term planning and provides numerous benefits, as well as serving as a sustainable model of water recycling and reuse for other water agencies throughout California and the nation.

DESCRIPTION OF THE PROPOSED EASEMENTS

The proposed encumbrances are tunnel easements that will allow the placement of pipelines about 50 feet below the ground surface and will not create disturbance of any currently permitted at-grade activities. The configurations of the easements are shown on the plat below.



An expanded view of the easement plat is found in the Addenda of this report. Each of the two proposed easements is long and narrow with an east/west width of 50 feet, and they are found at the east side of the larger parcel. What is identified as Pipeline ID 6.1 extends over Assessor Parcel 383-080-04-00 and will encumber a total area of 3,720 square feet. The easement identified as Pipeline ID 6.2 covers an area of 48,689 square feet over Assessor Parcel 383-080-03-00.

DESCRIPTION OF THE REMAINDER PARCEL

The remainder parcel will effectively be unchanged as the result of the easement acquisitions, and the proposed easements will not adversely impact the remainder parcel.

VALUATION

DEFINITION OF HIGHEST AND BEST USE

Highest and Best Use is an important concept in real estate valuation as it represents the premise upon which value is based. Highest and Best Use is defined in *The Appraisal of Real Estate* as:

“The reasonably probable use of property that results in the highest value.”⁶

The concept of highest and best use addresses the question of legally permissible, physically possible, and financially feasible uses that reflect the degree of profitability. Uses that meet the three criteria of reasonably probable uses are tested for economic productivity, and the reasonably probable use with the highest value is the highest and best use.

Legally Permissible: The subject larger parcel covers 106.68 acres within an existing golf course property. The effective City of San Diego Community Plan designation is Open Space, which precludes the placement of structurally improvements on the site. Some recreational uses, such as golf courses, are considered appropriate.

Physically Possible: The subject property is irregular in configuration and is within a mostly gently rolling river basin. All public utilities are readily available to or nearby the site. The land is entirely within a regulatory floodway, a factor that precludes nearly all development options.

Financially Feasible: The issue of economic feasibility focuses primarily on supply and demand characteristics of the local land market balanced against site development and infrastructure costs, along with the cost and time to obtain development approval. Over the past five+ year period, there has been clear market evidence of an increasing demand for vacant parcels that can accommodate new development of most real estate product types in the more populated areas of the San Diego County region, and this has resulted in an increase in land prices in many cities and communities. Also, there is limited market interest for properties such as the subject with restricted land use options.

Conclusion: In accordance with the observed characteristics of the land, it is our opinion that the highest and best use of the property is restricted to such limited uses as open space, or for recreational purposes such as a golf course.

METHODOLOGY

Of the three common valuation techniques, only the Sales Comparison Approach was considered to be pertinent in the analysis of the defined subject larger parcel. Neither the Cost Approach nor Income Approach was considered applicable or useful in the valuation process. The Sales Comparison Approach relies on the concept that a prudent purchaser would pay no more to buy a property than it would cost to acquire a comparable substitute. Sales of similar properties are analyzed based on direct comparison with the subject to arrive at an indication of value. The

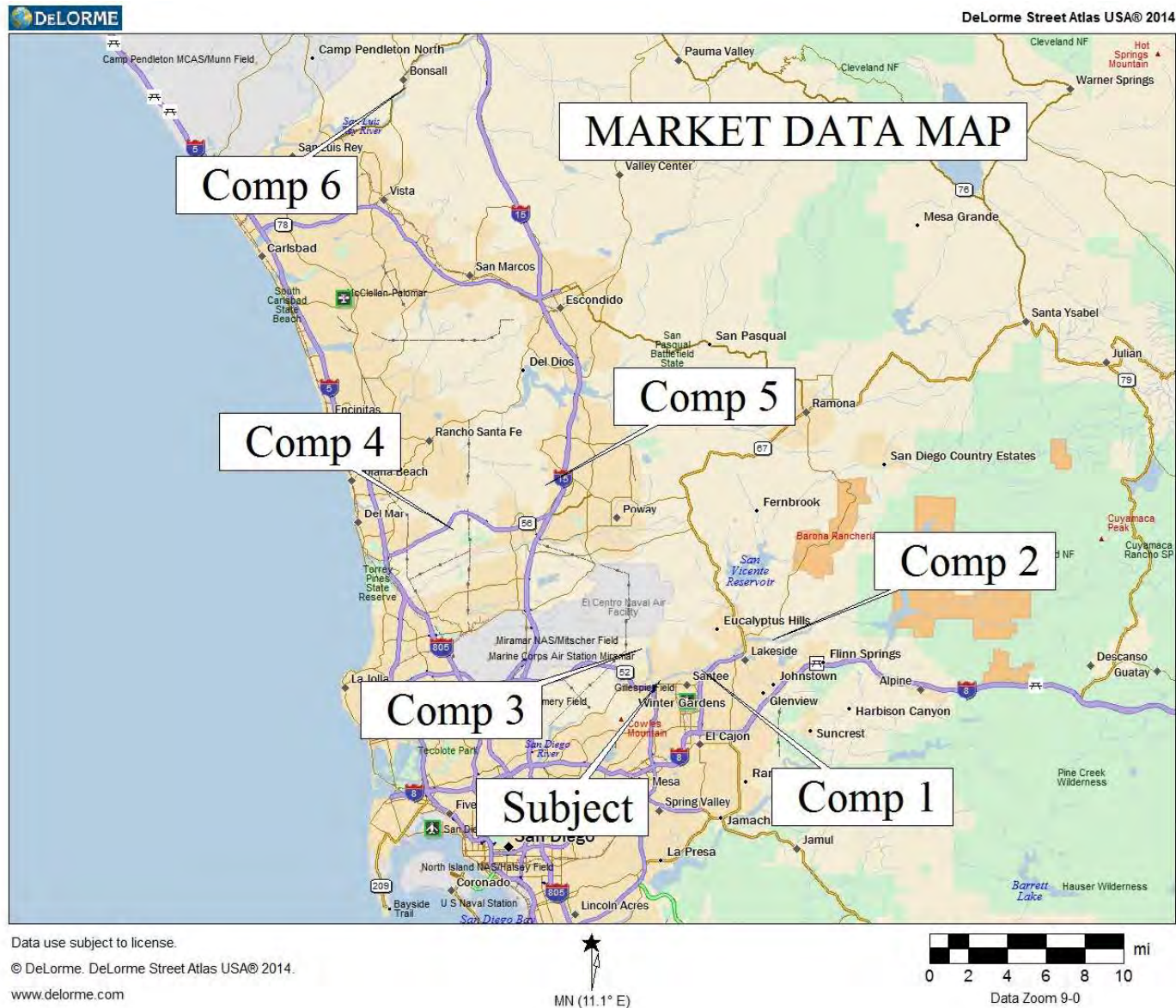
⁶ *The Appraisal of Real Estate*, 15th ed. (Chicago: Appraisal Institute, 2020), p. 305

applicable unit of comparison is the price paid per acre of land area. The results of the analysis were then employed to estimate the value of the easement rights that are proposed for acquisition.

SALES COMPARISON APPROACH – LARGER PARCEL

Several data sources were investigated, and we conducted numerous interviews with area brokers and agents in an attempt to find sales and listings of properties in the subject market area that are within a floodway, or devoted to or intended for open space use. We observed that there are few recent sales of open space parcels or land with limited land use options in the immediate area, thus our search was expanded beyond the local community and back in time in order to accumulate an adequate amount of data for a reasonable analysis. As the result of our investigation, we selected six sales involving parcels in San Diego County that are deemed suitable for comparison purposes. Four of the six conveyed between January 2017 and July 2019. We also introduced an older sale that took place in December 2012 as it involved a nearby parcel in the San Diego River basin and predominantly within a designated floodway. The comparables are summarized on a grid on page 24, and a data location map is on page 23. The data summary is followed by a discussion of the comparables, and aerial photographs of the parcels are in the addenda to this report.

Even though the subject and comparables have limited use options, we observed that prices were influenced by differences in various property characteristics. In the valuation process, the elements of comparison that were considered in the Sales Comparison Analysis include property rights conveyed, conditions of sale, financing terms, market conditions, location, access, land use options, site topography, configuration, parcel size, availability of public utilities, and environmental sensitivity. Regarding parcel size, smaller sites tend to attract a greater per acre price than larger parcels that are otherwise similar. This is due, in part, to the greater number of potential buyers of those properties that have a lower overall cost.



East County Advanced Water Purification Project

Summary of Market Data						
Comp No	1	2	3	4	5	6
Location	East side of N Magnolia Ave Santee	Willow Rd Lakeside	Spring Canyon Road San Diego	South of SR-56 and Caminito Mendiola San Diego	West of Calle Juanito Rancho Peñasquitos area of San Diego	East side of Hwy 76 South side of Camino del Rey Bonsall
APN's	381-160-19, 35, 42, 69, & 79; 381-171-04, 07, & 08	390-040-64 & 392-060-44	366-040-21	305-040-20	313-010-59	126-070-20; 126-100-09, 20, 23, & 30; 126-230-15 & 48; 126-300-55
Sale Date	Dec-12	Jan-18	Jul-19	May-18	Jul-17	Feb-17
Doc No	790440	8429 & 8431	313922	220855	307986	94007
Buyer	City of Santee	San Diego River Conservancy	Sea Breeze 56 LLC	CALTRANS	City of San Diego	County of San Diego
Seller	Hanlon Trust	Helix Water District	Judd Ramona Invest.	Barczewski Trust	Tom Viii Enterprises LP	San Luis Rey Downs Enterprises, LLC
Land Area (Ac)	107.00	34.56	16.00	111.60	80.00	117.71
Zoning	Mostly P/OS City of Santee	A70(4) & S82 County of San Diego	RS-1-8 City of San Diego	OR-1-2 City of San Diego	AR-1-1 (10) City of San Diego	S80 & A70(8) County of San Diego
General Plan	Mostly P/OS City of Santee	Public Agency Land County of San Diego	Open Space (MHPA) City of San Diego	Open Space (MHPA) City of San Diego	Park/Open Space & Res City of San Diego	RL-40 & OS County of San Diego
Topography	Mostly within gently rolling river basin; some rugged and hilly terrain	Rolling river basin land	Gently rolling to steep	Varies from gently to moderately sloping with some steep terrain	Mostly rugged and mountainous	Riverbed and uplands
Access	Paved street frontage	Unpaved roads	Dirt easement road	No physical access	No physical or legal access	Paved road frontage
Utilities	All available	Electrical power nearby	None	Water and power in area	All nearby	All in area
Improvements	None	None	None	None	None	None of value
Price	\$2,140,000	\$930,000	\$560,000	\$2,713,000	\$1,600,000	\$5,885,500
Price/Acre	\$20,000	\$26,910	\$35,000	\$24,310	\$20,000	\$50,000
Comments	Predominantly within designated floodway. Purchased by City of Santee for park use.	Two non-contiguous floodplain and floodway parcels acquired by the San Diego River Conservancy for riparian linkage.	Near the Sycamore Canyon Landfill. The entire site is shown to be Open Space on the Community Plan. Purchased for mitigation purposes.	Parcel was acquired by the state for mitigation and enhancement of wetlands and uplands habitat. Land within the Coastal Zone. No developed access, which would require passage over wetlands.	Property offered on the open market at an asking price of \$1.8 million before being sold to the City of San Diego for incorporation into the adjoining Black Mountain Open Space Park.	Entirely within the San Luis Rey River floodplain/riparian corridor. Well located disturbed wetlands with potential for some restoration.

Discussion of the Data

Comparable No. 1 refers to the December 2012 purchase of a ±107 acre parcel of land located about two miles to the northeast of the subject in the City of Santee, on the east side of North Magnolia Avenue. The majority of the site is within the San Diego River basin and is a designated floodway. The land is nearly all zoned and designated P/OS (Park/Open Space), with some rather incidental areas zoned R2 (Low Medium Residential) and IL (Light Industrial). Sale 1 was once the location of a sand mining operation. The purchase price for the land was \$2,140,000 or \$20,000 per acre, all cash to the seller. The buyer was the City of Santee, and the intended use of the site is open space and for a public park. All public utilities are available to the property. When compared with the subject, Sale 1 is similar to the subject for location and most physical characteristics. It is judged to be inferior for environmental features as the subject offers a greater percentage of wetlands, which tends to attract a greater per acre price than upland sites in the same area. An upward adjustment was applied in the analysis to account for superior market conditions that now prevail when compared to those in 2012 when this sale occurred.

Comparable No. 2 is the January 2018 transfer of two separate parcels totaling 34.56 acres located one-half mile apart in the Lakeside community, on the south side of Willow Road, within approximately seven miles to the northeast of the subject. The buyer was the San Diego River Conservancy, with Helix Water District as the seller. The sites are designated Public Agency Land within the County General Plan. The only available public utility to the sites is electrical power. The parcels are within designated floodplain and floodway areas and were acquired for riparian linkage at a price of \$930,000 or \$26,910 per acre, all cash to the seller. The westerly of the two parcels is accessed from an unpaved road off the south side of Willow Road. The easternmost property fronts on Willow Road, which is unpaved at this location. The overall parcel size of the two parcels together is smaller than the subject, and Sale 2 is further inferior for location and access, and also for not having direct access to district water. Consideration was also given to the early 2018 sale date in the analysis of this item of data.

Comparable No. 3 is the July 2019 purchase of a 16.00 acre parcel of gently to steeply sloping land located about two miles to the north of the subject on Spring Canyon Road, north of Mast Boulevard, in the East Elliott area of the City of San Diego, near the Sycamore Canyon Landfill. Specifically, the property is accessed over an unpaved road in varying degrees of repair. No public utilities are available at the site, which conveyed for mitigation purpose at a price of \$560,000 or \$35,000 per acre, all cash to the seller. It is zoned RS-1-8 by the City of San Diego, which provides for single-family residential use with minimum lot sizes of 40,000 square feet. While this zone permits development, the East Elliott Community Plan designates the property as Open Space. The property is also within the City's Multiple Species Conservation Plan Subarea and the Multi-Habitat Planning Area which suggest that there are both biological and wildlife habitat in the area. Speculative uses of the property are very limited. By comparison with the subject, Sale 3 is a much smaller site that is inferior for access, utility availability, site condition, and for environmental features as the site is comprised solely of uplands with no wetlands.

Comparable No. 4 pertains to the May 2018 purchase of 111.60 acres of vacant land located ±14 miles to the northwest of the subject in McConigle Canyon, within the Carmel Valley area of San Diego, to the south of Caminito Mendiola. The property conveyed at a price of \$2,713,000 or \$24,310 per acre, all cash to the seller. Sale 4 is zoned and designated Open Space,

and it is within the City of San Diego Multi-Habitat Planning Area (MHPA) preserve system. Some of the property is within a wetlands, and the buyer (CALTRANS) intends to restore the wetlands segment of the site. It is noted that the majority of the land features chaparral, with the balance comprised of Diegan coastal sage scrub, disturbed habitat, water, and other vegetation. The site topography varies from gently and moderately rolling to steep and very rugged terrain. There is no developed access to the land, and any possible development would require the construction of access over wetlands and rugged terrain at the north side of the land as well as the extension of public utilities from offsite. The listing agent stated that the cost of constructing access at that point would likely prohibit any economically feasible speculative development of the property. When compared with the subject, Sale 4 is judged to be inferior for location and access, site condition, and also for proximity to public utilities. It is also inferior for environmental sensitivity due to the fact that a portion of the property includes uplands, a factor that typically commands a lower per acre price than area wetlands sites. We also applied an upward adjustment for changes in market conditions since the 2018 sale date.

Comparable No. 5 is the July 2017 sale of an 80.00 acre parcel of vacant land located approximately 12 miles to the northwest of the subject in the Rancho Peñasquitos community of San Diego, off the westerly terminus of Calle Juanito. The property was purchased by the City of San Diego for inclusion into the adjoining Black Mountain Open Space Park. The negotiated price was \$1,600,000 or \$20,000 per acre, all cash to the seller. Prior to the sale, the property had been offered on the open market for \$1,800,000. The land is characterized by steep, rugged, and mountainous terrain, and it has no legal access. The effective land uses prohibit development of the land into lots below ten acres in size. However, development of the land or further parcel division is highly speculative due to the lack of legal access and rugged topography. All public utilities are close by. Onsite vegetation is predominantly comprised of chaparral and Diegan coastal sage scrub, with small patches of other vegetation. Sale No. 5 is inferior to the subject for location and access, site condition, and environmental sensitivity as it consists entirely of uplands.

Comparable No. 6 relates to a 117.71 acre parcel within the San Luis Rey River basin in the Bonsall community of North San Diego County, about 34 miles to the northwest of the subject property. Specifically, the land is situated on the south side of Camino del Rey, between Mission Road to the west and North River Road to the east. This is a segment of the previously developed San Luis Rey Golf Course. At the time of the sale, the land was partially designated Open Space with some areas designated Rural Lands with a 40 acre minimum allowed parcel size. It sold in February 2017 to the County of San Diego for inclusion into the San Luis Rey River Park at a price of \$5,885,500 or \$50,000 per acre, all cash to the seller. The land is mostly level to gently sloping and entirely within the 100-year floodplain of the San Luis Rey River. Sale 6 is considered to be superior to the subject for potential land use options. Finally, we made an upward adjustment for the 2017 sale date of this property.

In addition to these six primary items of market data, we are aware of the October 2012 purchase of a 2.66 acre parcel at the westernmost edge of the Carlton Hills Golf Course that is mostly within a floodplain. The site was purchased for riparian linkage within the San Diego River with other corridor land at a price of \$104,000, or \$39,098 per acre.

Summary and Conclusions of Value

The analysis of the subject was based on our conclusion of highest and best use for the land. No adjustments were necessary for property rights conveyed, or conditions of sale. Financing was not a factor for any of the sales considered in this analysis as the sellers were cashed out in all of the transactions. The limited number of recent sales involving open space parcels like the subject provided some level of difficulty in accurately quantifying movement in property values of this product type due to changes in market conditions over the past few years. Furthermore, there is insufficient market evidence to demonstrate price increases within three years of the date of value during which time Sale 3 occurred. As a result, no adjustment was made to Comparable No. 3 for market conditions. Depending upon the data samples, prices of other types of land in the region increased at the average annual rate of about two to three percent between the beginning of 2017 and the beginning of 2019 when Sales 2, 4, 5, and 6 took place. Accordingly, we applied upward adjustments to these data for changes in market conditions based on an annual increase of two to three percent. A slightly less annual adjustment was made to Sale 1, the 2012 transaction as most indicators suggest a limited amount of price escalation for properties like the subject between 2012 and about 2017.

The following is a grid that summarizes observed differences between the subject and the market data based on qualitative ratings, and it includes quantitative adjustments to all of the sales except Comparable No. 3 for changes in market conditions since the date of purchase. The indicated per acre value range for the subject is influenced by the discussed units of comparison as illustrated in the comparison table.

Land Data Adjustment/Rating Grid						
Comp No	1	2	3	4	5	6
Price/Acre	\$20,000	\$26,910	\$35,000	\$24,310	\$20,000	\$50,000
Property Rights	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Conditions of Sale	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Financing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Market Conditions	10.0%	3.0%	0.0%	2.0%	4.0%	5.0%
Net Adjustment	10.0%	3.0%	0.0%	2.0%	4.0%	5.0%
Indicated Value	\$22,000	\$27,717	\$35,000	\$24,796	\$20,800	\$52,500
Location/Access	Similar	Inferior	Inferior	Inferior	Inferior	Similar
Land Use Options	Similar	Similar	Similar	Similar	Similar	Superior
Site Condition	Similar	Similar	Inferior	Inferior	Inferior	Similar
Parcel Size	Similar	Superior	Superior	Similar	Similar	Similar
Utilities	Similar	Inferior	Inferior	Inferior	Similar	Similar
Environmental Sensitivity	Inferior	Similar	Inferior	Inferior	Inferior	Similar
Overall Comparison	Inferior	Inferior	Inferior	Inferior	Inferior	Superior
Indicated Value/Acre	Above \$22,000	Above \$27,717	Above \$35,000	Above \$24,796	Above \$20,800	Below \$52,500

The data include properties that are superior and inferior by comparison. As such, we were able to provide a summary that assists in demonstrating a probable value range for the subject larger parcel, as shown on the grid below. The sale prices reflected by the data limit the probable range of value for the subject and identify a bracket in which an appropriate final value opinion should fall. As can be seen, Sales 1 through 5 are judged to be inferior to the subject, thus supporting a value for the appraised property above \$35,000 per acre. Overall, Comparable No. 6 is deemed to be superior to the subject and indicates a value for the appraised land below \$52,500 per acre.

Bracketing Analysis Price/Acre	Comp No	Price/Acre	Overall Comparability
	5	\$20,800	Inferior
	1	\$22,000	Inferior
	4	\$24,796	Inferior
	2	\$27,717	Inferior
	3	\$35,000	Inferior
	Subject	---	---
	6	\$52,500	Superior

Based on the preceding, it is our opinion that the fair market value of the 106.68 acre subject larger parcel is equal to \$45,000 per acre of land area. This extends to a total value for the property, as of January 20, 2022, of **\$4,800,000** (106.68 acres x \$45,000 per acre = \$4,800,600, rounded to \$4,800,000).

EXPOSURE TIME

The value estimate reflects a reasonable exposure time estimated at up to one year for the subject larger parcel. According to the Uniform Standards of Professional Appraisal Practice, Exposure Time is defined as the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market.

VALUATION OF THE EASEMENT PARCELS TO BE ACQUIRED

The acquisition of subsurface, tunnel easement rights within two strips of land measuring 50 feet in width from east to west is required to allow for the placement of pipelines at the east side of the herein described larger parcel. The easement identified by the client as Pipeline ID 6.1 will encumber a 3,720 square foot (0.085 acre) portion of Assessor Parcel 383-080-04-00, and the easement recognized as Pipeline ID 6.2 will extend over a 48,689 square foot (1.118 acre) segment of Assessor Parcel 383-080-03-00. As indicated previously, we have first estimated the value of the larger parcel, and the result was then used as the basis for estimating the value of easement rights over the areas to be encumbered.

The value of the subject larger parcel is estimated to be \$45,000 per acre as of the stated valuation date. In our opinion, the impact of the proposed encumbrances will have limited impact on

the value of the fee interest in the area to be encumbered as it is designated open space and within a floodway with limited use options. Furthermore, the easement is for subsurface pipelines that will not disturb any existing ground surface use. Thus, we have determined that the fair market value of the proposed easement rights over that area to be encumbered is equal to no more than 25 percent of the estimated unencumbered fee land value. Based on the preceding, we have concluded that the fair market values of the proposed easement rights are **\$1,000** for Pipeline ID 6.1 and **\$13,000** for Pipeline ID 6.2.

Pipeline ID 6.1: $0.085 \text{ acre} \times \$45,000 \text{ per acre} \times 25\% = \956 , rounded up to \$1,000

Pipeline ID 6.2: $1.118 \text{ acres} \times \$45,000 \text{ per acre} \times 25\% = \$12,578$, rounded up to \$13,000

Improvements

There are no permanent surface improvements in place on the subject larger parcel.

VALUATION OF THE REMAINDER PARCEL AS PART OF THE WHOLE

The value of the remainder parcel as part of the whole is equal to the value of the remainder before consideration of damages and benefits. This is simply a mathematical calculation in which the value of the parcel to be acquired is deducted from the value of the larger parcel in the before condition. Thus, the value of the remainder parcel as part of the whole is estimated as follows.

Value of the Identified Larger Parcel – Before Condition	\$4,800,000
Value of the Parcel to be Acquired (Pipeline ID 6.1)	\$ 1,000
Value of the Parcel to be Acquired (Pipeline ID 6.2)	\$ 13,000
Value of the Remainder as Part of the Whole	<u>\$4,786,000</u>

VALUATION OF THE REMAINDER BEFORE CONSIDERATION OF BENEFITS

We next considered the impact on value to the remainder parcel resulting from the project and acquisition of the proposed easement parcels. The value of the remainder parcel before consideration of benefits provides an indication of any loss in value, or damages, accruing to the remainder due to the acquisitions or project construction. Damages might occur if the acquisitions resulted in diminished utility of the remainder parcel.

We first investigated if and/or how the project and acquisition may impact development of the land during or subsequent to the project construction. Based on all known factors, it is our opinion that the acquisitions and project will not affect the highest and best use of the remainder parcel in the after condition. We have also concluded that the value of the remainder parcel before consideration of benefits is equal to its value as part of the whole. Consequently, no damages accrue to the remainder.

VALUATION OF THE REMAINDER AFTER CONSIDERATION OF BENEFITS

Benefits accrue to the remainder property if construction as proposed enhances the property value of the remainder in some manner. Benefits are only applicable as an offset to severance damages. As there are no estimated severance damages to offset, benefits that may accrue as a result of the proposed project have not been estimated.

SUMMARY OF CONCLUSIONS

Per our analysis, we have concluded that the total fair market value relating to the rights to be acquired over the subject property, set forth as of January 20, 2022, is as follows:

Value of the Identified Larger Parcel	\$4,800,000	
Value of the Parts Taken as Part of the Whole		
Permanent Easement Rights – Pipeline ID 6.1	\$1,000	
Permanent Easement Rights – Pipeline ID 6.2	\$13,000	
Site Improvements	<u>\$0</u>	
Total		<u>\$14,000</u>
Value of the Remainder as Part of the Whole	\$4,786,000	
Value of the Remainder before Considering Benefits	\$4,786,000	
Damages	<u>\$0</u>	
Value of the Remainder Considering Benefits	\$4,786,000	
Benefits	<u>\$0</u>	
Net Damages		<u>\$0</u>
Fair Market Value of Property Rights to be Acquired		<u>\$14,000</u>

Addenda

Preliminary Title Report
Plat of the Proposed Easements
Aerial Photographs of the Market Data
Qualifications of the Appraisers



BNT Title Company of California
3517 Camino Del Rio South, Suite 408
San Diego, CA 92108
Phone: 619-567-8144

PRELIMINARY REPORT

Escrow Officer: Jocker Alejandro
Phone:
Email: jalejandro@padre.org

Order ID: CA18143433
PROPOSED INSURED:

Title Officer: Danette Starling

LOAN AMOUNT: N/A

TO: Padre Dam Municipal Water District
P.O. Box 719003
Santee, CA 92072

PROPERTY ADDRESS:
Mission Gorge Rd
San Diego, CA 92171

EFFECTIVE DATE: 02/06/20 at 07:30 am

The form of Policy or Policies of title insurance contemplated by this report is:

Preliminary Report

1. THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS:

Fee Simple

2. TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:

[City of San Diego](#), a Municipal corporation as to Parcel 1 & 3; the [City of San Diego](#), a Municipal corporation, in the County of San Diego, State of CA as to Parcel 2

3. THE LAND REFERRED TO IN THIS REPORT IS DESCRIBED AS FOLLOWS:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

LEGAL DESCRIPTION

EXHIBIT "A"

The following described property:

All that certain Real Property located in the County of **San Diego**, State of **California**, described as follows:

Parcel 1: (APN: [383-080-03-00](#))

All of Tract Seven of the FANITA RANCHO, in the City of San Diego, County of San Diego, State of California, according to Map thereof No. [790](#), filed in the Office of the County Recorder of San Diego County, December 21, 1894;

EXCEPTING THEREFROM that portion thereof conveyed by Fannie McKoon et al to Nackie H. Scripps, January 25, 1913, by Deed recorded in Book [597, Page 93](#) of Deeds, described as follows:

Bounded by a line commencing in the Southwest Quarter Section of Section 29, Township 15 South, Range 1 West, San Bernardino Meridian, at the point where the center median line of Section 29, Township 15 South, Range 1 West, San Bernardino Meridian intersects the center line of the County Road also known as and called Woodside Avenue; thence Westerly and along the center of said County Road or Woodside Avenue, for a distance of twenty feet or more to a point; thence Northerly parallel to and twenty feet distant from said center meridian line of Section 29 for a distance of 1485 feet more or less to the center line of San Diego River; thence Easterly and along said center line of said San Diego River and following the meanderings thereof to its intersection with the said center meridian line of Section 29, Township 15 South, Range 1 West, San Bernardino Meridian; thence Southerly along said center meridian line of Section 29 to the Point of Commencement.

ALSO EXCEPTING any portion thereof that may be within Lot 7, in Block "G" of the FANITA RANCHO, in said County, according to Map thereof No. [688](#), filed in the office of the County Recorder of San Diego County, October 22, 1891.

ALSO EXCEPTING Parcel 71-0246A as conveyed to the County of San Diego as recorded July 11, 1973 as File No. [73-191683](#) of Official Records known as Mission Gorge Road.

Parcel 2: (APN #383-080-04-00)

That portion of Lot 7 of Fanita Rancho, in the City of San Diego, County of San Diego, State of California, according to Map thereof No. [790](#), filed in the Office of the County Recorder of San Diego County, December 21, 1894, as conveyed by Fannie McKoon, ET AL to Nackie H. Scripps, January 25, 1913 by Deed Recorded in Book [597, Page 93](#) of Deeds, and being described in said Deed as follows:

That certain Lot, Tract or Parcel of land which is bounded by a line commencing in the Southwest Quarter Section of Section 29, in Township 15 South, Range 1 West, San

Bernardino Base and Meridian, at the point where the center meridian line of Section 29 in Township 15 South, Range 1 West, San Bernardino Base and Meridian, intersects the center line of the County Road also known as and called Woodside Avenue, thence Westerly and along the center of said County Road, or Woodside Avenue, for a distance of 20.00 feet or more to a point; thence Northerly parallel to and 20.00 feet distant from said center meridian line of Section 29 for a distance of 1485.00 feet more or less to the center of San Diego River; thence Easterly and along said center line of said San Diego River and following the meandering thereof to its intersection with the said center meridian line of Section 29, Township 15 South, Range 1 West, San Bernardino Base and Meridian; thence Southerly along said center meridian line of Section 29 to the Point of Commencement.

Excepting that portion lying Southerly of course (6) of a line described as follows:

Commencing at a point on the center line of Mission Gorge Road which bears South 70°10'45" West, 1419.21 feet from a well monument with a 2-inch brass cap set at Engineer's Station 482+12.65 P.1. as shown on County of San Diego Road Survey No. 627-5; thence (1) leaving said center line North 19°49'15" West, 99.94 feet; thence (2) North 37°45'10" East, 138.19 feet to the beginning of a tangent curve to the right having a radius of 930.00 feet; thence (3) Northeasterly along said curve, through a central angle of 01°13'14", an arc distance of 19.81 feet; thence (4) North 52° 14' 50" West, 51.18 feet to the beginning of a tangent curve to the left having a radius of 88.00 feet; thence (5) Northeasterly along said curve, through a central angle of 37° 38' 10", an arc distance of 57.80 feet; thence (6) North 89°53'00" West, 88.02 feet to the Easterly line of City of San Diego property as recorded February 16, 1933 in Book [191, Page 287](#) of Official Records of said County Recorder of the County of San Diego.

Parcel 3: (APN #383-080-05-00)

That portion of Lot 1 of the Resubdivision of Part of Fanita Rancho, according to Map No. [1703](#), filed in the Office of the County Recorder of San Diego County, State of California, February 28, 1918 and described in deed to the State of California as File No. [72-380](#), recorded March 28, 1972 in the office of said recorder, along with that portion of Tract T of Rancho El Cajon, being also a portion of Lot 7 of Fanita Rancho, according to Map thereof No. [790](#), filed in the office of said recorder, described as Parcel 28057-2, in Final Order of Condemnation to the State of California as Document No. [1995-0079132](#) recorded February 23, 1995, described as follows:

Commencing at a point on the centerline of Mission Gorge Road (formerly Woodside Avenue) that bears S.70°10'45"W., 1419.21 feet from a well monument with a 2 inch brass cap set at Engineer's station 482+12.65 P.1, as shown on County of San Diego Road Survey No. 627-5; thence leaving said centerline, N.19°49'15"W, 99.94 feet to an angle point in the Northwesterly right of way line of proposed new Mission Gorge Road as shown on right of way Map No. 47540 for State Highway 11-SD-52 on file in the Right of Way Engineer's Office of the State of California, Department of Transportation, District 11, being the true point of beginning;

thence (1) Northeasterly along said right of way line, N.37°45'10"E., 138.19 feet to the beginning of a tangent curve to the right, having a radius of 930.00 feet; thence (2) Northeasterly along said curve through a central angle of 01°13'14", an arc distance of 19.81 feet; thence (3) leaving said right of way line, N. 52°14'50"W., 51.18 feet to the beginning of a tangent curve to the left, having a radius of 88.00 feet; thence (4) Northwesterly along said curve through a central angle of 37°38'10", an arc distance of 57.80 feet; thence (5) N.89°53'00"W., 88.02 feet to the Northwest corner of said Parcel 28057-2; thence (6) along the Westerly line of said parcel, S.00°07'0"W., 179.70 feet to said right of way line; thence (7) along said right of way line, N.86°40'21"E., 85.79 feet to the true point of beginning.

There shall be no abutters rights, including rights of access appurtenant to the above described real property in and to the adjacent state freeway along the Southwesterly 113.00 feet of course (1) and all of course (7) described above.

Assessor's Parcel No: **383-080-03-00, 04 & 05**

AT THE DATE HEREOF, ITEMS TO BE CONSIDERED AND EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND EXCLUSIONS IN SAID POLICY FORM WOULD BE AS FOLLOWS:

1. Taxes, special and general assessment districts and service areas for the fiscal year 2020-2021, a lien not yet due or payable.

There were no taxes levied for the fiscal year 2019-2020 as the property was vested in a public entity.

2. The lien of supplemental taxes, if any, assessed pursuant to the provisions of Chapter 3.5 (commencing with Section 75) of the Revenue and Taxation Code, of the State of California.
3. Rights and Easements for navigation and fishery which may exist over that portion of said lying beneath the waters of the San Diego River.
4. Water rights, claims or title to water, whether or not shown by the public records.
5. Rights of the public in and to any portion of property herein described lying within roads, streets or highways.
6. Any rights in favor of the public which may exist on said land if said land or portions thereof are or were at any time used by the public.
7. Covenants, conditions and restrictions, but deleting restrictions, if any, based on race, color, religion or national origin, in an instrument recorded January 27, 1913 in Book [597, Page 93](#) of Deeds.
8. Matters contained in that certain document entitled Agreement regarding the diversion and use of the water of the San Diego River dated January 30, 1933 executed by and between The City of San Diego, a Municipal Corporation and the La Mesa, Lemon Grove & Spring Valley Irrigation District, a State Agency, upon the terms, covenants, and conditions contained therein recorded February 16, 1933 in Book [191, Page 287](#) of Official Records.

Reference is hereby made to said document for full particulars.

9. Easement(s) for the purpose(s) shown below and rights incidental thereto as granted in a document.

Granted to:	County of San Diego
Purpose:	for the right to extend embankment slopes at a ration of 1-1/2 horizontal to 1 vertical, excavation slopes at a ration of 1 horizontal to 1 vertical and drainage structures beyond the limits of Mission Gorge Road (Road Survey No. 627), formerly Woodside Avenue and incidental

Recorded: September 3, 1958
Book & Page: [7240/105](#) Official Records
Affects: A portion of said land

Over and across a strip of land 20 feet wide and more particularly described as follows:

The Southerly 20 feet of that portion of Tract 7 of the Fanita Rancho, in the County of San Diego, State of California, according to Map thereof No. 790, filed in the Office of the County Recorder of San Diego County, described in agreement and deed to the City of San Diego, recorded in Book [191, Page 287](#) of Official Records of said County.

Reference is made to said instrument for further particulars.

10. Easement(s) for the purpose(s) shown below and rights incidental thereto as granted in a document.

Granted to: Santee County Water District
Purpose: Sewer Pipe and Incidental
Recorded: December 11, 1958
Book & Page: [7392/215](#) Official Records
Affects: A portion of said land

Beginning at the Northwest corner of Lot 1 of the Resubdivision of portion of Fanita Rancho, Map No. 1703, filed February 28, 1918, in the Office of said recorder of San Diego County; thence South 0°22'50" West 2430.50 feet; thence South 57°49'37" East 852.67 feet; thence South 63°41'37" East 783.00 feet to the True Point of Beginning; thence South 4°36'22" West 227.82 feet.

The sidelines of said 20.00 foot strip of land to terminate on the North in the Southerly line of said Lot 7, Resubdivision of portion of Fanita Rancho and on the South in the Northerly line of Woodside Avenue.

11. Easement(s) for the purpose(s) shown below and rights incidental thereto as granted in a document.

Granted to: The City of El Cajon, a Municipal Corporation
Purpose: Sewer Pipelines and Incidental
Recorded: April 21, 1961
Instrument No: [61-69617](#), Official Records
Affects: A portion of said land

A portion of Lot 7, Subdivision Map of Part of Fanita Rancho, "T" Tract, Map No. [790](#) records of San Diego County, California, said portion being a strip of land 15 feet in width, the centerline of which is described as follows:

Beginning at a point on the Westerly line of said Lot 7, distant thereon North 04°38'52" East 290.55 feet from the Southwesterly corner of said Lot 7; thence South 70°26'26" East 449.05 feet; thence South 77°55'26" East 375.7 feet; thence South 04°29'49" West, 106.7 feet to a point which is 17.5 feet Northerly of the Northerly line of Mission Gorge Road 60 feet wide, distant thereon 806.7 feet Easterly of the Southwest corner of said Lot 7; thence Easterly along a line which is 17.5 feet Northerly and Parallel with the

Northerly line of Mission Gorge Road 4,455 feet more or less to the East line of said Lot 7.

The City of El Cajon, hereby quitclaims a portion of said easement to the City of San Diego, by document recorded October 3, 1961 as File No. [61-172005](#) of Official Records, as described as follows:

A portion of Lot 7, Subdivision Map of part of Fanita Rancho, "T" Tract, Map No. [790](#), records of San Diego County, California, said portion being a strip of land 15 feet in width, the centerline of which is described as follows:

Beginning at a point on the Westerly line of said Lot 7, distant thereon North 04°38'52" East 290.55 feet from the Southwesterly corner of said Lot 7; thence South 70° 26'26" East 449.05 feet; thence South 77°40'26" West 375.7 to the True Point of Beginning; thence South 04°29'49" West 106.7 feet to a point which is 17.5 feet Northerly of the Northerly line of Mission Gorge Road 60 feet wide, distant thereon 806.7 feet Easterly from the Southwest corner of said Lot 7; thence Easterly along a line which is 17.5 feet Northerly and Parallel with the Northerly line of Mission Gorge Road 125.0 feet.

Excepting therefrom any and all of the following described property which is included in the above description:

That portion of Lot 7, "T" Tract Subdivision of Part of Fanita Rancho, according to Map thereof No. 790, filed in the Office of the County Recorder of San Diego County, being a 15.00 foot wide strip of land, lying 7.50 feet on each side of the following described centerline:

Beginning at a point on the Westerly line of said Lot 7, distant thereon North 04°38'52" East 290.55 feet from the Southwesterly corner of said Lot 7; thence South 70°26'26" East 449.05 feet; thence 77°40'26" East 375.7 feet to the True Point of Beginning; thence South 44°57'23" East 164.5 feet to a terminus which is 17.5 feet Northerly of the Northerly line of Mission Gorge Road 60 feet wide, distant thereon 931.7 feet Easterly of the Southwest corner of said Lot 7.

12. Easement(s) for the purpose(s) shown below and rights incidental thereto as granted in a document.

Granted to:	The City of El Cajon, a Municipal Corporation
Purpose:	Sewer Pipelines and incidental
Recorded:	September 11, 1961
Instrument No:	61-157712 , Official Records
Affects:	A portion of said land

A 15.00 foot wide strip of land, lying 7.50 feet on each side of the following described centerline:

Beginning at a point on the Westerly line of said Lot 7, distant thereon North 04°38'52" East 290.55 feet from the Southwesterly corner of said Lot 7; thence South 70°26'26" East 449.05 feet; thence South 77°40'26" East 375.7 feet to the True Point of Beginning; thence South 44°57'23" East 164.5 feet to a terminus which is 17.5 feet Northerly of the Northerly line of Mission Gorge Road 60 feet wide, distant thereon 931.7 feet Easterly of

the Southwest corner of said Lot 7.

13. Lease dated January 30, 1959 between City of San Diego, a Municipal corporation, as Lessor, and Carlton Santee Corporation, a California corporation, Lessee, on the terms and conditions contained therein, recorded July 25, 1962, Instrument No. [62-126439](#), Official Records.

An instrument declaring an amendment to lease was recorded July 25, 1962 as Instrument No. [62-126440](#) of Official Records which amends the legal description and the term of the lease to 50 years.

By Mesne Assignments all interest, in the lease above mentioned recorded March 6, 1981 as Instrument No. [81-069489](#), March 6, 1981 as Instrument No. [81-069491](#), May 29, 1981 as Instrument No. [81-168281](#), November 12, 1987 as Instrument No. [87-635645](#) and January 11, 1991 as Instrument No. [91-015786](#), all of Official Records.

14. Easement(s) for the purpose(s) shown below and rights incidental thereto as granted in a document.

Granted to:	The Carlton Santee Corporation, a California Corporation
Purpose:	Water main and incidental
Recorded:	October 4, 1962
Instrument No:	62-171434 , Official Records
Affects:	A portion of said land

A strip of land 10.00 feet in width and lying 5.00 feet each side of the following described centerline:

Beginning at the Northwest corner of Lot 1 of the Resubdivision of a portion of Fanita Rancho, Map No. 1703 filed in the Office of the County Recorder of San Diego County; thence South 0°22'50" West (record South 0°04' East) 2430.50 feet to a point, said point being point 12 on City of San Diego Engineering Department Drawing No. 3159-D; thence South 57°49'37" East 852.87 feet (record South 58°20' East 852.3 feet) to point 13 on said Drawing No. 3159-D; thence South 63°41'37" East (record South 64° 12' East) 766.86 feet to the true point of beginning, said point of beginning bears North 63°41'37" West 16.14 feet from point 14 as shown on said Drawing No. 3159-D; thence South 4°36'22" West 233.79 feet to the Northerly line of Woodside Avenue (Mission Gorge Road) as shown on said Drawing No. 3159-D.

The side lines of said 10.00 foot strip of land to terminate on the North in the Southerly line of said Lot 1, Map No. 1703, and on the South in the Northerly line of Woodside Avenue (Mission Gorge Road).

Restrictions on the use, by the owners of said land, of the easement area as set out in the said easement document.

The effect of an existing 100 foot road affecting said land as disclosed by the above mentioned instrument.

15. Easement(s) for the purpose(s) shown below and rights incidental thereto as granted in a document.

Granted to: Santee County Water District
Purpose: Sewer Lines and Incidental
Recorded: July 1, 1964
Instrument No: [64-118613](#), Official Records
Affects: A portion of said land

A strip of land 20 feet in width lying 10 feet on each side of the following described centerline:

Beginning at said Corner Monument #10; thence South 81°52'35" East 2368.80 feet; thence South 78°19'48" West 655.17 feet; thence South 11°40'12" East 250 feet to the True point of beginning; thence South 34°48'12" West 656.81 feet; thence South 59°28' West 500 feet; thence South 66°53' West 446 feet; thence South 71°46' West 910 feet; thence South 67°29' West 444 feet; thence South 60°20' West , 455 feet; thence South 60°33' West 356 feet; thence South 83°36' West, 449.77 feet thence South 41°07' West 275.80 feet; thence South 27°12'14" West 306 feet; thence South 4°36'22" West, 137.07 feet, more or less to corner Monument #14, being an angle point in the Southerly Boundary of said property conveyed to said Carlton Santee Corporation said Monument #14 being corner No. 14 of City of San Diego Annexation known as Mission Reservoir Lands as shown on City of San Diego Engineering Department Drawing No. 3159 D.

16. Easement(s) for the purpose(s) shown below and rights incidental thereto as granted in a document.

Granted to: Santee County Water District
Purpose: Water Lines and Incidental
Recorded: May 7, 1971
Instrument No: [71-95224](#), Official Records
Affects: A portion of said land

A strip of land 10 feet wide Southwesterly of and adjacent to the Southeasterly line of those portions of the 20 foot easements to Santee County Water District recorded July 1, 1964 as Instrument No. [64-118613](#) of Official Records, the center line of which is described in part as follows:

Beginning at the Westerly terminus of that certain course in said centerline description as South 83° 36' West 449.77 feet; thence South 41° 07' West 275.80 feet; thence South 27° 12' 14" West 306 feet; thence South 4° 36' 22" West 137.07 feet, more less, to corner monument number 14, being an angle point in the corner of said property of Carlton Santee Corporation said Monument No. 14, being an angle point in the corner of said property of Carlton Santee Corporation said Monument No. 14 being corner no. 14 of City of San Diego Annexation known as Mission Reservoir Lands as shown on City of San Diego Engineering Department Drawing No. 3159 D.

Restrictions on the use, by the owners of said land, of the easement area as set out in the said easement document.

17. Easement(s) for the purpose(s) shown below and rights incidental thereto as granted in a document.

- Granted to: The County of San Diego
 Purpose: Slopes, embankments and drainage and incidental
 Recorded: July 11, 1973
 Instrument No: [73-191683](#), Official Records
 : Affects: A portion of said land
18. Easement(s) for the purpose(s) shown below and rights incidental thereto as granted in a document.
- Granted to: The City of San Diego
 Purpose: Public storm drain or drains and incidental purposes
 Recorded: October 5, 1982
 Instrument No: [82-306574](#), Official Records
 Affects: A portion of said land
- Commencing at County Engineer's Station 450+63 of road Survey No. 627-5 (Mission Gorge Road), a plat of said survey being filed in the office of the county engineer of said County; thence along the centerline South 84°32'34" West, 30.00 feet; thence North 05° 27' 26" West 44.00 feet to the true point of beginning; thence continuing North 05° 27' 26" West 50.00 feet; thence North 84° 32' 34" East, 30.00 feet; thence South 05° 27' 26" East, 50.00 feet; thence South 84° 32' 34" West, 30.00 feet returning to the true point of beginning.
- Said easement was deed by the City of San Diego unto itself. Said easement mergers.
19. The fact that the ownership of said land does not include rights of access to or from the street, highway, or freeway abutting said land, such rights having been relinquished by the document.
- Recorded: February 23, 1995
 Instrument No: [95-079132](#) Official Records
 Affects: A portion of said land
20. A Joint Use Agreement dated September 17, 1998 by and between San Diego Gas and Electric and the State of California regarding the relocation of easements for a gas main. Reference said document for full particulars.
- Recorded: October 2, 1998
 Instrument No: [98-0635888](#) Official Records
21. A Joint Use Agreement dated September 17, 1998 by and between San Diego Gas and Electric and the State of California regarding the relocation of easements for electrical and communication purposes. Reference said document for full particulars.
- Recorded: October 2, 1998
 Instrument No: [98-0635889](#) Official Records
22. Memorandum of Lease dated August 6, 2000 by and between The City of San Diego, a municipal corporation, Lessor, and Carlton Oaks Holdings LLC, a California Limited

Liability Company, Lessee, recorded September 7, 2000 as Instrument No. [2000-0482119](#), Official Records, on the terms and conditions contained therein and an unrecorded lease referred to therein.

23. Easement(s) for the purpose(s) shown below and rights incidental thereto as granted in a document.

Granted to: Padre Dam Municipal Water District
 Purpose: Right of way
 Recorded: May 3, 2001
 Instrument No: [2001-0279319](#), Official Records
 Affects: As shown on said document

24. Easement(s) for the purpose(s) shown below and rights incidental thereto as granted in a document.

Granted to: The City of San Diego, a California Municipal Corporation
 Purpose: Public Utilities
 Recorded: October 25, 2012
 Instrument No: [2012-0658045](#), Official Records
 Affects: As shown on said document

25. Easement(s) for the purpose(s) shown below and rights incidental thereto as granted in a document.

Granted to: TY Investment, Inc., a California Corporation
 Purpose: Public Utilities
 Recorded: October 25, 2012
 Instrument No: [2012-0658046](#), Official Records
 Affects: As shown on said document

26. Memorandum of Lease dated April 10, 2014 by and between The City of San Diego, a California municipal corporation, Lessor, and TY Investment, Inc., a California general corporation doing business as "Carlton Oaks Country Club", Lessee, recorded June 18, 2014 as Instrument No. [2014-0252193](#), Official Records, on the terms and conditions contained therein and an unrecorded lease referred to therein.

27. Any claims for mechanic's liens on said land that may be recorded, by reason of a recent work or improvement that is disclosed by a Notice of Completion:

Recorded: October 4, 2018
 Instrument No: [2018-0414532](#) of Official Records

28. This Company will require the following documents for review prior to the issuance of any title assurance predicated upon a conveyance or encumbrance by the corporation named below.

Corporation: The City of San Diego

- (a) A copy of the corporation By-Laws and Articles of Incorporation.

(b) An original or certified copy of the Resolution authorizing the transaction contemplated herein.

(c) If the Articles and/or By-Laws require approval by a "parent" organization, a copy of the Articles and By-Laws of the parent.

The right is reserved to add requirements or additional items after completion of such review.

29. Unrecorded matters which may be disclosed by an Owner's Affidavit or Declaration. A form of the Owner's Affidavit/Declaration is attached to this Preliminary Report/Commitment. This Affidavit/Declaration is to be completed by the record owner of the land and submitted for review prior to the closing of this transaction. Your prompt attention to this requirement will help avoid delays in the closing of this transaction. Thank you. The Company reserves the right to add additional items or make further requirements after review of the requested Affidavit/Declaration.
30. Matters which may be disclosed by an inspection and/or by a correct ALTA/ACSM Land Title Survey of said Land that is satisfactory to the Company, and/or by inquiry of the parties in possession thereof.
31. Any rights of the parties in possession of a portion of, or all of, said Land, which rights are not disclosed by the public records. The Company will require, for review, a full and complete copy of any unrecorded agreement, contract, license and/or lease, together with all supplements, assignments and amendments thereto, before issuing any policy of title insurance without excepting this item from coverage.

The Company reserves the right to except additional items and/or make additional requirements after reviewing said documents.

EXHIBIT B

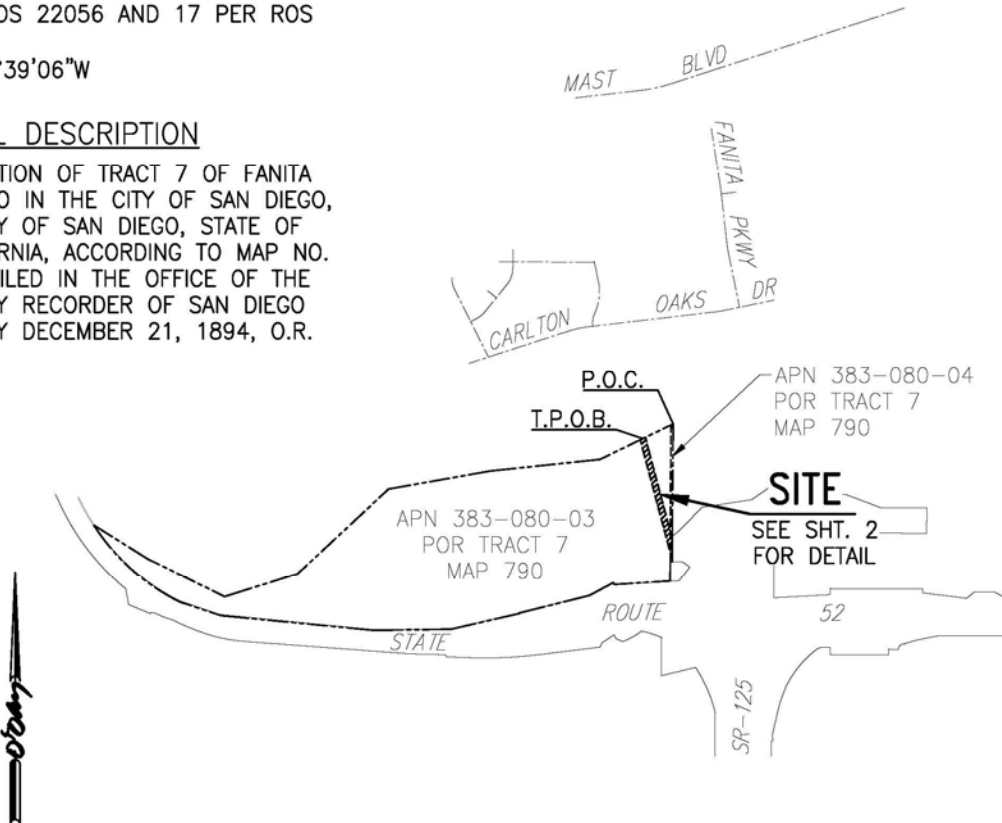
BASIS OF BEARINGS

THE BASIS OF BEARINGS FOR THIS PLAN IS THE CALIFORNIA COORDINATE SYSTEM (CCS 83), ZONE 6, EPOCH 1991.35, CONSTRAINING TO HORIZONTAL CONTROL POINTS SDRF1 PER ROS 22056 AND 17 PER ROS 14492.

IE S77°39'06"W

LEGAL DESCRIPTION

A PORTION OF TRACT 7 OF FANITA RANCHO IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP NO. 790, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY DECEMBER 21, 1894, O.R.

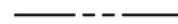


VICINITY MAP NO SCALE



LEGEND:

PROPOSED SEWER EASEMENT
EASEMENT CENTERLINE
SUBDIVISION BOUNDARY
EXISTING LOT/PARCEL LINES
TEMPORARY CONSTRUCTION
EASEMENT PER SEPARATE
DOCUMENT
RIGHT-OF-WAY (R/W)
EXISTING EASEMENT LINES
MUNICIPAL BOUNDARY



AREA

383-080-03: 48689 SF
383-080-04: 3720 SF

Prepared by:

O'Day
CONSULTANTS

5/3/2022
Date

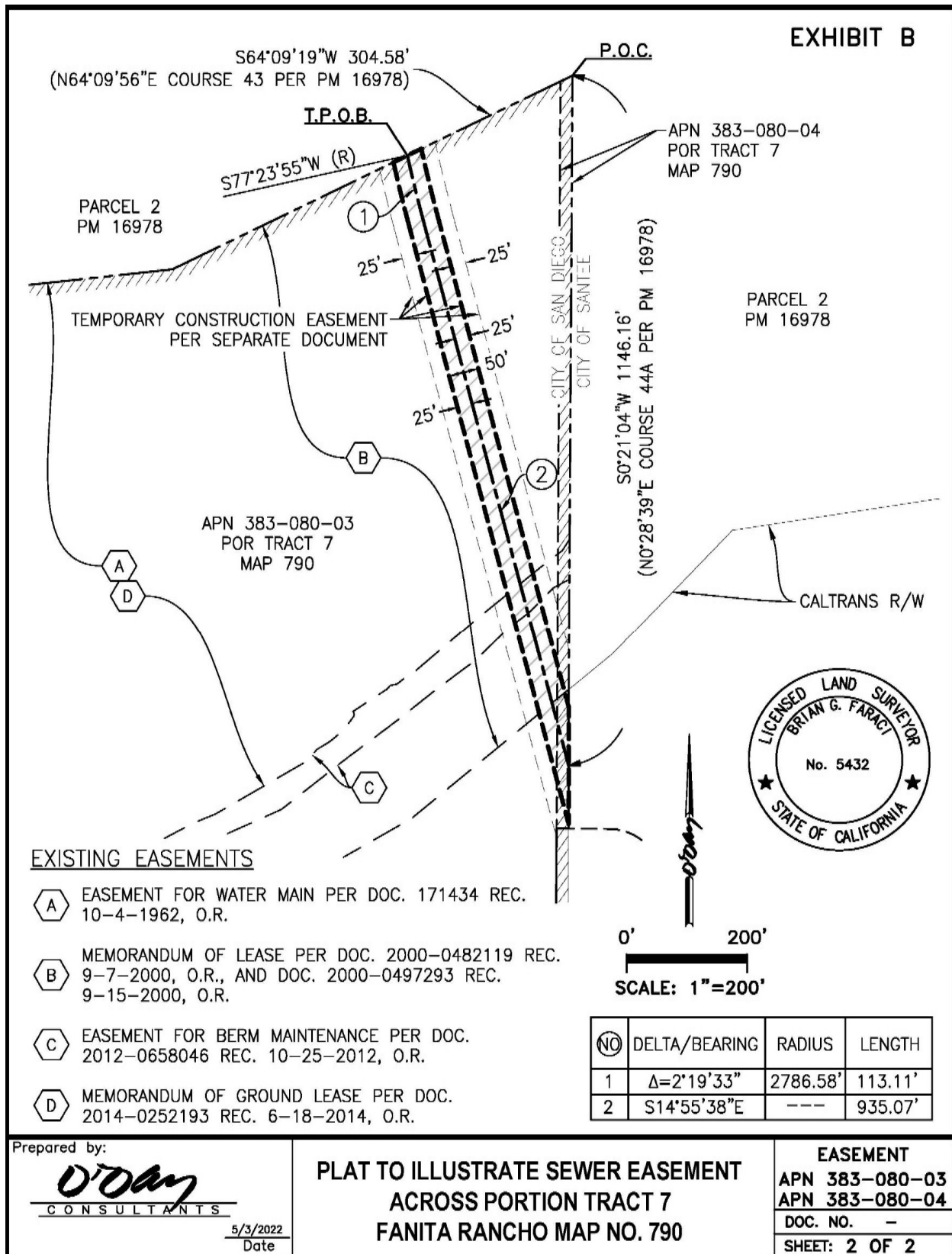
**PLAT TO ILLUSTRATE SEWER EASEMENT
ACROSS PORTION TRACT 7
FANITA RANCHO MAP NO. 790**

EASEMENT

**APN 383-080-03
APN 383-080-04**

DOC. NO. -

SHEET: 1 OF 2



COMPARABLE NO. 1

East side of North Magnolia Avenue, Santee



COMPARABLE NO. 2

On and off Willow Road, Lakeside

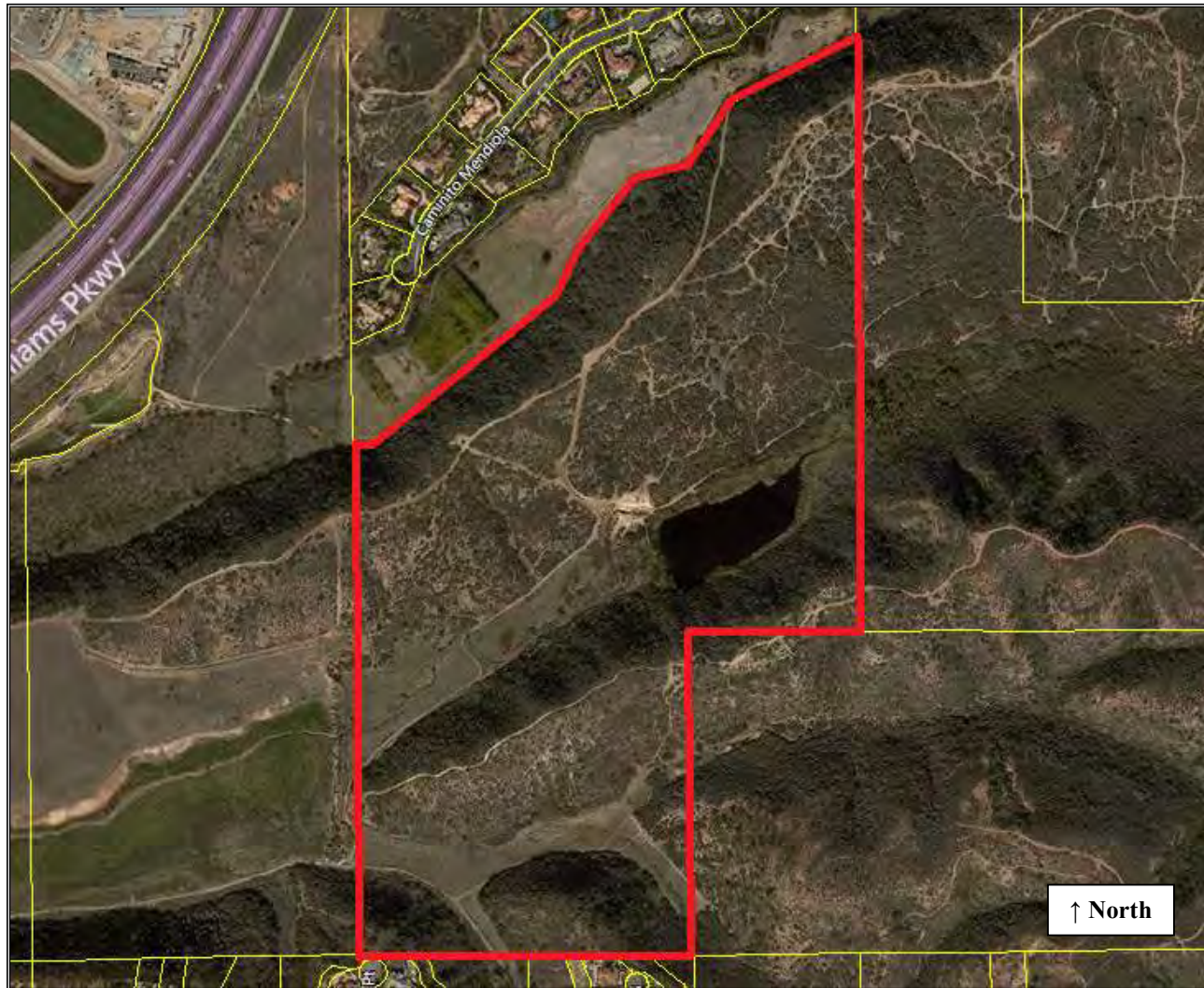


COMPARABLE NO. 3
Spring Canyon Road, San Diego



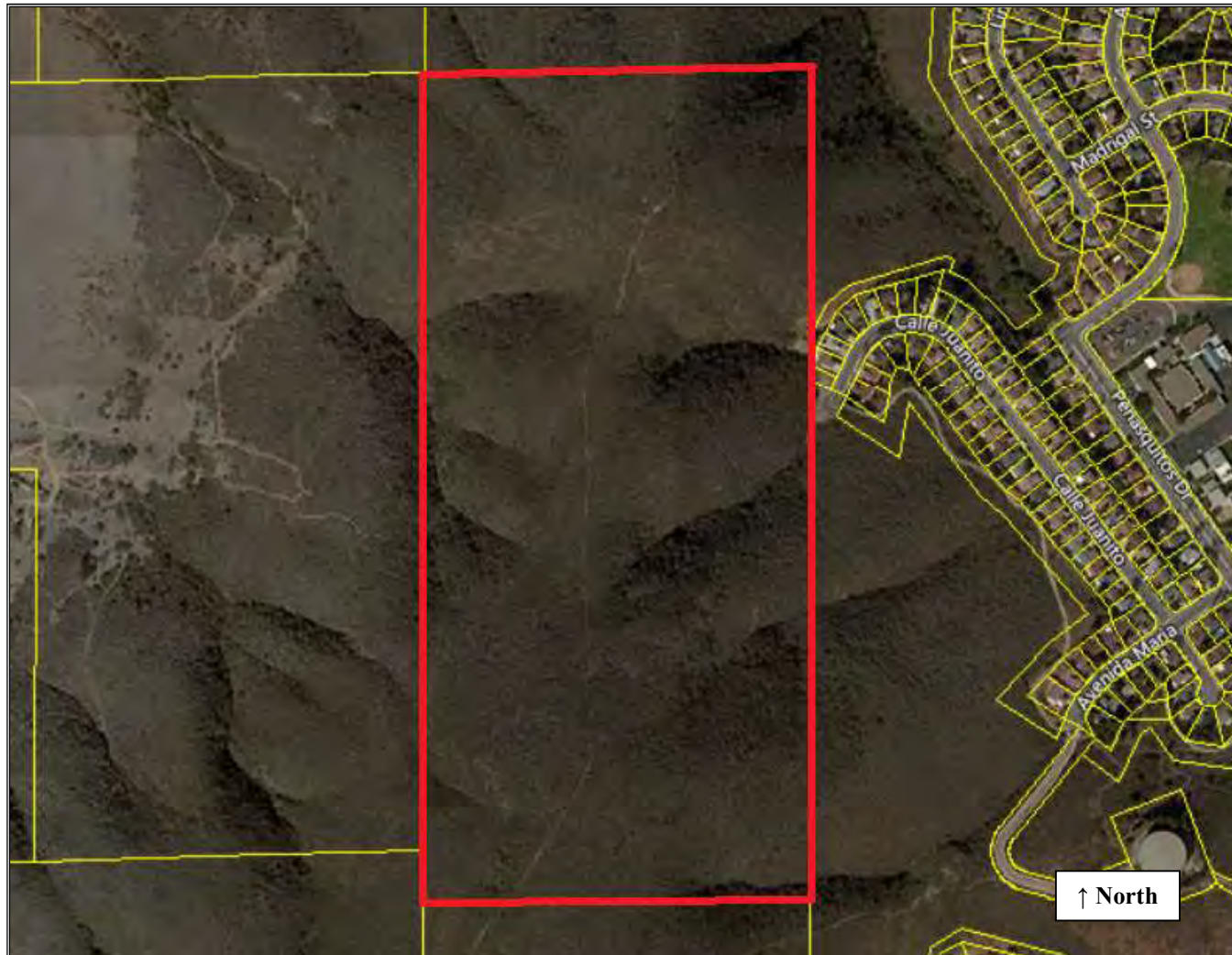
COMPARABLE NO. 4

South of State Route 56 and Caminito Mendiola, San Diego



COMPARABLE NO. 5

West of Calle Juanito, Rancho Peñasquitos area of San Diego



COMPARABLE NO. 6

East side of Highway 76 and south side of Camino del Rey, Bonsall



QUALIFICATIONS OF THE APPRAISER

David C. Ottley, MAI

Anderson & Brabant, Inc.
353 West Ninth Avenue, Escondido, CA 92025
760.705.1615

Resident of San Diego County since 1954

Educational Background

Brigham Young University, Provo, Utah - School of Accountancy (1982-83)

Palomar College, San Marcos, CA - Real Estate emphasis (1976-77; 1980-81)

Professional Education Completed:

Appraisal Institute:

- Case Studies in Real Estate Valuation (1988)
- Valuation Analysis and Report Writing (1988)
- Real Estate Appraisal Principles (1988)
- Basic Valuation Procedures (1988)
- Capitalization Theory and Techniques, Parts A & B (1986)
- Real Property Valuation (1977)

Partial List of Recent Seminars and Webinars:

- Eminent Domain and Condemnation (2021, 2005)
- Uniform Appraisal Standards for Federal Land Acquisitions (2015, 2017)
- San Diego Real Estate Market Symposium, Economic Forecast/Forum (1998-2002; 2004-2012; 2017; 2021)
- Business Practices and Ethics (2010, 2015, 2017)
- Federal and State Laws and Regulations (2014, 2016, 2018)
- Mold, Pollution, and the Appraiser (2014)
- Uniform Standards of Appraisal Practice Update (2004, 2006, 2008, 2010, 2012, 2014, 2016, 2018, 2020)
- Loss Prevention Seminar (2011 and 2013)
- Liability Issues for Appraisers Performing Litigation Work (2013)
- Complex Litigation Appraisal Case Studies (2013)
- IRWA Eminent Domain Seminar (2012)
- Appraising in a Post-HVCC World (2011)
- San Diego Housing and Apartment Seminar (2004, 2007, 2009)
- The Appraiser as an Expert Witness (2006)

Professional Affiliations

MAI Member, Appraisal Institute

Certified General Real Estate Appraiser (AG002149), Bureau of Real Estate Appraisers, State of California

Professional Real Estate Experience

Appraiser/Consultant, Anderson & Brabant, Inc., Escondido, CA - 01/85 to 03/98; 06/01 to 02/05; 02/06 on

V.P. of Acquisitions, Maisel Presley, Inc., San Diego, CA – 02/05 to 02/06

Director of Finance & Acquisitions, Pacifica Companies, San Diego, CA - 04/98 to 06/01

Appraiser/Analyst, Dodd-Graves & Associates, Escondido, CA - 06/76 to 04/77; & 11/79 to 12/84

Staff Appraiser, Financial Appraisals, Inc., Escondido, CA - 04/77 to 08/77

Expert Witness

Superior Court, Counties of San Diego, Riverside, and Los Angeles

U.S. Bankruptcy Court, San Diego County

Types of Appraisals

Residential:	Residential Subdivisions, Apartments, Single-family, Condominium and PUD Units, (Existing and Proposed)
Commercial:	Single- and Multi-Tenant Commercial and Office Properties, Medical Offices, Self-Storage Facilities (Existing and Proposed)
Industrial:	Single- and Multi-Tenant Industrial Buildings and Parks, (Existing and Proposed)
Vacant Land:	Residential, Subdivision, Industrial, Commercial, Rural, and Environmentally Sensitive Properties
Agricultural:	Avocado and Citrus Groves, Dairies, and Ranches
Other:	Mixed-Use Properties, Leasehold and Leased Fee Interests, Partial Acquisitions, and Easements

Partial List of Appraisal Clients

Government Agencies and Municipalities

California Rangeland Trust	Otay Water District
CALTRANS	Palomar Community College
Center for Natural Lands Management	Pala Band of Mission Indians
City of Carlsbad	Poway Municipal Water District
City of Chula Vista	Poway Unified School District
City of Coronado	Ramona Municipal Water District
City of Del Mar	Rincon Del Diablo Municipal Water District
City of Escondido	San Diego Community College District
City of Menifee	San Diego County Water Authority
City of National City	San Diego Gas and Electric Company
City of Oceanside	Southwest Resource Management Association
City of Palm Springs	The Conservation Fund
City of Poway	The Escondido Creek Conservancy
City of San Diego	The Nature Conservancy
City of San Marcos	The Trust for Public Lands
City of Santee	Vallecitos Water District
City of Vista	Vista Fire Protection District
Civic San Diego	Vista Irrigation District
County of Riverside	Vista Unified School District
County of San Diego	U S Department of the Interior
Endangered Habitats Conservancy	U S Fish and Wildlife
Fallbrook Union Elementary School District	U S Postal Service
Grossmont-Cuyamaca College District	U S Marshal Service
Metropolitan Transit System	University of California
North County Transit District	Wildlife Conservation Board
Olivenhain Municipal Water District	

Financial Institutions

Bank of America	First Republic Bank
Bank of the West	Torrey Pines Bank
California Bank & Trust	Umpqua Bank
City National Bank	Union Bank
First Interstate Bank	Wells Fargo Bank

Attorneys

Ablon, Lewis, Bass & Gale, LLP	Galyean, Talley & Wood
Asaro Keagy Freeland & McKinley	Loeb & Loeb LLP
Best Best & Krieger	Kenneth H. Miller
Boss Law Firm	Parks and Oberhansley
Daley & Heft	Wes Peltzer
Deutsch & Associates	Steven C. Sayler
Duckor Spradling Metzger & Wynn	Jeffrey G. Scott
Feist, Vetter, Knauf & Loy	Samuels, Green & Steel, LLP
Foley & Lardner	White & Bright

Others

Bender Rosenthal, Inc.	Lavine, Lofgren, Morris & Engelberg, LLP
CalAtlantic Homes	Lennar
Clark Land Resources	Meritage Homes
Commonwealth Land Title	PSOMAS
Chicago Title	Stewart Title
Fidelity National Title	T-Mobile
First American Title	Wiggans Group, Inc.

QUALIFICATIONS OF THE APPRAISER

James Brabant, MAI
Anderson & Brabant, Inc.
353 W. Ninth Avenue
Escondido, CA 92025
(760) 705-1592 (Direct)
Email: jlbrabant@aol.com

I. Resident of San Diego County since 1977

II. **Educational Background:**

- A. University of Southern California, B.S. degree in Real Estate — 1960
- B. School of Theology at Claremont, Master of Theology — 1966
- C. Professional Education Completed:
 - 1. Appraisal Institute
 - a. "Basic Appraisal Principles, Methods and Techniques" — Course I-A
 - b. "Capitalization Theory and Techniques" — Course I-B
 - c. "Urban Properties" — Course II
 - d. "Investment Analysis" — Course IV
 - e. "Standards of Professional Practice"
 - f. "Litigation Valuation"
 - g. Special Applications of Appraisal Analysis Course 301
 - 2. Lincoln Graduate Center
 - a. Manufactured Housing Appraisal Course 669
 - 3. Continuing Education (Partial List):
 - USPAP Course and Updates (every two years)
 - Four Hour Federal and State Laws, 1/16
 - Fundamentals of Separating Real Property, Personal Property, and Intangible Business Assets 4/12
 - Eminent Domain Case Update, 10/95, 3/97, 10/07, 4/10
 - Business Practice and Ethics, 6/07, 7/12
 - San Diego Apartment & Housing Seminar, 10/98, 5/07, 9/11
 - Appraiser as Expert Witness, 12/06
 - Deal and Development Analysis – Downtown S.D., 9/05
 - Litigation Seminar, 11/04, 11/07, 11/10
 - Appraising Manufactured Housing, 1/04
 - Economic and Real Estate Forum, 09/02
 - Gramm-Leach-Bliley Act, 10/01
 - Condemnation on Trial (Participant), 5/00
 - Digging Into Ground Leases, 2/15
 - Unique Appraisal Assignments (Participant), 2/14
 - Appraisal of Partial Interests; 6/98
 - Vineyard Valuation, 11/12
 - Downtown San Diego Development, 9/15

Qualifications of the Appraiser — James Brabant, MAI
Page Two

III. **Professional Affiliations:**

- A. Member, Appraisal Institute, MAI (1985 President, San Diego Chapter)
- B. Realtor Member, North County Association of Realtors
- C. Member, International Right of Way Association
- D. Real Estate Brokers License, State of California
- E. Teaching Credential, State of California, Community College Level
- F. Certified General Real Estate Appraiser (AG002100)
Office of Real Estate Appraisers, State of California

IV. **Appraisal Experience:**

Co-Owner — Anderson & Brabant, Inc., Since 1979
Co-Owner — Robert M. Dodd & Associates, Inc., 1977 - 1979
Appraisal Manager — California First Bank, Huntington Beach, California, 1974 - 1977
Staff Appraiser — California First Bank, San Diego, California, 1972 - 1974
Staff Appraiser — O. W. Cotton Co., San Diego, California, 1970 - 1972
Staff Appraiser — Davis Brabant, MAI, Huntington Park, California, 1960 - 1962

V. **Teaching Experience:**

Southwestern College, Chula Vista, California, "Real Estate Appraisal"

VI. **Expert Witness:**

Superior Court, San Diego, Los Angeles, Riverside, and San Bernardino Counties
Rent Control Hearings: Cities of Oceanside, Escondido, Ventura, Concord, Yucaipa, Carpinteria, Palmdale, San Marcos, Carson, Watsonville
Various Arbitration Hearings
Assessment Appeals Boards of Riverside County, San Diego County and Orange County
Federal Bankruptcy Courts in San Diego County & Santa Barbara County
United States District Court – Northern District of California

VII. **Types of Appraisals:**

Residential Property:	Single-family residence, condominiums, apartments, subdivisions, existing and proposed
Commercial Property:	Office buildings, shopping centers, office condominiums, etc., existing and proposed
Industrial Property:	Single/multi-tenant, business parks, etc., existing and proposed
Vacant Land:	Industrial, commercial, residential, and rural
Agricultural:	Ranches, avocado and citrus groves, etc.
Special Purpose Appraisals:	Leasehold estates, possessory interest, historical appraisals, etc.
Mobile Home Parks:	For a variety of purposes including rent hearings, park closure, park conversions, failure to maintain litigation, eminent domain, etc.

Qualifications of the Appraiser — James Brabant, MAI
Page Three

VIII. Partial List of Appraisal Clients:

Banks

Bank of America
Bank of New York
City National Bank
Downey Savings
Fidelity Federal Bank
First Interstate Bank
First Pacific National Bank
Flagship Federal Savings
Great Western Bank
Industrial Bank of Japan
Palomar Savings & Loan
Redlands Federal Bank
Union Bank of California
Wells Fargo Bank

Government Agencies and Municipalities

California Department of
Transportation/Caltrans
Carlsbad Municipal Water District
City of Carlsbad
City of Chula Vista
City of Colton
City of Concord
City of Escondido
City of Laguna Beach
City of La Mesa
City of Salinas
City of San Bernardino
City of San Diego
City of San Marcos
City of Vista
City of Yucaipa
County of San Diego
Fallbrook Public Utility District
Metropolitan Water District
Oceanside Unified School District
Pacific Telephone
Poway Municipal Water District
Ramona Unified School District
SANDAG (San Diego Assoc. of Govts.)
San Diego County Water Authority
San Diego Unified Port District
San Marcos Unified School District
U.S. Depart. of the Interior
 Bureau of Indian Affairs
U.S. Department of Justice

Law Firms

Aleshire & Wynder, LLP
Asaro, Keagy, Freeland. & McKinley
Best, Best & Krieger
Daley & Heft
Endeman, Lincoln, Turek & Heater
Foley & Lardner, LLP
Fulbright & Jaworski
Gray, Cary, Ware & Freidenrich
Higgs, Fletcher & Mack
Latham & Watkins
Lounsbery, Ferguson, Altona & Peak
Luce, Forward, Hamilton & Scripps
McDonald & Allen
McInnis, Fitzgerald, Rees, Sharkey & McIntyre
O'Melveny & Meyers
Procopio, Cory, Hargreaves & Savitch
Rutan & Tucker
Singer, Richard
Sullivan Wertz McDade & Wallace
Tatro & Zamoyski
Thorsnes Bartolotta & McGuire
Woodruff, Spradlin & Smart
Worden Williams, APC

Title Companies

Chicago Title
Fidelity National Title Insurance
First American Title
St. Paul Title
Title Insurance & Trust

Others

Avco Community Developers
Coldwell Banker
Dixieline Lumber
Golden Eagle Insurance
National Steel & Shipbuilding Co.
Northern San Diego County Hospital District
Prudential Insurance Corp.
Rosenow, Spevacek, Group
San Diego Gas & Electric Co.
San Luis Rey Downs (Vessels)
Steeffel, Levitt & Weiss
Tellwright-Campbell, Inc.
Transamerica Relocation Service
Vedder Park Management

EXHIBIT I

PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

(East Mission Gorge Pump Station [APN 383-080-03-portion, 383-080-04-portion, and 383-080-05])

THIS PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (“**Agreement**”) is made by and between the CITY OF SAN DIEGO (“**CITY**”), a California municipal corporation as Seller, and the EAST COUNTY ADVANCED WATER PURIFICATION JOINT POWERS AUTHORITY, a California joint powers agency as Buyer (“**BUYER**”), to be effective as of the date mutually executed by the parties and approved by the San Diego City Attorney (“**Effective Date**”).

RECITALS

- A. CITY owns the fee interest in that certain 1.726 acre real property, improved with a sewer pump station, located on Mission Gorge Road adjacent to Carlton Oaks Golf Course, identified as Assessor’s Parcel Number (APN) 383-080-05, a portion of APN 383-080-03, and a portion of APN 383-080-04, and more particularly described in **Exhibit A**, attached to this Agreement (“**Real Property**”). The Real Property is in the City and County of San Diego, California.
- B. Subject to the terms set forth in this Agreement and provided the various conditions to Closing (as defined below) set forth in this Agreement are satisfied, CITY agrees to sell to BUYER and BUYER agrees to purchase from CITY all of CITY’s right, title and interest in and to the following:
1. The Real Property, with any structures, fixtures and other improvements located on the Real Property, to the extent owned by CITY and located on or in and used in connection with the operation or occupancy of the Real Property, including but not limited to the wastewater collection and conveyance improvements and equipment commonly known as the “**East Mission Gorge Pump Station**” (collectively, the “**On-Site Improvements**”);
 2. Any and all machinery, equipment, apparatuses, appliances, and other personal property located on the Real Property and used in connection with the operation or occupancy of the Real Property and On-Site Improvements to the extent owned by CITY including, but not limited to, the items set forth in Schedule 1 attached hereto, which CITY shall convey to BUYER by a bill of sale in substantially the form attached hereto as **Exhibit B**;
 3. All rights (excluding water, water rights, riparian rights and water stock), privileges, easements and appurtenances benefiting the Real Property and/or the On-Site Improvements, including, without limitation, CITY’s interest, if any, in all mineral, oil, gas and other hydrocarbon substances on and under the Real Property, development rights, and air rights relating to the Real Property, and all easements, rights-of-way and other appurtenances used or connected with the beneficial use or enjoyment of the Real Property (collectively, the “**Appurtenances**”);

4. The Real Property and all of the items referred to in subparagraphs (B)(1) through (B)(4) above are hereinafter collectively referred to as the “**Property**.”
 5. As of the Effective Date, portions of the Property are not separate parcels and will require engineering-related work by BUYER, prior to Closing, to create a legal description and land sale plat for the portions of APNs 383-080-03 and 383-080-04 that are being conveyed.
 6. All of CITY’s right, title and interest in and to the approximately 174-foot long, 48-inch diameter gravity sewer pipe feeding the East Mission Gorge Pump Station as depicted in **Exhibit C** attached to this Agreement, together with all rights, privileges, easements and appurtenances benefiting the improvements described in this subparagraph (B)(6), including, without limitation, all easements, rights-of-way and other appurtenances used or connected with the beneficial use or enjoyment of said improvements (collectively, the “**Off-Site Improvements**”). The On-Site Improvements and Off-Site Improvements shall be known collectively as the “**Improvements**.”
 7. To the extent owned by CITY: (a) all warranties upon the Improvements, to the full extent such warranties are assignable; (b) all licenses, permits, and other governmental or regulatory approvals in the possession of CITY’s Public Utilities Department relating to the construction and operation of the Property and the Improvements, to the full extent transferable.
- C. CITY shall reserve an access easement from the sale for CITY access to CITY’s adjacent property. The access easement shall be reserved by the Grant Deed (as defined below).
- D. BUYER has expressed an interest in acquiring the Property and Improvements for the East County Advanced Water Purification Project (“East County AWP Project”). The purpose of the East County AWP Project is to recycle wastewater and to create a new, safe, local, sustainable, and drought proof potable water supply for East San Diego County. As further described in this Agreement, a condition of Closing (as defined below) is that BUYER’s Board of Directors decides, in its sole discretion, to proceed with construction of the East County AWP Project. The CITY has declared this Property as “exempt surplus land.”
- E. CITY would continue to operate the Property as a sewer pump station if BUYER does not acquire and operate it for the same purpose, and CITY has an option to re-purchase the Property and continue to operate it if BUYER purchases the Property, but ceases to operate it. The specific terms and conditions of such option are set forth in the Grant Deed.
- F. BUYER and CITY acknowledge that the East Mission Gorge Force Main (EMGFM) is an approximately 8-mile long pipeline (which includes force main and gravity portions) extending from the boundary of the Real Property to the North Mission Valley Interceptor and is an asset connected to operation of the East Mission Gorge Pump Station. At some future date, CITY may consider selling the EMGFM to BUYER for a future EMGFM project. This Agreement shall not bind or commit CITY or BUYER to any definite course of action regarding any potential future EMGFM project or potential future sale of the EMGFM to BUYER. Any future project or sale of the EMGFM is subject to any future discretionary

approvals required by the Parties and in compliance with all environmental laws, including the California Environmental Quality Act (CEQA).

AGREEMENT

FOR GOOD AND VALUABLE CONSIDERATION, including the respective agreements and covenants contained herein, the receipt and adequacy of which are acknowledged, CITY and BUYER agree as follows:

1. Independent Consideration. CITY and BUYER agree that (i) the amount of One Hundred Dollars (\$100) (the “**Independent Contract Consideration Payment**”), has been bargained for as consideration for CITY’s execution and delivery of this Agreement and for Buyer’s right of review, inspection and termination, and is independent of any other consideration or payment provided for in this Agreement. Notwithstanding anything to the contrary contained herein, the Independent Contract Consideration Payment is non-refundable in all events. Simultaneously with the Deposit made under **Section 5.2.1**, BUYER shall deposit into Escrow the Independent Contract Consideration Payment. Upon receipt of the Independent Contract Consideration Payment, Escrow Agent shall pay the Independent Contract Consideration Payment immediately to CITY (in accordance with wiring instructions separately provided by CITY) without further instruction from Buyer. In no event shall the Independent Contract Consideration Payment be credited towards the Purchase Price at Closing.
2. Purchase and Sale. CITY agrees to sell the Property and Improvements to BUYER, and BUYER agrees to purchase the Property and Improvements from CITY on the terms and conditions set forth in this Agreement. At Closing, CITY shall convey the Property and Improvements to BUYER by recordation of the Grant Deed (as defined below) as provided herein. The Title Agent shall issue the Title Policy (as defined below) to BUYER at Closing.
3. Definitions. As used in this Agreement, the following terms shall have the following meanings:

“**Applicable Environmental Law**” means all laws applicable to the presence of any Hazardous Materials (as defined below) on or within the Property, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. §9601, *et seq.*); the Resource Conservation and Recovery Act (42 U.S.C. §6901, *et seq.*); the Clean Water Act of 1972 (33 U.S.C. §1251, *et seq.*); the Safe Drinking Water Act (42 U.S.C. §300f, *et seq.*); the Hazardous Materials Transportation Act (49 U.S.C. §5101, *et seq.*); the Toxic Substances Control Act (15 U.S.C. §2601, *et seq.*); the Insecticides and Environmental Pesticide Control Act (7 U.S.C. §136, *et seq.*); the Atomic Energy Act (42 U.S.C. §2011, *et seq.*); the Nuclear Waste Policy Act (42 U.S.C. §10101, *et seq.*); the Clean Air Act (42 U.S.C. §7401, *et seq.*); the California Hazardous Waste Control Act (California Health and Safety Code §25100, *et seq.*); the Carpenter-Presley-Tanner Hazardous Substance Account Act (California Health and Safety Code §25300, *et seq.*); the Safe Drinking Water and Toxic Enforcement Act (“Proposition 65”) (California Health and Safety Code §25249.5, *et seq.*); and the Porter-Cologne Water Quality Control Act (California Water Code §13000, *et seq.*); and any similar federal, state or local laws, all regulations and publications implementing or promulgated pursuant to the foregoing, as any of the foregoing may be amended or supplemented from time to time.

“Business Day” means any day other than a Saturday, Sunday or any other day on which CITY or Escrow Agent is not open for business. In the event any date, deadline or due date set forth in this Agreement falls on a day that is not a Business Day, then such deadline or due date shall automatically be extended to the next Business Day.

“Board Authorization” means the adoption of one or more resolutions authorized and approved by the Board of Directors of BUYER determining (i) to proceed with one or more of the packages for design and construction of the East County AWP Project following receipt of the “guaranteed maximum price” (“GMP”) for such package(s); and (ii) to proceed with the purchase of the Property pursuant to this Agreement.

“Close” or “Closing” means the close of Escrow as provided in this Agreement.

“Closing Date” means the date on which the Closing occurs, as set forth in **Section 10** of this Agreement.

“Council Authorization” means the date of final passage of the resolution authorized and approved by the San Diego City Council pertaining to the sale of the Property pursuant to this Agreement.

“Deposit” means the Immediately Available Funds deposited into Escrow by BUYER to be credited against the Purchase Price and released to the City upon the Close of Escrow as set forth in this Agreement.

“Due Diligence Period” shall have the meaning set forth in **Section 7** of this Agreement.

“Escrow” means the escrow depository and disbursement services to be performed by Escrow Agent and Title Agent pursuant to the provisions of this Agreement.

“Escrow Agent” shall mean Chicago Title Company, Attn: Dennis Alviso as Title Agent, located at 2365 Northside Dr., Suite 600, San Diego, CA 92108.

“Grant Deed” means a duly executed and acknowledged grant deed conveying fee simple title to the Property from CITY to the BUYER, in substantially the form of the attached **Exhibit D**.

“Hazardous Materials” means:

- i. Those substances included within the definitions of “hazardous substance,” “hazardous waste,” “hazardous material,” “toxic substance,” “solid waste,” “pollutant” or “contaminant” in the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. §9601 *et seq.*); the Resource Conservation and Recovery Act (42 U.S.C. §6901, *et seq.*); the Clean Water Act of 1972 (33 U.S.C. §1251, *et seq.*); the Toxic Substances Control Act (15 U.S.C. §2601, *et seq.*); the Hazardous Materials Transportation Act (49 U.S.C. §5101, *et seq.*); or under any other Applicable Environmental Laws.

- ii. Those substances included within the definitions of “Extremely Hazardous Waste,” “Hazardous Waste,” or “Restricted Hazardous Waste,” under §§25115, 25117, or 25122.7 of the California Health and Safety Code, or listed or identified pursuant to §§25140 or 44321 of the California Health and Safety Code.
- iii. Those substances included within the definitions of “Hazardous Material,” “Hazardous Substance,” “Hazardous Waste,” “Toxic Air Contaminant” or “Medical Waste” under §§25281, 25316, 25501, 117690, or 39655 of the California Health and Safety Code.
- iv. Those substances included within the definitions of “Oil” listed or identified in the Clean Water Act of 1972, 33 U.S.C. §1321, as well as any other hydrocarbonic substance or by-product.
- v. Those substances included within the definitions of “Hazardous Waste,” “Extremely Hazardous Waste” or an “Acutely Hazardous Waste” pursuant to Chapter 11 of Title 22 of the California Code of Regulations.
- vi. Those substances listed by the State of California as a chemical known by the State to cause cancer or reproductive toxicity pursuant to §25249.8 of the California Health and Safety Code.
- vii. Any material which due to its characteristics or interaction with one or more other substances, chemical compounds, or mixtures, damages or threatens to damage, health, safety, or the environment, or is required by any law or public agency to be remediated, including remediation which such law or public agency requires in order for the property to be put to any lawful purpose.
- viii. Any material whose presence would require remediation pursuant to the guidelines set forth in the State of California Leaking Underground Fuel Tank Field Manual, whether or not the presence of such material resulted from a leaking underground fuel tank.
- ix. Pesticides regulated under the Insecticides and Environmental Pesticide Control Act (7 U.S.C. §136, *et seq.*).
- x. Asbestos, PCBs, and other substances regulated under the Toxic Substances Control Act (15 U.S.C. §2601 *et seq.*).
- xi. Any radioactive material including, without limitation, any “source material,” “special nuclear material,” “by-product material,” “low-level wastes,” “high-level radioactive waste,” “spent nuclear fuel” or “transuranic waste” and any other radioactive materials or radioactive wastes, however produced, regulated under the Atomic Energy Act (42 U.S.C. §2011 *et seq.*), or the Nuclear Waste Policy Act (42 U.S.C. §10101 *et seq.*).

- xii. Any material regulated under the Occupational Safety and Health Act, (29 U.S.C. §651 *et seq.*), or the California Occupational Safety and Health Act (California Labor Code §6300 *et seq.*).
- xiii. Any material regulated under the Clean Air Act (42 U.S.C. §7401 *et seq.*) or pursuant to Division 26 of the California Health and Safety Code.
- xiv. Those substances listed in the United States Department of Transportation Table (49 CFR Part 172.101), or by the Environmental Protection Agency, or any successor agency, as hazardous substances (40 CFR Part 302).
- xv. Other substances, materials, and wastes that are or become regulated or classified as hazardous or toxic under federal, state or local laws or regulations.
- xvi. Any material, waste or substance that is a petroleum or refined petroleum product, asbestos, polychlorinated biphenyl, designated as a hazardous substance pursuant to 33 U.S.C. §1321 or listed pursuant to 33 U.S.C. §1317, a flammable explosive or a radioactive material.

“Immediately Available Funds” means a bank wire transfer or a certified bank or cashier’s check.

“Month” means a Calendar month based on the actual number of days in the specific month.

“Permitted Exceptions” means collectively, the (i) matters of record reflected in the printed exceptions and exclusions in the Preliminary Title Report which are approved or deemed approved by BUYER in accordance with **Section 6** below; (ii) real property taxes and assessments which are a lien but not yet due and payable; (iii) all applicable building, zoning and use restrictions and/or regulations of any municipality, township, county or state having jurisdiction over the Property; and (iv) the standard printed exceptions in the form of Title Policy called for under this Agreement.

“Release” means any spilling, leaking, pumping, pouring, emitting, discharging, injecting, escaping, leaching, dumping or disposing into the environment of any Hazardous Material (including the abandonment or discarding of barrels, containers, and other receptacles containing any Hazardous Material).

“Title Agent” shall mean Chicago Title Company, Attn: Chris Ghio as Title Agent, located at 2365 Northside Dr., Suite 600, San Diego, CA 92108.

“Title Policy” shall mean the actual title insurance policy issued by Title Agent upon Closing and may be either a California Land Title Association (“**CLTA**”) Title Insurance Policy or an American Land Title Association (“**ALTA**”) Title Insurance Policy as more fully set forth below.

4. Establishing Escrow. By delivery of a fully executed copy of this Agreement to Escrow Agent, BUYER and CITY establish an Escrow with Escrow Agent, subject to the provisions of the standard conditions for acceptance of Escrow and the terms and conditions in this Agreement. BUYER and CITY shall execute and deliver to Escrow Agent any additional or supplementary instructions as Escrow Agent reasonably considers necessary or convenient to implement the terms of this Agreement and close the transactions contemplated hereby, including the standard conditions for acceptance of Escrow, all of which together with the escrow instructions set forth in this Agreement, as they may be amended from time to time by the parties, shall collectively serve as the escrow instructions to Escrow Agent. In the event of any conflict between the terms of this Agreement and any additional or supplemental instructions, including the standard conditions for acceptance of Escrow, the terms of this Agreement shall control.
5. Purchase Price.
- 5.1. Purchase Price. The purchase price to be paid by BUYER for the Property and Improvements, which was determined by an appraisal (including a condition assessment of the Improvements to inform the appraisal) shall be **Two Million, Forty-Two Thousand Dollars** and no/100 (\$2,042,000.00) ("**Purchase Price**"), which shall be paid as provided in this section.
- 5.2. Deposit; Liquidated Damages.
- 5.2.1. Deposit. BUYER shall make a deposit ("**Deposit**") into Escrow of Immediately Available Funds in the amount of **Sixty Thousand Dollars** and no/100 (\$60,000.00) within **five (5) Business Days** following the Effective Date. The Deposit shall remain refundable during the Due Diligence Period. No interest shall be paid on the Deposit. The Deposit shall be credited against the Purchase Price as set forth below. At Closing, the Deposit shall be released by Escrow Agent to CITY.
- 5.2.2. LIQUIDATED DAMAGES. THE DEPOSIT SHALL BE REFUNDABLE TO THE BUYER ONLY AS MAY BE EXPRESSLY PROVIDED FOR IN THIS AGREEMENT. IF ESCROW FAILS TO CLOSE AS A RESULT OF BUYER'S FAILURE TO PERFORM A MATERIAL COVENANT OR AGREEMENT CONTAINED HEREIN WHICH IS TO BE PERFORMED BY BUYER AND BUYER FAILS TO CURE THE SAME WITHIN FIVE (5) BUSINESS DAYS AFTER WRITTEN NOTICE OF SUCH FAILURE BY CITY TO BUYER (A "**BUYER'S DEFAULT**"), AND PROVIDED CITY IS NOT OTHERWISE IN DEFAULT HEREUNDER, THE SOLE REMEDY OF CITY SHALL BE TO TERMINATE THIS AGREEMENT BY GIVING WRITTEN NOTICE THEREOF TO BUYER AND ESCROW AGENT, WHEREUPON CITY SHALL RETAIN THE DEPOSIT(S) ACTUALLY DEPOSITED BY BUYER INTO ESCROW AS LIQUIDATED DAMAGES (AND CITY WAIVES ANY RIGHT TO SPECIFICALLY ENFORCE THIS AGREEMENT SET FORTH IN CALIFORNIA CIVIL CODE SECTION 1680 OR 3389). THEREAFTER, NEITHER PARTY SHALL HAVE ANY FURTHER LIABILITY OR

OBLIGATION TO ANY OTHER PARTY EXCEPT FOR: (i) CITY'S RIGHT TO RECEIVE AND RETAIN SUCH LIQUIDATED DAMAGES; AND (ii) THE OBLIGATION OF THE PARTIES TO PAY AMOUNTS INTO ESCROW AND TO PAY A PORTION OF THE FEES AND COSTS OF ESCROW AS SET FORTH IN THIS AGREEMENT. THE PARTIES ACKNOWLEDGE AND AGREE THAT CITY'S ACTUAL DAMAGES IN THE EVENT OF BUYER'S DEFAULT ARE UNCERTAIN IN AMOUNT AND DIFFICULT TO ASCERTAIN, AND THAT SUCH AMOUNT OF LIQUIDATED DAMAGES IS REASONABLE UNDER THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1671 ET SEQ., CONSIDERING ALL OF THE CIRCUMSTANCES EXISTING ON THAT DATE INCLUDING, WITHOUT LIMITATION, THE RELATIONSHIP OF SUCH AMOUNT TO THE RANGE OF POTENTIAL HARM TO CITY THAT CAN REASONABLY BE ANTICIPATED AND THE ANTICIPATION THAT PROOF OF ACTUAL DAMAGES RESULTING FROM SUCH DEFAULT WOULD BE COSTLY AND INCONVENIENT. IN PLACING ITS INITIALS IN THE SPACE BELOW, EACH PARTY SPECIFICALLY CONFIRMS THE ACCURACY OF THE FOREGOING AND THE FACT THAT SUCH PARTY HAS BEEN REPRESENTED BY COUNSEL WHO EXPLAINED THE CONSEQUENCES OF THIS LIQUIDATED DAMAGES PROVISION.

THE PROVISIONS OF THIS SECTION 5.2.2 SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

CITY'S Initials

BUYER'S Initials

5.2.3. Delivery of Purchase Price into Escrow. Not less than **one** (1) Business Day prior to the Closing Date, BUYER shall cause Immediately Available Funds in an amount equal to the Purchase Price to be delivered to the Escrow Agent, minus the Deposit, plus BUYER's share of costs and expenses as required pursuant to this Agreement.

5.2.4. Disbursement to CITY. Immediately after the Closing, the Escrow Agent shall disburse to CITY the funds that CITY is entitled to receive under this Agreement, less CITY's share of costs and expenses as required pursuant to this Agreement.

6. Preliminary Report of Title.

6.1. Upon establishing Escrow, the parties hereby instruct the Title Agent to prepare and provide a Preliminary Report of Title for the Property ("**Preliminary Report**") to BUYER and CITY for review. BUYER shall notify CITY in writing within **seven** (7) Business Days after receipt of the Preliminary Report of BUYER's objection to any matters affecting title, including disapproval of any exception contained in the Preliminary Report, other than Permitted Exceptions and liens of deeds of trust or other monetary liens or

encumbrances to be paid by CITY upon Close of Escrow. CITY shall have **seven (7)** Business Days after such notice to advise BUYER whether CITY elects to endeavor to eliminate or modify any such identified exceptions and objections, and of any disapproved exceptions and objections which will not be removed by CITY prior to the Closing; CITY'S failure to timely respond to BUYER'S objections or failure to identify in CITY'S response any disapproved exception or objection will be deemed an election by CITY not to remove such exceptions and objections. If CITY indicates that it will not correct any of the disapproved exceptions, BUYER may elect to: (i) terminate this Agreement without liability on the part of either party and receive a full refund of BUYER'S entire Deposit; or (ii) consummate the purchase of the Property subject to such exceptions without reduction in the Purchase Price and without any liability on CITY'S part relative to the title to the Property, by written notice of approval to CITY. Notwithstanding such approval notice, if after such approval notice is given and prior to the Closing Date, any new title exceptions are first disclosed to BUYER ("**New Exceptions**"), then the provisions in this section above relating to the parties' respective rights, obligations and time periods shall apply as to the New Exceptions. If CITY indicates that it will correct one or more of the disapproved exceptions but has failed to do so, BUYER may, at its option: (i) terminate this Agreement without liability on the part of either party and receive a full refund of BUYER'S entire Deposit; or (ii) consummate the purchase of the Property subject to such exceptions without reduction in the Purchase Price and without any liability on CITY'S part relative to the title to the Property, by written notice of approval to CITY.

7. Due Diligence Period.

- 7.1. From and after the Effective Date, BUYER shall have until **March 4, 2022** ("**Due Diligence Period**") to conduct, at BUYER'S sole expense, its due diligence to determine, in BUYER'S sole and absolute discretion, the feasibility of purchasing the Property and Improvements. BUYER may waive the Due Diligence Period at any time during the Due Diligence Period by delivering written notice of such waiver to CITY and the Escrow Agent.
- 7.2. Within thirty (30) business days after the Effective Date, CITY shall deliver to BUYER, at CITY's expense, all of the documents in the possession of CITY's Public Utilities Department related to the Property and Improvements, including but not limited to, copies of all plans, specifications, engineering drawings, condition assessments (including closed circuit videos) and prints in the possession of CITY's Public Utilities Department relating to the construction, operation, and condition of the Property and Improvements.
- 7.3. During the Due Diligence Period, BUYER shall conduct its investigation of the Property and Improvements at no cost to CITY, as follows:
 - 7.3.1. BUYER may request to review records or receive information in the possession and control of CITY'S Real Estate Assets Department pertaining to the Property upon at least one (1) Business Day's prior written notice to CITY. CITY's Real Estate Assets Department shall make such records and information available to BUYER within a reasonable time, not to exceed five (5) Business Days after

BUYER'S request. BUYER acknowledges that additional Property-related records and information may be in the possession and control of other CITY departments, including without limitation the Development Services Department or Public Utilities Department. BUYER shall be solely responsible for contacting such other CITY departments to schedule a review of such additional records or receipt of such information.

- 7.3.2. BUYER, at BUYER's sole cost, may obtain an as-built survey of the Property (the "Survey") prepared by a certified land surveyor in accordance with the most recent American Land Title Association standards, certified by such surveyor to Buyer and the Title Agent in a form acceptable to the Title Agent for the purpose of deleting any survey exception from the Title Policy.
- 7.3.3. BUYER, at BUYER's option and expense may conduct physical inspections of the Property, including without limitation the Real Property and Improvements; soil, geological and other tests; engineering evaluations of the mechanical, electrical, HVAC, building and structural systems; and review of such other matters pertaining to the Property as BUYER reasonably deems advisable.
- 7.3.4. Upon at least three (3) Business Days' prior written notice (which may be by e-mail), BUYER and its representatives shall have the right of access to the Property during reasonable business hours to conduct its investigation of the physical condition thereof. CITY agrees that the rights granted to BUYER herein and the results of its Due Diligence Investigation shall not relieve CITY of any obligations CITY may have under any other provisions of this Agreement, or under other documents entered into concurrently herewith, or implied by law, nor shall they constitute a waiver by BUYER of the right to enforce any of the same.
- 7.3.5. BUYER shall not conduct any invasive activity on the Property, including without limitation soils testing, digging or boring, without CITY'S prior written approval (which may be by e-mail) in each instance, which approval shall not be unreasonably conditioned, withheld, or delayed.
- 7.3.6. CITY's representative for purpose of physical access shall be the **Assistant Director of Pure Water and Technical Services or their designee within the Public Utilities Department**. Any request from BUYER to complete invasive testing shall be accompanied by the following information: (a) name of company that would be performing the testing; (b) requested dates for testing; (c) a plan showing the number and location of the testing sites, method of testing (for example, drilling using hollow stem auger methods), depth of drilling, and method of backfilling bore holes; (d) permit with the County of San Diego Dept. of Environmental Health (if applicable); and (e) type of soils analysis (bulk density measurements, geotechnical tests, metals, etc.). In the event of any invasive survey, test or activity, BUYER, at BUYER'S sole cost and expense, shall undertake and complete all appropriate restoration and remediation of the impacted portion of the Property.

- 7.3.7. BUYER shall protect, defend, indemnify and hold harmless CITY, its elected officials, officers, employees, representatives, and agents against and from any and all liability, loss, injuries to, or death of any person or persons, and all claims, demands, suits, actions, proceedings, reasonable attorneys' fees, and defense costs, of any kind or nature, including workers' compensation claims, of or by anyone whomsoever, resulting from or arising out of BUYER or BUYER'S officers, employees, or agents, entry onto the Property; provided, however, that this indemnification and hold harmless shall not include any claims or liability arising from the established sole negligence or willful misconduct of CITY, its elected officials, officers, employees, representatives, and agents. This indemnity, defense, and hold harmless obligation shall survive the termination of this Agreement.
- 7.3.8. During the Due Diligence Period, BUYER shall have the right, in BUYER'S sole and absolute discretion, to disapprove the Property and Improvements and terminate this Agreement, for any reason or no reason, by written notice given to the CITY on or before the expiration of the Investigation Period. BUYER's disapproval shall terminate this Agreement unless, at the time BUYER gives notice of its disapproval, BUYER also notifies CITY of BUYER's desire to enter into negotiations with CITY for the purpose of reaching an accommodation concerning the disapproval. If BUYER so notifies CITY and the Parties have not reached a written agreement satisfactory to both of them regarding the disapproval within ten (10) Business Days after the date of the disapproval notice, BUYER, at its option, may either (a) elect to terminate this Agreement by so notifying CITY and recover the Deposit, or (b) elect to proceed with the transactions contemplated by this Agreement notwithstanding its earlier disapproval. If BUYER fails to deliver written notice of termination prior to the expiration of the Due Diligence Period, the right to terminate this Agreement pursuant this section shall be waived. If BUYER terminates the Agreement in accordance herewith, BUYER shall be entitled to the return of the Deposit from the Escrow Agent, and the parties shall be relieved of liability to each other except as specifically set forth herein. If this Agreement remains in effect following the expiration of the Due Diligence Period, BUYER's access to the Property and Improvements, right to request documents, and right to perform non-invasive investigations and testing, upon at least (5) five Business Days' prior written notice, all as provided in this Section 7.3, shall continue in effect until the Closing Date.
- 7.4. As soon as reasonably practicable, but in no event later than **November 30, 2022**, BUYER shall obtain Board Authorization. In the event BUYER does not obtain Board Authorization by November 30, 2022: (1) the Parties may mutually agree in writing to an extension of time in which BUYER may obtain Board Authorization; (2) BUYER may waive Board Authorization as a condition of Closing (which may be provided in a writing signed by the CEO/General Manager of BUYER's Administrator/Interim Administrator, Padre Dam Municipal Water District); or (3) either Party may terminate this Agreement.
- 7.5. CITY acknowledges that the Closing is expressly conditioned on Board Authorization, which may or may not be granted in the Board's sole discretion. BUYER shall not be

liable for, or obligated for, any burden or loss, financial or otherwise, incurred by CITY as a result of the Board's failure to grant the Board Authorization.

7.6. CITY waives any claim against, and shall hold harmless, BUYER and its officials, officers, employees, representatives and agents for any burden, expense or loss which CITY incurs as a result of the Board's failure to grant the Board Authorization.

8. As set forth herein, the following summarizes various milestones and deadlines associated with this Agreement:

Approval of BUYER's Board of Directors to enter into this Agreement: November 18, 2021

Add Council Authorization?

End of Due Diligence Period: March 4, 2022.

Board Authorization: March 17, 2022 to November 30, 2022.

Close of Escrow: 30 days after Board Authorization, but no later than December 31, 2022.

9. Council Authorization and California Environmental Quality Act (CEQA) Compliance Required. If the City Council has not authorized the sale of the Property prior to execution of this Agreement by the Parties, CITY shall seek Council Authorization as soon as reasonably practicable and in compliance with the California Environmental Quality Act (CEQA). BUYER acknowledges that the sale of the Property is contingent upon completion of the environmental review of the sale in compliance with CEQA and the CITY'S Land Development Code. CITY shall be responsible for all costs associated with the environmental review and the filing of a Notice of Exemption, if any.

9.2. BUYER acknowledges that the Closing is expressly conditioned on Council Authorization, which may or may not be granted in the City Council's sole discretion. CITY shall not be liable for, or obligated for, any burden or loss, financial or otherwise, incurred by BUYER as a result of the City Council's failure to grant the Council Authorization.

9.3. If the City Council has not authorized the sale of the Property prior to execution of this Agreement by the Parties, the City Council may, in its sole discretion, make changes to terms of this Agreement. In the event that the City Council makes a change that is unacceptable to BUYER, BUYER may, within **ten** (10) Business days of the hearing at which the changed terms are approved by City Council, terminate this Agreement by written notice to CITY or propose alternative language which, upon the review and recommendation by CITY's administrative staff, shall be presented to the City Council for approval at an upcoming meeting. If BUYER terminates the Agreement at this time (or if CITY's administrative staff or City Council fails to accept BUYER's alternative language), BUYER shall be entitled to the return of the Deposit from the Escrow Agent,

and the parties shall be relieved of liability to each other except as specifically set forth herein.

- 9.4. BUYER waives any claim against, and shall hold harmless, CITY and its elected officials, officers, employees, representatives and agents for any burden, expense or loss which BUYER incurs as a result of changes made to the Agreement by the City Council or the City Council's failure to grant the Council Authorization.
- 9.5. If there is no Closing for any reason other than CITY's default, BUYER shall deliver to CITY, upon CITY's written request, at no charge to CITY and without warranty or representation of any kind, copies of all surveys, studies, assessments, maps, plans and other similar items prepared by or for BUYER pertaining to the Property or any part thereof, subject to third party consents to delivery, as applicable. BUYER shall not be obligated to provide any such information which can be legally demonstrated to be confidential, proprietary or privileged information. The rights and obligations of BUYER and CITY pursuant to this section shall survive the termination of this Agreement.

10. Closing.

- 10.1. Closing shall occur after City Council has granted final passage of the Council Authorization by Resolution and provided that all contingencies have been removed, and the following conditions precedent to Closing are satisfied, unless otherwise agreed to in writing by the parties:
 - 10.1.1. Neither party is in default of any of its representations or warranties under this Agreement, or any other material terms or conditions related to that party;
 - 10.1.2. Expiration or waiver of the Due Diligence Period without termination of this Agreement;
 - 10.1.3. The Board of Directors of BUYER has provided Board Authorization by resolution and deposited a copy of such resolution with the Escrow Agent;
 - 10.1.4. As of the Closing Date, the BUYER has not made an assignment for the benefit of creditors, filed a bankruptcy petition, been adjudicated insolvent or bankrupt, petitioned a court for the appointment of any receiver of, or trustee for, the BUYER, or commenced any proceeding relating to the BUYER under

any reorganization, arrangement, readjustment of debt, dissolution, or liquidation law or statute of any jurisdiction, whether now or later in effect;

- 10.1.5. The Title Agent is prepared and obligated to issue the Title Policy in BUYER's favor upon the recordation of the Grant Deed and there are no exceptions to the Title Policy, except for Permitted Exceptions;
- 10.1.6. As of the Closing Date, there exists no lease, tenancy or occupancy agreement affecting the Property, unless agreed to in writing by the parties;
- 10.1.7. As of the Closing Date, there is no pending, or threatened to be pending, any action or proceeding by any person or before any government authority, the outcome of which could prohibit the transfer of the Property as intended by the parties;
- 10.1.8. BUYER and CITY's execution of the easement deeds or agreements acceptable to BUYER and CITY for the Additional Easements.
- 10.1.9. BUYER and CITY executing an operating agreement ("**Operating Agreement**") in substantially the form attached hereto as **Exhibit E**, under which CITY will continue to operate the Improvement known as the East Mission Gorge Pump Station for an interim period on such terms and conditions as are mutually agreed by BUYER and CITY in the Operating Agreement. BUYER may waive this condition by written notice.
- 10.2. At least one (1) Business Day prior to Closing, CITY shall deposit into Escrow the following:
 - 10.2.1 the Grant Deed, duly executed and acknowledged, conveying fee simple title to the Real Property and Appurtenances to BUYER and conveying title to the Improvements to BUYER;
 - 10.2.2 the easement deeds or agreements, duly executed and acknowledged, granting the Additional Easements;
 - 10.2.3 Reserved; and
 - 10.2.4 all additional documents and instruments as are reasonably required by BUYER and/or Escrow Agent to complete the Closing.
- 10.3. At least one (1) Business Day prior to Closing, BUYER shall deposit into Escrow the following:
 - 10.3.1 Immediately Available Funds in the amount required by this Agreement;
 - 10.3.2 all other document and instruments required by this Agreement or reasonably required by CITY and/or Escrow Agent to complete the Closing; and

11. Title. At the Closing, CITY shall convey marketable fee simple title to the Property to BUYER by a Grant Deed, subject only to the Permitted Exceptions.

12. Title and Escrow Costs.

12.1. CITY is responsible for all charges for CITY's document drafting.

12.2. BUYER is responsible for the cost of a standard-coverage CLTA Title Insurance Policy in the amount of the Purchase Price, insuring that title to the fee interest in the Property is vested in the BUYER subject only to the Permitted Exceptions. BUYER may obtain an ALTA Title Insurance Policy, in which event BUYER shall pay the difference between the cost of the ALTA Title Insurance Policy and the cost of the CLTA Title Insurance Policy. BUYER is responsible for the cost of all endorsements requested by Buyer;

12.3. BUYER is responsible for all charges for BUYER'S document drafting; one hundred percent (100%) of the Escrow Agent's fee; and the usual and customary recording fees.

13. Representations and Warranties; Waivers and Releases. When making the representations and warranties set forth in this **Section 13**, each party making a representation and/or warranty represents that the same are true, correct and complete as of the Effective Date and shall be and are true, correct and complete as of the Closing Date. The representations and warranties shall survive the Closing.

13.1. "AS IS" CONDITION. BUYER ACKNOWLEDGES, REPRESENTS, WARRANTS, COVENANTS AND AGREES THAT AS A MATERIAL INDUCEMENT TO CITY TO EXECUTE AND ACCEPT THIS AGREEMENT AND IN CONSIDERATION OF THE PERFORMANCE BY CITY OF ITS DUTIES AND OBLIGATIONS UNDER THIS AGREEMENT, THAT, EXCEPT AS SPECIFICALLY PROVIDED IN THIS AGREEMENT, THE SALE OF THE PROPERTY AND IMPROVEMENTS IS AND WILL BE MADE ON AN "AS IS, WHERE IS" BASIS. CITY HAS NOT MADE, DOES NOT MAKE, AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT, FUTURE OR OTHERWISE, OF, AS TO, CONCERNING OR WITH RESPECT TO: (1) THE EXISTENCE OF HAZARDOUS MATERIALS OR MOLD UPON THE PROPERTY AND/OR IMPROVEMENTS OR ANY PORTION THEREOF; (2) GEOLOGICAL CONDITIONS, INCLUDING, WITHOUT LIMITATION, SUBSIDENCE, SUBSURFACE CONDITIONS, WATER TABLE, UNDERGROUND WATER RESERVOIRS, LIMITATIONS REGARDING THE WITHDRAWAL OF WATER AND FAULTING; (3) WHETHER OR NOT AND TO THE EXTENT TO WHICH THE PROPERTY AND/OR IMPROVEMENTS OR ANY PORTION THEREOF IS AFFECTED BY ANY STREAM (SURFACE OR UNDERGROUND), BODY OF WATER, FLOOD PRONE AREA, FLOOD PLAIN, FLOODWAY OR SPECIAL FLOOD HAZARD; (4) DRAINAGE; (5) SOIL

CONDITIONS, INCLUDING THE EXISTENCE OF INSTABILITY, PAST SOIL REPAIRS, SOIL ADDITIONS OR CONDITIONS OF SOIL FILL, OR SUSCEPTIBILITY TO LANDSLIDES, OR THE SUFFICIENCY OF ANY UNDERSHORING; (6) USES OF ADJOINING PROPERTIES; (7) THE VALUE, COMPLIANCE WITH THE PLANS AND SPECIFICATIONS, SIZE, LOCATION, AGE, USE, DESIGN, QUALITY, DESCRIPTION, DURABILITY, STRUCTURAL INTEGRITY, OPERATION, TITLE TO, OR PHYSICAL OR FINANCIAL CONDITION OF THE PROPERTY AND/OR IMPROVEMENTS OR ANY PORTION THEREOF, OR ANY RIGHTS OR CLAIMS ON OR AFFECTING OR PERTAINING TO THE PROPERTY AND/OR IMPROVEMENTS OR ANY PART THEREOF, INCLUDING, WITHOUT LIMITATION, WHETHER OR NOT THE IMPROVEMENTS COMPLY WITH THE REQUIREMENTS OF TITLE III OF THE AMERICANS WITH DISABILITIES ACT OF 1990, 42 U.S.C. §§ 12181-12183, 12186(B) – 12189 AND RELATED REGULATIONS; (8) THE PRESENCE OF HAZARDOUS MATERIALS IN OR ON, UNDER OR IN THE VICINITY OF THE PROPERTY; (9) THE SQUARE FOOTAGE OF THE PROPERTY OR THE IMPROVEMENTS THEREON; (10) IMPROVEMENTS AND INFRASTRUCTURE, INCLUDING, WITHOUT LIMITATION, THE CONDITION OF THE ROOF, FOUNDATION, FIXTURES, AND PERSONAL PROPERTY, IF ANY; (11) DEVELOPMENT RIGHTS AND EXTRACTATIONS; (12) WATER OR WATER RIGHTS; (13) THE DEVELOPMENT POTENTIAL FOR THE PROPERTY; (14) THE ABILITY OF BUYER TO REZONE THE PROPERTY OR CHANGE THE USE OF THE PROPERTY; (15) THE ABILITY OF BUYER TO ACQUIRE ADJACENT PROPERTIES; (16) THE EXISTENCE AND POSSIBLE LOCATION OF ANY UNDERGROUND UTILITIES; (17) THE EXISTENCE AND POSSIBLE LOCATION OF ANY ENCROACHMENTS; (18) WHETHER THE IMPROVEMENTS ON THE PROPERTY WERE BUILT, IN WHOLE OR IN PART, IN COMPLIANCE WITH APPLICABLE BUILDING CODES; (19) THE STATUS OF ANY LIFE-SAFETY SYSTEMS IN THE IMPROVEMENTS ON THE PROPERTY; (20) THE CHARACTER OF THE NEIGHBORHOOD IN WHICH THE PROPERTY IS SITUATED; (21) THE CONDITION OR USE OF THE PROPERTY AND/OR IMPROVEMENTS OR COMPLIANCE OF THE PROPERTY AND/OR IMPROVEMENTS WITH ANY OR ALL PAST, PRESENT OR FUTURE FEDERAL, STATE OR LOCAL ORDINANCES, RULES, REGULATIONS OR LAWS, BUILDING, FIRE OR ZONING ORDINANCES, CODES OR OTHER SIMILAR LAWS; (22) THE MERCHANTABILITY OF THE PROPERTY AND/OR IMPROVEMENTS OR FITNESS OF THE PROPERTY FOR ANY PARTICULAR PURPOSE (BUYER AFFIRMING THAT BUYER HAS NOT RELIED ON CITY'S SKILL OR JUDGMENT TO SELECT OR FURNISH THE PROPERTY FOR ANY PARTICULAR PURPOSE, AND THAT CITY MAKES NO WARRANTY THAT THE PROPERTY IS FIT FOR ANY PARTICULAR PURPOSE); AND/OR (23) ANY OTHER MATTER CONCERNING THE PROPERTY AND/OR IMPROVEMENTS. NOTWITHSTANDING THE FOREGOING OR ANYTHING TO THE CONTRARY SET FORTH IN THIS AGREEMENT, CITY IS NOT RELEASED FROM ANY LIABILITY TO BUYER FOR FRAUD OR BREACH OF ANY COVENANT, REPRESENTATION OR

WARRANTY SET FORTH IN THIS AGREEMENT. Notwithstanding anything to the contrary set forth in this Agreement, including without limitation, this **Section 13.1**, any right waived by BUYER and any release by BUYER, shall only release or waive the BUYER'S right to enforce any judgment (including without limitation, damages, attorneys' fees, costs, expenses or any other compensation of any type whatsoever) personally against only CITY and CITY'S successors, assigns, partners, affiliates and members and all their respective officers, directors, shareholders, participants, partners, affiliates, employees, representatives, invitees and agents (collectively, "**CITY'S Parties**") or any of them. BUYER is not waiving any right to bring any action against any of the "**Non-Released Parties**" (defined below) or waiving recovery against or otherwise releasing or agreeing to forego BUYER'S rights with respect to any insurance policy, or any other person (other than the right to enforce a judgment personally against any of the CITY'S Parties), including without limitation persons obligated to the CITY'S Parties, by right of subrogation or otherwise, prior owners or occupants of the Property, the tenants, persons performing work at the Property and/or any insurance policies held by any or all such persons (collectively, the "**Non-Released Parties**").

BUYER ACKNOWLEDGES THAT BUYER SHALL HAVE COMPLETED ALL PHYSICAL AND FINANCIAL EXAMINATIONS RELATING TO THE ACQUISITION OF THE PROPERTY AND IMPROVEMENTS AND WILL ACQUIRE THE PROPERTY AND IMPROVEMENTS SOLELY ON THE BASIS OF SUCH EXAMINATIONS AND THE TITLE INSURANCE PROTECTION FOR THE PROPERTY AFFORDED BY THE TITLE POLICY, EXCEPT AS SPECIFICALLY PROVIDED IN THIS AGREEMENT AND SUBJECT TO CITY'S EXPRESS REPRESENTATIONS AND WARRANTIES SET FORTH IN **SECTION 13** OF THIS AGREEMENT. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT ANY INFORMATION PROVIDED OR TO BE PROVIDED WITH RESPECT TO THE PROPERTY AND/OR IMPROVEMENTS WAS OBTAINED FROM A VARIETY OF SOURCES AND THAT CITY HAS NOT MADE ANY INDEPENDENT INVESTIGATION OR VERIFICATION OF SUCH INFORMATION AND MAKES NO REPRESENTATIONS AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION, EXCEPT AS SPECIFICALLY PROVIDED IN THIS AGREEMENT AND SUBJECT TO CITY'S EXPRESS REPRESENTATIONS AND WARRANTIES SET FORTH IN **SECTION 13** OF THIS AGREEMENT. CITY SHALL NOT BE LIABLE FOR ANY NEGLIGENT MISREPRESENTATION OR FAILURE TO INVESTIGATE THE PROPERTY OR IMPROVEMENTS NOR SHALL CITY BE BOUND IN ANY MANNER BY ANY VERBAL OR WRITTEN STATEMENTS, REPRESENTATIONS, APPRAISALS, ENVIRONMENTAL ASSESSMENT REPORTS, OR OTHER INFORMATION PERTAINING TO THE PROPERTY OR THE OPERATION THEREOF, FURNISHED BY CITY, OR ANY REAL ESTATE BROKER, AGENT, REPRESENTATIVE, EMPLOYEE, SERVANT OR OTHER PERSON ACTING ON CITY'S BEHALF EXCEPT FOR REPRESENTATIONS AND WARRANTIES EXPRESSLY PROVIDED IN **SECTION 13** OF THIS AGREEMENT. IT IS ACKNOWLEDGED AND AGREED THAT THE

PROPERTY AND IMPROVEMENTS ARE SOLD BY CITY AND PURCHASED BY BUYER SUBJECT TO THE FOREGOING. NOTWITHSTANDING THE FOREGOING OR ANYTHING TO THE CONTRARY SET FORTH IN THIS AGREEMENT, CITY IS NOT RELEASED FROM ANY LIABILITY TO BUYER FOR FRAUD OR BREACH OF ANY COVENANT, REPRESENTATION OR WARRANTY SET FORTH IN THIS AGREEMENT.

BUYER ACKNOWLEDGES AND AGREES THAT BUYER IS FULLY AWARE OF THE AGE OF THE PROPERTY AND IMPROVEMENTS, THAT OVER TIME VARIOUS EVENTS MAY HAVE OCCURRED ON THE PROPERTY WHICH EVENTS MAY BE TYPICAL AND/OR ATYPICAL OF EVENTS OCCURRING TO OTHER PROPERTIES OF SIMILAR AGE TO THE PROPERTY AND SIMILARLY LOCATED IN THE CITY OF SAN DIEGO AND/OR THE COUNTY OF SAN DIEGO, CALIFORNIA, AND THAT SUCH EVENTS MAY INCLUDE, WITHOUT LIMITATION, SLAB LEAKS, MOLD, FIRE, SHIFTING, AND VIOLATIONS OF LAWS, ORDINANCES, RULES, REGULATIONS, PERMITS, APPROVALS, LICENSES AND (OR) ORDERS OF GOVERNMENTAL AGENCIES WITH JURISDICTION OVER THE PROPERTY.

THE CLOSING OF THE PURCHASE OF THE PROPERTY BY BUYER SHALL BE CONCLUSIVE EVIDENCE THAT: (A) BUYER HAS FULLY AND COMPLETELY INSPECTED (OR HAS CAUSED TO BE FULLY AND COMPLETELY INSPECTED) THE PROPERTY AND IMPROVEMENTS; AND (B) BUYER ACCEPTS THE PROPERTY AS BEING IN SATISFACTORY CONDITION AND SUITABLE FOR BUYER'S PURPOSES; AND (C) BUYER ACCEPTS ALL THE TERMS AND CONDITIONS SET FORTH IN THIS AGREEMENT.

WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EXCEPT FOR RELIANCE ON REPRESENTATIONS AND WARRANTIES EXPRESSLY PROVIDED IN **SECTION 13** OF THIS AGREEMENT, BUYER SHALL PERFORM AND RELY SOLELY UPON ITS OWN INVESTIGATION CONCERNING ITS INTENDED USE OF THE PROPERTY AND IMPROVEMENTS, AND THE PROPERTY AND IMPROVEMENTS' FITNESS FOR THAT USE. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT CITY'S COOPERATION WITH BUYER WHETHER BY AUTHORIZING THE AGREEMENT, PROVIDING DOCUMENTS RELATING TO THE PROPERTY AND/OR IMPROVEMENTS, OR PERMITTING INSPECTION OF THE PROPERTY AND/OR IMPROVEMENTS, SHALL NOT BE CONSTRUED AS ANY WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, OF ANY KIND WITH RESPECT TO THE PROPERTY AND/OR IMPROVEMENTS, OR WITH RESPECT TO THE ACCURACY, COMPLETENESS, OR RELEVANCE OF THE DOCUMENTS PROVIDED TO BUYER BY CITY IN RELATION TO THE PROPERTY AND/OR IMPROVEMENTS, PROVIDED THAT THE FOREGOING SHALL NOT BE A LIMITATION OR MODIFICATION OF THE

REPRESENTATIONS AND WARRANTIES EXPRESSLY PROVIDED FOR IN
SECTION 13 OF THIS AGREEMENT.

CITY'S INITIALS

BUYER'S INITIALS

13.2. Indemnity and Release.

13.2.1. Introductory Provisions. For the purposes of this **Section 13**, the term “**Claims**” shall mean any and all claims, obligations, liabilities, causes of action, suits, debts, liens, damages, judgments, losses, demands, orders, penalties, settlements, costs and expenses (including, without limitation, attorneys’ fees and costs and any and all costs and expenses related to, whether directly or indirectly, any and all clean-up, remediation, investigations, monitoring, abatement, mitigation measures, fines or removal with respect to Hazardous Materials) of any kind or nature whatsoever. The definition of “**Claims**” shall include, without limitation, Claims under contract law or tort law. The BUYER acknowledges that but for BUYER’s agreement to each and every provision of this **Section 13**, CITY would not have entered into the Agreement.

13.2.2. Buyer’s Indemnity. BUYER, on behalf of itself, its successors, assigns and successors-in-interest (“**Successors**”), shall indemnify, defend, protect and hold CITY and CITY’S Parties harmless from and against any and all Claims resulting from, related to, or based upon, whether directly or indirectly: (i) the breach or alleged breach by BUYER of any representation, warranty, covenant or obligation contained in the Agreement, or in any other agreement, document, exhibit or instrument related to or referenced in this Agreement; (ii) any Claim or Claims, if the basis of such Claim or Claims arose on or after the Closing, except as noted in subparagraph (iv) below, and if the basis of such Claim or Claims arose from, is based upon, relates to or pertains to, whether directly or indirectly, the operation, management and use of the Property (except as may be otherwise provided in the Operating Agreement); (iii) any Claim or Claims which Claim or Claims (or the basis for which) arose from, is based upon, relates to or pertains to, whether directly or indirectly, any act or omission of BUYER or any of its employees, agents or representatives; and (iv) (A) any Claim or Claims that relate to the condition of the Property on or after the Close of Escrow, including any judgment, order or settlement under or otherwise pursuant to a lawsuit, and (B) any Claim or Claims that relate to defects in the Property or the structures currently on the Property (including, without limitation, patent and latent construction defects), regardless of whether the defects or the cause of the defects arose either before or after the Close of Escrow, including any judgment, order or settlement under or otherwise

pursuant to the lawsuit.

Any defense of any or all of the CITY'S Parties or referenced in this **Section 13**, shall be at BUYER'S sole cost and expense and by counsel selected by the BUYER, subject to the reasonable approval of the indemnified person, which counsel may, without limiting the rights of any of the CITY'S Parties pursuant to the next succeeding sentence of this **Section 13** also represent BUYER in such investigation, action or proceeding. If any of the CITY'S Parties that is being indemnified determines reasonably and in good faith that its defense by BUYER is reasonably likely to cause a conflict of interest or is being conducted in a manner which is prejudicial to such person's interests, such indemnified person may elect to conduct its own defense through counsel of its own choosing, subject to the reasonable approval of BUYER, and at the expense of BUYER.

Any defense of any or all of the BUYER's Parties or referenced in this **Section 13**, shall be at CITY's sole cost and expense and by counsel selected by the CITY, subject to the reasonable approval of the indemnified person, which counsel may, without limiting the rights of any of the BUYER's Parties pursuant to the next succeeding sentence of this **Section 13**, also represent CITY in such investigation, action or proceeding. If any of the BUYER's Parties that is being indemnified determines reasonably and in good faith that its defense by CITY is reasonably likely to cause a conflict of interest or is being conducted in a manner which is prejudicial to such person's interests, such indemnified person may elect to conduct its own defense through counsel of its own choosing, subject to the reasonable approval of CITY, and at the expense of CITY.

13.2.3. Release and §1542 Waiver. Notwithstanding the following or anything to the contrary set forth in this Agreement, CITY is not released from any liability to BUYER for fraud or breach of any covenant or warranty set forth in this Agreement. Subject to the immediately preceding sentence and BUYER'S right to rely on CITY'S express representations and warranties set forth in **Section 13**, BUYER for itself and on behalf of each of its successors and/or assigns (collectively, the "**Releasors**") by this general release of known and unknown claims (this "Release") irrevocably and unconditionally release and forever discharge CITY and each of CITY'S Parties (collectively, the "**Releasees**") or any of them, from and against any and all Claims of any kind or nature whatsoever, **WHETHER KNOWN OR UNKNOWN**, suspected or unsuspected, fixed or contingent, liquidated or unliquidated which any of the Releasors now have, own, hold, or claim to have had, owned, or held, against any of the Releasees arising from, based upon or related to, whether directly or indirectly any facts, matters, circumstances, conditions or defects (whether patent or latent) of all or any kinds, related to, arising from, or based upon, whether directly or indirectly, the Property, including without limitation, (i) the physical condition, quality

and state of repair of the Property conveyed, and (ii) any latent or patent defect affecting the Property conveyed, and (iii) the presence of Hazardous Materials in, on, about or under the Property or which have migrated from adjacent lands to the Property or from the Property to adjacent lands.

Except for Claims for CITY'S fraud or the breach of any representations and warranties of CITY expressly provided for in **Section 13** of this Agreement, Releasors further agree as follows:

- i. Releasors acknowledge that there is a risk that subsequent to the execution of this Agreement, Releasors may discover, incur, or suffer from Claims which were unknown or unanticipated at the time this Release is executed, including, without limitation, unknown or unanticipated Claims which, if known by Releasors on the date this Release is being executed, may have materially affected Releasors' decision to execute this Agreement. Releasors acknowledge that Releasors are assuming the risk of such unknown and unanticipated Claims and agree that this Release applies thereto. Releasors expressly waive the benefits of Section 1542 of the California Civil Code, which reads as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

- ii. Releasors represent and warrant that Releasors have been represented by independent counsel of Releasors' own choosing in connection with the preparation and review of this Release, that Releasors have specifically discussed with such counsel the meaning and effect of this Release and that Releasors have carefully read and understand the scope and effect of each provision contained in this Release. Releasors further represent and warrant that Releasors do not rely and have not relied upon any representation or statement made by any of the Releasees or any of their representatives, agents, employees, attorneys or officers with regard to the subject matter, basis or effect of this Release.
- iii. Releasors represent and warrant to Releasees that Releasors have not and shall not assign or transfer or purport to assign or transfer any Claim or Claims or any portion thereof or any interest therein, and shall indemnify, defend, protect and hold the Releasees harmless from and against any Claim or Claims based on or arising out of, whether directly or indirectly, any such assignment or transfer, or purported assignment or transfer.

CITY'S INITIALS

BUYER'S INITIALS

It is specifically intended that each of CITY'S Parties shall be third party beneficiaries of this **Section 13.2.3**.

13.2.4. Waiver of Subrogation; Survival. BUYER waives any right of subrogation as to CITY or CITY'S Parties. Each and every provision of this **Section 13** shall, except as may be expressly limited in this **Section 13**, survive the Closing and, as applicable, the termination of this Agreement, and, but for BUYER's agreement to each and every provision of this **Section 13**, CITY would not have executed this Agreement.

14. Casualty and Condemnation of the Property.

- 14.1. If between the Effective Date and the Closing there is damage to or destruction of the Property, caused by BUYER, its officers, agents, employees, contractors or invitees, the Purchase Price shall not be reduced and CITY shall not be obligated to repair or restore the Property, and BUYER shall be obligated to Close Escrow in accordance with this Agreement.
- 14.2. If between the Effective Date and the Closing Date, (i) any portion of the Property is destroyed or damaged through no fault of BUYER, or its officers, agents, employees, contractors, or invitees, and the estimated cost of restoration or repair as reasonably estimated by BUYER shall exceed **five percent** (5%) of the Purchase Price, or (ii) any condemnation or eminent domain proceeding is commenced that will result in the taking of any part of the Property, BUYER may, at BUYER'S election, either:
- a. Terminate this Agreement, regardless of whether the Due Diligence Period has expired, by giving written notice to CITY and the Escrow Agent in which event all remaining funds or other things deposited in Escrow by BUYER, including without limitation, the Deposit shall be returned to BUYER immediately from Escrow, and all fees and costs charged by the Escrow Agent shall be paid by BUYER and CITY, each as to one-half (1/2); or
 - b. Proceed with the Closing with no reduction in the Purchase Price, in which event CITY shall assign to BUYER all of CITY'S rights, titles and interests to any award made for the condemnation or eminent domain action, as applicable.
- 14.3. Notice. Upon City becoming aware of any damage or destruction to all or any portion of the Property, or if CITY obtains notice of the commencement of or the threatened commencement of eminent domain or condemnation proceedings with respect to all or any portion of the Property, CITY shall promptly notify the BUYER in writing.

15. No Broker's Commission.

- 15.1. BUYER and CITY each represent, warrant, and acknowledge that no real estate commission, finder's fee, or broker's fee has been or will be incurred or paid by either party in connection with the purchase and sale of the Property under this Agreement.
- 15.2. Reserved.
- 15.3. Reserved.
- 15.4. Survival. The rights and obligations of BUYER and CITY pursuant to this section shall survive the Closing or the termination of this Agreement.
16. Mandatory Disclosure of Business Interests. If San Diego City Charter section 225 applies, BUYER shall make a full and complete disclosure of the name and identity of each person directly or indirectly involved in the transaction contemplated by this Agreement and the precise nature of their interest, including any assignees.
17. Assignment. BUYER shall not assign any of its rights or delegate any of its duties under this Agreement without the prior written consent of CITY, which consent may be withheld or granted in CITY'S sole and absolute discretion.
18. Notices. All notices under this Agreement shall be in writing and sent (a) by certified or registered mail, return receipt requested, in which case notice shall be deemed delivered three (3) Business Days after deposit, postage prepaid in the United States Mail, (b) overnight by a nationally recognized overnight courier such as UPS Overnight, or FedEx, in which case notice shall be deemed delivered one (1) Business Day after deposit with that courier, (c) by personal delivery, in which case notice shall be deemed delivered upon the actual date of delivery, or (d) by electronic transmission, including email (which will be followed by a hard copy delivered in accordance with one of the preceding clauses (a) through (c) or via regular U.S. mail, unless the hard copy is waived by reply email from a named recipient representing the recipient party in response to a notice email). All notices shall be delivered to the following addresses:

If to BUYER:

East County Advanced Water Purification
Joint Powers Authority
Attn: Allen Carlisle, JPA Administrator
PO Box 719003
Santee, CA 92072
acarlisle@padre.org

With a copy to:
Best Best & Krieger LLP
Attn: Nicholas Norvell, Interim General
Counsel, East County AWP JPA
655 W. Broadway, Suite 1500
San Diego, CA 92101
nicholaus.norvell@bbklaw.com

If to CITY

City of San Diego
Attn: Director, Real Estate Assets Department
1200 Third Avenue, Suite 1700, MS 51A
San Diego, CA 92101
PMaus@sandiego.gov

With a copy to Mary Carlson at
City of San Diego
1200 Third Avenue, Suite 1700, MS 51A
San Diego, CA 92101
MMCarlson@sandiego.gov

The addresses above may be changed by written notice to the other party; provided however, that no notice of a change of address shall be effective until actual receipt of the notice.

19. Prorations. Real property taxes and assessments, utility costs, and other expenses of operating the Property (provided, however, no proration shall be made with regard to any capital improvements) shall be prorated as of the Close of Escrow. CITY shall pay all real property taxes and assessments applicable to the period prior to the close of Escrow, and if any such taxes are unpaid after the Close of Escrow, then CITY shall pay them within fifteen (15) Business Days after BUYER'S request (which shall include a copy of the relevant tax bill).
20. No Leasing or Marketing by CITY. CITY shall not enter into any new leases with respect to the Property, or market the Property for sale or exchange after the Effective Date, unless this Agreement is terminated pursuant to its terms.
21. Waiver. A party's failure to insist upon the strict performance of any of the other party's obligations under this Agreement, in one or more instance, shall not be construed as a waiver of any such obligation, and the same shall remain in full force and effect. A party's waiver of a default shall not be a waiver of any other default. Any waiver of a default must be in a writing executed by the non-defaulting party to constitute a valid and binding waiver. A party's delay or failure to exercise a right or seek a remedy shall not be deemed a waiver of that or any other right or remedy under this Agreement, at law or in equity. The exercise of any particular right or the use of any particular remedy for any default shall not waive the use of any other right or remedy for the same default or for another or later default. A party's failure to discover a default or take prompt action to require the cure of any default shall not result in an equitable estoppel, but the party may at any and all times require the cure of the default.
22. General Provisions.
- 22.1. Governing Law. This Agreement shall be interpreted and construed in accordance with California law, without regard to any choice of law principles.
- 22.2. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

- 22.3. Captions. The captions in this Agreement are inserted for convenience of reference and in no way define, describe or limit the scope or intent of this Agreement or any of the provisions of this Agreement.
- 22.4. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties and their respective legal representatives, successors, heirs and permitted assigns.
- 22.5. Amendments; Waiver. No amendment, modification, waiver, discharge or change of this Agreement shall be valid unless it is in writing and signed by both parties.
- 22.6. Entire Agreement. This Agreement contains the entire agreement between the parties relating to BUYER'S acquisition of the Property from CITY and all prior or contemporaneous agreements, understandings, representations or statements, oral or written, are superseded.
- 22.7. Partial Invalidity. Any provision of this Agreement which is unenforceable, invalid, or the inclusion of which would adversely affect the validity, legality, or enforcement of this Agreement shall have no effect, but all the remaining provisions of this Agreement shall remain in full effect.
- 22.8. Survival. Provisions of this **Section 22**, and all other provisions so identified, shall survive the Closing or the termination of this Agreement.
- 22.9. No Third-Party Rights. Except as provided in **Section 13**, nothing in this Agreement, express or implied, is intended to confer upon any person, other than the parties to this Agreement and their respective successors and assigns, any rights or remedies.
- 22.10. Time of Essence. Time is of the essence in this Agreement.
- 22.11. Relationship. Nothing contained in this Agreement shall be deemed or construed by the parties or by any third person to create a relationship of principal and agent or partnership or a joint venture between CITY and BUYER or between any of them and any third party.
- 22.12. CITY Approval. Where this Agreement refers to an action of consent or approval of CITY, it shall mean the consent or approval of the Mayor of the CITY, or his or her designee, unless otherwise provided.
- 22.13. Exhibits and Recitals Incorporated. All exhibits referred to in this Agreement are incorporated into this Agreement by this reference. The Recitals to this Agreement are incorporated into this Agreement by this reference.
- 22.14. Independent Counsel. CITY and BUYER each acknowledge that: (a) they have been given the opportunity to be represented by independent counsel in connection with this Agreement; (b) they have executed this Agreement with the advice of such counsel, if such counsel was retained; and (c) this Agreement is the result of

negotiations between the parties and the advice and assistance of their respective counsel, if such counsel was retained. The fact that this Agreement was prepared or negotiated by CITY'S or BUYER'S counsel as a matter of convenience shall have no import or significance. Any uncertainty or ambiguity in this Agreement shall not be construed against either party due to the fact that CITY'S or BUYER'S counsel prepared or negotiated this Agreement in its final form.

[Remainder of page intentionally blank]

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- 22.15. Capacity and Authority. All individuals signing this Agreement for a party which is a corporation, limited liability company, partnership or other legal entity, or signing under a power of attorney, or as a trustee, guardian, conservator, or in any other legal capacity, represent and warrant that they have the necessary capacity and authority to act for, sign and bind the respective entity or principal on whose behalf they are signing.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the last date written below.

EAST COUNTY ADVANCED WATER
PURIFICATION JOINT POWERS AUTHORITY

BY: _____
Allen Carlisle
General Manager/CEO of Padre Dam Municipal
Water District, Administrator of the East
County Advanced Water Purification Joint
Powers Authority

Date: _____

THE CITY OF SAN DIEGO, a California
municipal corporation

BY: _____
Penny Maus
Director, Real Estate Assets

APPROVED AS TO FORM

Mara W. Elliott
City Attorney

BY: _____
Name: _____
Title: _____
Date: _____

Exhibit A: Legal Description of Real Property
Exhibit B: Form of Bill of Sale
Exhibit C: Location of 48-Inch Gravity Sewer Feeding East Mission Gorge Pump Station
Exhibit D: Form of Grant Deed
Exhibit E: Form of Operating Agreement for East Mission Gorge Pump Station
Schedule 1

EXHIBIT A LEGAL DESCRIPTION OF PROPERTY

EXHIBIT "A" LAND SALE AND ACCESS EASEMENT RESERVATION

THAT PORTION OF LOT 1 OF THE RESUBDIVISION OF PART OF FANITA RANCHO, ACCORDING TO MAP NO. 1703, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, STATE OF CALIFORNIA, FEBRUARY 28, 1918 AND DESCRIBED IN DEED TO THE STATE OF CALIFORNIA AS FILE NO. 72380, RECORDED MARCH 28, 1972 IN THE OFFICE OF SAID RECORDER, ALONG WITH THAT PORTION OF TRACT T OF RANCHO EL CAJON BEING ALSO A PORTION OF LOT 7 OF FANITA RANCHO, ACCORDING TO MAP THEREOF NO. 790, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, DECEMBER 21, 1894, DESCRIBED AS PARCEL 28057-2, IN FINAL ORDER OF CONDEMNATION TO THE STATE OF CALIFORNIA AS DOCUMENT NO. 1995-0079132, RECORDED FEBRUARY 23, 1995, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A BRASS DISC STAMPED "CALTRANS BM 52-13.6 1984", BEING POINT NO. 147 ACCORDING TO RECORD OF SURVEY MAP NO. 14492, FILED IN THE OFFICE OF THE COUNTY RECORDER ON MARCH 31, 1994, WHICH BEARS NORTH 71°00'53" WEST 19755.94 FEET FROM A BRASS DISK STAMPED "USC&GS G 281 1955", BEING POINT NO. 54 ACCORDING TO SAID RECORD OF SURVEY MAP NO. 14492; THENCE SOUTH 72°59'42" EAST 5767.29 FEET TO A 1" IRON PIPE WITH BRASS DISC STAMPED "CAL DOT" PER RECORD OF SURVEY MAP NO. 16019, FILED IN THE OFFICE OF THE COUNTY RECORDER ON JANUARY 8, 1999, SAID POINT BEING THE NORTHWEST TERMINUS OF COURSE NO. 1 OF PARCEL 28057-1 IN FINAL ORDER OF CONDEMNATION TO THE STATE OF CALIFORNIA RECORDED FEBRUARY 23, 1995 AS DOCUMENT NO. 1995-0079132 OF OFFICIAL RECORDS, SAID POINT ALSO BEING THE SOUTHEAST CORNER OF PARCEL 28057-2 IN SAID FINAL ORDER OF CONDEMNATION AND THE SOUTHEAST CORNER OF LAND PER DEED TO THE CITY OF SAN DIEGO RECORDED AUGUST 8, 1997 AS DOC. NO. 1997-1380426 OF OFFICIAL RECORDS (CITY LAND), SAID POINT HEREINAFTER REFERRED TO AS POINT "A" AND ALSO BEING THE **TRUE POINT OF BEGINNING**;

1. THENCE ALONG THE NORTHERLY LINE OF SAID PARCEL 28057-1 AND THE SOUTHERLY LINE OF SAID PARCEL 28057-2 AND SAID CITY LINE SOUTH 86°39'57" WEST (RECORD SOUTH 86°40'21" WEST) 381.59 FEET
2. THENCE LEAVING SAID NORTHERLY LINE NORTH 00°06'23" WEST 96.24 FEET;
3. THENCE NORTH 67°54'04" EAST 135.63 FEET;
4. THENCE NORTH 00°56'01" WEST 42.44 FEET;
5. THENCE NORTH 70°06'48" EAST 142.36 FEET;
6. THENCE NORTH 89°49'39" EAST 58.22 FEET TO THE CENTER MERIDIAN LINE OF SECTION 29 IN TOWNSHIP 15 SOUTH, RANGE 1 WEST, SAN BERNARDINO BASE AND MERIDIAN;
7. THENCE ALONG SAID CENTER MERIDIAN LINE SOUTH 0°28'47" WEST 41.54 FEET TO THE NORTHERLY LINE OF SAID PARCEL 28057-2 AND SAID CITY LAND;
8. THENCE LEAVING SAID CENTER MERIDIAN LINE ALONG SAID NORTHERLY LINE SOUTH 89°54'24" EAST 67.00 FEET TO THE BEGINNING OF A TANGENT 88.00-FOOT RADIUS CURVE CONCAVE SOUTHWESTERLY;

PAGE 1 OF 3

PTS 633065

EXHIBIT A
LEGAL DESCRIPTION OF PROPERTY (continued)

9. THENCE CONTINUING ALONG SAID NORTHERLY LINE EASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 37°38'10" A DISTANCE OF 57.80 FEET;
10. THENCE CONTINUING ALONG SAID NORTHERLY LINE SOUTH 52°16'14" EAST 51.18 FEET TO THE NORTHEAST CORNER OF SAID PARCEL 28057-2 AND SAID CITY LAND AND THE BEGINNING OF A NON-TANGENT 930.00-FOOT RADIUS CURVE CONCAVE SOUTHEASTERLY, A RADIAL LINE TO SAID POINT BEARS NORTH 51°03'00" WEST;
11. THENCE ALONG THE SOUTHEASTERLY LINE OF SAID PARCEL 28057-2 AND SAID CITY LAND SOUTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 1°13'14" A DISTANCE OF 19.81 FEET;
12. THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE SOUTH 37°43'46" WEST 138.08 FEET TO THE **TRUE POINT OF BEGINNING**.

AREA = 75,187 SQUARE FEET (1.726 ACRES), MORE OR LESS

RESERVING THEREFROM AN ACCESS EASEMENT MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT SAID POINT "A"; THENCE ALONG THE SOUTHEASTERLY LINE OF SAID PARCEL 28057-2 NORTH 37°43'46" EAST 132.08 FEET TO THE **TRUE POINT OF BEGINNING**;

1. THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE NORTH 37°43'46" EAST 6.00 FEET TO THE BEGINNING OF A TANGENT 930.00-FOOT RADIUS CURVE CONCAVE SOUTHEASTERLY;
2. THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE NORTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 0°22'11" A DISTANCE OF 6.00 FEET;
3. THENCE LEAVING SAID SOUTHEASTERLY LINE NORTH 52°13'30" WEST 45.97 FEET TO THE BEGINNING OF A TANGENT 69.00-FOOT RADIUS CURVE CONCAVE SOUTHWESTERLY;
4. THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 37°52'25" A DISTANCE OF 45.61 FEET;
5. THENCE SOUTH 89°54'05" WEST 265.42 FEET;
6. THENCE SOUTH 00°56'01" EAST 12.00 FEET;
7. THENCE NORTH 89°54'05" EAST 265.24 FEET TO THE BEGINNING OF A TANGENT 57.00-FOOT RADIUS CURVE CONCAVE SOUTHWESTERLY;
8. THENCE EASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 37°52'25" A DISTANCE OF 37.68 FEET;
9. THENCE SOUTH 52°13'30" EAST 45.96 FEET TO THE **TRUE POINT OF BEGINNING**.

AREA = 4,235 SQUARE FEET (0.097 ACRES), MORE OR LESS

THE BEARINGS AND DISTANCES USED IN THE ABOVE DESCRIPTION ARE BASED ON THE CALIFORNIA COORDINATE SYSTEM OF 1983, ZONE VI (UNLESS OTHERWISE NOTED). MULTIPLY DISTANCES SHOWN BY 1.0000198 TO OBTAIN GROUND DISTANCES.

EXHIBIT A
LEGAL DESCRIPTION OF PROPERTY (continued)

ATTACHED HERETO IS CITY OF SAN DIEGO DRAWING NO. 41361-B LABELED
EXHIBIT "B" AND BY THIS REFERENCE MADE A PART HEREOF.

SIGNATURE

Joel D. Riipinen 9/16/21

JOEL D. RIIPINEN DATE
RLS 7942



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EXHIBIT A **LEGAL DESCRIPTION OF PROPERTY (continued)**

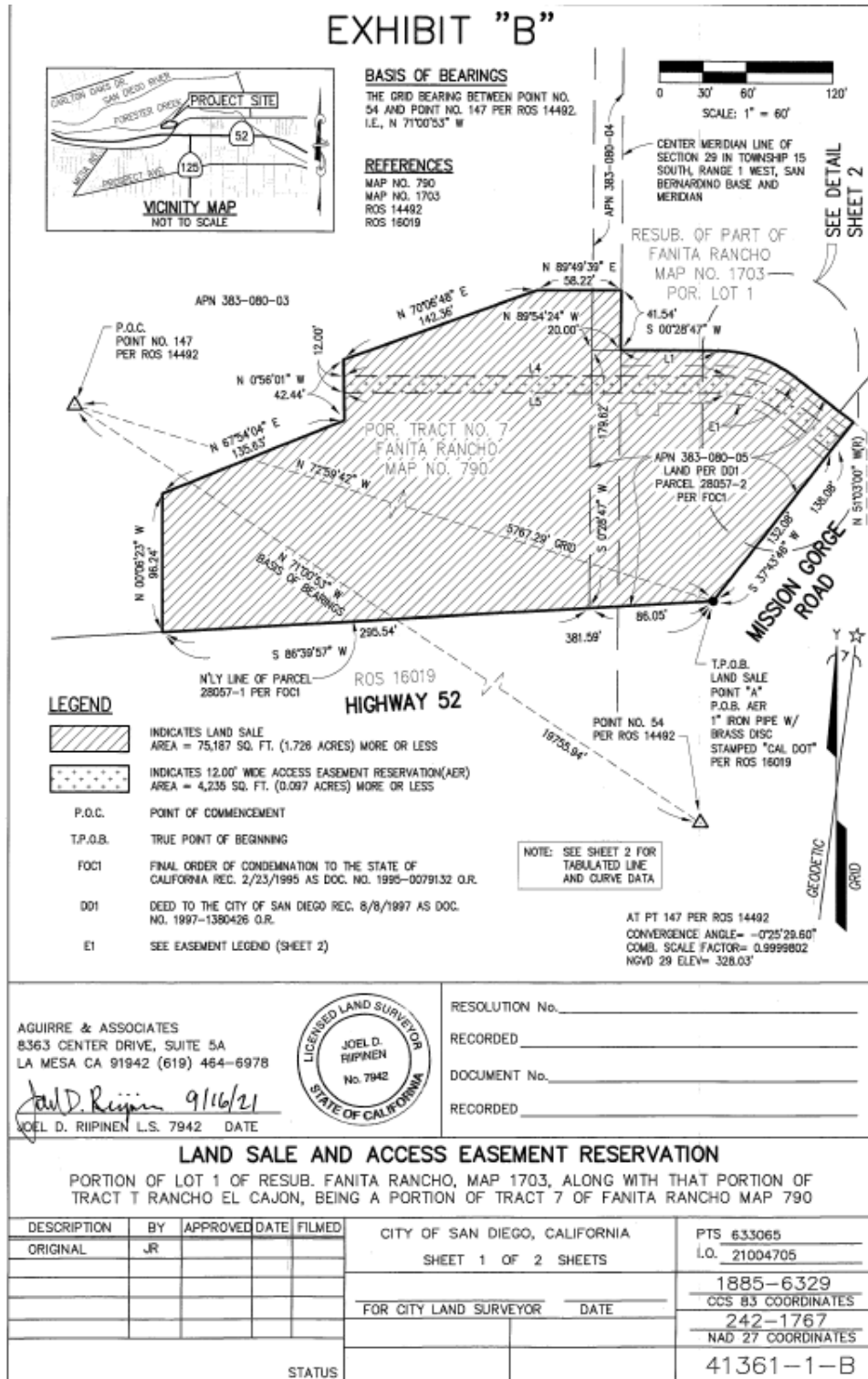
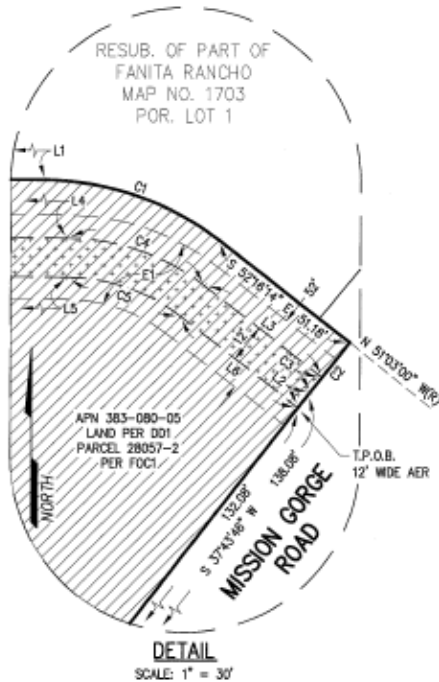


EXHIBIT A LEGAL DESCRIPTION OF PROPERTY (continued)

EXHIBIT "B"



LINE TABLE		
LINE NO.	DIRECTION	LENGTH
L1	N 89°54'24" W	67.00'
L2	N 37°43'46" E	6.00'
L3	N 52°13'30" W	45.97'
L4	S 89°54'05" W	265.42'
L5	N 89°54'05" E	265.24'
L6	S 52°13'30" E	45.96'

CURVE TABLE			
CURVE NO.	DELTA	RADIUS	LENGTH
C1	37°38'10"	88.00'	57.80'
C2	1°13'14"	930.00'	19.81'
C3	0°22'11"	930.00'	6.00'
C4	37°52'25"	69.00'	45.61'
C5	37°52'25"	57.00'	37.88'

EASEMENT LEGEND

E1 A RIGHT-OF-WAY EASEMENT IN FAVOR OF PADRE DAM
MUNICIPAL WATER DISTRICT REC. 5/3/2001 AS DOC.
NO. 2001-0279319 O.R.

AN ACCESS EASEMENT IN FAVOR OF THE CITY OF SAN DIEGO
REC. 10/25/2012 AS INST. NO. 2012-0658045 O.R. IS NOT
PLOTTABLE.

NO OTHER EASEMENTS APPEAR TO BE IN THE VICINITY OF THE
PERMANENT ACQUISITION AREA.

EASEMENT DATA HEREON IS DISCLOSED IN ENT TITLE
COMPANY OF CALIFORNIA PRELIMINARY REPORT ORDER NO.
CA18143433 A DATED DECEMBER 28, 2018 AT 7:30 AM.

GUIRRE & ASSOCIATES
363 CENTER DRIVE, SUITE 5A
A MESA CA 91942 (619) 464-6978

Joel D. Ripinen 9/16/21
JOEL D. RIIPINEN L.S. 7942 DATE



RESOLUTION No. _____

RECORDED _____

DOCUMENT No. _____

RECORDED _____

LAND SALE AND ACCESS EASEMENT RESERVATION

PORTION OF LOT 1 OF RESUB. FANITA RANCHO, MAP 1703, ALONG WITH THAT PORTION OF
TRACT 7 OF FANITA RANCHO MAP 790

DESCRIPTION	BY	APPROVED DATE	FILMED	CITY OF SAN DIEGO, CALIFORNIA	PTS 633065
ORIGINAL	JR			SHEET 2 OF 2 SHEETS	I.O. 21004705
				FOR CITY LAND SURVEYOR	1885-6329
				DATE	CCS 83 COORDINATES
					242-1767
					NAD 27 COORDINATES
					41361-2-B
STATUS					

Exhibit B: Form of Bill of Sale

BILL OF SALE

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, the City of San Diego, a California municipal corporation ("CITY") does hereby convey to East County Advanced Water Purification Joint Powers Authority, a California joint powers agency ("BUYER"), any and all of CITY's right, title and interest in the items described on "**Exhibit A**" ("**Personal Property**"), attached hereto and incorporated herein.

DISCLAIMER: THE PERSONAL PROPERTY IS CONVEYED BY CITY AND ACCEPTED BY BUYER AS-IS, WHERE-IS, AND WITHOUT ANY REPRESENTATIONS OR WARRANTIES OF ANY NATURE WHATSOEVER, EXPRESS OR IMPLIED, IT BEING THE INTENTION OF CITY AND BUYER EXPRESSLY TO NEGATE AND EXCLUDE ALL WARRANTIES, INCLUDING WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE, WARRANTIES CREATED BY ANY AFFIRMATION OF FACT OR PROMISE OR BY ANY DESCRIPTION OF THE PROPERTY CONVEYED HEREUNDER, AND ALL OTHER REPRESENTATIONS OR WARRANTIES WHATSOEVER CONTAINED IN OR CREATED BY THE UNIFORM COMMERCIAL CODE OF THE STATE OF CALIFORNIA.

IN WITNESS WHEREOF, this Bill of Sale is effective when signed by the City of San Diego City Attorney.

CITY:

City of San Diego,
a California municipal corporation

By: _____
Name: _____
Title: _____

BUYER:

By: _____
Name: _____
Title: _____

Approved as to form:
Mara W. Elliott, City Attorney

BY: _____
Name: _____
Title: _____
Date: _____

Exhibit A to Bill of Sale

(Schedule I)

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Exhibit C Location of 48-Inch Gravity Sewer Feeding East Mission Gorge Pump Station



Exhibit D: Form of Grant Deed

RECORDING REQUESTED BY,
AND WHEN RECORDED MAIL TO:
East County Advanced Water Purification
Joint Powers Authority
P.O. Box 719003
Santee, CA 92072

APN 383-080-05, 383-080-03 (por.), and
383-080-04 (por.)

SPACE ABOVE FOR RECORDER'S USE ONLY
The Undersigned Grantor(s) Declare(s):
Exempt from recording fee and documentary transfer tax pursuant to Calif.
Gov. Code §27383, 6103

GRANT DEED

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby
acknowledged,

THE CITY OF SAN DIEGO,
A CALIFORNIA MUNICIPAL CORPORATION (“GRANTOR”),

HEREBY GRANTS TO

**EAST COUNTY ADVANCED WATER PURIFICATION JOINT POWERS
AUTHORITY**

a California joint powers agency (“GRANTEE”),

ALL THAT REAL PROPERTY, in fee title together with all rights and appurtenances thereto,
and subject to all encumbrances of record, located in the City of San Diego, County of San Diego,
State of California, and more particularly described in Exhibit A and depicted in Exhibit B (the
“Property”):

GRANTOR reserves to GRANTOR and its heirs, successors and assigns a permanent access
easement (“Easement”) on, over, under, across and through the entirety of the Property, together
with the right of pedestrian and motorized vehicle ingress and egress to the Easement from the
nearest public right of way and more particularly described and depicted on the attached Exhibit A.

If, within **twenty five (25) years** from recordation of this Grant Deed, GRANTEE ceases to
operate the Property for the East County Advanced Water Purification Program GRANTOR shall
have the option to purchase the Property at the then current market value. GRANTEE shall give
written notice to GRANTOR (“Notice of Intent to Cease Operation”) no later than **six months**
prior to ceasing operations. GRANTOR will notify GRANTEE, in writing, of its decision whether
or not to exercise its right to purchase the Property within **thirty (30) business** days of receipt of

GRANTEE's Notice of Intent to Cease Operation. If GRANTOR elects to exercise this right to purchase the Property, the Parties shall agree on a mutually acceptable appraiser within **fifteen (15) Business Days** and draft joint appraisal instructions to obtain an appraised value of the Property. GRANTOR shall pay for the appraisal. GRANTOR shall have **thirty (30) Business Days** to review the appraisal and determine if GRANTOR will exercise its option to purchase the Property. If the GRANTOR elects to purchase the Property, the Parties shall move forward with negotiating an agreement to transfer the Property, and obtain the appropriate approvals from the City Council and other applicable governing bodies.

If GRANTEE fails to operate the Property for the East County Advanced Water Purification Program on or before the five **(5) year** anniversary from the date of recording of this Grant Deed, GRANTOR shall have the right, at GRANTOR'S sole discretion to demand that the GRANTEE's interest in the Property terminate. If GRANTOR elects to exercise this power of termination, GRANTOR shall notify GRANTEE in writing no later than **ninety (90) days** after the five **(5) year** anniversary of the recording of the Grant Deed. Upon receipt of such notice, GRANTEE shall execute and deliver a Grant Deed to the GRANTOR, transferring all of GRANTEE's rights, interests, and ownership in the Property to the GRANTOR; provided, however, that delivery of such Grant Deed shall be conditioned upon re-payment by GRANTOR of the Purchase Price paid by GRANTEE for the Property. If GRANTOR fails to exercise its power of termination by providing written notice on or before **ninety (90) days** after the five **(5) year** anniversary of the recording of the Grant Deed, the power of termination shall terminate and be of no further force and effect.

GRANTEE shall have the right to freely use the Property at GRANTEE's own risk for any purpose that is not conflicting, interfering, inconsistent or incompatible with the rights reserved by GRANTOR herein.

The provisions of this Grant Deed shall inure to the benefit of and bind the respective successors and assigns of the parties and entities stated herein.

IN WITNESS WHEREOF, this Grant Deed is executed to be effective upon its recordation in the Official Records of San Diego County, California.

San Diego City Council Authorizing Resolution No. _____

Date of Final Passage: _____

GRANTOR:

THE CITY OF SAN DIEGO, a California municipal
corporation

Approved as to form:

Mara W. Elliott, City Attorney

BY: _____

Penny Maus

Director, Real Estate Assets

BY: _____

Name: _____

Title: _____

Date: _____

Date: _____

DRAFT

[Deed]

NOTARY

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)

COUNTY OF _____)

On _____ (date) before me, _____

(name and title of the officer) personally appeared _____

_____ (name(s) of signer(s)), who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

Exhibit E: Form of Operating Agreement for East Mission Gorge Pump Station

[To follow on next pages]

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**TEMPORARY OPERATING AGREEMENT BETWEEN THE EAST COUNTY
ADVANCED WATER PURIFICATION JOINT POWERS AUTHORITY AND
THE CITY OF SAN DIEGO FOR THE EAST MISSION GORGE PUMP
STATION AND FORCE MAIN**

This Temporary Operating Agreement (this “**Agreement**”) is made and entered into as of _____, 20____ (“**Effective Date**”) by and between the East County Advanced Water Purification Joint Powers Authority (“**JPA**”), a California joint powers agency, and the City of San Diego, a California charter city (“**City**”). JPA and City may be referred to herein individually as a “**Party**” and collectively as the “**Parties**.”

RECITALS

A. The JPA is a California joint powers agency established by a Joint Exercise of Powers Agreement among Padre Dam Municipal Water District, the City of El Cajon and the San Diego County Sanitation District for the purpose of financing, designing, constructing and operating the East County Advanced Water Purification Project (hereinafter referred to as the “**Project**”).

B. The City is a California charter city that owns and operates various wastewater conveyance, treatment, and disposal facilities.

C. Pursuant to a Purchase and Sale Agreement and Joint Escrow Instructions dated as of _____ between the JPA and the City, the JPA has purchased the property located at Assessor’s Parcel Numbers (APNs): portions of 383-080-03 and 383-080-04, and 383-080-05, including wastewater conveyance improvements located on the property and commonly known as the East Mission Gorge Pump Station (“**EMGPS**”).

D. Prior to retrofitting and operating the EMGPS as part of the Project, the JPA desires for the City to continue to operate the EMGPS on a temporary basis following close of escrow, and City agrees to provide such temporary services pursuant to the terms and conditions described in this Agreement.

AGREEMENT

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. Definitions.

Administrator means Padre Dam Municipal Water District, as Interim Administrator or Administrator of the JPA.

Applicable Law means: (1) any federal, state or local statute, law, code, ordinance or regulation, including without limitation, the Clean Water Act (33 U.S.C. § 1251 et seq.) and the Porter-Cologne Water Quality Control Act (Water Code, § 13000 et seq.); (2) any formally adopted and generally applicable rule, requirement, determination, standard, practice, policy, guidance, implementation schedule, or other order of any Governmental Body having appropriate jurisdiction over the EMGPS; (3) any established interpretation of law or regulation utilized by an appropriate Governmental Body if such interpretation is documented in writing by such Governmental Body and generally applicable;

(4) any Governmental Approval; and (5) any consent order or decree, settlement agreement or similar agreement between the City or JPA and the State, United States Environmental Protection Agency, the State Water Resources Control Board or San Diego Regional Water Quality Control Board or any other Governmental Body. The items listed as (1) through (5) above constitute Applicable Law when they have the force or effect of law and are applicable from time to time to: (a) the siting, permitting, design, acquisition, construction, equipping, financing, ownership, possession, start-up, testing, operation, maintenance, repair, replacement or management of the EMGPS; (b) the conveyance, storage or discharge of influent and effluent wastewater to and from the EMGPS; (c) the air emissions from the EMGPS; (d) the health and welfare of individuals at or visiting the EMGPS; and (e) any other transaction or matter contemplated hereby (including any of the foregoing which pertain to wastewater collection or conveyance, health, safety, fire, environmental protection, labor relations, building codes, the payment of prevailing or minimum wages and non-discrimination).

Contract Standards means the standards, terms, conditions, methods, techniques, and practices imposed or required by: (1) Applicable Law; (2) Permits; (3) Prudent Industry Practice; (4) applicable equipment manufacturers' specifications; (5) applicable Insurance Requirements; and (6) any other standard, term, condition or requirement provided in this Agreement.

City's Representative means John Stufflebean or his authorized designee.

EMGPS means the improvements and facilities known as the East Mission Gorge Pump Station and the real property on which it is located. The EMGPS generally consists of the buildings, structures, facilities, equipment, the associated supervisory control and data acquisition and telemetry systems, the roads, grounds, fences and landscaping appurtenant thereto, utilized for conveyance of wastewater from the 48-inch diameter gravity sewer pipe located adjacent to the EMGPS to the North Mission Valley Interceptor when observed instantaneous flows in the gravity sewer pipe exceed 26 MGD. For purposes of this Agreement, "EMGPS" also includes the approximately 265-foot long, 48-inch diameter gravity sewer pipe feeding the East Mission Gorge Pump Station. The EMGPS, including the gravity sewer pipe, is shown on Exhibit A, attached hereto and incorporated herein.

EMGFM means the approximately 8-mile long pipeline (which includes force main and gravity portions) extending from the property on which the EMGPS is located to the North Mission Valley Interceptor

Effective Date means the date this Agreement becomes effective, which shall be set forth above in the preamble, and which shall be the same date as the date of "Closing" as that term is used in the Purchase and Sale Agreement.

Emergency means an unplanned and unanticipated event, which threatens the continued functioning of the EMGPS or threatens a violation of any Contract Standard.

Emergency Repair means an unplanned and unanticipated repair or maintenance activity, which must be conducted immediately to ensure the continued functioning of the EMGPS.

Extended Term means the period of time during which time this Agreement may be extended by mutual written agreement of the Parties for up to one (1) additional one (1) year term as further described in Section 15.

Governmental Approval means all orders of approval, Permits, licenses, authorizations, consents, certifications, exemptions, registrations, rulings, entitlements and similar approvals issued by a Governmental Body of whatever kind and however described, which are required under Contract Standards to be obtained or maintained by any person with respect to the EMGPS or to the services provided pursuant to this Agreement.

Governmental Body means any federal, State, regional or local legislative, executive, judicial, regulatory or other governmental board, agency, authority, commission, administration, court or other body, or any official thereof having jurisdiction over the EMGPS, including without limitation the United States Environmental Protection Agency, the State Water Resources Control Board, and the San Diego Regional Water Quality Control Board.

Incident means the failure of a single unit of equipment, structure or improvement, or part thereof, constituting part of the EMGPS, that causes an adverse impact either immediately or in the long term on the integrity or the functionality of that item or part thereof, and which failure is not the result of the City's negligence or failure to perform its Normal Maintenance obligations.

Initial Term means the one (1) year period beginning on the Effective Date.

Insurance Requirements means any rule, regulation, code, or requirement issued by any insurance company that has issued a policy of Required Insurance under this Agreement, compliance with which is a condition to the effectiveness of such policy.

JPA's Representative means CEO/General Manager of the Administrator, Allen Carlisle, or his authorized designee.

Major Maintenance means reparative, corrective, or replacement activities required for operation continuity, safety and performance or to avert a failure of the equipment, vehicles or facilities or some component of the EMGPS and costing more than \$3,000.00 incident, not including labor or overhead provided by City.

Normal Maintenance means routine inspections and preventative, reparative and corrective actions to address normal wear, tear and usage or required or recommended by the equipment or facility manufacturer or by the JPA or City to maximize the useful life of equipment, vehicles and facilities and shall be limited to \$3,000.00 per incident, not including labor or overhead provided by City.

Operations and Management Report means the monthly reports submitted to the JPA by the City as required by Section 10 of this Agreement.

Permit means any permit, order, decree, or similar document issued by any Governmental Body having jurisdiction over the EMGPS.

Proceedings means any administrative, civil or criminal, action, suit, litigation, arbitration, or other legal or equitable proceeding having a bearing on this Agreement or on the operation or maintenance of the EMGPS, and all appeals therefrom.

Prudent Industry Practice means those methods, techniques, standards and practices, which, at the time they are to be employed and in light of the circumstances known or reasonably believed to exist at such time, are generally recognized and accepted as prudent operation, maintenance, repair, replacement, monitoring and management practices in the municipal wastewater industry as observed in the United States.

Purchase and Sale Agreement means that certain Purchase and Sale Agreement and Joint Escrow Instructions by and between the JPA and City dated on or about _____, 2021.

Required Insurance means the insurance required to be provided by the City and JPA in accordance with Section 24 of this Agreement.

State means the State of California.

Uncontrollable Circumstance means any act, event or condition that (1) is beyond the reasonable control of the Party relying on it as justification for not performing an obligation or complying with any condition required of such Party under this Agreement, and (2) materially expands the scope of, materially interferes with, or materially delays the performance of the Party's obligations under this Agreement to the extent that such act, event or condition is not the result of the intentional or negligent act, error, omission, failure to exercise reasonable diligence, or breach of this Agreement on the part of the Party claiming the occurrence of an Uncontrollable Circumstance. By way of example, Uncontrollable Circumstance shall include, but not be limited to, naturally occurring events such as landslides, underground movement, earthquakes, lightening, fire, hurricane, flood, epidemics, terrorism, sabotage and labor disputes. By way of example, Uncontrollable Circumstance shall not include any act, event or circumstance that would not have occurred if the Party had complied with its obligations under this Agreement, the consequences of error, neglect or omissions, impacts of prevailing wage or similar laws, fluctuations in market conditions or prices, weather conditions that should in the exercise of reasonable care be expected based on historical weather records, and power outages caused by the fault of the Party relying on the event as an excuse or for an extension.

2. Services Generally.

a. Commencing on the Effective Date, City shall operate, manage, maintain and monitor the EMGPS on a twenty-four (24) hour per day, seven (7) day per week basis and shall collect, receive, and convey wastewater and otherwise operate, manage, maintain and monitor the EMGPS in compliance with the Contract Standards.

b. City shall operate, manage, maintain and monitor the EMGPS with a sufficient number of qualified personnel who meet federal and State licensing and certification requirements under a staffing plan consistent with the City's operation and maintenance of the EMGPS prior to the Effective Date.

c. City shall operate, manage, maintain and monitor the EMGPS in such a manner as to prevent wastewater from contaminating, bypassing, releasing, discharging, leaking or spilling on or into the environment, in accordance with the Contract Standards.

d. City shall keep and maintain such logs, records, testing results and other documents as are necessary or appropriate to comply with the Contract Standards and consistent with the City's operation and maintenance of the EMGPS prior to the Effective Date.

e. For the avoidance of doubt, City shall continue to be responsible for the inspection, monitoring, operation, and maintenance of wastewater conveyance facilities related to the EMGPS that remain under the ownership of the City. Such improvements may include, but not be limited to, the EMGFM and meters used to measure Metro System flows. Notwithstanding any other provision of this Agreement, in the event that the EMGFM is transferred to the JPA concurrently with the EMGPS or at another time during the term of this Agreement, the EMGFM shall be included within the definition of EMGPS for all purposes under this Agreement except as expressly provided otherwise.

3. Normal Maintenance.

a. City shall perform or cause to be performed all Normal Maintenance of the machinery, equipment, structures, improvements and all other property constituting the EMGPS, in accordance with this Agreement and shall keep the EMGPS in good working order, condition and repair at all times.

b. City shall complete all Normal Maintenance activities in a professional and workmanlike manner and shall warrant that all materials and equipment furnished under this Agreement as part of Normal Maintenance shall be new, unless otherwise permitted by the JPA, and free of any defect whether provided by the City or any subcontractor or supplier. The City shall remedy at its expense any damage to the EMGPS caused by any warranted work, negligent act or omission of City or any subcontractor hired by City.

4. Major Maintenance.

The JPA shall be responsible for Major Maintenance, for activities undertaken to significantly increase efficient capacity or expected service life, and for planned and non-routine expenditures that are otherwise budgeted for by the JPA. Except as otherwise provided in this Agreement for the provision of Emergency Repairs, City shall submit to the JPA a request for all Major Maintenance activities and shall obtain prior written approval from the JPA before undertaking any activity constituting Major Maintenance. A request for Major Maintenance shall describe the nature of the activity, the reason for the requested activity, the estimated cost of the activity together with documentation supporting the estimate, and whether the City or another entity can undertake the activity. The JPA may approve, approve with modifications, or deny the requested Major Maintenance activity in writing, which writing may constitute the terms and conditions of a separate agreement. If approved or approved with modifications, the JPA may coordinate the completion of such Major Maintenance activity with the City, subject to the JPA's compliance with Applicable Law. The JPA is under no obligation to engage City in any Major Maintenance activity.

Notwithstanding the above, in the event the EMGFM is considered part of the EMGPS as provided in Section 2(e), then pursuant to the cost-sharing arrangement between the JPA and the City as set forth in that certain Residuals Management and Disposal Agreement dated February 2, 2021, the City shall be responsible for 40% of the costs of Major Maintenance performed on the EMGFM during the term of this Agreement.

5. Specific Monitoring Responsibilities.

City shall continue its inspection and monitoring program applicable to the EMGPS during the term of this Agreement. Notwithstanding the generality of the foregoing, the inspection and monitoring program shall include surveillance of the EMGPS for functioning pump unit operation including all electrical, SCADA and control, instrumentation, screening, odor control, and all related systems to properly operate the facility, main breaks, valve box damage, valve operability, visible damage to other appurtenances and facilities, entry hatches, vent screens, overflows, storage infrastructure and facilities, and other appurtenances. The inspection and monitoring program shall include, but not be limited to monitoring equipment used in the operation, management, maintenance and monitoring of the EMGPS and which were purchased by the JPA under the Purchase and Sale Agreement.

6. Emergency Response.

a. At all times, City shall be available to and shall respond promptly to all Emergencies, including any unauthorized release, discharge, leak or spill of wastewater as required by Contract Standards. City shall be responsible for performing or causing to be performed all Emergency Repairs. City shall promptly notify the JPA's Representative of all Emergencies, but in no case more than six (6) hours after City becomes aware of an Emergency.

b. During an Emergency, City may conduct any repair to any unit of equipment, even if the cost to repair such unit of equipment exceeds \$3,000.00, exclusive of labor and overhead, without obtaining prior approval from the JPA. City must secure prior approval from the JPA unless the Emergency precludes obtaining such approval. When prior approval is infeasible, within ten (10) days after completing an Emergency Repair whose cost per Incident exceeds \$3,000.00, exclusive of labor and overhead, City shall submit a report to the JPA describing the nature of the Emergency, any known or suspected cause of the Emergency, the nature of the repairs, the cost of equipment, materials and/or supplies required for the repair, and the expected life of the repair. Compensation for an Emergency Repair shall be as provided in Section 11(f) of this Agreement.

c. During the term of this Agreement, City shall continue use of an emergency response plan that complies with the Contract Standards.

d. Response to Unauthorized Release, Discharge, Leak, or Spill. Upon the occurrence of any unauthorized release of wastewater into the environment from or in connection with its operation, management, maintenance and monitoring of the EMGPS, City shall take the following actions:

(i) Notify all Governmental Bodies with jurisdiction over the EMGPS in accordance with Contract Standards and fulfill all applicable reporting requirements established by the Contract Standards with respect thereto.

(ii) Immediately following the initial notification of the applicable Government Body(ies), or to the extent practicable, concurrently therewith, City shall notify the JPA of any such unauthorized release.

(iii) Prepare a memorandum evidencing such notification and reporting and provide copies thereof to the JPA, together with any documents provided to the relevant Governmental Body(ies) regarding the release.

(iv) Coordinate with the JPA and all appropriate Governmental Bodies in effectuating the prompt remediation of any unauthorized release in accordance with Contract Standards.

7. Safety.

City shall administer a formal safety program including written procedures and policies to ensure compliance with Contract Standards.

8. Security.

City shall continue to implement reasonable security procedures and protocols to ensure security of the EMGPS against security threats in compliance with Contract Standards. Fences and locks shall be maintained in neat order and with proper structural integrity. City shall cooperate with JPA to ensure full access to the EMGPS by the JPA and its agents, employees, contractors, and other representatives at all times.

9. License Management.

City shall ensure that all federal State and local approvals, licenses, and certifications necessary to operate, manage, maintain and monitor the EMGPS are current and in full force and effect. The JPA shall be responsible for costs associated with obtaining permits, approvals, licenses and certifications necessary for operating the EMGPS incurred after the Effective Date, but shall not be responsible for the costs associated with personnel certifications, licenses or approvals. City shall be responsible for the costs associated with obtaining approvals, licenses and certifications for personnel.

10. Reporting Responsibilities.

City shall submit to the JPA a monthly report by the 15th of each month and shall fulfill other reporting requirements in accordance with Contract Standards. The report shall include information the following topics: (a) wastewater conveyance activities, including all testing and monitoring activities; (b) Normal and Major Maintenance Activities, including any inspections conducted and the results of those inspections; (c) actual or threatened fines, penalties, and consent orders; (d) any community complaints; (e) forecast of future activities or issues; (f) overtime hours worked in excess of the amount

anticipated under this Agreement and the reason therefor; (g) analysis of the effectiveness of repairs, replacements, or upgrades performed; (h) the logs, records, testing results and other documents prepared or retained under Section 2(d) and (i) other relevant information, including Emergencies addressed.

11. Compensation.

a. Subject to paragraph 11(b) below, the JPA shall pay for such services in accordance with the Schedule of Charges set forth in Exhibit B. Payments may be made by the Administrator on behalf of the JPA. Exhibit B also includes an estimate of the number of hours required for each position identified therein related to the services under this Agreement.

b. Except as provided in Section 13, the total amount paid for services rendered by City under this Agreement shall not exceed the sum of \$_____ [amount to be established based on Schedule of Charges and estimated number of hours/expenses for the full Initial Term]. Periodic payments shall be made within 30 days of receipt of an invoice which includes a detailed description of the work performed and expenses incurred. Payments to City for work performed will be made on a monthly billing basis.

c. In the event an invoice contains hours in excess of the amount estimated in Exhibit B, the invoice will contain or be accompanied by an explanation for the additional overtime hours and state the dates, times, hours worked, employee who incurred the overtime hours, and the reason therefor. Compensation for overtime hours shall be invoiced according to the rates set forth in Exhibit B to this Agreement.

d. The JPA shall bear electric utility costs incurred to operate, manage, maintain and monitor the EMGPS.

e. City shall not be entitled to compensation for any repair or maintenance activity if JPA approval is required under this Agreement and the City fails to obtain such approval.

f. City shall be entitled to compensation for Emergency Repairs, subject to the requirements in Section 6(b) of this Agreement and provided that the need for such Emergency Repairs was not caused in whole or part by the error or omission of City, its employees or its subcontractors.

Notwithstanding the above, in the event the EMGFM is considered part of the EMGPS as provided in Section 2(e), then pursuant to the cost-sharing arrangement between the JPA and the City as set forth in that certain Residuals Management and Disposal Agreement dated February 2, 2021, the City shall be responsible for 40% of the costs of Emergency Repairs performed on the EMGFM during the term of this Agreement.

12. Maintenance of Records.

a. Books, documents, papers, accounting records, and other evidence pertaining to costs incurred shall be maintained by City and made available at all reasonable times during the contract period and for four (4) years from the date of final payment under the contract for inspection by JPA.

b. City shall maintain records supporting the Operations & Management Report, including an inventory of all equipment and all spare parts available for Normal Maintenance activities and records of all requests to the City for Major Maintenance. City shall make such records available to the JPA for inspection at all reasonable times.

13. Time of Performance; Term.

The City shall perform its services in a prompt and timely manner beginning on the Effective Date. The Initial Term of the Agreement shall be one (1) year, beginning on the Effective Date. The term may be extended by mutual written agreement of the Parties for up to one (1) additional one (1) year term. Such Extended Term may be approved in a writing signed by the CEO/General Manager of the JPA's Administrator and by the Mayor of the City of San Diego or his or her authorized designee, without further approval by the Parties' governing bodies. In the event the Extended Term is approved, the not-to-exceed amount set forth in Section 11 shall be increased by \$_____ [insert same amount as used in Section 12(b)].

14. Termination.

a. JPA has the right to terminate this Agreement or request City to cease providing all or a portion of the services under this Agreement by giving sixty (60) calendar days written notice to City. City shall not be entitled to payment for unperformed services, and shall not be entitled to damages or compensation for early termination of the Agreement by JPA.

b. City may terminate its obligation to provide services under this Agreement only in the event of failure by JPA to materially perform under this Agreement through no fault of City after City has provided sixty (60) days' written notice and opportunity to cure, and JPA has failed to cure or commence reasonable efforts to cure within such time. JPA shall pay City for services rendered prior to termination. City shall not be entitled to payment for unperformed services.

15. Procedures Upon Expiration or Termination

a. In anticipation of any expiration or termination of this Agreement, including expiration of the Initial and Extended Terms, the JPA may take any and all actions necessary or desirable for the JPA to operate, manage, maintain and monitor EMGPS, including entering into negotiations or contracts with other operators and contractors.

b. During the sixty (60) days preceding expiration or termination of this Agreement, City shall, at the request of the JPA, provide for effective continuity of service and the smooth and orderly transition of management to the JPA or to a subsequent operator designated by the JPA. Such service shall include providing technological advice and support and delivering any plans, drawing, renderings, operating manuals, maintenance records, computer programs, data, software licenses, software, spare parts, documents and any other information useful or necessary for the continued operation, management, maintenance and monitoring of the EMGPS. In addition, City shall take the following actions:

(i) promptly provide designated JPA employees and contractors with a one-time training program relating to the operation, management, maintenance and monitoring of the EMGPS; the training program shall last for one week or such other period of time as the Parties may reasonably agree is necessary to train the JPA representatives on the operation, management, maintenance and monitoring of the EMGPS;

(ii) promptly take all action necessary to protect and preserve the EMGPS;

(iii) promptly remediate any unauthorized release, discharge, leak or spill in accordance with Contract Standards;

(iv) promptly deliver to the JPA a list of all supplies, materials, machinery, equipment, property and special order items delivered or fabricated but not yet incorporated into the EMGPS;

(v) promptly provide the JPA with a reasonable supply of chemicals and spare parts in light of the nature and condition of the EMGPS;

(vi) promptly provide the JPA with a list of all files relevant to the EMGPS and access and security codes with instructions and demonstrations showing how to open and change such codes;

(vii) promptly provide the JPA with all documents, books, records and other materials relating to the performance of work under this Agreement;

(viii) promptly provide the JPA with copies of any contracts and purchase orders, together with a statement of the items ordered and not yet delivered for each contract, the expected delivery date of all such items, the total cost of each contract and the terms of payment, and the estimated cost of canceling each contract;

(ix) promptly assign to the JPA any contract that the JPA elects, in writing and in its sole discretion, to have assigned to it;

(x) enter into no further contracts or contracts related to EMGPS unless the JPA directs otherwise;

(xi) promptly transfer to the JPA all warranties given by any manufacturer or contractor (to the extent they were not already transferred pursuant to the Purchase and Sale Agreement);

(xii) promptly take such other actions as may be necessary to effectuate and confirm the foregoing matters, to ensure the continued operation of the EMGPS, or as may be necessary or desirable to minimize the JPA's costs; and

(xiii) promptly transfer possession and control of all real property, improvements, and personal property, including equipment, materials and, supplies, purchased by the JPA from the City

pursuant to the Purchase and Sale Agreement, but which City has continued to possess or control for the purpose of performing this Agreement.

16. Cooperation and Communications.

The Parties shall communicate promptly and professionally regarding the performance of this Agreement and operation and condition of the EMGPS. City will communicate directly with the JPA's Representative regarding the performance of any work requiring JPA's approval under this Agreement.

17. Representatives.

a. The JPA hereby designates Allen Carlisle, or his designee, to act as its representative for the performance of this Agreement. JPA's Representative shall have the power to act on behalf of the JPA for all purposes under this Agreement.

b. The City hereby designates John Stufflebean, or his designee, to act as its representative for the performance of this Agreement. City's Representative shall have fully authority to represent and act on behalf of the City for all purposes under this Agreement.

18. Delays in Performance.

Neither JPA nor City shall be considered in default of this Agreement for delays in performance caused by an Uncontrollable Circumstance. Should such circumstances occur, the non-performing party shall, within a reasonable time of being prevented from performing, give written notice to the other party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement. The non-performing party shall make best efforts to resume performance.

19. Compliance with Law.

a. City shall comply with Applicable Law, including Cal/OSHA requirements, in the performance of this Agreement.

b. If required, City shall assist the JPA, as requested, in obtaining and maintaining all permits required of City by federal, state and local regulatory agencies. Such assistance shall be subject to compensation in accordance with this Agreement.

c. If applicable, City is responsible for all costs of clean up and/ or removal of hazardous and toxic substances spilled as a result of the error or omission of City, its employees or its subcontractors.

20. Remedies for Nonperformance.

a. On the occurrence of any unauthorized release, discharge, leak or spill of wastewater influent, effluent or residuals into the environment from or in connection with City's operation, management, maintenance or monitoring of the EMGPS, the JPA shall have the right to pursue any

remedy available to it under this Agreement, at law or in equity. The JPA's pursuit of such remedy does not excuse City's obligation to remedy the release, discharge, leak or spill as required by Contract Standards.

b. In the event administrative, civil or criminal proceedings are commenced as a result of a violation of Contract Standards caused in whole or part by the error or omission of City, its employees or its subcontractors, City shall be responsible for any fine, penalty or other damage imposed on City or the JPA. City shall actively participate, and require by contract that its subcontractors actively participate, in any hearing or other proceeding before any Governmental Body having authority to impose a fine or penalty, or revoke or modify any Permit, including but not limited to providing expert testimony where appropriate. City shall have the right to challenge, administratively or in court, any fine imposed by a Governmental Body. In no event shall City's payment of a fine relieve City from the performance of any responsibility or obligation under this Agreement.

c. In addition to those remedies set forth above, the JPA shall be entitled to terminate the Agreement and the Parties shall be entitled to pursue any other remedy available in law or equity.

21. Damage to EMGPS

City shall be liable for all damage to the EMGPS caused in whole or in part by the negligent error or omission of City, its employees or its subcontractors and shall cause the damaged equipment or facilities to be repaired or replaced at its sole cost and expense.

22. Assignment and Subcontracting

City shall not assign, sublet, or transfer this Agreement or any rights under or interest in this Agreement without the written consent of the JPA, which may be withheld for any reason. Any attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination. New subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement. Nothing contained herein shall prevent City from employing independent contractors and subcontractors as City may deem appropriate to assist in the performance of services hereunder. Except as expressly approved by JPA pursuant to the terms and conditions of this Agreement, no City subcontracts binding or affecting the EMGPS shall survive termination or expiration of this Agreement; in the event such contracts do survive, City shall be responsible for any obligations or costs of cancellation thereunder.

23. Independent Contractor/Status of Employees

a. The City is retained as an independent contractor and is not an employee of the JPA. No employee or agent of City shall become an employee of the JPA. The City shall be and remain responsible for all payroll, compensation, employee benefits, and employment administration of any of its employees who perform services under this Agreement. In furtherance of the foregoing, the City shall:

(i) Properly secure and maintain workers' compensation coverage for any of its employees performing services under this Agreement;

(ii) Be fully responsible for payment of all payroll, payroll taxes, collection of taxes, unemployment insurance, and other administrative functions customarily performed by an employer and required under Applicable Law; and

(iii) Without regard to payment by the JPA, assume such responsibilities as are required by applicable federal, state, and local wage and hour laws for payment of wages to any of its employees performing the services at the exclusive direction of the City.

b. The Parties acknowledge and agree that at all times the City's employees shall remain under the exclusive control of the City's Mayor or his or her designee. The JPA shall not have any right to control the manner or means in which the City's employees perform services under this Agreement. Rather, the City shall have the sole and exclusive authority to do the following:

(i) Make decisions regarding the hiring, retention, discipline or termination of the City's employees. The JPA will have no discretion over those functions.

(ii) Determine the wages to be paid to City's employees, including any pay increases.

(iii) Set the benefits of City's employees, including health and welfare benefits, retirement benefits, and leave accruals in accordance with City's policies.

(iv) Perform all other functions related to the service, compensation, or benefits of the City's employees assigned to perform services under this Agreement.

24. Insurance

a. During the Term of this Agreement, City shall, on behalf of itself and at its own cost, maintain insurance policies and/or self-insurance coverage in the manner and to the extent City insures and/or self-insures itself for similar risks with respect to its operations, equipment, and property. Such insurance policies and/or self-insurance coverage shall, at a minimum, meet the requirements of this Section 24.

b. During the Term of this Agreement, JPA shall, on behalf of itself and at its own cost, maintain insurance policies and/or self-insurance coverage in the manner and to the extent JPA insures and/or self-insures itself for similar risks with respect to its operations, equipment, and property. Such insurance policies and/or self-insurance coverage shall, at a minimum, meet the requirements of this Section 24.

c. The manner in which any insurance and/or self-insurance under this section is provided and the extent of such insurance and/or self-insurance shall be set forth in a Certificate of Insurance and/or Certificate of Self-Insurance, delivered to the other Party and signed by an authorized representative of the applicable Party, which fully describes the insurance and/or self-insurance

program and how the insurance/program covers the risks set forth in this section. Insurance provided by a joint powers agency insurance pool shall be considered self-insurance for the purposes of this section.

d. Coverage under insurance and/or self-insurance required under this section shall provide coverage for the following:

(i) Commercial general liability insurance or equivalent risk management coverage covering bodily injury, property damage, personal/advertising injury, premises/operations liability, products/completed operations liability, and contractual liability, in an amount no less than \$2,000,000 per occurrence / \$4,000,000 aggregate. The policy shall give the other Party, its officials, officers, employees, agents and designated volunteers additional insured status, or endorsements providing the same coverage.

(ii) Automobile liability insurance or equivalent risk management coverage in an amount no less than \$1,000,000 per occurrence for bodily injury and property damage. Coverage shall include owned, non-owned and hired vehicles. The policy shall give the other Party, its officials, officers, employees, agents and designated volunteers additional insured status, or endorsements providing the same coverage.

(iii) Workers' compensation insurance or equivalent risk management coverage as required by law. Each Party certifies that it is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and each Party will comply with such provisions before commencing work under this Agreement.

e. In addition, City shall ensure that all contractors and subcontractors performing work on the EMGPS or on behalf of the City maintain in full force and effect insurance policies consistent with the types and amounts of insurance required above. City shall ensure that any new contractors' and subcontractors' Commercial General Liability and Automobile Liability policies give the JPA and its officials, officers, employees, agents, and designated volunteers additional insured status, or endorsements providing the same coverage. City shall not allow any new contractors or subcontractors to commence work until they have provided evidence satisfactory to the JPA that they have secured all insurance required under this section. Policies of commercial general liability insurance provided by such subcontractors or subconsultants shall be endorsed to name the JPA as an additional insured using ISO form CG 20 38 04 13 or an endorsement providing the exact same coverage.

25. Indemnification

a. City shall defend (with counsel reasonably approved by JPA), indemnify and hold the JPA, its members, officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any acts, errors or omissions, or willful misconduct of City, its officials, officers, employees, subcontractors, consultants or agents in connection with the City's performance under this Agreement,

including without limitation the payment of all damages, expert witness fees and attorney's fees and other related costs and expenses. City's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the City, the JPA or its members, officials, officers, employees, agents, or volunteers.

b. The JPA shall defend (with counsel reasonably approved by City), indemnify and hold the City, its members, officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any acts, errors or omissions, or willful misconduct of the JPA, its officials, officers, employees, subcontractors, consultants or agents in connection with the JPA's performance under this Agreement, including without limitation the payment of all damages, expert witness fees and attorney's fees and other related costs and expenses. JPA's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the JPA, the City or its members, officials, officers, employees, agents, or volunteers.

26. Dispute Resolution

a. If a dispute arises among the Parties relating to or arising from a Party's obligations under this Agreement that cannot be resolved through informal discussions and meetings, the Parties involved in the dispute shall first endeavor to settle the dispute in an amicable manner, using mandatory non-binding mediation under the rules of JAMS, AAA, or any other neutral organization agreed upon by the Parties before having recourse in a court of law. Mediation shall be commenced by sending a notice of demand for mediation to the other Party.

b. A single mediator that is acceptable to the Parties involved in the dispute shall be used to mediate the dispute. The mediator will be knowledgeable in the subject matter of this Agreement, if possible, and chosen from lists furnished by JAMS, AAA, or any other agreed upon mediator.

c. The expenses of witnesses for either side shall be paid by the Party producing such witnesses. All mediation costs, including required traveling and other expenses of the mediator, and the cost of any proofs or expert advice produced at the direct request of the mediator, shall be equally shared by the Parties to the dispute.

d. Mediation will be conducted in an informal manner. Discovery shall not be allowed. The discussions, statements, writings and admissions and any offers to compromise during the proceedings will be confidential to the proceedings (Evidence Code §§ 1115 – 1128; 1152) and will not be used for any other purpose unless otherwise agreed by the Parties in writing. The Parties may agree to exchange any information they deem necessary. The Parties involved in the dispute shall have representatives attend the mediation who are authorized to settle the dispute, though a recommendation of settlement may be subject to the approval of each agency's boards or legislative bodies. Any involved Party may have attorneys, witnesses or experts present.

e. Any resultant agreements from mediation shall be documented in writing. The results of the mediation shall not be final or binding unless otherwise agreed to in writing by the Parties.

Mediators shall not be subject to any subpoena or liability and their actions shall not be subject to discovery.

f. Nothing in this Section 26 shall relieve the Parties from performing their obligations under this Agreement. The Parties shall be required to comply with this Agreement, including the performance of all disputed activity and disputed payments, pending the resolution of any dispute under this Agreement.

g. Any offers to compromise before or after mediation proceedings will not be used to prove a Party's liability for loss or damage unless otherwise agreed by the Parties in writing (pursuant to Evidence Code Section 1152.)

27. California Labor Code Requirements

a. City is aware of the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq., which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. If the services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, City agrees to fully comply with such Prevailing Wage Laws, if applicable. City shall defend, indemnify and hold the JPA, its members, officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. It shall be mandatory upon the City and all subconsultants to comply with all California Labor Code provisions, which include but are not limited to prevailing wages, employment of apprentices, hours of labor and debarment of contractors and subcontractors.

b. If the services are being performed as part of an applicable "public works" or "maintenance" project, in addition to the foregoing, then pursuant to Labor Code sections 1725.5 and 1771.1, the City and all subconsultants must be registered with the Department of Industrial Relations ("DIR"). City shall maintain registration for the duration of the project and require the same of any subconsultants. The services may also be subject to compliance monitoring and enforcement by the DIR. It shall be City's sole responsibility to comply with all applicable registration and labor compliance requirements, including the submission of payroll records directly to the DIR.

28. Laws, Venue, and Attorneys' Fees

This Agreement shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state or federal court situated in the County of San Diego, State of California. In any action brought to declare the rights and obligations provided for herein or to resolve a dispute arising in relation to this Agreement or to enforce the terms of this Agreement, the prevailing party shall be entitled to an award of reasonable attorneys' fees in an amount to be determined by the court.

29. Notice

Any notice or instrument required to be given or delivered by this Agreement may be given or delivered by personal delivery or depositing the same in any United States Post Office, certified mail, return receipt requested, postage prepaid, addressed to:

JPA:

East County AWP JPA
c/o Padre Dam Municipal Water District
Attn: JPA Administrator
P.O. Box 719003
Santee, CA 92072-9003

CITY:

Chief Operating Officer
City of San Diego
202 "C" Street
San Diego, CA 92101

With copy to:

East County AWP Joint Powers Authority
P.O. Box 719003
Santee, CA 92072
Attn: JPA General Counsel

With copy to:

City Attorney
City of San Diego
1200 Third Ave., Suite 1620
San Diego, CA 92101

and shall be effective upon receipt thereof. The Parties may from time to time change the address to which notice may be provided by providing notice of the change to the other Parties.

30. Third Party Rights

Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than the JPA and the City.

31. Entire Agreement

This Agreement, together with any exhibits, represents the entire understanding of JPA and City as to those matters contained herein, and supersedes and cancels any prior or contemporaneous oral or written understanding, promises or representations with respect to those matters covered hereunder. Each party acknowledges that no representations, inducements, promises or agreements have been made by any person which are not incorporated herein, and that any other agreements shall be void. This Agreement may not be modified or altered except in writing signed by both parties hereto. This is an integrated Agreement.

32. Other Agreements Not Prohibited

Other agreements by and between the Parties of this Agreement or any other entity are neither prohibited nor modified in any manner by execution of this Agreement.

33. Severability

If any section, clause or phrase of this Agreement or the application thereof to any Party or any other person or circumstance is for any reason held to be invalid by a court of competent jurisdiction, it shall be deemed severable, and the remainder of the Agreement or the application of such provisions to any other Party or to other persons or circumstances shall not be affected thereby. Each Party hereby declares that it would have entered into this Agreement, and each section, subsection, sentence, clause and phrase thereof, irrespective that one or more sections, subsections, sentences, clauses or phrases or the application thereof might be held invalid.

34. Successors and Assigns

This Agreement shall be binding upon and shall inure to the benefit of the successors in interest, executors, administrators and assigns of each party to this Agreement. However, City shall not assign or transfer by operation of law or otherwise any or all of its rights, burdens, duties or obligations without the prior written consent of JPA. Any attempted assignment without such consent shall be invalid and void.

35. Non-Waiver

None of the provisions of this Agreement shall be considered waived by either party, unless such waiver is specifically specified in writing.

36. Time of Essence

Time is of the essence for each and every provision of this Agreement.

37. Section Headings

The section headings herein are for convenience of the Parties only, and shall not be deemed to govern, limit, modify or in any manner affect the scope, meaning or intent of the provisions or language of this Agreement.

38. Construction of Language

It is the intention of the Parties hereto that if any provision of this Agreement is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.

39. Cooperation

The Parties recognize the necessity and hereby agree to cooperate with each other in carrying out the purposes of this Agreement.

40. Enforcement

The Parties are hereby authorized to take any and all legal or equitable actions, including but not limited to an injunction and specific performance, necessary or permitted by law to enforce this Agreement.

41. Amendment

Except as otherwise may be provided in this Agreement, neither this Agreement nor any provision hereof may be modified or amended except by a written instrument signed by the Parties.

42. Counterparts

This Agreement may be executed in counterparts, each of which shall constitute an original and all of which together shall constitute one and the same agreement.

SIGNATURES ON FOLLOWING PAGE(S)

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

**EAST COUNTY ADVANCED WATER
PURIFICATION JOINT POWERS AUTHORITY**

CITY OF SAN DIEGO

By: _____

Name: G. Allen Carlisle

Title: CEO / General Manager of Padre Dam,
JPA Interim Administrator

By: _____

Name: _____

Title

Approved as to Form:

Approved as to Form:

By: _____

Name: Nicholaus Norvell

Title: Interim General Counsel

By: _____

Name: _____

Title

EXHIBIT A
MAP / DESCRIPTION OF EMGPS IMPROVEMENTS

[JPA to prepare.]

EXHIBIT B
SCHEDULE OF CHARGES

City will invoice Padre Dam Municipal Water District, as Administrator of the JPA, on a monthly cycle.
This is a time-and-materials contract.

Hourly Rates

Equipment, Materials, and Supplies

Schedule 1

Personal property used in connection with the Real Property and On-Site Improvements

- Forklifts
- Screens/rags
- Bins
- Dumpsters
- Spare parts
- the approximately 174-foot long, 48-inch diameter gravity sewer pipe feeding the improvements located on the Property as depicted in Exhibit C

DRAFT

EXHIBIT J

INFORMATIONAL PAMPHLET
OVERVIEW OF THE EMINENT DOMAIN PROCESS
AND DESCRIPTION OF PROPERTY OWNER RIGHTS

(Government Code Section 7267.2(a)(2))

Whenever a public agency makes a formal offer to purchase property under Section 7267.2 of the Government Code, it is required by law to provide a description of the eminent domain process. This pamphlet details the process of eminent domain and property owner rights under eminent domain law.

Public agencies acquire property for all types of public projects, such as schools, roads, water and sewer service, flood control, and fire protection. Sometimes public agencies may have to use eminent domain to acquire property for these projects. Eminent domain is the power to acquire property for a public use conditioned upon payment of just compensation.

The Appraisal Process

Before public agencies can use the power of eminent domain, they must follow certain procedures designed to protect the rights of property owners and the public.

If a public agency is potentially interested in acquiring property for a public project and makes an offer under Section 7267.2 of the Government Code, it is required to send to the owner notice of its decision to appraise the property. This notice will advise the owner that the agency has retained an appraiser to appraise the property. The notice may also provide background information on the acquisition process. It may advise that a business on the property potentially could have a claim for loss of business goodwill. It may also advise that occupants on the property may be entitled to relocation assistance, which can include relocation counseling and the payment for certain costs such as moving costs.

The fact that a public agency has sent a notice of decision to appraise does not mean that it has decided to acquire the property or to use eminent domain. It simply means that the public agency has decided to appraise the property.

The appraiser must also notify the owner that the appraiser is available to meet with the owner to discuss and view the property. After investigating the property and other similar properties, the appraiser will prepare an appraisal report and forward it to the agency.

The Offer of Just Compensation

Upon reviewing the appraisal, the public agency may decide to make an offer to acquire the property. This offer must be in writing. The offer cannot be less than the fair market value established by the approved appraisal. The offer must include certain information, including the public use for which the property is to be acquired and a detailed description of the basis for the

conclusions of value. If the comparable sales approach is used, a description of the principal sales must be included. The appraisal report does not have to be provided unless an owner-occupant of residential property with four or fewer units requests to inspect the report.

The offer must be based upon fair market value. Fair market value is a technical legal phrase but generally it means the highest price that a seller and buyer would agree to on a particular date, with neither being under pressure to buy or sell, and with both being fully informed as to the uses available for the property. The proposed public project for which the property may be acquired is not to be considered for either decreasing or increasing the fair market value.

If only a portion of the property is being acquired, such as for a road widening or an underground sewer pipeline, the appraisal may also consider what are called severance damages. Generally, this refers to the reduction in fair market value to the remaining portion of the property that is not being acquired that results from the partial acquisition or the public project. Sometimes a proposed project will actually increase the value of the remaining property. These benefits can be considered in offsetting severance damages, if there any such damages. These benefits cannot be used to lower the value of the actual portion of the property that is being acquired.

A property may be improved and these improvements, if affixed to the realty, may be taken into consideration in the appraisal and the offer. Businesses may also have a claim for loss of business goodwill.

Just compensation is a concept that comes from the California and U. S. Constitutions. The written offer described above is intended to be an offer for just compensation.

The Negotiation Process

The public agency is required to negotiate in good faith upon making its offer of just compensation. It may not use threatening or coercive tactics. The offer process is a voluntary, negotiation process. The owner is under no obligation to agree to the offer.

In making the offer, the public agency must also offer up to \$5,000 to the owner to retain an appraiser selected by the owner. The appraiser must be state licensed and other conditions may apply.

The owner and the public agency's representatives may negotiate. If the owner believes that certain information is wrong or incomplete, or if the owner has other information that the agency should know about, the owner may offer that information to the public agency. The owner may make a counter-offer, asking for more compensation or suggesting a change in the proposed acquisition. Or, if the owner does not wish to sell the property, the owner may simply reject the offer or not respond.

When property is occupied, the occupants may be entitled to what is called relocation assistance. These are benefits and services to be given to occupants if the proposed acquisition

and public project will require an occupant to move. An occupant need not be an owner of the property to be entitled to such benefits. The nature and extent of the benefits can be technical and will depend upon the particular circumstances of the occupant. Laws and regulations set the amount and nature of applicable benefits. Businesses, homeowners, and renters may be eligible for relocation benefits. These benefits are protections offered by legislation and are different from and in addition to just compensation. When relocation is involved, the public agency will provide an explanation and itemization of the proposed relocation assistance benefits. What is required for relocation is subject to discussion and occupants can provide information they think is important in determining the amount and type of benefits.

Starting Eminent Domain

If the public agency's offer to purchase is not accepted, the public agency may then consider the use of eminent domain. Eminent domain involves the acquisition of property without the owner's consent for a public use conditioned upon payment of just compensation. A public agency may only use the power of eminent domain if it is granted that power by state statute.

The Requirement for a Public Hearing

Before a public agency can consider using eminent domain, it must conduct a public hearing. The public hearing is before the legislative body of the public agency. For example, if a city wishes to consider using eminent domain to build a road, the public hearing must be conducted by the city council. The owner, as identified by the latest tax rolls, is entitled to written notice of the hearing and has a right to speak before the legislative body. At the hearing the public agency considers the adoption of what is called a resolution of necessity. The hearing concerns whether the public interest and necessity require the project, whether the acquisition is most compatible with the greatest public good and the least private injury, whether the property is necessary for the project, and whether the written offer for just compensation has been made. The owner and the legislative body are to address these topics. The owner may be represented by someone at the hearing. This can be legal counsel but does not have to be. The owner must make a timely request to be heard. The notice for the hearing must explain this requirement.

Upon completing the hearing on these topics, the legislative body will determine whether findings on these topics properly can be made, and will consider adopting the resolution of necessity. The resolution can only be adopted if at least two thirds of the full legislative body votes to adopt the resolution.

The Court Process

If the resolution of necessity is adopted, the public agency is then authorized to bring an eminent domain action in state court. This action has to be filed in the county where the property is located. Those with an interest in the property will be named in the action. The action is a lawsuit that must be served on the named parties. The named parties have a right to respond by filing legal papers. In these papers the responding parties may raise legal issues regarding compensation or the public agency's right to use eminent domain.

Once an eminent domain action is filed, the public agency may ask the court for what is called prejudgment possession. This allows the agency to acquire possession of the property so it can begin work on its project without awaiting completion of the court action. The agency may have several actions in court regarding other properties and may not be able to wait until all those actions are resolved before proceeding with construction of its proposed project, such as a road, school, or water pipeline.

To obtain such possession, the public agency must first file and serve a motion on the affected parties. These parties have the right to object and have these objections heard in court. The public agency must also deposit with the court or the State Condemnation Fund the amount of probable just compensation for the property. This amount must be based upon a certified and detailed valuation statement. The owner has the right to challenge this deposit and can file a motion asking to increase the deposit. Those claiming an interest in the deposit may apply to the court to withdraw the deposit or a portion of it.

If the court finds that certain requirements are satisfied and that there are no valid objections to granting prejudgment possession, the court may grant the public agency's motion for possession. State law provides certain time periods to property owners and occupants before possession can take effect.

In many projects, such as road widenings or storm drains, relocation may not be involved at all. If relocation is involved, the public agency must provide relocation counseling and financial benefits to the affected parties. The specific requirements for such counseling and benefits are set by legislation and regulations. Relocation disagreements are subject to appeal to the public agency. Relocation claims may also be presented in court through a lawsuit brought by the claimant. These lawsuits are usually separate from the eminent domain action in court.

The eminent domain action may proceed to trial on the right to use eminent domain or on the amount of just compensation. Trials concerning the right to use eminent domain are conducted only before a judge, without a jury. The California Constitution gives the public agency and the property owner the right to a jury trial on the issue of just compensation. Trials on just compensation focus on the testimony of qualified valuation witnesses. The valuation positions of both sides are usually exchanged in writing on a scheduled date before the trial. These positions are then supported at trial by live testimony, which is subject to cross-examination. At trial, no side has the burden of proof on just compensation. A jury normally must reach a verdict within the range of the valuation opinions allowed into evidence by testimony. In other words, the jury generally cannot find less than the lowest valuation testified to in the trial nor more than the highest valuation.

Before trial either side can make a formal offer to settle. After the trial, if the trial judge finds that the public agency's offer to settle was unreasonable and the owner's offer to settle was reasonable, the public agency is required to pay the owner's reasonable litigation and expert expenses. The public agency cannot recover litigation expenses from the owner for contesting the amount of just compensation. Interest on the awarded just compensation is determined by the court.

During the eminent domain court proceedings, a public agency occasionally may decide that it does not wish to proceed with the acquisition. The owner is given the opportunity to object to the public agency abandoning the proceedings. If the public agency does abandon proceeding with the acquisition, it must pay the other side's reasonable litigation and expert expenses.

Either side may appeal an eminent domain judgment. The appeal process may involve going to the California Court of Appeal, to the California Supreme Court, and to the U. S. Supreme Court. The Court of Appeal must hear a timely appeal. Further review by the California Supreme Court and U. S. Supreme Court is generally within the discretion of those courts.

You Should Seek Professional Advice

This pamphlet is intended to give you an overview of the eminent domain process and property owner rights under state eminent domain law. A public agency does not and cannot represent you or give you legal advice. If you have questions or concerns at any time, you should consider consulting a professional, including an attorney. You always have the right to legal counsel.

NOTICE OF HEARING TO PROPERTY OWNER

Pursuant to Section 1245.235 of the California Code of Civil Procedure, you are hereby notified that at a regular meeting to be held on Thursday, May 19, 2022, at 2:00 p.m., at the Padre Dam Municipal Water District Board Room, 9300 Fanita Parkway, in Santee, California, the Board of Directors of the East County Advanced Water Purification Joint Powers Authority intends to consider adopting a Resolution of Necessity, authorizing the commencement of eminent domain proceedings for the acquisition in fee of the real property generally identified as APNs 383-080-05, -03 (portion), and -04 (portion), including related improvements, a nearby 174-foot long, 48-inch diameter gravity sewer pipe (as more fully described and depicted in Exhibits A and B, which are incorporated herein by reference) (collectively, the "Subject Property"), permanent easements on portions of APNs 383-080-03 and -04 (as more fully described and depicted in Exhibits C and D, which are incorporated herein by reference), as well as temporary construction easements on portions of APNs 383-080-03 and -04 (as more fully described and depicted in Exhibits E and F, which are incorporated herein by reference) (collectively, the "TCEs," and together with the Permanent Easements, the "Easements") for the East County Advanced Water Purification ("AWP") Project ("Project"). According to the last equalized county assessment roll, the Subject Property and real property needed for the Easements are owned by the City of San Diego.

A public hearing will be held at the time and place mentioned above and you have the right to appear and be heard on the following matters:

1. Whether the public interest and necessity require the project for which the property is sought to be acquired.
2. Whether the project is planned or located in the manner that will be most compatible with the greatest public good and least private injury.
3. Whether the property is necessary for the proposed project.

4. Whether the offer required by Section 7267.2 of the California Government Code has been made.

If you wish to appear and be heard, please make a written request to appear and be heard to the Secretary of the Board of Directors at the address identified below prior to the May 19, 2022 Board Meeting. Failure to make a written request to appear and be heard may result in the waiver of your right to appear and be heard.

PUBLIC ACCESS TO BOARD MEETINGS DURING COVID-19 STATE OF EMERGENCY: The meeting will be held in person at the above-described place and time. The meeting is also being held virtually via Zoom pursuant to recent amendments to the Brown Act permitting virtual meetings and waiving certain teleconference requirements under certain circumstances. Some Board Members may attend the meeting virtually pursuant to such Brown Act amendments. A Zoom link and call in number will be published on the agenda posted at least 72 hours before the meeting and available at <https://eastcountyawp.com/179/Board-Agendas-and-Minutes>.

PUBLIC COMMENT INSTRUCTIONS:

Members of the public may address the Board on any item on the agenda when the item is considered, or under “Opportunity for Public Comment” regarding items not on the posted agenda that are within the subject matter jurisdiction of the Board. If attending via Zoom, attendees must click the hand raise icon within the meeting platform and will be called on to unmute themselves when it is their turn to speak. If attending in person, fill out a “request to speak” form located near the entrance of the Board Room and give to the Board Secretary.

Public comments may also be submitted in writing through the public comment e-form at least a half hour prior to the start of the meeting or mailed to the attention of Amy Pederson, East County AWP JPA, PO Box 719003, Santee, CA 92072.

NOTE: If, for health and safety reasons, you prefer to appear at this hearing telephonically or via videoconference, please notify the Secretary of the Board and arrangements will be made for you to do so.


ALL COMMUNICATIONS SHOULD BE ADDRESSED TO:

Amy Pederson
Secretary of the Board of Directors
P. O. Box 719003
Santee, California 92072

DATE OF HEARING: Thursday, May 19, 2022
2:00 p.m.

PLACE OF HEARING: Padre Dam Municipal Water District Board Room
9300 Fanita Parkway
Santee, California

DATED: May 4, 2022 EAST COUNTY ADVANCED WATER PURIFICATION JOINT
POWERS AUTHORITY

By: 
Amy Pederson
Secretary of the Board of Directors

PROOF OF MAILING NOTICE

I, Amy Pederson, acting on behalf of the East County Advanced Water Purification Joint Powers Authority, hereby certify that on May 4, 2022, I mailed a copy of the attached notice by first-class mail to the following owners of real property located in the County of San Diego, State of California, more particularly described as Assessor Parcel Nos. 383-080-05, 383-080-04 and 383-080-03:

Jay Goldstone
Chief Operating Officer
City of San Diego
202 C Street
San Diego, CA 92101

DATED: May 4, 2022

EXHIBIT A

EXHIBIT "A"
LAND SALE AND ACCESS EASEMENT RESERVATION

THAT PORTION OF LOT 1 OF THE RESUBDIVISION OF PART OF FANITA RANCHO, ACCORDING TO MAP NO. 1703, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, STATE OF CALIFORNIA, FEBRUARY 28, 1918 AND DESCRIBED IN DEED TO THE STATE OF CALIFORNIA AS FILE NO. 72380, RECORDED MARCH 28, 1972 IN THE OFFICE OF SAID RECORDER, ALONG WITH THAT PORTION OF TRACT T OF RANCHO EL CAJON BEING ALSO A PORTION OF LOT 7 OF FANITA RANCHO, ACCORDING TO MAP THEREOF NO. 790, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, DECEMBER 21, 1894, DESCRIBED AS PARCEL 28057-2, IN FINAL ORDER OF CONDEMNATION TO THE STATE OF CALIFORNIA AS DOCUMENT NO. 1995-0079132, RECORDED FEBRUARY 23, 1995, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A BRASS DISC STAMPED "CALTRANS BM 52-13.6 1984", BEING POINT NO. 147 ACCORDING TO RECORD OF SURVEY MAP NO. 14492, FILED IN THE OFFICE OF THE COUNTY RECORDER ON MARCH 31, 1994, WHICH BEARS NORTH 71°00'53" WEST 19755.94 FEET FROM A BRASS DISC STAMPED "USC&GS G 281 1955", BEING POINT NO. 54 ACCORDING TO SAID RECORD OF SURVEY MAP NO. 14492; THENCE SOUTH 72°59'42" EAST 5767.29 FEET TO A 1" IRON PIPE WITH BRASS DISC STAMPED "CAL DOT" PER RECORD OF SURVEY MAP NO. 16019, FILED IN THE OFFICE OF THE COUNTY RECORDER ON JANUARY 8, 1999, SAID POINT BEING THE NORTHWEST TERMINUS OF COURSE NO. 1 OF PARCEL 28057-1 IN FINAL ORDER OF CONDEMNATION TO THE STATE OF CALIFORNIA RECORDED FEBRUARY 23, 1995 AS DOCUMENT NO. 1995-0079132 OF OFFICIAL RECORDS, SAID POINT ALSO BEING THE SOUTHEAST CORNER OF PARCEL 28057-2 IN SAID FINAL ORDER OF CONDEMNATION AND THE SOUTHEAST CORNER OF LAND PER DEED TO THE CITY OF SAN DIEGO RECORDED AUGUST 8, 1997 AS DOC. NO. 1997-1380426 OF OFFICIAL RECORDS (CITY LAND), SAID POINT HEREINAFTER REFERRED TO AS POINT "A" AND ALSO BEING THE **TRUE POINT OF BEGINNING**;

1. THENCE ALONG THE NORTHERLY LINE OF SAID PARCEL 28057-1 AND THE SOUTHERLY LINE OF SAID PARCEL 28057-2 AND SAID CITY LINE SOUTH 86°39'57" WEST (RECORD SOUTH 86°40'21" WEST) 381.59 FEET
2. THENCE LEAVING SAID NORTHERLY LINE NORTH 00°06'23" WEST 96.24 FEET;
3. THENCE NORTH 67°54'04" EAST 135.63 FEET;
4. THENCE NORTH 00°56'01" WEST 42.44 FEET;
5. THENCE NORTH 70°06'48" EAST 142.36 FEET;
6. THENCE NORTH 89°49'39" EAST 58.22 FEET TO THE CENTER MERIDIAN LINE OF SECTION 29 IN TOWNSHIP 15 SOUTH, RANGE 1 WEST, SAN BERNARDINO BASE AND MERIDIAN;
7. THENCE ALONG SAID CENTER MERIDIAN LINE SOUTH 0°28'47" WEST 41.54 FEET TO THE NORTHERLY LINE OF SAID PARCEL 28057-2 AND SAID CITY LAND;
8. THENCE LEAVING SAID CENTER MERIDIAN LINE ALONG SAID NORTHERLY LINE SOUTH 89°54'24" EAST 67.00 FEET TO THE BEGINNING OF A TANGENT 88.00-FOOT RADIUS CURVE CONCAVE SOUTHWESTERLY;

9. THENCE CONTINUING ALONG SAID NORTHERLY LINE EASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 37°38'10" A DISTANCE OF 57.80 FEET;
10. THENCE CONTINUING ALONG SAID NORTHERLY LINE SOUTH 52°16'14" EAST 51.18 FEET TO THE NORTHEAST CORNER OF SAID PARCEL 28057-2 AND SAID CITY LAND AND THE BEGINNING OF A NON-TANGENT 930.00-FOOT RADIUS CURVE CONCAVE SOUTHEASTERLY, A RADIAL LINE TO SAID POINT BEARS NORTH 51°03'00" WEST;
11. THENCE ALONG THE SOUTHEASTERLY LINE OF SAID PARCEL 28057-2 AND SAID CITY LAND SOUTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 1°13'14" A DISTANCE OF 19.81 FEET;
12. THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE SOUTH 37°43'46" WEST 138.08 FEET TO THE **TRUE POINT OF BEGINNING**.

AREA = 75,187 SQUARE FEET (1.726 ACRES), MORE OR LESS

RESERVING THEREFROM AN ACCESS EASEMENT MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT SAID POINT "A"; THENCE ALONG THE SOUTHEASTERLY LINE OF SAID PARCEL 28057-2 NORTH 37°43'46" EAST 132.08 FEET TO THE **TRUE POINT OF BEGINNING**;

1. THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE NORTH 37°43'46" EAST 6.00 FEET TO THE BEGINNING OF A TANGENT 930.00-FOOT RADIUS CURVE CONCAVE SOUTHEASTERLY;
2. THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE NORTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 0°22'11" A DISTANCE OF 6.00 FEET;
3. THENCE LEAVING SAID SOUTHEASTERLY LINE NORTH 52°13'30" WEST 45.97 FEET TO THE BEGINNING OF A TANGENT 69.00-FOOT RADIUS CURVE CONCAVE SOUTHWESTERLY;
4. THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 37°52'25" A DISTANCE OF 45.61 FEET;
5. THENCE SOUTH 89°54'05" WEST 265.42 FEET;
6. THENCE SOUTH 00°56'01" EAST 12.00 FEET;
7. THENCE NORTH 89°54'05" EAST 265.24 FEET TO THE BEGINNING OF A TANGENT 57.00-FOOT RADIUS CURVE CONCAVE SOUTHWESTERLY;
8. THENCE EASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 37°52'25" A DISTANCE OF 37.68 FEET;
9. THENCE SOUTH 52°13'30" EAST 45.96 FEET TO THE **TRUE POINT OF BEGINNING**.

AREA = 4,235 SQUARE FEET (0.097 ACRES), MORE OR LESS

THE BEARINGS AND DISTANCES USED IN THE ABOVE DESCRIPTION ARE BASED ON THE CALIFORNIA COORDINATE SYSTEM OF 1983, ZONE VI (UNLESS OTHERWISE NOTED). MULTIPLY DISTANCES SHOWN BY 1.0000198 TO OBTAIN GROUND DISTANCES.

ATTACHED HERETO IS CITY OF SAN DIEGO DRAWING NO. 41361-B LABELED
EXHIBIT "B" AND BY THIS REFERENCE MADE A PART HEREOF.

SIGNATURE

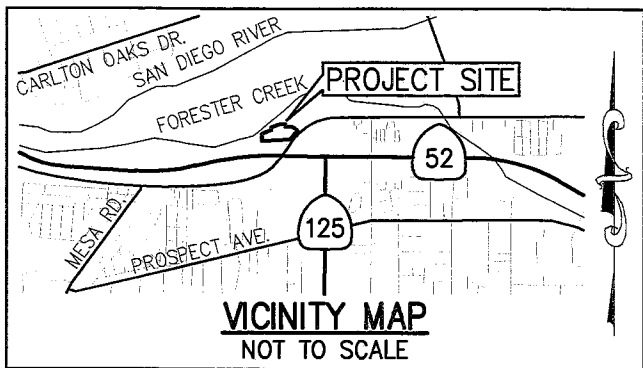
Joel D. Riipinen 9/16/21

JOEL D. RIIPINEN DATE
PLS 7942



EXHIBIT B

EXHIBIT "B"

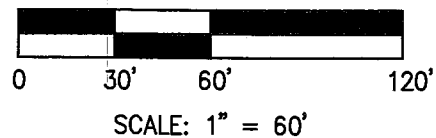


BASIS OF BEARINGS

THE GRID BEARING BETWEEN POINT NO.
54 AND POINT NO. 147 PER ROS 14492.
I.E., N 71°00'53" W

REFERENCES

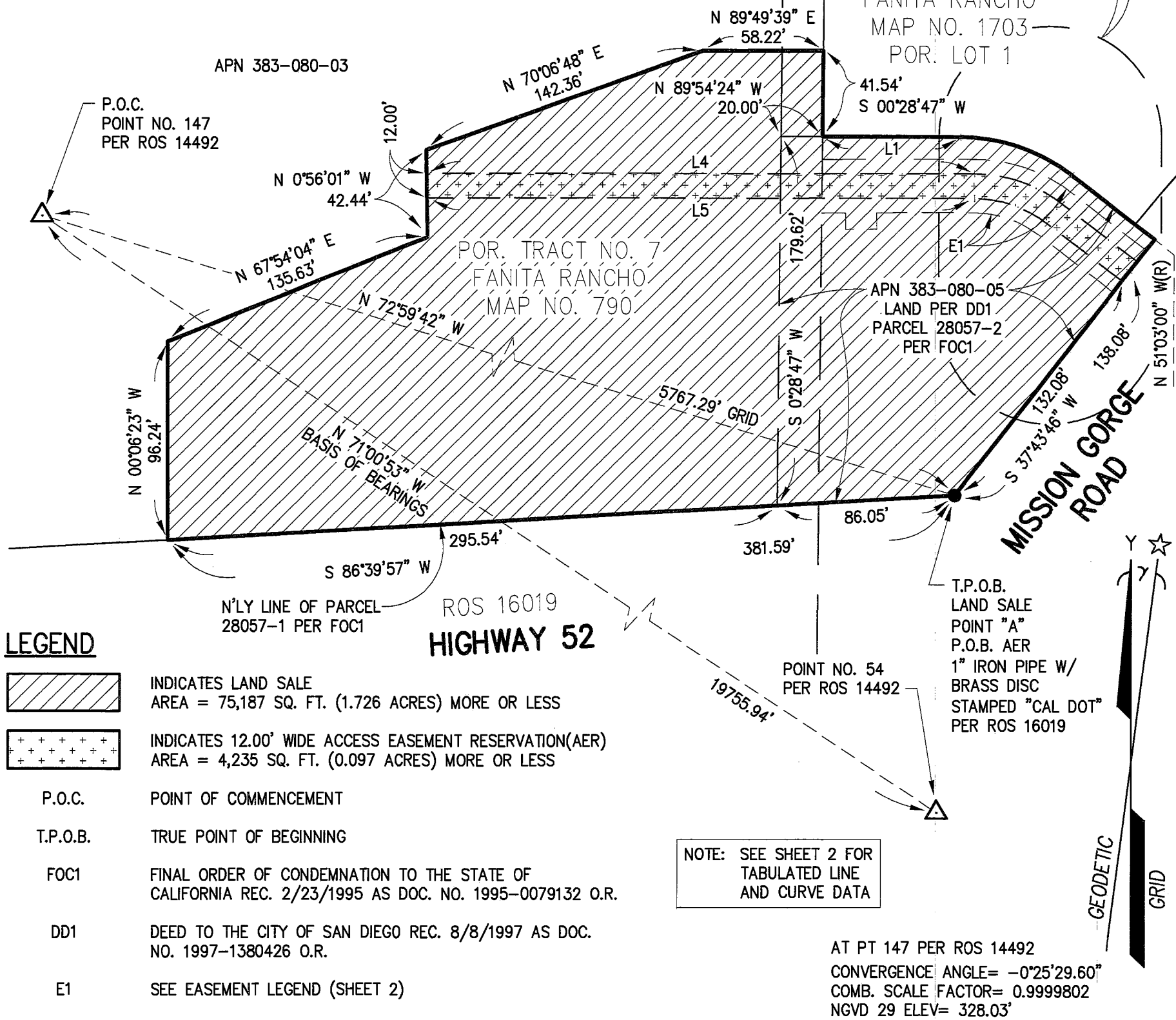
MAP NO. 790
MAP NO. 1703
ROS 14492
ROS 16019



CENTER MERIDIAN LINE OF
SECTION 29 IN TOWNSHIP 15
SOUTH, RANGE 1 WEST, SAN
BERNARDINO BASE AND
MERIDIAN

SEE DETAIL
SHEET 2

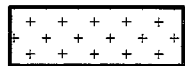
RESUB. OF PART OF
FANITA RANCHO
MAP NO. 1703—
POR. LOT 1



LEGEND



INDICATES LAND SALE
AREA = 75,187 SQ. FT. (1.726 ACRES) MORE OR LESS



INDICATES 12.00' WIDE ACCESS EASEMENT RESERVATION(AER)
AREA = 4,235 SQ. FT. (0.097 ACRES) MORE OR LESS

P.O.C. POINT OF COMMENCEMENT

T.P.O.B. TRUE POINT OF BEGINNING

FOC1 FINAL ORDER OF CONDEMNATION TO THE STATE OF
CALIFORNIA REC. 2/23/1995 AS DOC. NO. 1995-0079132 O.R.

DD1 DEED TO THE CITY OF SAN DIEGO REC. 8/8/1997 AS DOC.
NO. 1997-1380426 O.R.

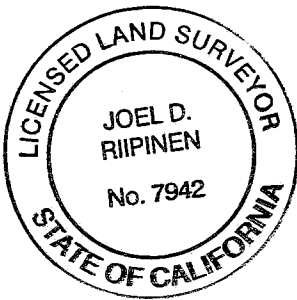
E1 SEE EASEMENT LEGEND (SHEET 2)

NOTE: SEE SHEET 2 FOR
TABULATED LINE
AND CURVE DATA

AT PT 147 PER ROS 14492
CONVERGENCE ANGLE= $-0^{\circ}25'29.60''$
COMB. SCALE FACTOR= 0.9999802
NGVD 29 ELEV= 328.03'

AGUIRRE & ASSOCIATES
8363 CENTER DRIVE, SUITE 5A
LA MESA CA 91942 (619) 464-6978

JOEL D. RIIPINEN L.S. 7942 DATE 9/16/21



RESOLUTION No. _____

RECORDED _____

DOCUMENT No. _____

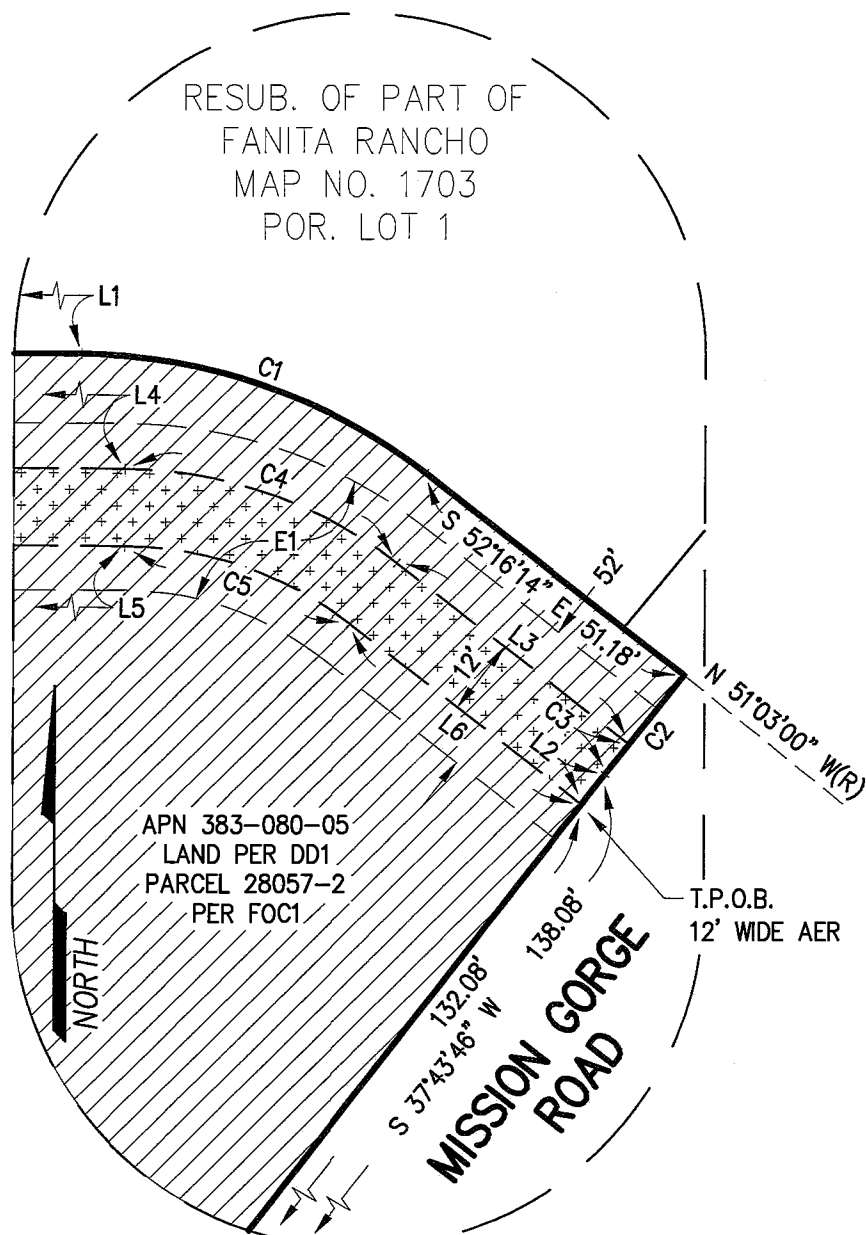
RECORDED

LAND SALE AND ACCESS EASEMENT RESERVATION

PORTION OF LOT 1 OF RESUB. FANITA RANCHO, MAP 1703, ALONG WITH THAT PORTION OF TRACT T RANCHO EL CAJON, BEING A PORTION OF TRACT 7 OF FANITA RANCHO MAP 790

DESCRIPTION	BY	APPROVED	DATE	FILMED	CITY OF SAN DIEGO, CALIFORNIA	PTS <u>633065</u>
ORIGINAL	JR					SHEET 1 OF 2 SHEETS
					FOR CITY LAND SURVEYOR	1885-6329
						DATE
						242-1767
						NAD 27 COORDINATES
STATUS						41361-1-B

EXHIBIT "B"



LINE TABLE		
LINE NO.	DIRECTION	LENGTH
L1	N 89°54'24" W	67.00'
L2	N 37°43'46" E	6.00'
L3	N 52°13'30" W	45.97'
L4	S 89°54'05" W	265.42'
L5	N 89°54'05" E	265.24'
L6	S 52°13'30" E	45.96'

CURVE TABLE			
CURVE NO.	DELTA	RADIUS	LENGTH
C1	37°38'10"	88.00'	57.80'
C2	1°13'14"	930.00'	19.81'
C3	0°22'11"	930.00'	6.00'
C4	37°52'25"	69.00'	45.61'
C5	37°52'25"	57.00'	37.68'

EASEMENT LEGEND

E1 A RIGHT-OF-WAY EASEMENT IN FAVOR OF PADRE DAM MUNICIPAL WATER DISTRICT REC. 5/3/2001 AS DOC. NO. 2001-0279319 O.R.

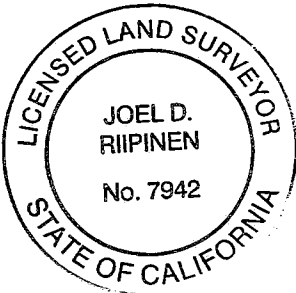
AN ACCESS EASEMENT IN FAVOR OF THE CITY OF SAN DIEGO REC. 10/25/2012 AS INST. NO. 2012-0658045 O.R. IS NOT PLOTTABLE.

NO OTHER EASEMENTS APPEAR TO BE IN THE VICINITY OF THE PERMANENT ACQUISITION AREA.

EASEMENT DATA HEREON IS DISCLOSED IN BNT TITLE COMPANY OF CALIFORNIA PRELIMINARY REPORT ORDER NO. CA18143433 A DATED DECEMBER 28, 2018 AT 7:30 AM.

AGUIRRE & ASSOCIATES
8363 CENTER DRIVE, SUITE 5A
LA MESA CA 91942 (619) 464-6978

Joel D. Riipinen 9/16/21
JOEL D. RIIPINEN L.S. 7942 DATE



RESOLUTION No. _____
RECORDED _____
DOCUMENT No. _____
RECORDED _____

LAND SALE AND ACCESS EASEMENT RESERVATION

PORTION OF LOT 1 OF RESUB. FANITA RANCHO, MAP 1703, ALONG WITH THAT PORTION OF TRACT T RANCHO EL CAJON, BEING A PORTION OF TRACT 7 OF FANITA RANCHO MAP 790

DESCRIPTION	BY	APPROVED	DATE	FILMED	CITY OF SAN DIEGO, CALIFORNIA SHEET 2 OF 2 SHEETS	PTS 633065 I.O. 21004705
ORIGINAL	JR					
					FOR CITY LAND SURVEYOR DATE	1885-6329 CCS 83 COORDINATES
						242-1767 NAD 27 COORDINATES
STATUS						41361-2-B

EXHIBIT C

EXHIBIT A

ALL THAT PORTION OF TRACT 7 OF FANITA RANCHO ACCORDING TO MAP NO. 790, IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON DECEMBER 21, 1894, O.R., MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A STRIP OF LAND BEING 50 FEET IN WIDTH LYING 25 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

COMMENCING AT THE EASTERLY TERMINUS OF COURSE 43 OF PARCEL MAP NO. 16978, IN THE CITY OF SANTEE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON OCTOBER 19, 1992 AS FILE NO. 92-0665040, O.R.; THENCE, SOUTH 64°09'19" WEST 304.58 FEET ALONG SAID COURSE 43 TO THE TRUE POINT OF BEGINNING, SAID TRUE POINT OF BEGINNING BEING A POINT ON A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 2,786.58 FEET, A RADIAL LINE TO SAID TRUE POINT OF BEGINNING BEARS SOUTH 77°23'55" WEST; THENCE SOUTHERLY 113.11 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 2°19'33"; THENCE SOUTH 14°55'38" WEST 935.07 FEET TO A POINT ON COURSE 44A OF SAID PARCEL MAP NO. 16978.

THE SIDELINES OF SAID STRIP OF LAND SHALL BE LENGTHENED OR SHORTENED TO TERMINATE ON THE EAST AT COURSE 44A OF SAID PARCEL MAP NO. 16978, AND ON THE NORTH AT COURSE 43 OF SAID PARCEL MAP 16978.

AREA EQUALS 52,409 SQUARE FEET, MORE OR LESS.

APN: 383-080-03 (48,689 SQUARE FEET) AND 383-080-04 (3,720 SQUARE FEET)

EXHIBIT D

EXHIBIT B

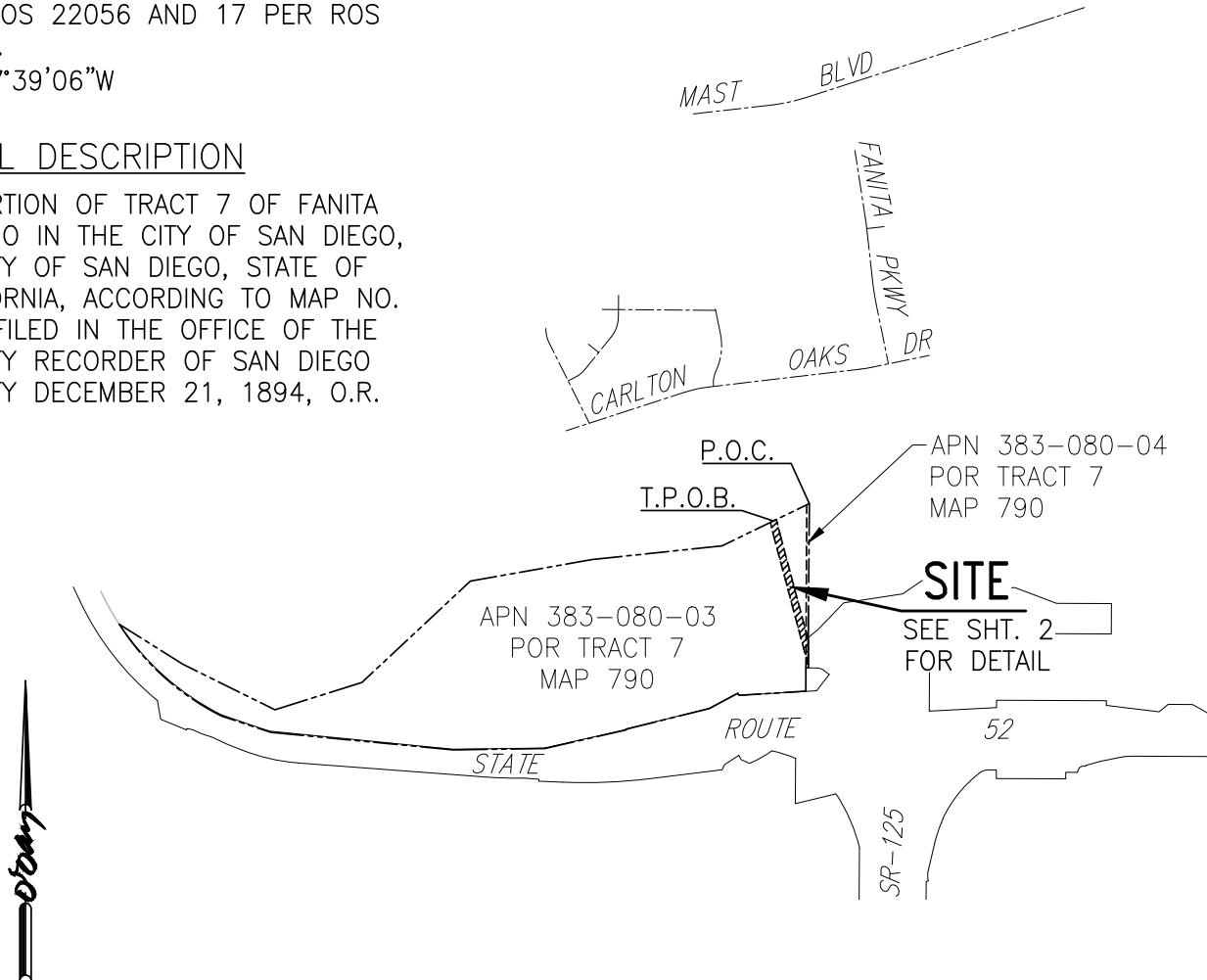
BASIS OF BEARINGS

THE BASIS OF BEARINGS FOR THIS PLAN IS THE CALIFORNIA COORDINATE SYSTEM (CCS 83), ZONE 6, EPOCH 1991.35, CONSTRAINING TO HORIZONTAL CONTROL POINTS SDRF1 PER ROS 22056 AND 17 PER ROS 14492.

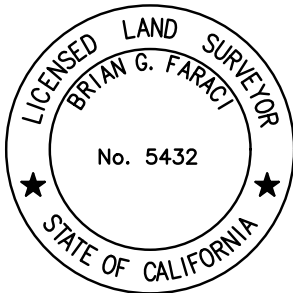
IE S77°39'06"W

LEGAL DESCRIPTION

A PORTION OF TRACT 7 OF FANITA RANCHO IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP NO. 790, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY DECEMBER 21, 1894, O.R.

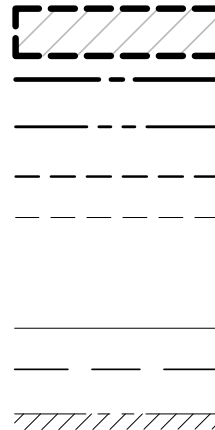


VICINITY MAP NO SCALE



LEGEND:

PROPOSED SEWER EASEMENT
EASEMENT CENTERLINE
SUBDIVISION BOUNDARY
EXISTING LOT/PARCEL LINES
TEMPORARY CONSTRUCTION
EASEMENT PER SEPARATE
DOCUMENT
RIGHT-OF-WAY (R/W)
EXISTING EASEMENT LINES
MUNICIPAL BOUNDARY



AREA

383-080-03: 48689 SF
383-080-04: 3720 SF

Prepared by:

O'Day
CONSULTANTS

5/3/2022
Date

**PLAT TO ILLUSTRATE SEWER EASEMENT
ACROSS PORTION TRACT 7
FANITA RANCHO MAP NO. 790**

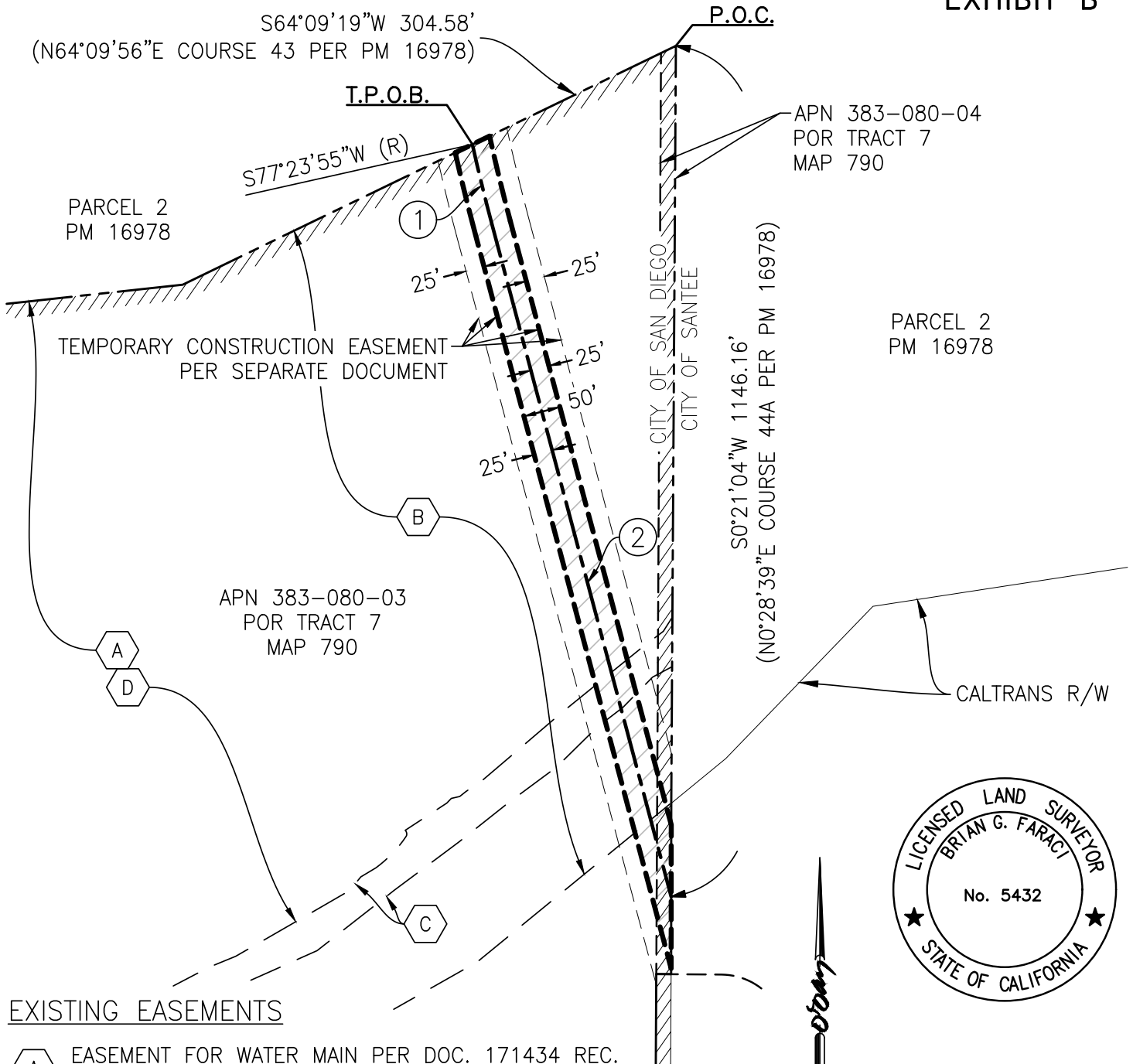
EASEMENT

**APN 383-080-03
APN 383-080-04**

DOC. NO. -

SHEET: 1 OF 2

EXHIBIT B



EXISTING EASEMENTS

- A** EASEMENT FOR WATER MAIN PER DOC. 171434 REC. 10-4-1962, O.R.
- B** MEMORANDUM OF LEASE PER DOC. 2000-0482119 REC. 9-7-2000, O.R., AND DOC. 2000-0497293 REC. 9-15-2000, O.R.
- C** EASEMENT FOR BERM MAINTENANCE PER DOC. 2012-0658046 REC. 10-25-2012, O.R.
- D** MEMORANDUM OF GROUND LEASE PER DOC. 2014-0252193 REC. 6-18-2014, O.R.

0' 200'
SCALE: 1"=200'

(NO)	DELTA/BEARING	RADIUS	LENGTH
1	$\Delta=2^{\circ}19'33''$	2786.58'	113.11'
2	S14°55'38"E	---	935.07'

Prepared by:

O'Day
CONSULTANTS

5/3/2022
Date

**PLAT TO ILLUSTRATE SEWER EASEMENT
ACROSS PORTION TRACT 7
FANITA RANCHO MAP NO. 790**

EASEMENT
APN 383-080-03
APN 383-080-04
DOC. NO. -
SHEET: 2 OF 2

EXHIBIT E

EXHIBIT A

ALL THAT PORTION OF TRACT 7 OF FANITA RANCHO ACCORDING TO MAP NO. 790, IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON DECEMBER 21, 1894, O.R., MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A STRIP OF LAND BEING 100 FEET IN WIDTH LYING 50 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

COMMENCING AT THE EASTERLY TERMINUS OF COURSE 43 OF PARCEL MAP NO. 16978, IN THE CITY OF SANTEE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON OCTOBER 19, 1992 AS FILE NO. 92-0665040, O.R.; THENCE, SOUTH 64°09'19" WEST 304.58 FEET ALONG SAID COURSE 43 TO THE TRUE POINT OF BEGINNING, SAID TRUE POINT OF BEGINNING BEING A POINT ON A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 2,786.58 FEET, A RADIAL LINE TO SAID TRUE POINT OF BEGINNING BEARS SOUTH 77°23'55" WEST; THENCE SOUTHERLY 113.11 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 2°19'33"; THENCE SOUTH 14°55'38" WEST 935.07 FEET TO A POINT ON COURSE 44A OF SAID PARCEL MAP NO. 16978.

THE NORTHEASTERLY SIDELINE OF SAID STRIP OF LAND SHALL BE LENGTHENED OR SHORTENED TO TERMINATE ON THE EAST AT COURSE 44A OF SAID PARCEL MAP NO. 16978, AND ON THE NORTH AT COURSE 43 OF SAID PARCEL MAP 16978. THE SOUTHWESTERLY SIDELINE OF SAID STRIP OF LAND SHALL BE LENGTHENED OR SHORTENED TO TERMINATE ON THE EAST AT A LINE LYING 20 FEET WEST OF MEASURED AT A RIGHT ANGLE TO AND PARALLEL TO SAID COURSE 44A OF SAID PARCEL MAP NO. 16978, AND ON THE NORTH AT COURSE 43 OF SAID PARCEL MAP 16978.

EXCEPTING THEREFROM A STRIP OF LAND BEING 50 FEET IN WIDTH LYING 25 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

COMMENCING AT THE EASTERLY TERMINUS OF COURSE 43 OF PARCEL MAP NO. 16978, IN THE CITY OF SANTEE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON OCTOBER 19, 1992 AS FILE NO. 92-0665040, O.R.; THENCE, SOUTH 64°09'19" WEST 304.58 FEET ALONG SAID COURSE 43 TO THE TRUE POINT OF BEGINNING, SAID TRUE POINT OF BEGINNING BEING A POINT ON A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 2,786.58 FEET, A RADIAL LINE TO SAID TRUE POINT OF BEGINNING BEARS SOUTH 77°23'55" WEST; THENCE SOUTHERLY 113.11 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 2°19'33"; THENCE SOUTH 14°55'38" WEST 935.07 FEET TO A POINT ON COURSE 44A OF SAID PARCEL MAP NO. 16978.

THE SIDELINES OF SAID STRIP OF LAND SHALL BE LENGTHENED OR SHORTENED TO TERMINATE ON THE EAST AT COURSE 44A OF SAID PARCEL MAP NO. 16978, AND ON THE NORTH AT COURSE 43 OF SAID PARCEL MAP 16978.

AREA EQUALS 51,427 SQUARE FEET, MORE OR LESS.

APN: 383-080-03 (48,726 SQUARE FEET) AND 383-080-04 (2,701 SQUARE FEET)

EXHIBIT F

EXHIBIT B

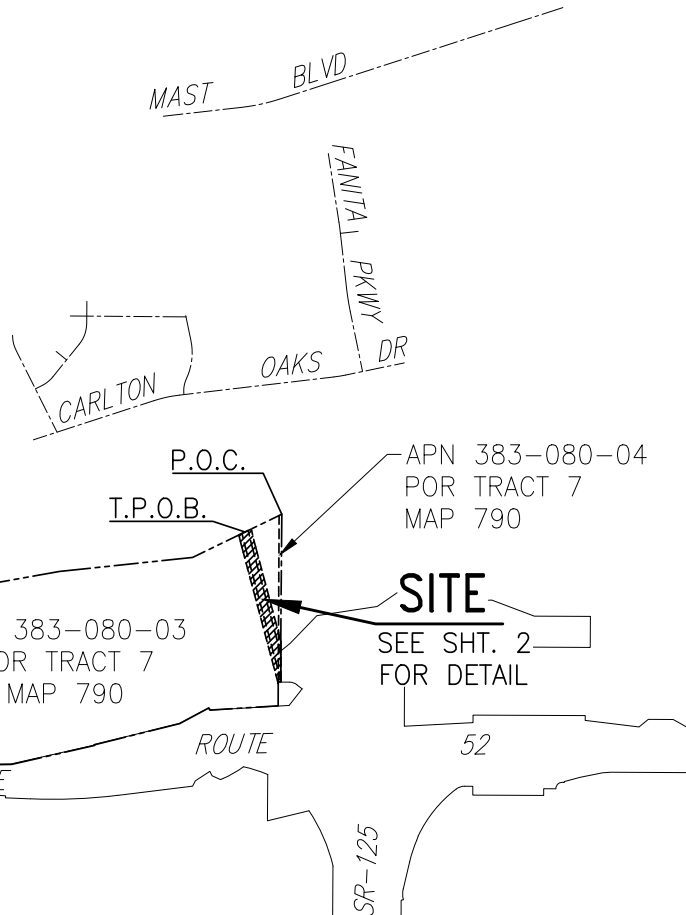
BASIS OF BEARINGS

THE BASIS OF BEARINGS FOR THIS PLAN IS THE CALIFORNIA COORDINATE SYSTEM (CCS 83), ZONE 6, EPOCH 1991.35, CONSTRAINING TO HORIZONTAL CONTROL POINTS SDRF1 PER ROS 22056 AND 17 PER ROS 14492.

IE S77°39'06"W

LEGAL DESCRIPTION

A PORTION OF TRACT 7 OF FANITA RANCHO IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP NO. 790, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY DECEMBER 21, 1894, O.R.



VICINITY MAP
NO SCALE

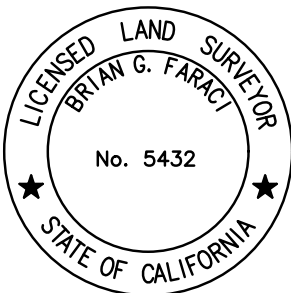
LEGEND:

TEMPORARY CONSTRUCTION EASEMENT
EASEMENT CENTERLINE
SUBDIVISION BOUNDARY
EXISTING LOT/PARCEL LINES
50' WIDE SEWER EASEMENT
PER SEPARATE DOCUMENT
RIGHT-OF-WAY (R/W)
EXISTING EASEMENT LINES
MUNICIPAL BOUNDARY

AREA



383-080-03: 48726 SF
383-080-04: 2701 SF



Prepared by:

O'Day
CONSULTANTS

5/3/2022
Date

**PLAT TO ILLUSTRATE TEMPORARY
CONSTRUCTION EASEMENT ACROSS
PORTION TRACT 7
FANITA RANCHO MAP NO. 790**

EASEMENT

**APN 383-080-03
APN 383-080-04**

DOC. NO. -

SHEET: 1 OF 2



May 19, 2022
Board Meeting

Agenda Item 5

Consider Adopting a Resolution of Necessity for the Acquisition of Real
Property and Easements

Handout

Letters from the City of San Diego's Chief Operating Officer and City Attorney to Allen Carlisle, Padre Dam CEO as the Administrator to the East County AWP JPA, provided to the JPA Board during public comment for this agenda item.



CITY OF SAN DIEGO

JAY GOLDSTONE
CHIEF OPERATING OFFICER

May 18, 2022

East County Advanced Water Purification
Allen Carlisle, CEO/General Manager
9300 Fanita Parkway
Santee, CA 92072

SENT VIA EMAIL (acarlisle@padre.org)

RE: ECAWP Residuals' Impacts to the City of San Diego's Pure Water Program

The purpose of this letter is to express the City of San Diego's (City) concerns with the residual waste that will be produced by the East County Joint Powers Authority's (ECJPA) proposed East County Advanced Water Purification (ECAWP) project, and the associated risk they pose to the City of San Diego's Pure Water Program.

Background on the City's Pure Water Program

On December 9, 2014, the City entered into an agreement with the San Diego Coastkeeper, San Diego County Surfrider, Coastal Environmental Rights Foundation, and the San Diego Audubon Society known as the *Cooperative Agreement in Support of Pure Water San Diego* (Attachment 1). This agreement lays the foundation to support and implement potable reuse of wastewater and secondary equivalency at the Point Loma Wastewater Treatment Plant, known as the Pure Water San Diego program. The Pure Water Program is a phased, multi-year program that will drastically increase water recycling to provide the San Diego region with a safe, secure, and sustainable local drinking water supply, and based on water use projections developed in 2020, the Pure Water Program will provide roughly one-half of San Diego's water supply locally by 2035. In addition, the Pure Water Program drastically reduces discharges from the City's Point Loma Wastewater Treatment Plant and will avoid the excessive cost of converting this facility to a secondary treatment facility which benefits not only the City, but our regional partners such as the Metro Joint Powers Authority (Metro JPA).

In November 2018, the City Council approved the construction of Phase 1 currently estimated at \$1.47 billion, which is the largest project in the City of San Diego's history. With that, construction for Phase 1 is underway and Phase 2 planning activities are starting. Major financial contributors to the project are state and federal funding agencies, City of San Diego water and sewer customers, and members of the Metro JPA which include the three individual members of the ECJPA.

The Pure Water Program has achieved multiple significant milestones over the past few years. Our research assisted the Division of Drinking Water's (DDW) development of the first Indirect Potable Reuse Surface Water Augmentation regulations leading to the adoption of the first surface water augmentation permit issued in the state of California, (Attachment 2). These new regulations and permit opened the door for other potential surface water augmentation projects such as the ECJPA ECAWP project.

ECAWP Residuals and the Risk to the City's Pure Water Program

ECJPA continues to assert that the residuals pose no risk to Pure Water. This is completely false and an egregious and disingenuous summarization of the advisory technical experts that studied this project and many others. The residual waste planned from the ECAWP facility and discharged upstream of Pure Water facilities is a major concern for the successful implementation of the Pure Water Program. These residuals can lead to disruptions in Pure Water facility treatment processes, violations of our permits, and potentially cause the Pure Water facilities to shut down to protect public health, leaving \$1.47 billion in stranded Phase 1 assets.

The residual waste stream being discussed is broken out into two categories, brine and centrate. Concentrated compounds in the brine and centrate returned to the collection system upstream of Pure Water facilities will include new compounds. Although arguments are often made that the reverse osmosis treatment process only removes what is already in the wastewater, it concentrates the compounds between 6 and 13 times or more which can have an impact when returned to the sewer. Wastewater flowing in the sewer will provide some dilution, however, the brine is discharged at a constant flow, while the wastewater flow varies within a 24-hour period and is much lower in the evening. This leads to higher concentrations of contaminants at night which has a greater impact on downstream processes.

Centrate is different from brine. The digestion process will create many organic compounds that will be present in the centrate, some of which may be regulated by the Miramar Reservoir discharge permit (Attachment 2). The centrate is very concentrated and is subject to the same dilution variation in the sewer system described above. No one will know what specific compounds of the more than 230 pollutants of concern (identified in the local limits process) is in the centrate until the ECAWP solids handling facilities start operating. More could be known about brine/centrate impacts through studies at other facilities, and although this was suggested to the ECJPA in 2019, these studies have not taken place.

Further, an alternative to the bypass pipeline solution proposed by the ECJPA of having the residuals discharge subject to the City's local limits, does not reduce the risk to the City's Pure Water program. This has been communicated back to your team on many occasions. The local limits assessment analyzes samples from existing wastewater flows to establish contaminant limits. Obviously, use of existing flows would not include the planned residuals discharged from the ECAWP facility since it's not built or in operation yet.

If we wait to establish local limits after the ECAWP facility is in operation without a local limit, it would be presumptive that a detection of a contaminant from the ECAWP residuals by itself caused non-compliance. This process could take months to unravel. It is entirely possible that the ECAWP residuals could cause the City to violate the permit and the source could never be identified. This is why potable reuse agencies such as the Orange County Water District/Orange County Sanitation District, the City of Oceanside, and our City of San Diego team have purposefully bypassed residuals from potable reuse facilities, and why the Independent Advisory Boards (including San Diego's) and the regulatory agencies have promoted that practice.

If and when both Pure Water and ECAWP facilities are in operation, and if the City violates the permit for a compound that does not have a local limit assigned, the impacts would be catastrophic and the City's Pure Water facilities would not be able to produce and discharge purified water as intended, leaving the region's \$1.47 billion in Pure Water assets stranded, not to mention the liability associated with violations of the Cooperative Agreement and NPDES discharge permit.

From a regulatory standpoint, it's unclear how the DDW would react to learning that the ECJPA would plan on discharging their residuals to the City's Pure Water facilities. We don't know whether DDW has been told that there will be a residuals bypass line and we can't be sure which agency their attention would turn to, but a response by either agency that the ECAWP will be subject to local limits will only be satisfactory when it can be shown that the wastewater to the Pure Water facilities, including the ECAWP residuals, is not a compliance risk or that appropriate local limits are added. This process, likely takes 18 months, and meanwhile the City's facilities will continue to be at risk or shut down.

The Solution

While the City appreciates the ECJPA effort to secure a new local water supply to increase drought resilience within the San Diego region, the ECAWP discharging these residuals to the Pure Water facilities without a bypass line in place puts the Pure Water Program at significant risk.

In order to effectively mitigate risk, protect water quality, preserve public confidence, and protect a significant \$1.47 billion regional investment, it is necessary for the ECJPA to take this matter seriously and **commit to not discharge residuals from the ECAWP to Pure Water facilities until the east county residuals bypass line is complete and operational.**

We also need the ECJPA to **agree to a cost allocation for the residuals bypass line that complies with Proposition 218** which is in the best interest of both agencies. The City has provided your team with a cost allocation methodology that we believe complies with Proposition 218 to benefit both agencies and we are hopeful that the ECJPA agrees.

Protecting the water quality from all sources is paramount to public health and confidence in the Pure Water Program; the City has been committed to building trust with our community and customers for decades and we intend to continue this standard. We are hopeful that the ECJPA can commit to the solutions above and can continue our negotiations and find a fair and legally enforceable solution that allows both agencies to implement successful potable reuse projects and protect the monumental investments that help secure the San Diego regions water future.

Sincerely,



Jay Goldstone
Chief Operating Officer

Amy Dorman, Assistant Director, Public Utilities Department

2. Order No. R9-2020-0001 - Waste Discharge Requirements for the City of San Diego, North City Water Reclamation Plant and Pure Water Facility, Indirect Potable Reuse Reservoir Water Augmentation, Discharge to Miramar Reservoir, San Diego County

M. TRAVIS PHELPS
ASSISTANT CITY ATTORNEY

JENNY K. GOODMAN
SENIOR DEPUTY CITY ATTORNEY

OFFICE OF
THE CITY ATTORNEY
CITY OF SAN DIEGO

MARA W. ELLIOTT
CITY ATTORNEY

CIVIL LITIGATION DIVISION
1200 THIRD AVENUE, SUITE 1100
SAN DIEGO, CALIFORNIA 92101-4100
TELEPHONE (619) 533-5800
FAX (619) 533-5856

May 18, 2022

Allen Carlisle
CEO/General Manager
Padre Dam Municipal Water District
9300 Fanita Parkway
P.O. Box 719003
Santee, CA 92072

Response to the JPA's May 4, 2022 "Offer Letter"

Dear Mr. Carlisle:

The City is in receipt of the East County Joint Powers Authority's (JPA) "offer letter" which was sent at the same time as the notice of resolution of necessity hearing letter. The fact that the JPA chose to send these documents at the same time demonstrates the lack of good faith that is required for a legitimate offer. Although the JPA's "offer letter" states that it has not made any decisions regarding pursuing eminent domain, the fact that the letter is accompanied by the notice of hearing letter proves this statement to be false. Government Code section 7267.2 is intended to allow the condemning agency and the property owner to engage in good faith negotiations **before** the eminent domain process is initiated. The JPA chose to initiate the eminent domain proceedings at the exact time it made the statutorily required offer leaving a scant 15 days to negotiate this carved off issue while ignoring the remaining pending and interrelated issues, which impact or affect this proposed acquisition.

As you know, the City and the JPA have been negotiating resolution of numerous issues related to the East County Advance Water Purification Project (Project) and have participated in a lengthy and good faith mediation to resolve those interrelated issues. Despite those ongoing efforts, the JPA has carved out one of those issues (acquisition of the City's East Mission Gorge Pump Station and sewer line Force Main) and made the decision to pursue eminent domain instead of continuing good faith negotiations to resolve the pending issues with the City which would allow the Project to proceed expeditiously.

The City does not believe that the JPA can make the required findings to acquire the City's pump station and force main.

The Project is not planned in a manner that is most compatible with the greatest public good because the Project ignores many of the negative impacts that could accrue if the JPA sewers its brine and centrate (concentrated compounds) into the City's sewer system ahead of the Pure

Water facilities. The Project would necessitate the brine and centrate be returned to the collection system where some of those compounds were not present in the wastewater initially and have not been assessed or evaluated or made subject to Local Limits.¹ There is significant concern that compounds returned to the collection system would interfere with the operation of the City's North City Pure Water facilities because of the presence of compounds that either exceed the City's Miramar Reservoir discharge permit or introduce contaminants that are not currently regulated or subject to Local Limits assessments. These contaminants either may not exist in the City's existing wastewater flow or they cannot be evaluated in the Project's centrate and brine since it is not yet operational. The likely result would be that the discharge of the JPA Project's brine and centrate compromises the City's permit or threatens the operations of the North City Pure Water facilities. This would necessitate a shut-down of the release of purified water into the Miramar Reservoir that could last months while an assessment of the Project's brine and centrate is conducted. The City requested in 2019 that the JPA collect data for specific pollutants of concern from other facilities producing brine and centrate to estimate possible impact, but to date this has not been done.

Other potable reuse agencies such as Orange County Water/Sanitation Districts have purposefully bypassed brine/centrate from the influent to their potable reuse facilities, and Independent Advisory Panels (San Diego's included) and regulatory agencies have also promoted that practice. The JPA Project does not utilize this best-practices methodology and therefore poses a serious risk to the City that its Pure Water facilities will be negatively impacted.

Further, from a regulatory standpoint, the Division of Drinking Water (DDW), would likely look to the City to address any influent wastewater quality concerns to the North City Pure Water facilities even if those contaminants originated from the JPA Project. The City would have to undertake a many months-long process to show that the City's facilities are not a compliance risk due to the brine and centrate discharged from the JPA Project or that the City has added appropriate local limits for newly detected compounds attributable to the JPA Project's brine and centrate discharges. In either event, the continued operations of the City's Pure Water facilities would be impeded.

Although the City declared the subject property exempt surplus land in October 2021, that designation was made contingent on the future discretionary approval of a purchase and sale agreement with the JPA. The lack of resolution of the brine/centrate discharge issue has prevented the finalization of any purchase agreement and, therefore, that contingency does not exist for this land to be declared exempt. It is unlikely that the City Council would approve any purchase agreement that does not resolve the brine/centrate discharge issue. Therefore, the subject property is not considered exempt surplus land as characterized in the JPA's offer letter. Whether any City department contemplates use of the subject property for a municipal use does not negate the fact that the JPA's proposed use would negatively impact the City's North City Pure Water facilities.

¹ The City's discharge permit for the Miramar Reservoir where the recycled drinking water would ultimately be discharged limits the amount of identified compounds into the reservoir.

The City has participated in numerous meetings and negotiation sessions to resolve the issues related to the JPA's Project. The JPA's unilateral decision to carve off this particular issue makes it difficult to continue good faith negotiations. Initiating eminent domain litigation will only serve to undermine progress made to date and prevent further progress. In the event of litigation, the parties will be forced to shift their focus to protecting their respective rights in a judicial forum. Litigation will not expedite the JPA's ability to move forward more quickly but will likely result in substantial delay.

Sincerely,

MARA W. ELLIOTT, City Attorney

By *Jenny K. Goodman*
Jenny K. Goodman
Senior Deputy City Attorney

Sincerely,

MARA W. ELLIOTT, City Attorney

By 
Meghan Wharton
Senior Deputy City Attorney

JKG:



BOARD AGENDA REPORT

Meeting Date: 05-19-2022

Submitted by: Mark Niemiec, P.E., AWP Director

Subject: Amendment of the Progressive Design-Build (PDB) Agreements for Packages 1, 2, & 3 of the East County Advanced Water Purification (AWP) Project to perform the Phase 2 activities (Final Design and Construction) for the negotiated and agreed upon Scope of Work (Phase 2), project schedule, and fixed lump sum price

Recommendation(s):

1. Hear staff report on the East County AWP Project (Project).
2. Adopt Resolution to allow each Design-Builder (DB) to identify and contract with Subcontractors who are not included in the Phase 1 or Phase 2 Proposal.
3. Adopt Resolution to accomplish each of the following:
 - a. Approve the form of the Phase 2 Amendments constituted by the following "Agreements", subject to non-substantial changes, correction of errors or inconsistencies and changes to comply with state or federal legal requirements or funding conditions and completion of the Agreement Exhibits to reflect agreed aspects of each PDB's Phase 2 Proposal as reviewed and approved by the East County AWP Joint Powers Authority (JPA) Administrator (Administrator) and the JPA's legal counsel:
 - i. Amended and restated PDB Agreement (Package 1 Agreement) between the East County AWP JPA and AECOM & WML IV, a Joint Venture (Package 1 DB), to design, construct, and provide operations services and training for Package 1 of the Project, consisting of the Water Recycling Facility, Advanced Water Purification Facility, Visitor Center, Product Water Pump Station, Solids Handling Facilities, and Extended Facility Commissioning
 - ii. Amended and restated PDB Agreement (Package 2 Agreement) between the East County AWP JPA and Orion Construction Corporation (Package 2 DB), to design and construct Package 2 of the Project, consisting of the Advanced Water Purification Pipeline, Dechlorination Facility, Lake Jennings Reservoir Inlet, and Water Feature; and
 - iii. Amended and restated PDB Agreement (Package 3 Agreement) between the East County AWP JPA and AECOM & WML VI, a Joint Venture (Package 3 DB), to design and construct Package 3 of the Project, consisting of rehabilitating and upgrading the Influent Pump Station (IPS) and East Mission Gorge Pump Station (EMGPS), new Water Recycling Facility Force Main (WRFFM), and new Residuals Bypass System
 - b. Subject to each of the Package 1 DB, Package 2 DB, and Package 3 DB's execution of the applicable Agreements and satisfaction of required conditions precedent under the Agreement, authorize the Administrator's CEO/General Manager to execute the applicable Agreements on behalf of the JPA generally in the form approved above and with the Exhibits on file with the Administrator;
 - c. Authorize the Administrator to issue an initial notice to proceed (NTP 1) for Phase 2 for:
 - i. Phase 2 of Package 1 to the Package 1 DB (excluding any construction work on the Pond C Site) for a fixed lump sum of \$460,084,309 as provided in the Package 1 Agreement;
 - ii. Phase 2 of Package 2 to the Package 2 DB (excluding any construction work related to minor project modifications being environmentally evaluated) for a fixed lump sum of \$51,919,739 as provided in the Package 2 Agreement;

- iii. Phase 2 of Package 3 to the Package 3 DB (excluding any construction work related to minor project modifications being environmentally evaluated) for a fixed lump sum of \$83,716,513 as provided in the Package 3 Agreement;

subject to the requirements for NTP 1 being satisfied by DB and approved by the JPA Administrator. A further NTP (NTP 2) for Phase 2 will be required for construction work on the Pond C Site for Package 1 and construction work for Packages 2 and 3 on those areas with minor modifications that are being environmentally evaluated following the JPA Board's Approval of the Final Subsequent Initial Study/Mitigated Negative Declaration (Subsequent IS/MND) at the August 2022 Board Meeting. The decision to approve the Subsequent IS/MND and NTP 2 is within sole discretion of the JPA and is not proposed for action at this time;

- d. Authorize the Administrator to take such further actions and execute such further documents as are necessary to accomplish the purposes of said resolutions and Agreements.

Alternative(s):

Do not adopt Resolutions; provide direction to staff.

Attachment(s):

1. Resolution to allow each DB to identify and contract with Subcontractors who are not included in the Phase 1 or Phase 2 Proposal.
2. [Link to Package 1 Amended Agreement between the JPA and AECOM & WML IV, a Joint Venture](#)
3. [Link to Package 2 Amended Agreement between the JPA and Orion Construction Corporation](#)
4. [Link to Package 3 Amended Agreement between the JPA and AECOM & WML VI, a Joint Venture](#)
5. Resolution Approving Amendment to Agreement to Design and Construct Package 1 and Authorizing Execution of the Amended Agreement and Issuance of a Notice To Proceed
6. Resolution Approving Amendment to Agreement to Design and Construct Package 2 and Authorizing Execution of the Amended Agreement and Issuance of a Notice To Proceed
7. Resolution Approving Amendment to Agreement to Design and Construct Package 3 and Authorizing Execution of the Amended Agreement and Issuance of a Notice To Proceed

Funding:

Requested amount: \$595,720,561 (Negotiated Lump Sum for Phase 2 Activities for Packages 1, 2, & 3)
Funding source: Wastewater Services Agreement, grants and incentives

Project Goals: The East County Advanced Water Purification Program is a regional water and wastewater solution. This Program is a collaborative partnership between Padre Dam Municipal Water District, County of San Diego, the City of El Cajon and Helix Water District. It will create a new, local, sustainable and drought proof drinking water supply using state-of-the-art technology to purify recycled water and diversify East County's water supply while reducing our dependence on imported water. This Program will provide up to 30 percent of East County's drinking water demands while reducing wastewater discharge into the ocean.

Reviewed by:

Padre Dam GM
Finance

☒
☒

Legal Counsel
Standard Form

☒
☐

Action Required:

Motion
Resolution

☒
☒

Ordinance
None

☐
☐

Executive Summary:

The East County Advanced Water Purification (AWP) Project has been in the planning and initial design stages since 2014 and is a collaborative partnership between Padre Dam Municipal Water District (Padre Dam), the County of San Diego (County), the City of El Cajon (El Cajon), and Helix Water District (HWD). The East County AWP Joint Powers Authority, or JPA, was formed by Padre Dam, the County, and El Cajon in November 2019 to procure, implement, and operate the East County AWP Project (Project). When operational in 2026 the Project will benefit the community by providing up to 14,000 acre feet per year of a new drought proof, local, sustainable water supply using state-of-the-art technology to purify East San Diego County's recycled water. The Project will provide approximately 30% of East County's drinking water supply and will be capable of treating up to 16 million gallons per day (mgd) of raw wastewater and produce up to 12.5 mgd of potable reuse water. It is expected to be among the first facilities in both California and the United States to implement potable reuse through surface water augmentation (SWA) via HWD's Lake Jennings Reservoir in adherence with the State of California's SWA regulations. HWD and Padre Dam have entered into Water Purchase Agreements (WPA) with the JPA to purchase water produced by the Project.

The Project includes both environmental and financial benefits. Environmentally it reduces wastewater discharge into the Pacific Ocean from the Point Loma Wastewater Treatment Plant by reusing East County wastewater flows. Financially, this Project will remain cost competitive when compared to the status quo of maintaining wastewater deliveries to the City of San Diego's Metro (Metro) system for wastewater treatment and purchasing imported water from the San Diego County Water Authority (CWA). The JPA's consultant, Clean Energy Capital, developed a proforma financial model which was used to analyze current inflationary pressures, material escalation, annual debt service, and cost impacts to provide an overall assessment of the Project's financial position. The results of the model found the Project's economics remain favorable when compared to the alternative of continued participation in the Metro system and importing water.

The Board determined that the most expeditious and cost effective method of project delivery was through a Progressive Design Build (PDB) Procurement. Under Board direction, the JPA Administrator conducted a two-step, competitive procurement process for three individual PDB packages including:

- Package 1 - The new Water Recycling Facility (WRF), Advanced Water Purification (AWP) Facility, Visitor Center, Product Water Pump Station, Solids Handling Facility, and System Integration of the Project.
- Package 2 - Conveyance of product water from the new Package 1 treatment facilities to Lake Jennings. Includes the AWP Pipeline, Dechlorination Facility, Lake Jennings Inlet, and Water Feature.
- Package 3 – Consists of pump station modifications and conveyance of raw wastewater to the new WRF plus conveyance of residuals (brine and dewatering centrate) to the Metro sewer.

At the October 2020 meeting the JPA Board selected the Joint Venture of AECOM-Lyles as the Package 1 PDB entity and Orion Construction for Package 2. In December 2020 the Board approved AECOM-Lyles as the PDB Entity for Package 3. The JPA selected a PDB delivery method with two distinct phases. The first Phase (Phase 1) which was approved at the time of award advanced design of the individual packages allowing for the development of a Guaranteed Maximum Price (GMP). Upon completion of Phase 1 the JPA now has the option to move forward to final design and construction through a Phase 2 Amendment.

The Phase 1 scopes of work for Packages 1, 2, & 3 have been successfully completed within the Board approved budgets to a level of detail where a cost estimate can be provided with certainty. The JPA has negotiated and agreed upon a final scope of work, project schedule, fixed lump sum (LS) price, and terms applicable to Phase 2 (final design and construction services) and is seeking Board approval to amend each of the Agreements to reflect those terms. The decision to issue NTP 1 for the Phase 2 activities represents the final investment decision for the Board to move forward into final design and construction (excluding any construction work related to minor project modifications being environmentally evaluated and will be subject to NTP 2). Should the Board decide not to authorize the Phase 2 Amendments for any or all of the Packages, then the Board would be electing to choose to contractually “off-ramp” the Project.

The Technical Advisory Committee for the East County AWP (TAC) is made up of staff from Padre Dam, the County, and El Cajon that have been closely involved in the development and implementation of the AWP project over the last several years. The TAC members reviewed the proposed lump sum contracts amounts for all three Design Build Packages and the detailed financial assumptions and data that went into the updated Version 6.0 of the AWP Proforma model.

The TAC finds that based on currently available data, it appears that the fundamental economics of AWP remains favorable when compared to the alternative of continued participation in the Metro System. Greater long term ratepayer affordability with implementation of AWP appears to be a sound basis for proceeding and the TAC supports the Administrator’s recommendation to the Board.

Background:

Current and Long Term Water Supply Conditions

California and the western United States face serious near and long term challenges in water supply. Currently, the two major sources of the San Diego region’s water supplies, the State Water Project and the Colorado River, are facing extreme dry conditions and prolonged drought. Studies show that the West is in the worst mega drought of the past 1,200 years. Dry and hotter drought conditions continue to persist throughout California for the third consecutive year. In response, the State continues to ramp up efforts towards additional conservation as called for in a series of Drought Emergency Proclamations and Executive Orders issued by Governor Newsom with the most current on March 28, 2022. It is anticipated that the State Water Resources Control Board (SWRCB) at the Governor’s direction will be adopting a Mandatory Emergency Water Conservation Regulation by May 25, 2022. Additionally, the Colorado River Basin continues to face low levels with Lake Mead and Lake Powell at historically low levels since initially filled and the US Bureau of Reclamation has issued its first ever water shortage declaration.

As evidenced by numerous scientific studies and noted in the Governor’s Declaration of a Drought Emergency and Executive Orders current conditions are exasperated by long term climate change and will be a permanent and ongoing feature of California’s water supply challenges. As a regional water and wastewater solution, the Project will implement surface water augmentation at Lake Jennings Reservoir improving local and regional water supply reliability and reducing wastewater discharge into the Pacific Ocean from the Point Loma Wastewater Treatment Plant by reusing East County wastewater flows to create a new source of local, safe, highly reliable, and drought-proof water supply reducing reliance on less reliable imported water.

East County AWP Project

This Project is located in eastern San Diego County and consists of a wastewater collection system covering flow primarily from the County of San Diego and Cities of Santee and El Cajon. These wastewater flows will be treated by the new WRF through headworks screening and grit removal, primary clarification, secondary biological activated sludge processes for full nitrification and partial denitrification, and tertiary granular media filtration. Sludge from the primary and secondary clarifiers will be treated at the Solids Handling Facility (SHF). Flow from the new WRF will be further treated at the AWP Facility with membrane filtration (MF), reverse osmosis (RO), ultraviolet light with advanced oxidation process (UV/AOP), post-stabilization, and free chlorine disinfection through the pipeline to Lake Jennings. Prior to Lake Jennings, the AWP facility product water will be dechlorinated for discharge to the reservoir. Lake Jennings will provide an environmental buffer with a minimum 100:1 dilution for the advanced treated recycled water. The R.M. Levy Water Treatment Plant will then treat the water from Lake Jennings along with other supplies to continue producing drinking water for the region. Recycled water for non-potable reuse will be pumped to the existing Ray Stoyer WRF chlorine contact basin (CCB) for disinfection prior to purchase by Padre Dam for distribution to its recycled water users. A portion of flow treated at the AWP Facility will be sent to Santee Lakes for non-potable reuse to support recreation.

The four East County partners (Padre Dam, County, El Cajon, HWD) have been collaborating to develop and evaluate alternatives for increasing recycled water availability and use within East County since 2014. In 2015, Padre Dam embarked on an experimental plan for the Padre Dam AWP demonstration Project with yearlong testing of the proposed treatment train. Since then and through 2021, a number of studies were conducted at the AWP Demonstration facility to support the Project. In 2016, Padre Dam completed the *East County Advanced Water Purification Program Planning Study*, which evaluated the feasibility to capture wastewater generated within East County and develop a potable reuse project to produce a drought-resistant and locally controlled water supply for the region.

Following development of the planning study, various engineering documents and reports were prepared to facilitate design and development of the Project. Padre Dam and the partnering agencies also worked closely with an Independent Advisory Panel (IAP) panel made up of nationally recognized subject matter experts in the fields of water treatment and potable reuse that further refine and enhance the treatment process from an engineering and public health protection perspective.

These reports and the recommendations and input from the IAP provided the basis of the procurement process for selecting PDB teams to finalize the design and construct the Project facilities. The PDB teams competitively procured by the JPA through a two-step process are listed in the table below:

East County AWP Package #	Selected PDB Team	Award of PDB Agreement	Status
1	AECOM & WML IV, a Joint Venture	October 1, 2020	Phase 1 - Design and pre-construction services complete.
2	Orion Construction Corporation	October 1, 2020	Phase 1 - Design and pre-construction services complete.
3	AECOM & WML VI, a Joint Venture	December 10, 2020	Phase 1 - Design and pre-construction services complete.
4	Orion Construction Corporation	September 16, 2021	Phase 1A – Preliminary design and pre-construction services ongoing.

Design and pre-construction services (Phase 1) for Packages 1, 2, & 3 have been successfully completed within the Board approved budgets. The JPA has negotiated and agreed upon a final scope of work, a

project schedule, a fixed lump sum price, and terms applicable to Phase 2 (final design and construction services).

Financial Impacts of Macroeconomic Pressures

As reported to the Board at previous meetings the Project is being impacted by unprecedented and worldwide related macroeconomic pressures that are having an outsized impact on the cost of construction commodities, wages, and the delivery of critical materials and equipment. Furthermore, inflation numbers released by the federal government show the highest overall annual rate of inflation in the last 40 years. To compound the unpredictable material costs, constraints in supply chains are resulting in extensive delays in finished material and equipment (e.g. pipe fabrication and pumps) deliveries of up to twice as long as is typical under more normal circumstances.

All these factors have contributed to increased capital cost to the Project over the last year which has an impact on projected utility rates. Utility rates are made up of both external wholesale costs and internal agency costs (e.g. distribution, administration, operations, capital costs, etc.). Currently the Project's member agencies either use the Metro system for wastewater treatment or purchase potable water from the CWA. When the Project is online, it will replace a portion of these wholesale costs. Internal agency costs are separate from the Project and under the control of each agency. In an effort to contain cost increases and provide a more favorable outcome on the rates the Administrator, in collaboration with Owner's Advisor and the PDB entities, conducted a value engineering exercise last summer to optimize the cost of the project while maintaining the required level of quality and public health protection. Additionally, during final negotiations, the Administrator worked with each of the PDB entities and identified additional areas where cost reduction could be made. Finally, converting all three packages from a time and materials Guaranteed Maximum Price (GMP) to fixed price lump sum contracts resulted in additional savings to the JPA from the GMPs initially submitted. Working in this collaborative and "open book" approach allowed the JPA to be assured that pricing was competitive.

Future AWP Project Components

The JPA has also directed staff to move forward with a proposed project element for Package 4 which is being developed in conjunction with the City of San Diego under the fully executed January 2021 Residuals Management Agreement. Package 4 includes a conveyance facility for residuals (brine and centrate) resulting from the WRF and AWP treatment processes to Point Loma Wastewater Treatment Plant for eventual discharge to the Pacific Ocean and rehabilitation of the East Mission Gorge Force Main to provide a wet weather/failsafe pipeline. Package 4 is anticipated to also include a wastewater collection pipeline for Padre Dam that will be fully reimbursed by Padre Dam to the JPA. At its September 2021 meeting the Board approved the selection of Orion Construction as the PDB entity for Phase 1 of Package 4. Planning and environmental compliance activities are anticipated to be completed in the summer of 2022 and approval of Phase 1B and 2 of the proposed Package 4 will be brought back to the JPA Board for decision of further implementation after the JPA's compliance with the California Environmental Quality Act (CEQA) for Package 4 and subsequent financial agreement with City of San Diego.

The Board previously directed staff to prepare a Request for Proposal (RFP) for a proposed fifth package (Package 5) for the design, construction, permitting, long-term operations and maintenance (O&M), and possible financing of biogas energy recovery facilities. The development of the proposed Package 5 project will be determined through the solicitation and subject to the environmental review process. Part of the Board's consideration of the Phase 2 Amendments includes the provision of facilities for future

energy recovery in the solids handling facilities. These solids handling facilities were contemplated in the current CEQA approval for the Project.

Project Operation

Following completion of construction and acceptance of the Project by the JPA, Padre Dam is under contract and will be responsible for the day-to-day operation and maintenance of the various components of the Project facilities in compliance with all operating permits. Padre Dam has extensive experience in wastewater treatment and recycled water production and has operated Ray Stoyer WRF since 1962. In addition, Padre Dam oversaw the design, construction, and for 6 years the operation of the AWP demonstration facility that provided critical applied research and operating experience of the advanced treatment systems used in potable reuse.

Once delivered to Lake Jennings, HWD will be responsible for the storage and subsequent treatment and distribution of potable water. HWD is recognized as a leader in drinking water treatment and has operated Lake Jennings and the R.M. Levy Water Treatment Plant since 1965.

Description:

PDB Agreement Amendment

The proposed Agreements with the Design-Builders reflects the PDB delivery method. For Phase 1, the Agreement required the parties to negotiate and agree upon a final scope of work, baseline project schedule, and fixed lump sum price for Phase 2. Throughout Phase 1, the Design-Builder was contractually required to competitively bid work packages from qualified vendors and subcontractors and to share cost, overhead, and profit information with the JPA in an open and transparent basis which protects the JPA, as well as interests in state and federal funding obtained, in identifying an optimal fixed lump sum for Phase 2.

The JPA is now seeking approval to amend the Agreement with the Package 1, 2, & 3 Design-Builders. Subject to the Board's approval, the JPA shall issue written notice to each of the Design-Builders that all of the following conditions have been satisfied or any unsatisfied conditions have been waived in writing by JPA:

- Design-Builder has finalized the Phase 1 Design Documents in accordance with this Agreement;
- the Phase 2 Contract Price Proposal has been approved by the JPA Representative;
- the Baseline Project Schedule for Phase 2 has been approved by the JPA Representative;
- Design-Builder has finalized all Project Plans required to be completed as a condition of Phase 2 Approval;
- the Phase 1 Milestones have been achieved;
- the proposed Phase 2 Amendment has been prepared and agreed upon and executed by Design-Builder;
- JPA has closed all financing or obtained all funding for the Phase 2 Work;
- all Governmental Approvals required for the Phase 2 Work have been obtained to the extent acceptable before the Date of Phase 2 approval;
- approval from the JPA Board for the Phase 2 Work has been obtained;
- Design-Builder has submitted each reaffirmation of guaranty required under the agreement; and
- Design-Builder has otherwise complied with all of its obligations under this Agreement to the extent applicable before the Date of Phase 2 Approval and NTP Phase 2.

Subcontractor Listing Requirement

The Subletting and Subcontracting Fair Practices Act, Public Contract Code sections 4100 et seq. (Subcontracting Act) is applicable to the proposed Agreements. The Subcontracting Act requires that contractors identify certain subcontractors when submitting bids to a public agency for construction of public works with the objective of preventing bid shopping, bid peddling and unfair competition, which may result in poor quality of material and workmanship, insolvencies, or loss of wages to employees.

However, because the proposed Agreements contemplate preparation and production of the Project design prior to construction, the Design-Builders' plans and specifications were not available prior to submission of Phase 1 proposals and will not be available until after Phase 2 proposals, and it is therefore impossible for the Design-Builders to comply with the listing requirements of the Subcontracting Act. JPA must therefore adopt a policy for subcontractor identification for the Agreements in the form of a Resolution.

Environmental Compliance

Environmental review for the project approvals proposed in the recommended action has already been completed under the California Environmental Quality Act ("CEQA"). The Padre Dam Municipal Water District (the "District"), as lead agency for the Project, prepared an Initial Study/Mitigated Negative Declaration ("MND"; SCH No. 2018091029) that analyzed the Project's potential environmental impacts under CEQA and concluded that the Project would have less than significant impacts with the implementation of identified mitigation measures. On December 5, 2018, the District adopted the MND and approved the Project. Thereafter, the JPA reviewed and considered the MND as a responsible agency for the Project. On February 20, 2020, the JPA adopted the MND for the Project under CEQA, adopted a Mitigation Monitoring and Reporting Program ("MMRP") for the Project, and approved the Project. Shortly thereafter, the JPA filed a Notice of Determination documenting its adoption of the MND and MMRP, and its approval of the Project. No further environmental review is necessary under State CEQA Guidelines section 15162, as the MND for the Project has already been adopted, and the JPA is not considering any modifications to the Project at its May 19, 2022 meeting. The approvals currently before the JPA, as outlined in this report, would merely be subsequent approvals for an already-approved Project for which an MND has already been adopted under CEQA.

In accordance with the Residuals Management and Disposal Agreement between the City of San Diego and JPA, executed February 2, 2021, the JPA is evaluating a modification of the approved Project to construct and operate a regional brine line (RBL) to convey the residuals of the Project around the City of San Diego's Pure Water Program facilities.

The JPA is also evaluating other minor modifications to the approved Project in an effort to avoid existing utilities, avoid rocks and hard surfaces, minimize impacts to sensitive biological resources, accommodate alternative construction methodologies, and address new information. A Subsequent IS/MND was prepared and is currently out for public review that evaluates the environmental impacts of all Project modifications under consideration by the JPA. It is anticipated that the Board will consider certification and approval of the Subsequent MND at its August 2022 meeting. The JPA is not considering any approvals at the present time relating to the project modifications analyzed in the Subsequent IS/MND.

Regulatory Compliance

The East County AWP will be among the first permitted Indirect Potable Reuse projects using surface water augmentation (SWA) in California. SWA regulations were promulgated by the State Water Resources Control Board (SWRCB) and the Division of Drinking Water (DDW) in October 2018. These regulations will be included in the requirements to issue the JPA a permit under the federal National Pollution Discharge Elimination System (NPDES) and will adhere to all requirements under Title 22 of the California Code of Regulations (CCR) applicable to SWA and recycled water (non-potable reuse) customer demands. The Project will also discharge approximately 1 mgd of advanced treated recycled water through the AWP facility to Sycamore Creek via the Santee Lakes. Advanced Water Treatment discharges to Santee Lakes will be in compliance with the NPDES permit for Sycamore Creek. The JPA will be the holder of all AWP related permits.

Public Outreach

Public relations and community outreach are key to the success and public acceptance of the East County AWP Program. The JPA has designed and implemented an award-winning outreach and education program for the Project. The outreach program educates customers about the Project, builds support, and creates goodwill. The outreach and education program features innovative and creative outreach tactics.

Efforts during Phase 2 of the project will have a construction outreach focus as well as a continued education and information focus. Key areas of public relations and outreach services for the construction and implementation phase of the East County AWP project include:

- Continue to create and maintain positive public perception of the Program, with an emphasis on the reliable, high quality, safe, drought proof and cost effective water supply to be provided for East San Diego County.
- Construction outreach plan implementation to ensure community is well informed of project impacts and efforts.
- Development of online story map to show where and when construction is happening.
- Outreach to specific stakeholders along the pipeline routes for Package 2, 3 and 4. Package 4 coordination of outreach efforts with Mission Trails Regional Park, City of San Diego, and other key stakeholders.
- Develop layout, exhibits and education plan for the East County AWP Visitor Center experience.
- Media relations surrounding key milestones and successes in the project.
- Ongoing efforts: e-newsletters, website maintenance and updates, materials development, social media messaging, tours when possible and other project communications.

The Project communication and outreach efforts will be ongoing throughout the course of AWP implementation. Future outreach efforts will focus on the project's implementation, construction and commissioning.

Contract Negotiations

Final negotiations with the PDB entities included converting the Guaranteed Maximum Price (GMP or cost-plus contingencies) for each Package to a Lump Sum (LS) Fixed Price. This approach yielded price certainty, risk transfer, and additional savings benefits to the JPA as briefly described on the next page.

- **Price Certainty:** For a contract over 3 years in duration, market conditions create hyper-escalation and “spot” pricing. With a LS contract, the JPA knows exactly what they are going to pay, which adds confidence when forecasting rates.
- **Risk Transfer:** 100% of the risk associated with material and labor pricing and availability was transferred to the PDBs; for which they are the best suited to manage and be responsible. Under a GMP, the JPA would be contractually responsible for compensating the PDB. With a LS contract, the JPA avoids these construction-related risks, while the PDB is fully incentivized to complete the Project ahead of schedule.
- **Savings:** It costs significantly less to administer a LS contract than a GMP, which is basically a cost-plus contract requiring each receipt to be reviewed and validated. This also distracts project managers from doing what they are hired to do: build the projects quickly and maintain high quality. Because it also benefits the PDB, the JPA received a price reduction totaling approximately \$10M for all 3 packages by converting to a LS. In addition, the JPA anticipates additional savings by reducing soft costs associated with the Owner’s Advisor’s efforts to review and validate receipts.

Working together with the PDBs towards a GMP, this “open book” approach allowed the JPA to be assured that pricing was competitive, responsive, and a good value prior to converting to LS. Utilizing the LS approach also transferred the appropriate risks to the PDB’s.

The table below identifies the negotiated lump sum price for the three project packages under consideration today.

East County AWP Package #	Selected PDB Team	Negotiated Lump Sum Price for Phase 2 Activities
1	AECOM & WML IV, a Joint Venture	\$460,084,309
2	Orion Construction Corporation	\$51,919,739
3	AECOM & WML VI, a Joint Venture	\$83,716,513
Total		\$595,720,561

Technical Advisory Committee Recommendation

The Technical Advisory Committee for the East County AWP (TAC) is made up of staff from Padre Dam, the County, and El Cajon that have been closely involved in the development and implementation of the AWP project over the last several years. The TAC members reviewed the proposed lump sum contracts amounts for all three Design Build Packages and the detailed financial assumptions and data that went into the updated Version 6.0 of the AWP Proforma model.

The TAC finds that based on currently available data, it appears that the fundamental economics of AWP remains favorable when compared to the alternative of continued participation in the Metro System. Greater long term ratepayer affordability with implementation of AWP appears to be a sound basis for proceeding and the TAC supports the Administrator’s recommendation to the Board.

Recommendation(s):

1. Hear staff report on the East County AWP Project (Project).
2. Adopt Resolution to allow each Design-Builder (DB) to identify and contract with Subcontractors who are not included in the Phase 1 or Phase 2 Proposal.
3. Adopt Resolution to accomplish each of the following:
 - a. Approve the form of the Phase 2 Amendments constituted by the following “Agreements”, subject to non-substantial changes, correction of errors or inconsistencies and changes to comply with state or federal legal requirements or funding conditions and completion of the Agreement Exhibits to reflect agreed aspects of each PDB’s Phase 2 Proposal as reviewed and approved by the East County AWP Joint Powers Authority (JPA) Administrator (Administrator) and the JPA’s legal counsel:
 - i. Amended and restated PDB Agreement (Package 1 Agreement) between the East County AWP JPA and AECOM & WML IV, a Joint Venture (Package 1 DB), to design, construct, and provide operations services and training for Package 1 of the Project, consisting of the Water Recycling Facility, Advanced Water Purification Facility, Visitor Center, Product Water Pump Station, Solids Handling Facilities, and Extended Facility Commissioning
 - ii. Amended and restated PDB Agreement (Package 2 Agreement) between the East County AWP JPA and Orion Construction Corporation (Package 2 DB), to design and construct Package 2 of the Project, consisting of the Advanced Water Purification Pipeline, Dechlorination Facility, Lake Jennings Reservoir Inlet, and Water Feature; and
 - iii. Amended and restated PDB Agreement (Package 3 Agreement) between the East County AWP JPA and AECOM & WML VI, a Joint Venture (Package 3 DB), to design and construct Package 3 of the Project, consisting of rehabilitating and upgrading the Influent Pump Station (IPS) and East Mission Gorge Pump Station (EMGPS), new Water Recycling Facility Force Main (WRFFM), and new Residuals Bypass System
 - b. Subject to each of the Package 1 DB, Package 2 DB, and Package 3 DB’s execution of the applicable Agreements and satisfaction of required conditions precedent under the Agreement, authorize the Administrator’s CEO/General Manager to execute the applicable Agreements on behalf of the JPA generally in the form approved above and with the Exhibits on file with the Administrator;
 - c. Authorize the Administrator to issue an initial notice to proceed (NTP 1) for Phase 2 for:
 - i. Phase 2 of Package 1 to the Package 1 DB (excluding any construction work on the Pond C Site) for a fixed lump sum of \$460,084,309 as provided in the Package 1 Agreement;
 - ii. Phase 2 of Package 2 to the Package 2 DB (excluding any construction work related to minor project modifications being environmentally evaluated) for a fixed lump sum of \$51,919,739 as provided in the Package 2 Agreement;
 - iii. Phase 2 of Package 3 to the Package 3 DB (excluding any construction work related to minor project modifications being environmentally evaluated) for a fixed lump sum of \$83,716,513 as provided in the Package 3 Agreement;subject to the requirements for NTP 1 being satisfied by DB and approved by the JPA Administrator. A further NTP (NTP 2) for Phase 2 will be required for construction work on the Pond C Site for Package 1 and construction work for Packages 2 and 3 on those areas with minor modifications that are being environmentally evaluated following the JPA Board’s Approval of the Final Subsequent Initial Study/Mitigated Negative Declaration (Subsequent IS/MND) at the August 2022 Board Meeting. The decision to approve the Subsequent IS/MND and NTP 2 is within sole discretion of the JPA and is not proposed for action at this time;
 - d. Authorize the Administrator to take such further actions and execute such further documents as are necessary to accomplish the purposes of said resolutions and Agreements.

RESOLUTION 2022-_____

RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST COUNTY ADVANCED WATER PURIFICATION JOINT POWERS AUTHORITY DECLARING PUBLIC NECESSITY AND ALLOWING DESIGN-BUILDERS TO IDENTIFY AND CONTRACT WITH SUBCONTRACTORS WHO WERE NOT INCLUDED IN THE DESIGN-BUILDERS' PHASE 1 OR PHASE 2 PROPOSALS UNDER EACH OF (I) THE RFP ISSUED APRIL 10, 2020 FOR PROGRESSIVE DESIGN-BUILD CONTRACT (PACKAGE 1), (II) THE RFP ISSUED APRIL 30, 2020 FOR PROGRESSIVE DESIGN-BUILD CONTRACT (PACKAGE 2), AND (III) THE RFP ISSUED JULY 23, 2020 FOR PROGRESSIVE DESIGN-BUILD CONTRACT (PACKAGE 3)

WHEREAS, the East County Advanced Water Purification Joint Powers Authority ("JPA") has issued procurement packages requesting submission of proposals for Progressive Design-Build Agreements (the "Agreements") for the design and construction of various packages of a potable reuse program to improve local and regional water supply reliability and supply advanced treated recycled water to East San Diego County through the East County Advanced Water Purification Project ("AWP") (the "Project"); and

WHEREAS, the JPA Board previously found it was efficient and advantageous for the JPA to use a progressive design-build project delivery method for Packages 1-3 of the Project, to serve the goals of expediting completion of the Project while obtaining cost-efficient engineering designs and reducing the need for a significant contingency; and

WHEREAS, the Agreements contemplate that pricing for construction of the Project will be negotiated for specific design packages following completion of such packages; and

WHEREAS, the Subletting and Subcontracting Fair Practices Act, Public Contract Code sections 4100 et seq. (the "Subcontracting Act") is applicable to the Agreements; and

WHEREAS, the Subcontracting Act requires Design-Builders to identify certain subcontractors when submitting bids to a public agency for construction of public works; and

WHEREAS, the purpose of the Subcontracting Act, as stated in Section 4101, is to prevent bid shopping, bid peddling and unfair competition and resulting poor quality of material and workmanship, insolvencies, loss of wages to employees and other evils; and

WHEREAS, Section 4109 of the Subcontracting Act permits a contractor to enter into subcontracts for work, without having designated a subcontractor for such work in the original proposal, in cases of public necessity; and

WHEREAS, the scope of the construction work to be performed pursuant to the proposed Agreements includes specialized work that the Design-Builders will not be able to perform in-house, as well as work which is desirable to subcontract in order to allow additional firms the opportunity to participate in development of the Project; and

WHEREAS, because the Agreements contemplate preparation and production of the Project design as the first phase of the Design-Builder's work, plans and specifications were not available prior to submission of Phase 1 proposals and will not be finalized until after submission of Phase 2 proposals. It will therefore be impossible for the Design-Builders to obtain firm bids from subcontractors prior to submission of the Design-Builders' bids so as to enable the Design-Builders to identify subcontractors at time of proposal submission in accordance with the Subcontracting Act; and

WHEREAS, the Board of JPA desires to adopt a Policy for Subcontractor Identification for the Agreements.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the Board of Directors of the East County Advanced Water Purification Joint Powers Authority as follows:

1. The above Recitals are true and correct and are incorporated herein as the findings of the Board of Directors.
2. For the reasons set forth above, public necessity requires that the proposers for the Agreements be allowed to postpone identification of subcontractors who would otherwise be required to be identified under the Subcontracting Act at the time of proposal submission, subject to the Design-Builders' compliance with the procedure set forth below.
3. The following procedure is hereby adopted by the Board, and shall be adhered to by the Design-Builders under the Agreements in selecting its subcontractors:
 - a) The Design-Builders awarded the Agreements shall, prior to soliciting any bids for performance of work or labor or rendering of services in or about the construction of the Project or for special fabrication and installation of a portion of the work for the Project, submit to JPA for its review and approval, a reasonable procedure for the conduct of the bidding process applicable to all such subcontracts (or combination of subcontracts with a single subcontractor) with a price in excess of 1/2 of 1% of the total Phase 2 proposal price. Such procedure shall conform generally with JPA's Policies and Procedures Manual and the Instructions to Proposers. Each Design-Builder shall promptly notify JPA in writing of the identity of each subcontractor selected.
 - b) A Design-Builder shall not enter into any subcontracts (or combination of subcontracts with a single subcontractor) with a total price in excess of 1/2 of 1% of the total Phase 2 proposal price, except with subcontractors listed in its proposal or subcontractors selected in accordance with the foregoing procedure. Once a subcontractor has been selected for any such work, the Design-Builders shall not have the right to make any substitution of such subcontractor except in accordance with the provisions of the Subcontracting Act.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the East County Advanced Water Purification Joint Powers Authority on May 19, 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Board Chair

Board Secretary

RESOLUTION 2022-____

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST COUNTY
ADVANCED WATER PURIFICATION JOINT POWERS AUTHORITY
APPROVING AMENDMENT TO AGREEMENT TO DESIGN AND CONSTRUCT PACKAGE 1 OF THE
EAST COUNTY ADVANCED WATER PURIFICATION (AWP) PROJECT AND AUTHORIZING
EXECUTION OF THE AMENDED AGREEMENT AND ISSUANCE OF A NOTICE TO PROCEED**

WHEREAS, the East County Advanced Water Purification Joint Powers Authority (“East County AWP JPA” or “JPA”) was established by the East County Advanced Water Purification Joint Exercise of Powers Agreement (“JPA Agreement”) effective November 1, 2019; and

WHEREAS, Padre Dam Municipal Water District is the Administrator for the East County AWP JPA (“Administrator”); and

WHEREAS, on October 7, 2020 the JPA, acting through the Administrator, and AECOM & WML IV, a Joint Venture (“Design-Builder”) entered into a Progressive Design-Build Agreement for Package 1 of the East County AWP Project (“Agreement”); and

WHEREAS, Design-Builder has performed the Phase 1 activities contemplated under the Agreement;

WHEREAS, the Agreement contemplates a further phase of work may be performed by Design-Builder, subject to the JPA’s approval of the Design-Builder’s proposal for Phase 2 before the conclusion of Phase 1; and

WHEREAS, Design-Builder and the JPA have negotiated an amendment to the Agreement and agreed on final terms, including the contract price, for Phase 2 of the Agreement (“Phase 2 Amendment”), under which the JPA will issue a notice to proceed with Phase 2 for a lump sum contract price, subject to the Design-Builder satisfying the necessary conditions precedent.

NOW, THEREFORE, IT IS HEREBY RESOLVED, DETERMINED AND ORDERED by the Board of Directors of the East County AWP JPA as follows:

1. The JPA approves the Phase 2 Amendment to the Agreement with Design-Builder to complete the design and to construct Package 1 of the East County Advanced Water Purification Project, subject to non-substantial changes, correction of errors or inconsistencies and changes to comply with state or federal legal requirements or funding conditions and completion of the Agreement Exhibits to reflect agreed aspects of Design-Builder’s Phase 2 Proposal as reviewed and approved by the Administrator and the JPA’s legal counsel.
2. Subject to Package 1 Design-Builder’s execution of the Agreement and satisfaction of required conditions precedent under the Agreement, the JPA authorizes the Administrator, acting by and through its CEO/General Manager, to execute the Phase 2 Amendment on behalf of the JPA, generally in the form approved above and with the Exhibits on file with the Administrator.

3. The JPA authorizes the Administrator to issue an initial Notice to Proceed (NTP1) with Phase 2 of Package 1 to Design-Builder, subject to the requirements for NTP being satisfied and approved by the JPA Administrator, on a lump sum basis as provided in the Phase 2 Amendment, for the total price of \$460,084,309 as provided in the Package 1 Agreement.
4. Subject to the requirements for NTP1 being satisfied by Design-Builder and approved by the Administrator, a further NTP for Phase 2 (NTP2) will be required for construction work on the Pond C Site for Package 1 on those areas with minor modifications that are being environmentally evaluated following the JPA Board's Approval of the Final Subsequent Initial Study/Mitigated Negative Declaration (Subsequent IS/MND) at the August 2022 Board Meeting. The decision to approve the Subsequent IS/MND and NTP2 is within sole discretion of the JPA.
5. The JPA authorizes the Administrator to take such further actions and execute such further documents as are necessary to accomplish the purposes of this Resolution and the Agreement.

PASSED AND ADOPTED at the special meeting of the Board of Directors of the East County Advanced Water Purification Joint Powers Authority held on May 19, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Board Chair

Board Secretary

RESOLUTION 2022-___

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST COUNTY
ADVANCED WATER PURIFICATION JOINT POWERS AUTHORITY
APPROVING AMENDMENT TO AGREEMENT TO DESIGN, AND CONSTRUCT PACKAGE 2 OF THE
EAST COUNTY ADVANCED WATER PURIFICATION (AWP) PROJECT AND AUTHORIZING
EXECUTION OF THE AMENDED AGREEMENT AND ISSUANCE OF A NOTICE TO PROCEED**

WHEREAS, the East County Advanced Water Purification Joint Powers Authority ("East County AWP JPA" or "JPA") was established by the East County Advanced Water Purification Joint Exercise of Powers Agreement ("JPA Agreement") effective November 1, 2019; and

WHEREAS, Padre Dam Municipal Water District is the Administrator for the East County AWP JPA ("Administrator"); and

WHEREAS, on October 7, 2020, the JPA, acting through the Administrator, and Orion Construction Corporation ("Design-Builder") entered into a Progressive Design-Build Agreement for Package 2 of the East County AWP Project ("Agreement"); and

WHEREAS, Design-Builder has performed the Phase 1 activities contemplated under the Agreement;

WHEREAS, the Agreement contemplates a further phase of work may be performed by Design-Builder, subject to the JPA's approval of the Design-Builder's proposal for Phase 2 before the conclusion of Phase 1; and

WHEREAS, Design-Builder and the JPA have negotiated an amendment to the Agreement and agreed on final terms, including the contract price, for Phase 2 of the Agreement ("Phase 2 Amendment"), under which the JPA will issue a notice to proceed with Phase 2 for a lump sum contract price, subject to the Design-Builder satisfying the necessary conditions precedent.

NOW, THEREFORE, IT IS HEREBY RESOLVED, DETERMINED AND ORDERED by the Board of Directors of the East County AWP JPA as follows:

1. The JPA approves the Phase 2 Amendment to the Agreement with Design-Builder to complete design and to construct Package 2 of the East County Advanced Water Purification Project, subject to non-substantial changes, correction of errors or inconsistencies and changes to comply with state or federal legal requirements or funding conditions and completion of the Agreement Exhibits to reflect agreed aspects of the Design Builder's Phase 2 Proposal as reviewed and approved by the Administrator and the JPA's legal counsel.
2. Subject to Package 2 Design-Builder's execution of the Agreement and satisfaction of required conditions precedent under the Agreement, the JPA authorizes the Administrator, acting by and through its CEO/General Manager, to execute the Phase 2 Amendment on behalf of the JPA, generally in the form approved above and with the Exhibits on file with the Administrator.
3. The JPA authorizes the Administrator to issue an initial Notice to Proceed (NTP1) with Phase 2 of Package 2 to Design-Builder, subject to the requirements for NTP being satisfied and approved by the JPA Administrator, on a lump sum basis as provided in the Phase 2 Amendment, for the total price of \$51,919,739 as provided in the Package 2 Agreement.

4. Subject to the requirements for NTP1 being satisfied by Design-Builder and approved by the Administrator, a further NTP for Phase 2 (NTP2) will be required for construction work on Package 2 on those areas that are being environmentally evaluated following the JPA Board's Approval of the Final Subsequent Initial Study/Mitigated Negative Declaration (Subsequent IS/MND) at the August 2022 Board Meeting. The decision to approve the Subsequent IS/MND and NTP2 is within sole discretion of the JPA.
5. The JPA authorizes the Administrator to take such further actions and execute such further documents as are necessary to accomplish the purposes of this Resolution and the Agreement.

PASSED AND ADOPTED at the special meeting of the Board of Directors of the East County Advanced Water Purification Joint Powers Authority held on May 19, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Board Chair

Board Secretary

RESOLUTION 2022-___

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST COUNTY
ADVANCED WATER PURIFICATION JOINT POWERS AUTHORITY
APPROVING AMENDMENT TO AGREEMENT TO DESIGN AND CONSTRUCT
PACKAGE 3 OF THE EAST COUNTY ADVANCED WATER PURIFICATION (AWP)
PROJECT AND AUTHORIZING EXECUTION OF THE AMENDED AGREEMENT AND
ISSUANCE OF A NOTICE TO PROCEED**

WHEREAS, the East County Advanced Water Purification Joint Powers Authority ("East County AWP JPA" or "JPA") was established by the East County Advanced Water Purification Joint Exercise of Powers Agreement ("JPA Agreement"), effective November 1, 2019; and

WHEREAS, Padre Dam Municipal Water District is the Administrator for the East County AWP JPA ("Administrator"); and

WHEREAS, on December 8, 2020 the JPA, acting through the Administrator, and AECOM & WML VI, a Joint Venture ("Design-Builder") entered into a Progressive Design-Build Agreement for Package 3 of the East County AWP Project ("Agreement"); and

WHEREAS, Design-Builder has performed the Phase 1 activities contemplated under the Agreement;

WHEREAS, the Agreement contemplates a further phase of work may be performed by Design-Builder, subject to the JPA's approval of the Design-Builder's proposal for Phase 2 before the conclusion of Phase 1; and

WHEREAS, Design-Builder and the JPA have negotiated an amendment to the Agreement and agreed on final terms, including the contract price, for Phase 2 of the Agreement ("Phase 2 Amendment"), under which the JPA will issue a notice to proceed with Phase 2 for a lump sum contract price, subject to the Design-Builder satisfying the necessary conditions precedent.

NOW, THEREFORE, IT IS HEREBY RESOLVED, DETERMINED AND ORDERED by the Board of Directors of the East County AWP JPA as follows:

1. The JPA approves the Phase 2 Amendment to the Agreement with Design-Builder to complete the design and to construct Package 3 of the East County Advanced Water Purification Project, subject to non-substantial changes, correction of errors or inconsistencies and changes to comply with state or federal legal requirements or funding conditions and completion of the Agreement Exhibits to reflect agreed aspects of Design-Builder's Phase 2 Proposal as reviewed and approved by the Administrator and the JPA's legal counsel.
2. Subject to Package 1 Design-Builder's execution of the Agreement and satisfaction of required conditions precedent under the Agreement, the JPA authorizes the Administrator, acting by and through its CEO/General Manager, to execute the Phase 2 Amendment on behalf of the JPA, generally in the form approved above and with the Exhibits on file with the Administrator.

3. The JPA authorizes the Administrator to issue an initial Notice to Proceed (NTP1) with Phase 2 of Package 3 to Design-Builder, subject to the requirements for NTP being satisfied and approved by the JPA Administrator, on a lump sum basis as provided in the Phase 2 Amendment, for the total price of \$83,716,513 as provided in the Package 3 Agreement.
4. Subject to the requirements for NTP1 being satisfied by Design-Builder and approved by the Administrator, a further NTP for Phase 2 (NTP2) will be required for construction work on Package 3 on those areas with minor modifications that are being environmentally evaluated following the JPA Board's Approval of the Final Subsequent Initial Study/Mitigated Negative Declaration (Subsequent IS/MND) at the August 2022 Board Meeting. The decision to approve the Subsequent IS/MND and NTP2 is within sole discretion of the JPA.
5. The JPA authorizes the Administrator to take such further actions and execute such further documents as are necessary to accomplish the purposes of this Resolution and the Agreement.

PASSED AND ADOPTED at the special meeting of the Board of Directors of the East County Advanced Water Purification Joint Powers Authority held on May 19, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Board Chair

Board Secretary



BOARD AGENDA REPORT

Meeting Date: 05-19-2022

Submitted by: Mark Niemiec, P.E., Director AWP

Subject: Professional service agreements and amendments to existing professional service agreements for work performed for Phase 2 of the East County AWP Project

Recommendation(s):

1. Authorize the Administrator, on behalf of the JPA, to execute professional services agreements and amendments to existing professional service agreements (contracts) in support of Phase 2 activities for the East County AWP Project:
 - a) Carollo Engineers, Inc. for Owner Advisor Services in the not-to-exceed (NTE) amount of \$36,849,992 through fiscal year (FY) 2026.
 - b) Trussell Technologies for Permit Support Services in the NTE amount of \$6,691,272 through FY 2027.
 - c) Nossaman, LLP for Specialty Legal Services in the NTE amount of \$3,884,442 through FY 2026.
 - d) NV5, Inc. for Public Relations and Outreach in the NTE amount of \$1,529,000 through FY 2026.
 - e) Tanner Pacific Inc. in the NTE amount of \$1,930,528 through FY 2026.
 - f) TAS Consulting in the NTE amount of \$1,233,330 through FY 2026.
 - g) Ken Weinberg Water Resources Consulting LLC in the NTE amount of \$168,000 through FY 2023.
 - h) Nexinite, LLC in the NTE amount of \$1,003,056 through FY 2026.
 - i) Clean Energy Capital (CEC) for Financial Services in the NTE amount of \$550,000 through FY 2026.
2. Authorize a total contingency of \$750,000 for the Administrator to modify the contracts identified above to support unforeseen changes during Phase 2 activities.

Alternative(s):

Do not authorize the Administrator to execute professional service agreements and amendments to existing professional service agreements in support of Phase 2 activities.

Funding:

Requested amount: \$53,839,620 plus a contingency of \$750,000

Funding source: Wastewater Services Agreement, grants and incentives.

Attachment(s):

1. Carollo Scope of Work and NTE fee estimate
2. Trussell Scope of work and NTE fee estimate
3. Nossman Scope of work and NTE fee estimate
4. NV5 Scope of work and NTE fee estimate
5. TPI Scope of work and NTE fee estimate
6. TAS Scope of work and NTE fee estimate
7. Ken Weinberg Water Resources Consulting Scope of work and NTE fee estimate
8. Nexinite Scope of work and NTE fee estimate
9. CEC Scope of work and NTE fee estimate

Project Goals: The East County Advanced Water Purification Program is a regional water and wastewater solution. This Program is a collaborative partnership between Padre Dam Municipal Water District, County of San Diego, the City of El Cajon and Helix Water District. It will create a new, local, sustainable and drought proof drinking water supply using state-of-the-art technology to purify recycled water and diversify East County's water supply while reducing our dependence on imported water. This Program will provide up to 30 percent of East County's drinking water demands while reducing wastewater discharge into the ocean.

Reviewed by:

Padre Dam GM
Finance

☒
☒

Legal Counsel
Standard Form

☒
☐**Action Required:**

Motion
Resolution

☒
☐

Ordinance
None

☐
☐

Executive Summary:

Padre Dam along with the City of El Cajon and the County of San Diego entered into a Joint Exercise of Powers Agreement to create the East County Advanced Water Purification (AWP) Joint Powers Authority (JPA) effective November 1, 2019. In November 2021 the Board approved the Administrator and Operator Agreement (Agreement) between the JPA and Padre Dam, designating Padre Dam as the Administrator and Operator for the day-to-day management of the JPA to perform numerous administrative tasks and operation of its wastewater, advance purified water treatment, and conveyance facilities including the implementation of the East County AWP Project (Project).

In carrying out its contractual obligations to the JPA, Padre Dam staff has relied on a combination of its existing staff, Limited Term Employees (LTEs), and consultants to conduct the required work. Padre Dam believes that the nature of implementing the large-scale capital improvements program (CIP) associated with the Project requires a rapid, flexible, and specialized approach for staffing resources to oversee day-to-day management of the individual construction packages and ensure the effective delivery of a quality and cost-effective project. Project delivery is most successful while using an implementation model that allows staff to efficiently increase resources when ramping up the CIP and reduce CIP staffing needs when the project is completed.

To assist Padre Dam in fulfilling its obligations as the Administrator and Operator, professional service agreements and amendments to existing professional service agreements are required with consultants for Phase 2 project activities.

Description:

The East County Advanced Water Purification Project (Project) has completed over 6 years of planning and project development and is now commencing the implementation stage. Phase 1 (design and pre-construction) activities for three of the five Design Build Packages (Packages 1, 2, & 3) have been completed and project focus is shifting to program management of final design, permitting, construction, and commissioning. The Project packages are described below:

- Package 1 includes a 16 mgd Water Recycling Facility, an 11.5 mgd Advanced Water Purification Facility, a solids handling facility, a product water pump station and a new visitor's center. AECOM/WML IV a Joint Venture is the Design-Build Entity (DBE).
- Package 2 includes a 10-mile pipeline, dechlorination facility, an inlet to Lake Jennings, and a water feature. Orion Construction Corporation is the DBE.
- Package 3 includes rehabilitating and upgrading the Influent Pump Station (IPS) and East Mission Gorge Pump Station (EMGPS), a new Water Recycling Facility Force Main (WRFFM), and a new Residuals Bypass System. AECOM/WML VI a Joint Venture is the DBE.

Additionally, planning and project development is nearing completion on Packages 4 and 5:

- Package 4 includes a new Regional Brine Line (RBL) to convey brine and solids dewatering liquid-waste stream produced by the advanced water purification treatment processes from the East Mission Gorge Pump Station (EMGPS) to the City of San Diego's South Mission Valley Trunk Sewer, and to rehabilitate the existing East Mission Gorge Force Main (EMGFM) which will continue to serve as a wet weather/failsafe pipeline. Orion Construction Corporation is the DBE.

- Package 5 consists of project delivery and the long-term operations and maintenance, and possible financing, of biogas energy recovery facilities from the anaerobic digesters at the future solids handling facilities forming part of the East County AWP Project.

Padre Dam is the designated Administrator and Operator of the East County AWP JPA. The Project is at a scale and complexity that is outside Padre Dam's recent history of CIP implementation and facility operation. To assist Padre Dam in fulfilling its obligations as the Administrator and Operator a scope of work and not-to-exceed fee estimate has been obtained for professional services from the following consultants, each of whom have an existing professional services agreement with the JPA, or Padre Dam, as the Interim Administrator, pursuant to Section 4.6.2 (b) of the JPA Agreement and consistent with the JPA's approved budget:

- Carollo Engineers, Inc. (Carollo): Carollo has been retained as the Owner's Advisor/Program Manager (OA). Carollo will provide the necessary coordination, engineering, and technical support to the JPA working to align the entire integrated Project team with the JPA's priorities throughout the course of the Project. Their scope of services includes providing the necessary management and administrative support, procurement support, professional engineering and technical assistance, and construction oversight services.
- Trussell Technologies (Trussell): Trussell has been involved with the Project since 2013 as the lead consultant for program management of the Full Advanced Water Treatment Demonstration Project, under which many of the key technical and regulatory concepts were first developed and continue to be carried through to the Project's implementation. Through this contract, Trussell will continue to leverage their extensive historical involvement, technical and regulatory expertise, and treatment process operational knowledge to ensure timely project completion, reliability and robustness of the future AWP treatment facilities and infrastructure, and compliance throughout the State Water Board regulatory approval requirements. The services to be performed under their contract are categorized into the following five tasks: 1) State Water Board Permitting, 2) Workshops and Meetings, 3) Design and Submittal Review Support, 4) Startup and Operations Support, and 5) As-Needed Technical Services. These tasks are a combination of the technical work and regulatory compliance guidance that are estimated to occur through Fiscal Year (FY) 2027.
- Nossaman, LLP (Nossaman): Specialty legal counsel is required to provide comprehensive contract drafting and legal advisory services on the following activities related to the Project: contract negotiations, construction phase (including project acceptance, start-up and commissioning), and the warranty period. Specialty legal services are being provided by Nossaman and their sub-consultant Robynne Thaxton with Progressive Design-Build Consulting, LLC. The scope of services for Phase 2 activities focuses on contract administration for each of the five project packages, contract and change management negotiations for Packages 4 and 5, environmental (CEQA) support for Package 4, and legal assistance with procurement of an Energy Recovery (Package 5) Contractor.
- NV5, Inc. (NV5): Public relations and community outreach are key to the success and public acceptance of the Project. Public relations and outreach support services are provided by NV5. The team at NV5 specializes in public relations and outreach services for public agencies and has worked extensively in water, wastewater, and recycled water for decades. Efforts during Phase 2 of the Project will have a construction outreach focus as well as a continued education and

information focus. Key areas of public relations and outreach services for the construction and implementation phase of the Project include:

- Continue to create and maintain positive public perception with an emphasis on the reliable, high quality, safe, drought proof and cost effective water supply to be provided for East San Diego County.
 - Construction outreach plan implementation to ensure community is well informed of project impacts and efforts.
 - Development of online story map to show where and when construction is happening.
 - Work as an integrated member of the project team for each progressive design build package to ensure outreach efforts are prepared in advance of work or other activity in the community.
 - Develop layout, exhibits, and an education plan for the East County AWP Visitor Center experience.
 - Media relations surrounding key milestones and successes in the project.
 - Ongoing efforts: e-newsletters, website maintenance and updates, materials development, social media messaging, tours when possible and other project communications.
- Tanner Pacific Inc. (TPI) Consulting: TPI will provide services, in coordination with staff of the JPA's Administrator (Padre Dam) and other JPA consultants and independent contractors, related to program management of the final design, permitting, construction, commissioning, and transitioning of the Project into operations and maintenance. TPI will provide specialized expertise, advice, and quality assurance services to the JPA Administrator's staff and other JPA consultants in program management and technical analysis in several project critical areas in the implementation of the Project. TPI's subconsultant, RGM Kramer, will provide services, as necessary, to ensure compliance with labor requirements outlined in the WIFIA and SRF funding terms and conditions, the requirements set forth in the Davis Bacon Related Acts, California Labor Code §§1720-1861, and the State of California's skilled and trained workforce requirements.
- Ken Weinberg Water Resources Consulting, LLC (KWWR): KWWR will continue to assist the JPA in transitioning to the final design and construction of Packages 1, 2, & 3 and finalizing the planning and development of Packages 4 and 5. This also includes assisting the JPA in negotiating the terms of conditions of remaining implementation agreements with the City of San Diego on Package 4 and other AWP related items. Ken Weinberg will assist the JPA in conducting the remaining project procurement and provide strategic advice, technical support, and assistance to Padre Dam staff in implementing AWP program management best practices and administering Design Build Agreements.
- TAS Consulting (TAS): TAS will provide specialized expertise, advice, and quality assurance services to the JPA Administrator's staff during Phase 2 activities. Specific project package support includes: technical/operational input and development support of the final Startup, Commissioning, and Acceptance Testing Plans; startup and testing coordination and support; preparation of a transitional operations and staffing plan for operation and maintenance of all JPA treatment facilities over the course of the project during construction, startup and commissioning, and commercial operations; quality assurance services in review of design

submittals and plans and during construction, start-up, and commissioning; and management and support of the Energy Recovery Project (Package 5).

- Nexinite, LLC (Nexinite): Nexinite will continue to develop and support the Project's Microsoft Teams and SharePoint Services Business Decision Platform. Incorporating Nexinite's services to promote stakeholder integration and develop production reports and dashboards will enhance the efficiency and ability for the Administrator to manage, integrate and share financial, project, and executive oversight data. To date, Nexinite's efforts have enabled rapid and cost-effective development Project business reports, dashboards, and applications that have helped improve collaboration, automate real-time reporting, and assist the JPA in making the best decisions for the Project.
- Clean Energy Capital (CEC): An important component of the Project is financial analysis, modeling, pricing, financing and reporting. CEC has been performing financial services in support of the Project since May 2018. CEC is an investment bank that advises water, energy, and infrastructure clients with a core focus on project finance. They advise clients throughout a project's development cycle from feasibility assessment through contract negotiations to financial closing. The JPA will continue to require additional significant financial advisory services such as billing methodology, analysis related to energy recovery options, and modeling of finances related to commercial operations. The initial term of CEC's agreement will be from the effective date through June 30, 2023. If the Administrator determines additional work is needed beyond this term, the agreement would be amended for a period not to exceed 36 months (up to June 30, 2026) for a not-to-exceed amount of \$272,910 (for a total contract amount of \$550,000). Any further extension or other type of increase in the not-to-exceed amount will be brought back to the JPA Board for consideration.

Recommendation(s):

1. Authorize the Administrator, on behalf of the JPA, to execute professional services agreements and amendments to existing professional service agreements (contracts) in support of Phase 2 activities for the East County AWP Project:
 - a) Carollo Engineers, Inc. for Owner Advisor Services in the not-to-exceed (NTE) amount of \$36,849,992 through fiscal year 2026.
 - b) Trussell Technologies for Permit Support Services in the NTE amount of \$6,691,272 through fiscal year 2027.
 - c) Nossaman, LLP for Specialty Legal Services in the NTE amount of \$3,884,442 through fiscal year 2026.
 - d) NV5, Inc. (NV5) for Public Relations and Outreach in the NTE amount of \$1,529,000 through fiscal year 2026.
 - e) Tanner Pacific Inc. in the NTE amount of \$1,930,528 through fiscal year 2026.
 - f) TAS Consulting in the NTE amount of \$1,233,330 through fiscal year 2026.
 - g) Ken Weinberg Water Resources Consulting LLC in the NTE amount of \$168,000 through fiscal year 2023.
 - h) Nexinite, LLC in the NTE amount of \$1,003,056 through fiscal year 2026.
 - i) Clean Energy Capital for Financial Services in the NTE amount of \$550,000 through fiscal year 2026.
2. Authorize a total contingency of \$750,000 for the Administrator to modify the contracts identified above to support unforeseen changes during Phase 2 activities.



5355 Mira Sorrento Place, Suite 270, San Diego, California 92121
P. 858.505.1020 F. 858.505.1015

March 30, 2022

Mr. Mark Niemiec
Director of East County AWP
East County Advanced Water Purification (AWP) Joint Powers Authority (JPA)
9300 Fanita Parkway
Santee, CA 92071

Subject: East County AWP Project
Owner's Advisor Services – FY 2023-2026 (Phase 2)
Project No. 200221
Amendment Request No. **10 Rev. 1**
Owner Advisor Services – East County AWP Phase 2 Final Design & Construction

Dear Mr. Niemiec:

Carollo Engineers, Inc. (Carollo) respectfully requests an amendment to our existing contract for continued services for the East County Advanced Water Purification (AWP) Project Owner's Advisor Services for Phase 2 Final Design & Construction Oversight Services, July 1, 2022 through June 30, 2026.

SUMMARY OF REVISIONS FROM DRAFT PROPOSAL SUBMITTED MARCH 15, 2022

The Scope of Services and Fee Proposal has been revised to address the JPA's comments made to our draft submittal dated March 15, 2022. This revision is provided in two forms: a complete PDF proposal (revised Scope and Fee) and a Word document in which we have included our response to JPA's comments.

Key highlights included in this revised Amendment Request include:

At the JPA's request, this scope of services applies to the four-year period FY23-FY26 (July 1, 2022 to June 30, 2026). The services defined herein are the Owners Advisor services to be provided at various times throughout the four years. Please refer to the budget table provided with this SOW (Exhibit B) where we have estimated hours by Task per FY.

Addition of Package 5 Energy Recovery Project Design and Construction Oversight Services. Carollo has included an estimated budget for managing the ERP Consultant through Phases 1A, 1B, and 2. We have assumed that Package 5 will be Combined Heat and Power design only and excludes high strength waste. Package 5 budget has been added to Task 10 Additional Services. Upon ERP Consultant award for Phase 1A, Carollo will finalize the SOW and budget for JPA authorization.

Package 5 budgeting includes technical support primarily during the design phase, but our evaluation has concluded that no construction oversight staff changes are needed as our onsite staff can take on Package 5 with nominal additional resource needs.

The hours that were previously included for Senior Advisors have been eliminated. Carollo's Principal in Charge Jeff Thornberry will remain engaged to ensure JPA satisfaction with Carollo's performance, however his time will not be charged to the project. Project Manager hours have been reduced approximately 10% from our previous estimate, anticipating efficiencies as the project progresses.

At JPA's request, Carollo added Task 3.07 Service Contract Procurement Assistance in which Carollo will provide as-needed support to JPA during procurement of post-construction service-related contracts. Nominal hours were added for these activities.

Staffing model was updated to correct an error in average hourly rates for FY26 that inflated the OA projected costs for that fiscal year.

The above changes in addition to other modest reductions in Carollo's level of effort have resulted in a ratio of OA/CO services to total Construction value of approximately 7.5%. This ratio is based on current estimated construction value of packages 1-5, and Carollo's Term 1 actual costs (\$105,300 below budget), Term 2 Estimate at Completion (forecasted to be approximately \$965,000 below budget), and this proposed Phase 2 budget including Package 5. This calculation excludes the unauthorized Additional Services, which is essentially a 5% contingency. If the requested Additional Services budget is ultimately authorized for Carollo's use, and the full FY23-26 budget is realized, the ratio would increase to 7.7%. Refer to the revised Staffing Model and the summary table below for this analysis.

	Actual+Forecast FY21-22 ¹	Estimated FY23-26	Total FY21-26	Percent of Construction ²	Percent of Design+Const ³
OA/CO Base Services	\$9,394,196	\$34,621,250	\$44,015,446	7.4%	6.6%
OA/CO Base + P5 ERP DB Oversight	\$9,394,196	\$35,118,930	\$44,513,126	7.5%	6.6%
Additional Services @5% of Base	-	\$1,731,062	\$1,731,062	-	-
OA/CO Base + Additional Services	\$9,394,196	\$36,849,992	\$46,244,188	7.7%	6.9%
Total Estimated Construction Cost				\$597,316,781	
Total Est. Design + Construction Cost					\$670,108,922

1. Includes actuals Aug-21 through Feb-22 plus forecast through June-22

2. Percent based on total estimated construction costs for Packages 1-5 as of 3/30/22

3. Percent based on total estimated Phase 1 design plus Phase 2 construction costs for Packages 1-5 as of 3/30/22

REVISED SCOPE

This revised amendment request includes the following scope and services:

Task 1 Owners Advisor Contract Administration

Carollo will provide overall administration/management for Carollo's delivery of its contract with the JPA. Carollo shall provide necessary staffing, administration, reporting, minutes, invoicing meeting JPA requirements, budget control, project controls, quality assurance and reviews, and professional oversight.

Task 2 Project Management and JPA Administration Support

Carollo will assist the JPA in the overall management and controls for the Project, providing progressive design build expertise and consultation, coordination with JPA staff, JPA Board support, assisting the JPA with its interactions with the Design-Builders.

Task 3 Owners Advisor Managed Tasks

Carollo shall provide technical assistance and specialized support to the JPA for various Owners Advisor managed tasks that will be performed to benefit the Project as a whole and are not specific to any individual Project Package. Many of these subtasks continue and further develop OA support activities that were provided during the Term 2 Owners Advisor contract. Specific subtasks are defined in the attached scope of services.

Task 4 Design Builder Oversight (Packages 1-3)

Carollo will provide engineering and technical assistance for each Package 1, 2, and 3 during Phase 2 Final Design and Construction, providing review and oversight as the Design-Builders finalize their respective 100% design documents.

Task 5 Design Builder Oversight (Package 4)

Carollo shall provide engineering and technical assistance to JPA for Package 4 during the Phase 1 Preliminary Design and during Phase 2 Final Design and Construction. Phase 1 for Package 4 is anticipated to resume during FY23 and continue to GMP and then Phase 2 with Final Design completion on late FY23.

Task 6 Construction Oversight Services (Packages 1-3)

Carollo will provide overall construction oversight team administration and support for Project completion on schedule and within budget. Carollo will provide qualified personnel that will perform the following: contract compliance monitoring; change management; project controls (performed as part of OA Services); coordination with the Project Packages. Carollo will monitor DBs' compliance with easement use restrictions, and biological and cultural monitoring/response/reporting requirements.

Task 7 Construction Oversight Services (Package 4)

Carollo will provide Package 4 construction oversight administration and support for Project completion on schedule and within budget similar to those services described in Task 6 above.

Task 8 Startup & Commissioning Support and Closeout (Packages 1-3)

For the Packages 1, 2, & 3 Startup and Commissioning period, Carollo will provide ongoing support to the JPA operations staff, review DB-developed startup and commissioning plans, observe startup activities, provide process and transition support services to JPA, assist the JPA in monitoring issues which may fall under the DB's warranty requirements and assist the JPA with onboarding its operations staff. Carollo will develop for JPA an Electronic Operations Manual for JPA staff use during operations.

Included under Task 8 are closeout services that include Project financial closeout (DB final invoices and preparing final SRF, WIFIA, and IRWM disbursement requests) and assisting in Project document archiving.

Task 9 Startup & Commissioning Support and Closeout (Package 4)

For the Package 4 Startup and Commissioning period, Carollo will provide ongoing support to the JPA similar to those services described in Task 8 above. Carollo will update the Electronic Operations Manual developed under Task 8 with Package 4 data.

Included under Task 9 are closeout services that include Project financial closeout and assisting in Project document archiving.

Task 10 Additional Services (as authorized)

JPA and Carollo may from time to time identify additional services that are not specifically identified in this document. Upon agreement of scope and fee and authorized by JPA per the terms and conditions in the Contract, Carollo will perform approved additional services.

Additional services for Owners Advisor support for post procurement Energy Recovery Package 5 phases 1A, 1B, have been estimated as a separate line item. This includes project controls, procurement support, technical design assistance, and construction oversight services through Package 5 pre-design, design, construction oversight, and contract operations phases of work. Due to the current unknowns associated with high strength waste (HSW), Carollo assumes that the Package scope will be combined heat and power (CHP) only, and does not include the additional design, construction, and operations for HSW receiving and processing. As an Additional Services task, this effort is subject to separate JPA authorization. While Carollo anticipates the budget for this Task to be as shown in the Fee Spreadsheet, both the scope and fee for this task will be further defined once the Package 5 Design Builder has been selected.

SCHEDULE

The scope and level of effort described in the attached scope of work is based on services required for Fiscal Year (FY) 2023 through FY 2026, the estimated year of project completion. The services herein are based on the forecasted Phase 2 Final Design and Construction scopes of work and proposed Phase 2 Project

Schedules for Packages 1-5 The OA Scope of Services relies on the Design-Builder's scope and is therefore an estimate.

ESTIMATE

Carollo proposes to perform the Phase 2 services described above on a time and materials basis in the **not-to-exceed amount of \$36,849,992** which includes \$1,731,062 for Additional Services (5% per FY) and \$497,680 for Package 5 Design and Construction Oversight to be authorized for use by the JPA if needed, in accordance with the enclosed Fee Estimate (Exhibit B).

Basis of Estimate

Carollo's OA Services proposal is based on the Design Builder's Phase 2 Final Design and Construction scopes of work and proposed Phase 2 Project Schedules for Packages 1-5 (as of February 2022). A significant change in DB scope or schedule may result in a change to the services estimated herein that will need to be adjusted by amendment.

Basis of Estimate Key Points:

This Basis of Estimate provides a high-level summary of key impacts and updates to Carollo's Phase 2 proposal. FTE values below relate to differences from the long-range forecast Carollo submitted to JPA as part of the Term 2, FY22 proposal.

Due to changes in the overall Project schedule, this Phase 2 proposal includes an additional year (FY26) not included in previous forecasts. FY26 services add about \$6.1 M at an average of 9 Full Time Equivalent (FTE) level of effort.

Increased environmental impacts defined in FY21 and FY22 and resulting monitoring and mitigation needs has increased the efforts of our subconsultant HELIX Environmental to about \$3.3M for Phase 2. FTEs increased from 0.5 FTEs to an average of 1.4 FTEs over the same period.

US inflation and post-COVID pandemic recovery has impacted salary rates and operating costs for both Carollo and our subconsultants. To mitigate these impacts, we have escalated our hourly rates from 3% increase per FY to 7% increase for FY 23, and 5% per FY thereafter. This inflationary impact has increased the proposed budget about \$1.9M above last year's forecasted budget.

Per discussions with the JPA during development of the Construction Oversight Plan and associated Construction Oversight Team (COT) staffing needs, Carollo has deleted the Area Engineer role. Additionally, to address the need for assigning discipline-specific Auditors to the COT, the number of Auditors has increased from about 3 FTEs to 5 FTEs. Specialty inspection needs have been reduced due to the added discipline-specific Auditors, as well. Overall, COT staffing changes resulted in a net decrease of about 0.6 FTE (from 2.0 FTEs). As previously committed, Carollo will regularly review staffing needs with the JPA and will adjust Construction Oversight staffing accordingly to meet Project needs.

Carollo has adjusted the anticipated staffing needs in the role of Package Technical Lead, which will support the JPA's Package Leads. At JPA's request, we have increased the planned effort from 0.5 FTEs to 0.75 FTEs. The increased effort is primarily intended to increase support of Package 1.

The overall Owners Advisor effort for the Project is now estimated to total \$ 46.2 M (\$10.4M Terms 1 & 2, minus unused balances of \$105,300 for Term 1 and \$965,000 for Term 2, plus \$36.5M Phase 2), which includes an Additional Services allowance of 5%.

We are thankful for this opportunity to continue our services as JPA's Owners Advisor. We are happy to discuss this proposal at your convenience and look forward to receiving your approval. Please contact Dan Baker or me if you have any further questions regarding this proposal. Thank you.

Sincerely,
CAROLLO ENGINEERS, INC.

Lynn E. Norton

Lynn E. Norton
East County AWP OA Services Project Manager
Vice President, Senior Program Manager
Program Management Services
Cell: 760-861-1340

Enclosures: Exhibit A: Scope of Services
 Exhibit B: Fee Proposal

cc: Carollo Contract File

Exhibit A – Scope of Work
Phase 2 Final Design & Construction
EAST COUNTY ADVANCED WATER PURIFICATION PROJECT
OWNER’S ADVISOR SERVICES
CAROLLO ENGINEERS, INC.

Last Revised: March 30, 2022

SCOPE OF SERVICES

It is understood that Padre Dam staff, acting as the administrator of the East County Advanced Water Purification (AWP) Joint Powers Authority (JPA), are performing the Program Management duties for the Project, with the Owner’s Advisor (OA) providing the necessary coordination, engineering, and technical support to the JPA and working to align the entire integrated Project team with the JPA’s priorities throughout the course of the Project. The scope of services for this Project includes providing the necessary management and administrative support, procurement support, professional engineering and technical assistance, and construction oversight services.

The scope and level of effort described below is based on services required for Fiscal Years (FY) 2023 through FY 2026, the estimated year of project completion. The services herein are based on the forecasted Phase 2 Final Design and Construction scopes of work and proposed Phase 2 Project Schedules for Packages 1-5. The OA Scope of Services relies, in part, on the Design-Builder’s scope and is therefore an estimate. The anticipated OA tasks and subtasks for the Project are shown below:

General Scope of Services Assumptions and Clarifications

The scope of services and fee developed for this authorization assumes the East County AWP Project Phase 2 is the period July 2022 through June 2026, including the anticipated Project Completion date and closeout period.

Carollo will complete the defined scope of services within the overall authorization not-to-exceed budget based upon these Assumptions and Clarifications. Carollo will make every reasonable effort to complete this effort within the estimated Task budgets, but, if necessary, Carollo may reallocate budget from Task-to-Task with JPA’s permission if the overall authorization not-to-exceed amount is maintained.

The level of effort is based on the DB’s Phase 2 Draft Design and Construction scopes of work and proposed Phase 2 Project Schedules for Packages 1-4 as of March 11, 2022. Carollo assumes that any significant change in DB scope or schedule will result in a change to the services estimated herein and that the change will be adjusted by amendment.

Carollo assumes that any extension in the construction schedule will result in an equivalent extension of OA services and will require an amendment to adjust scope and budget.

Owner Advisor and Construction Oversight Services staffing needs shall be reviewed with the JPA on a quarterly basis throughout Phase 2 and adjusted to meet the project’s needs. Any such adjustments that result in increased levels of

effort beyond those assumed will require an amendment.

The fee estimate is based upon annual salary rate increases of 7% for FY23 and 5% per year for remaining years, which is below the current rate of inflation in FY22. The OA may request further adjustment of rates to pace inflation by amendment.

It is assumed that current COVID-19 requirements will not limit or interfere with OA Services, or Construction Oversight Services from plan, and the estimated fees and levels of effort do not include the impacts of any such increased requirements. The Other Direct Costs (ODCs) estimated for this contract amendment assume the quantity of trips necessary to support this scope of services. The number of trips for out of area participants in meetings has been minimized, and the use of Microsoft Teams meetings maximized for cost efficiency. If the number of “in person” meetings or the numbers of out of area participants is increased at JPA’s request, the ODC budget may have to be amended accordingly.

Carollo anticipates that meetings during Phase 2 will be a combination of hybrid, “in-person”, and virtual meetings. The travel related ODCs have been forecasted accordingly. Should travel and related ODCs require increased in-person attendance causing the travel budget to be exceeded, the ODC budget will be adjusted by amendment. Project partnering sessions are assumed to be held in person.

Task 1 – Owner’s Advisor Contract Administration

Carollo Engineers, Inc. (Carollo), as the Owner’s Advisor, shall provide overall administration/management for Carollo’s delivery of its contract with the JPA. Carollo shall provide necessary staffing, administration, reporting, minutes, invoicing meeting JPA requirements, budget control, project controls, quality assurance and reviews, and professional oversight. Project staffing shall be maintained at acceptable levels to keep the Project on schedule, provide continuity of information and satisfy the requirements of the scope of work.

Subtask 1.01 – Carollo and Subconsultants Team Coordination

Carollo will integrate Carollo and its Subconsultant staff into a unified OA team. Carollo’s Project leadership team will coordinate OA resources, conduct regular internal coordination meetings with Project staff, and coordinate with Carollo’s subconsultants. Carollo will monitor OA services scope and fee and monitor Carollo’s completion of its quality assurance/control (QA/QC) associated with Carollo deliverables.

Deliverables:

None.

Subtask 1.02 – Contract Reporting and Invoice Preparation

Carollo will prepare a monthly OA invoice and Progress Status Report in accordance with JPA requirements for review and approval. Invoices shall be clearly presented in an organized manner, with costs identified to the Task level of detail as was presented in previous Terms. Charges will be reported at the subtask level as in previous Terms.

Deliverables:

Up to forty-eight (48) monthly progress invoices and associated Progress Status Reports.

Subtask 1.03 – Owners Advisor Planning and Change Management

Carollo will meet with its technical Project team leads, subconsultants, and other staff to report on the progress of each package of work, coordinate work efforts and actions, and adjust Carollo's efforts and assigned resources to meet JPA needs. Additionally, Carollo will prepare its response for JPA-requested changes in service and additional deliverables. The Carollo leadership staff and Task Leads will participate.

Deliverables:

Amendment Requests, as required.

Task 2 – Project Management and JPA Administration Support

Carollo will assist the JPA in the overall management and controls for the Project, providing progressive design build expertise and consultation, coordination with JPA staff, JPA Board support, assisting the JPA with its interactions and reporting to various funding agencies and project level schedule, budget, risk, document, and reporting management.

Subtask 2.01 – JPA Management Advisory Support

Carollo will perform coordination with the JPA and the JPA's consultants to monitor and support the ongoing activities of the Project. Carollo's Project leadership team will participate in conference calls, telephone calls and meetings with JPA management team members and other JPA consultants to discuss Project issues and coordinate Project activities. The OA Project Management Team will prepare for and participate in:

Up to 52 Weekly 1.5-hour coordination meetings per year with the JPA management team.

Up to 52 1-hour Weekly Executive Management meetings per year.

Up to two (2) 2-hour special topic workshops or meetings per month with JPA and JPA's consultants to coordinate ongoing Project activities associated with permitting, communications, public outreach and other miscellaneous topics not covered in other subtasks.

Prepare and respond to routine Microsoft Teams communications, emails, and phone calls. The level of effort for this task assumes up to 10 hours per week.

Up to four (4) 1-hour JPA Design Build Process Training sessions developed in concert with the Water Design Build Council.

Deliverables:

Meeting agendas and minutes for meetings facilitated or led by OA Program Management Team.

Subtask 2.02 – OA Internal Coordination

Carollo will provide day-to-day Package Lead coordination by the leadership team and the respective package team leads to provide coordination of Package response, JPA technical

requests, address issues of each package of work, and to coordinate overall work efforts. Carollo will prepare agenda, facilitate meetings, and record minutes as necessary. The level of effort for this task assumes up to fifty-two (52) 2-hour weekly meetings per year that includes up to 10 Carollo team members per meeting.

Carollo will also conduct up to twelve (12) 0.5-hour monthly Subconsultant Coordination meetings per year to review progress and status of their work, and to coordinate their activities. These meetings will include representatives from each of the subconsultants utilized by Carollo to support the project, and the key Carollo Package Management and Project Management staff.

Carollo will utilize meetings, telephone calls, emails, and Teams to coordinate and manage OA project resources, and scheduling Project support needs.

Deliverables:

None

Subtask 2.03 – JPA Board and TAC Meetings Support

Carollo will assist the JPA in the development of presentation materials and reports as requested by JPA Management and will participate in JPA Board meetings as associated subcommittees, as requested. It is assumed that Carollo will attend up to four (4) 2-hour Board meetings per year and six (6) 2-hour Technical Advisory Committee (TAC) meetings per year, and that preparation activities provided by Carollo will require an average of 8 hours per meeting. Board meetings will be attended by Carollo's OA PM and/or OA Deputy PM. TAC meetings will be attended by up to three (3) Carollo staff.

Deliverables:

Meeting presentation materials.

Subtask 2.04 – Loan/Grant Reporting, Disbursement, and Application Support (SC)

Carollo will assist the JPA in identifying and evaluating the various compliance activities, documentation needs, and reporting requirements associated with the State of California's State Water Resources Control Board (SWRCB) Division of Financial Assistance (DFA) for the Clean Water State Revolving Fund loan program (SRF, the Water Infrastructure Finance and Innovation Act (WIFIA) programs, and the Integrated Regional Water Management (IRWM) Grant program. Carollo will provide research or investigation as questions and clarification are required. Guidance to the DBs as well as to the JPA (if requested) will be provided in advance of invoicing so that contractors are aware of the program requirements and document needs. As requested, Carollo will participate on funding agency calls as related to reporting/invoicing.

Carollo will support the JPA in the completion of one (1) Final Budget Authorization (FBA) form and assemble the FBA attachments. The JPA will upload the FBA Package and attachments to the SWRCB's Financial Assistance Application Submittal Tool (FAAST) system. Carollo will support the JPA in responding to questions or requests for additional information from the SWRCB project manager.

Carollo will prepare for the JPA on an annual basis, up to four (4) quarterly status reports and disbursement requests for JPA review and submittal to WIFIA and up to four (4) quarterly report/disbursement requests for JPA review and submittal to SRF. Carollo will also prepare up to five (5) total quarterly status reports and disbursement requests for JPA review and submittal to IRWM (4 in FY23 and 1 in FY24). Carollo assumes that JPA will provide for Carollo's use the required backup invoice documentation (invoices and required supporting documentation) as it becomes available and that the documentation has been reviewed and reconciled for Carollo's high-level review and assembly into the required disbursement request. Draft packages will be prepared for each submittal, JPA comments addressed, and final packages provided for JPA approval and submittal to the respective agencies. For each Disbursement Request Package, Carollo will prepare a draft cover letter, spreadsheet, and supporting invoices for JPA finalization and submittal.

Carollo will assist the JPA in identifying potential grant and loan opportunities and determining the viability of such opportunities and the application/compliance requirements.

No loan/grant effort is included in support of Package 4 or Package 5 (Energy Recovery Project).

Deliverables:

Correspondence to JPA regarding grant/loan opportunities. Documentation from grant and loan agencies.

Develop up to four (4) quarterly report/disbursement requests per year for the Project for the State SRF loan agreement.

Develop up to four (4) summary reports and disbursement requests per year for the Project for the EPA's WIFIA loan agreement.

Develop up to five (5) quarterly report/disbursement requests for the Project for the IRWM agreement.

JPA will prepare all reports and disbursement request packages for Title XVI.

Subtask 2.05 – Partnering Support Services

Carollo will facilitate and participate in semi-annual partnering meetings for each Project Package, as requested by the JPA. The partnering meetings will be held to foster open communications, trust, understanding and teamwork between DBs and JPA Project team members. Preparation for each partnering meeting will include team member interviews, surveys, and presentation material preparation. The level of effort for this task assumes two (2) 2-hour in person partnering meetings per Project Package per year. (Up to 4 Carollo team members will attend per meeting in addition to Carollo's partnering facilitation subconsultant).

Subconsultant assisting with this subtask is Red Rocks Advisors.

Deliverables:

Up to two (2), 2-hour partnering meetings per year. Meeting agenda and presentation materials.

Subtask 2.06 – Project-Level Controls Support

Carollo will provide Project Controls support at both the overall Project level (described under this subtask) as well as Package-specific project controls as defined later in this document.

Schedule Oversight

Carollo will maintain a Project Master Schedule using Primavera P6 and perform Critical Path Method (CPM) analysis and exception management. Carollo will merge the schedules prepared by DBs into the Project Master schedule, including the Major Milestone schedule and evaluate Project Package interfaces monthly. Carollo shall recommend (as needed) phasing of work, critical paths, interface updates, and milestones for the Project Packages while assessing whether the Project complies with regulatory, funding, and other requirements.

Budget Monitoring and Oversight

Carollo will prepare and monitor a comprehensive overall budget, cost, and cash flow projection for the Packages. Carollo will develop the baseline budget that includes each of the major project components and phases and provides means of monitoring financial performance in relation to the baseline budget.

Project-level Risk Management

Carollo will maintain a JPA-level Risk Management Risk Register using Carollo's Risk Assessor and Manager Tool. The Risk Register will identify potential risks, develop risk mitigation strategies, and track how the risks are being handled. Risk management workshops will be conducted with OA subject matter experts and select JPA staff to obtain input from the Project teams. Up to four (4) quarterly risk register updates and up to four (4) 2-hour quarterly risk management meetings will be held with an assigned risk management workgroup to review and confirm updates.

Tools and Document Management Oversight

Carollo will utilize the JPA's Microsoft SharePoint and Microsoft Teams system prepared by JPA's consultant to manage records and documents for project related documents, communications, files, and drawings consistent with requirements and industry best practices. Carollo will support the continued maintenance of the JPA-selected Project Management Online Software (by Nexinite) and participate in up to twelve (12) one-hour coordination meetings per year with the JPA and JPA's consultant.

Carollo will provide instruction and guidance in the use of Teams and SharePoint to the Design-Builders, as necessary. Up to two (2) one-hour sessions per year will be held as needed.

Carollo will collect and provide documentation regarding team progress, schedule, budget, contract status, and issues for JPA's development of Teams-based Package Progress Report (Nexinite created project reports).

Carollo will review monthly reports generated for the project and will provide QC comments as necessary.

Deliverables:

- Up to twelve (12) Monthly Project Master Schedule reports and layouts per year

- Up to twelve (12) Monthly budget reports per year.

- Up to four (4) updates and reviews of the JPA-level risk register per year.

- Weekly document management (electronic filing, organization, file transfers, etc.).

- Up to twelve (12) project status narratives and data inputs in support of JPA's Teams-based of Package Progress Reports per year.

Task 3 – Owners Advisor Managed Tasks

Carollo shall provide technical assistance and specialized support to the JPA for various Owners Advisor managed tasks that will be performed to benefit the Project as a whole and are not specific to any individual Project Package. Many of these subtasks continue and further develop OA support activities that were started during the Term 1 Owners Advisor contract.

Subtask 3.01 – Information Systems and Data Management Support

Carollo will assist the JPA in further developing and implementing the approach for JPA information systems and data management as documented in the draft "Information and Data Management Plan". This plan established the initial data standards and requirements for the DBs to adhere to as part of each Package design and construction (BIM, SCADA, O&M, etc.), as well as the JPA information systems to be implemented in advance of startup and commissioning activities. The plan will be further refined and updated as the project implementation progresses, and additional information technology support staff are engaged by Padre Dam and the JPA.

This task will include activities to further the planning, requirements and standards definition, procurement, and implementation of the following information systems and data management applications:

- Computerized Maintenance Management System (CMMS)

- Laboratory Information Management System (LIMS)

- Electronic Operations Manual (EOM)

- Geographic Information System (GIS)

- Enterprise Asset Management (EAM)

- Reports and Dashboards for Operations, Engineering, and Management (DASH)

For each of these major information systems, Carollo will support the next steps as defined in the Information and Data Management Plan, which generally consist of the following:

- Requirements definition
- Software procurement and selection
- Vendor contract negotiation
- Implementation and configuration support

Requirements Definition: Carollo will work with the JPA to identify the needs of the various business users by developing a list of functional and technical requirements, which will be used as a basis to develop the procurement documents needed for software evaluation and selection. Carollo will leverage requirements developed for other similar agencies and facilities for the CMMS and LIMS systems.

Procurement Support: During Phase 2, Carollo will assist the JPA in developing Request for Proposals (RFP) from qualified CMMS and LIMS software vendors, using the Functional and Technical Requirements List as the basis for the procurement documents. For each information system, Carollo will facilitate workshops with the JPA to draft and review the procurement documents that define the requirements and evaluation criteria for vendor selection. Carollo will also provide a list of recommended software vendors and contact information for specific distribution of the RFP, in addition to the JPA's typical advertisement process.

Carollo will support the procurement advertisement process, including attendance at a pre-proposal meeting and in providing draft responses to vendor questions. Carollo will review proposals and conduct reference checks with qualified vendors. Carollo will develop a summary of the vendor software proposals, reference checks, and proposal conformance with the RFP requirements, then participate in meetings with the JPA to assist in a short-list selection of up to three (3) vendors to proceed with software demonstrations.

Software Selection and Contract Negotiation: Carollo will coordinate with the short-listed CMMS and LIMS software vendors to provide demonstrations of their software. Carollo will develop an agenda for the software vendors to follow in their demonstration, provide example data for the vendors to use (as available), and coordinate the demonstration schedule. Carollo will participate in the software demonstrations and provide a scoring sheet to compare functionality and options across the software vendors.

A Selection Workshop will be held after the last software demonstration to review the results and comparison evaluation matrix of the vendor and software alternatives. Carollo will support the JPA in finalizing the software selection and confirming the cost, licensing, and contract terms with the selected software vendor for both software and implementation services. At the completion of this task, the JPA will have selected CMMS and LIMS software to implement in the following implementation and configuration task.

Software Implementation and Configuration Support: The specific activities involved in system implementation will be determined with the assistance of the selected software vendor during contract negotiation, at the completion of the software procurement. In general, these activities will consist of the following steps:

- Software installation and setup
- Software interface and workflow configuration
- Data conversion and migration
- User acceptance testing and training
- Data interfaces design and development
- Go-live and technical support

During Phase 2, Carollo is expected to assist the JPA with the planning and requirements definition for all AWP information and data management systems, exclusive of SCADA, with additional assistance through procurement support, software selection, and contract negotiation for CMMS and LIMS systems.

Deliverables:

- Software requirements definition workshops for CMMS and LIMS. Meeting agenda, presentation materials and minutes.
- Functional and technical requirements list for CMMS and LIMS in electronic format.
- RFP review meetings with agendas and materials.
- Draft and Final RFP in electronic format (purchase and service contracts to be developed by the JPA and its legal counsel).
- Software demonstrations, including agendas and scoring sheets.
- Vendor evaluation matrix and software selection summary.

Subtask 3.02 – O&M Staffing Support

Carollo will assist JPA in implementing the recommendations documented in the O&M staffing plan prepared during Term 2 and update the plan to reflect the latest progress and decisions made for JPA operations staffing on each of the DB packages. Staffing support included in this task may include development of job descriptions, assistance with interviews and hiring, and coordination with JPA and DB in planning for commissioning and startup activities. Carollo will lead up to two (2) 2-hour workshops or meetings per year with JPA for an annual review and update of the O&M staffing plan.

Deliverables:

- Up to two (2), 2-hour workshops annually with agenda, presentation materials, and minutes.
- Annual O&M Staffing Plan Update

Subtask 3.03 – Physical and Cyber Security Support

Carollo will assist the JPA in review of physical and cyber security threats and provide support and coordination between JPA and DBs to identify physical and cyber security requirements for Project's facilities, systems, organization, and processes. The review

will be coordinated with recent risk and resiliency assessments conducted by JPA member agencies to meet the requirements of America's Water Infrastructure Act (AWIA) of 2018, as well as existing emergency response plans (ERPs), continuity of operations plans, and other available information technology and SCADA system planning documents. Current JPA cyber security standards and design requirements for DBs will be evaluated and updated as needed to determine compliance with the AWWA Cyber Security Guidance Document and other federal and state requirements for SCADA/Industrial Systems, as well as business and financial systems.

To address physical and cyber security needs of the future AWP facilities, Carollo will support the review of submittals, shop drawings, RFCs, and other requests from the DBs on the draft security designs developed during Phase 1 and incorporated into the final designs. Technical reviews of the draft 100% design documents with final security drawings and specifications are included under Task 4.03 Design Submittal Reviews for each project package.

Subconsultant assisting with this subtask is Enterprise Protection Associates.

Deliverables:

Up to four (4), 2-hour meetings for physical and cyber security reviews. Meeting agenda, presentation materials, and minutes.

One (1) project memorandum to document evaluation of cyber security standards and requirements.

Written comments (electronic format) on up to eight (8) shop drawing/submittals, Requests for Clarification (RFCs), Notices of Noncompliance (NONs), and Design Change Notices (DCNs).

Subtask 3.04 – Energy Recovery Project Procurement Support

Carollo will continue support for the Energy Recovery Project (ERP) procurement during FY23. This scope assumes that the request for proposals (RFP) for the ERP will have been issued during FY22 and proposals will be received, evaluated, and the contract awarded in November 2022. During the proposal period, Carollo will assist in considering and responding to RFIs (up to two RFI responses with 20 questions each assumed) from proposers relating to the scope of work and RFP and prepare up to two addendums with respect to the procurement documents.

Carollo will review technical proposals received from shortlisted DBs and assist with populating a Proposal Review Summary Matrix (includes pros/cons and notes for each proposal relating to the evaluation criteria) for use by the JPA evaluation committee. Carollo will support the determination as to whether minimum submittal requirements have been satisfied for each Proposal and notify JPA accordingly.

Carollo will provide contract negotiations support, including review of DB's scope of work (Phase 1A) and Phase 1A and 1B services fee. Upon completion of negotiations, Carollo will coordinate with the JPA and JPA's legal counsel to support the integration of the proposal information and negotiations results into the Design-Build Contract.

The Package 5 design phase support and construction oversight scope of work has been added to Task 10 Additional Services. Upon ERP Consultant award for Phase 1A, Carollo will finalize the SOW and budget for JPA authorization. .

Deliverables:

Up to two (2) addenda to the RFP that address RFIs.

Attend up to eight (8), 2-hour meetings (no meeting deliverables required).

Proposal Review Summary Matrix.

Up to three (3) 3-hour contract negotiations meetings.

Suggested revisions to contract language (if requested) with comments on scope and fee.

Subtask 3.05 – Project-Level CEQA Monitoring and Support

Carollo's subconsultant, HELIX Environmental, (HELIX) will assist the JPA in implementing and monitoring the identified mitigation measures during design and construction of the Project. Services include identifying and implementing required environmental compliance tasks in Phase 2 for resource agency permitting, sensitive habitat mitigation, pre-construction surveys, construction monitoring, and reporting. In addition, HELIX will assist the JPA with CEQA coordination and compliance support tasks, including drafting any required addenda, supplemental, subsequent, or other CEQA documents.

CEQA/NEPA Compliance Support. HELIX will continue to provide as-needed CEQA/NEPA environmental services during Phase 2 to implement and monitor the identified mitigation measures and assist in drafting addenda, supplemental, subsequent, or other CEQA/NEPA documents. This includes CEQA Addenda for Packages 2, 3, and 5.

Resource Agency Permitting Support. HELIX will continue to provide as-needed environmental permitting services during the Phase 2 to assist the JPA in obtaining JPA Provided Approvals and the design-builders in obtaining Governmental Approvals for which they are responsible. Support services are anticipated to include endangered species permitting and regulatory (wetlands) permitting support.

Sensitive Habitat Mitigation Support. HELIX will continue to provide as-needed sensitive habitat mitigation services including providing definition for both upland and wetland mitigation, and revegetation of non-developed areas.

Pre-Construction Environmental Surveys. HELIX will support the JPA in providing pre-construction environmental surveys, including nesting bird, sensitive species, and other surveys as appropriate. Multiple surveys are anticipated prior to construction. HELIX will define for JPA and the Design-Builders areas where survey results may impact construction to allow Design-Builders to plan around those areas when working.

Construction Monitoring. HELIX will support the JPA in providing environmental monitoring services during Package construction to identify and mitigate potential DB work practices that may impact environmental permits. Monitoring includes biological, cultural/archeological, Native American, and paleontological disciplines.

Reporting. HELIX will assist JPA with preparation of worker environmental awareness training materials and reports through Phase 2. Typical reports to be prepared include agency notifications, survey reports, monitoring reports, and other permitting -related reports

Environmental Project Management and Meetings. HELIX will provide project management and attend meetings with the project team and applicable agencies during the Phase 2. Meetings will be attended on an as-needed basis at the specific request of the project team.

As-Needed Environmental Services. Additional budget is included to support as needed services. Examples of as needed services during Phase 2 may include additional field surveys, noise studies (if necessary), air quality/greenhouse gas compliance support (if necessary), additional meetings, agency communications, and additional documentation.

Subconsultant assisting with this subtask is HELIX Environmental.

Deliverables:

- Technical study reports (biological, cultural, paleontological, and other, as needed).
- Biological and cultural monitoring reports, as needed.
- Required documentation for CEQA/NEPA compliance.
- CEQA Addenda for Packages 2 and 3, if needed.
- Written (electronic format) review comments 100% design submittals.
- Attend up to sixty (60), 2-hour meetings. Meeting agenda, presentation materials, and minutes.

Subtask 3.06 – Project Level Easement Support

This task includes activities necessary to complete the final versions of the plat and legal documents for Packages 2, 3 and 4. This includes the required field survey to locate a minimum of two property monuments to tie each parcel into the project control network. This task also includes review of the design build pipeline alignment to provide coordination with the planned temporary construction and permanent easement acquisition and survey information, as well as a review of each title report received to ensure it covers the required information. In addition to the approximate thirty easements outlined in the previous FY scope of work, this scope includes an additional 9 easements in coordination with property and asset transfers from Padre Dam Municipal Water District to the JPA.

Once plotted and confirmed, final legal descriptions and plat maps will be prepared for each required easement. Final legal descriptions and plats will be signed and sealed by a registered land surveyor in California. Documents will undergo an internal quality control review prior to submittal to the JPA. Final versions of easement document will be transmitted to the JPA in wet signed hardcopy and digital PDF format.

This task includes the following additional Right of Way (ROW) acquisition and appraisal support services required for Packages 2, 3 and 4: services required for Packages 2, 3 and 4:

Assistance to the JPA in preparing materials to transfer the needed property and/or assets from Padre Dam Municipal Water District to the East County AWP JPA.

Assistance to the JPA in preparing materials and presentations regarding the status of acquisitions and appraisals for the Board.

Coordination services with the JPA's legal counsel as required regarding acquisitions and, if needed, condemnation.

Development and facilitation on behalf of the JPA up to eight (8) appraisals of the estimated fair market value of the permanent easements. Appraisals will be in a narrative report prepared in conformance with and subject to the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.

Assistance as the JPA's Acquisition Agent, serving as the point of contact for property owners and as the liaison between the JPA and the property owners.

Assistance to the JPA in coordinating with escrow and closing procedures to determine that forms are filed, and final documents are transmitted to the East County JPA.

Subconsultants assisting with this subtask include O'Day Consultants and Bender-Rosenthal, Inc.

Deliverables:

Final legal descriptions and plat maps for each required easement

Up to four (4) Board agenda materials

Written recommendations should property condemnation need to proceed

Up to eight (8) narrative appraisal reports in electronic format.

Up to two (2) printed and bound copies of each appraisal report

Up to eight (8) offer letters including Summary Basis of Appraisal statements.

Notice of Decision to Appraise letters

Fully executed purchase agreement, property notarized deeds, and other pertinent documentation for execution and recordation.

Recorded deeds

Meeting minutes and agendas as required

Task 3.07 Service Contract Procurement Assistance

Carollo will provide as-needed procurement support for service contracts for ongoing operations and maintenance of the East County AWP facilities. These may include service contracts such as grit/screenings hauling and disposal, chemical deliveries, contract laboratory testing, and other general facilities maintenance contracts. Carollo will assist in the development of the procurement requirements and specifications, identification of potential bidders, and reviews to determine the submittal requirements have been satisfied for each proposal. Carollo procurement experts will also provide contract negotiations support, including review of fee estimates, and assist the JPA in the final selection and contracting with the services providers. These services have been

estimated to occur in FY25 and FY26 during the startup and commissioning phase for each of the packages. Procurement assistance will be provided for up to five (5) service contracts.

Deliverables:

- Up to five (5) service contract requirements documents
- Attend up to ten (10), 1-hour meetings to review procurement or bid documents (no meeting deliverables required).
- Services bid summary matrices
- Suggested revisions to contract language (if requested) with comments on scope of services and fees.

Task 4 – Design Builder Oversight (Packages 1-3)

Carollo will provide engineering and technical assistance for each Package 1, 2, and 3 During Phase 2 Final Design and Construction. The subtasks below apply to each Project Package 1 through 3.

Subtask 4.01 – DB Oversight, Progress Meetings, and Workshops

Carollo will facilitate coordination, and act as liaison, among the different DBs for each of the Project packages, including tracking coordination interfaces between the DB teams. Carollo shall monitor progress of the design and permitting activities for each Project Package to evaluate compliance with the Project schedule. Carollo will provide coordination and facilitate resolution of major permitting, environmental, and technical issues to accomplish efficient delivery of the Project. Carollo will prepare for and participate in the following meetings with DBs:

Anticipated Package 1 meetings

- Up to a total of fifty-two (52) weekly 2-hour design coordination meetings with the DBs and JPA for Project Packages 1 through final design.
- Ray Stoyer Electrical Improvements
- Ray Stoyer Jar Testing Report
- Final Product Water Analysis Report
- Pond C Improvements
- Aeration Control Optimization
- Noise Model Report
- Flow control strategy workshop
- Operational review workshop for equipment access (3 meetings, one for WRF, SHF and AWP)
- SCADA Integration Updates (2 workshops)
- PCN Reviews (2 meetings for each area WRF, SHF and AWP)
- 60% design comment follow-up (3 meetings, one for WRF, SHF and AWP)
- 100% design comment resolution workshop for Released for Construction documents
- Architectural design review

- Lab design review
- Landscape architecture review
- Stormwater meeting with City of El Cajon
- Sludge hopper and conveyor design review
- Generator power review
- Chemical feed systems review
- Fire protection system review
- BIM visualization
- HDD/trenchless, if necessary

Anticipated Package 2 meetings:

- Up to a total of twenty-six (26) weekly bi-weekly 2-hour design review meetings in support of 100% design documents for Project Package 2.
- Draft and Final 100% design comment resolution workshops for Released for Construction documents
- Package-specific meetings focused on specific areas and disciplines as well as workshops on topics such as County of San Diego bridge review, Segment 1 redesign, Homefed coordination meeting, water feature design, Highway 67 crossing design, and dechlorination facility equipment and instrumentation specification.

Anticipated Package 3 Meetings:

- Up to a total of twenty-six (26) weekly bi-weekly 2-hour design review meetings in support of 100% design documents for Project Package 3.
- 100% design comment resolution workshop for Released for Construction documents
- Package-specific meetings focused on specific areas and disciplines as well as workshops on topics such as BIM visualization, HDD/trenchless design, and equipment and instrumentation specifications.

Deliverables:

Review and comment on meeting agenda, minutes and action/decision logs prepared by DBs.

Subtask 4.02 – Project Plans, Technical Memoranda, and Reports Review

Carollo will assist the JPA Package Leads in their review of project plans, technical memoranda, workshop notes, and reports for each package for consistency with the Design-Build Agreements and requirements. These plans and reports are assumed to include the following per the DB's Phase 2 Scope of Work:

Package 1:

Final Product Water Hydraulics Analysis Report
Startup, Commissioning, and Acceptance Testing Plan
Ray Stoyer Jar Testing
Ray Stoyer Electrical Improvements

- Pond C Improvements
- Aeration Control Strategy Optimization
- Noise Modeling Report
- Ferric Addition Location Analysis
- Permits – City/County, DDW, SDG&E, and other permits
- Major Equipment Procurement Packages
- Training Plan
- Ray Stoyer Electrical Improvements
- Startup, Commissioning, and Acceptance Testing Plan
- Updated O&M cost estimates

Package 2:

- Final GDIR and GBR Amendment for Segment 1 Redesign
- Corrosion Control Report Update
- Security Improvements Design
- Updated Constructability
- Traffic and Pedestrian Control Plans
- Startup, Commissioning, and Acceptance Testing Plan
- Off-Spec Water Discharge Plan
- Permits – City/County, DDW, and other permits
- Major Equipment Procurement Packages
- Updated O&M cost estimates
- Updated Health and Safety Plan
- Updated Quality Management Plan
- Updated Site Management Plan

Package 3:

- Hydraulics Analysis TM
- Bypass Pumping Plan Amendment
- Permits - City/County, SDG&E, and other permits
- Major Equipment Procurement Packages
- Traffic Control Plans
- Training Plan
- Startup, Commissioning, and Acceptance Testing Plan
- Updated O&M cost estimates

Deliverables:

- Written comments (electronic format) on the reviews and evaluations of the Project Plans/Reports for Packages 1, 2 and 3.

Subtask 4.03 – Design Submittal Review

Carollo technical staff will provide review and comment to the various DB-submitted design deliverables listed herein.

100% Design Documents Review

Carollo will review the draft 100% Design Documents for consistency with the Design-Build Agreements, permits, and requirements for Packages 1, 2 and 3, including the Final BODR, 60% Design Documents, GMP estimate, and Basis of Estimate. Carollo will also facilitate technical support staff review and input on the designs for each package, including coordination with workshops. These documents are assumed to include the following per the Phase 2 Scope of Work for the DBs:

100% Design Documents	Package 1	Package 2	Package 3
Draft 100% Drawings and Specifications	✓	✓	✓
Draft Released for Construction Drawings and Specifications	✓	✓	✓
Updated Process Control Narratives	✓	✓	✓
Hydraulic Modeling and Surge Analysis	✓		
Demolition and Disposal Plans	✓	✓	✓
Final Stormwater Pollution Prevention Plan	✓	✓	✓
Final Noise Mitigation Measures	✓	✓	✓
SCADA Civil Infrastructure, Integration, and Turnover Plan	✓	✓	✓
Final Design Log and Trend Log	✓	✓	✓
Draft Final 3D BIM Model	✓	✓	✓
Fiber Optic Drawings and Specifications		✓	✓
Water Feature Drawings and Specifications		✓	

Subconsultants assisting with reviews under this subtask are Enterprise Protection Associates (security), Geocon (geotechnical), O'Day (civil/survey), MWA (architecture), and SWLA (landscape architecture).

Deliverables:

Written comments (electronic format) on the 100% Design Documents reviews and evaluations for Packages 1, 2 and 3.

Subtask 4.04 – DB Project Controls Monitoring

Carollo will provide Package-specific project controls monitoring and oversight services as defined below.

DB Schedule Oversight

Carollo will review monthly progress schedule updated prepared by the DBs. Carollo will review reported progress, phasing of work, critical paths, Package interfaces, and milestone status for the Project Packages while assessing whether the Project complies with contractual, regulatory, funding, and other requirements. Carollo will identify, monitor, and manage the critical path against the planned baseline schedule to identify variances which may negatively impact the package milestone dates. If needed, Carollo will recommend to the JPA any corrective actions that the DB may need to take to adjust sequence of work and durations to recover the completion dates.

The level of effort for this task assumes twenty-four (24) progress schedule reviews (initial and resubmittal) per year for each of the three Packages.

Budget Monitoring and Oversight

Carollo will monitor the DB's performance against its authorized budget and scope of work to assess progress of the Work. Carollo will monitor financial performance in relation to the baseline cashflow budget. Carollo will incorporate financial data updates provided by JPA monthly.

The level of effort for this task assumes twelve (12) DB budget reviews per year for each of the three Packages.

DB Pay Application and Project Status Report Review

Carollo will review monthly pay applications submitted by each Design Builder. Pay applications will be checked for compliance with defined invoice submittal requirements, including required supporting documentation which justifies the amount invoiced. Carollo will recommend to JPA approval or rejection of the DB's invoice based on issues identified.

The level of effort for this task assumes twenty-four (24) DB pay application and Project Status Report reviews (initial and one resubmittal) per year for each of the three Packages.

DB Change Management

Carollo will monitor potential DB change orders, review change order requests (CORs) by the DBs and assist JPA in preparing DB contract amendments if necessary. Carollo will also monitor DB's use of Contingency and Allowance budgets to evaluate proper use for this budget.

The level of effort for this task assumes up to twenty (20) CORs for each of the three Packages for a total of up to sixty (60) reviews.

DB Risk Management Oversight

Carollo will monitor the DB's contingency usage as it applies to the Package risk register developed at GMP. Carollo will recommend to the JPA any issues identified and provide recommended corrective actions, if needed.

The level of effort for this task assumes quarterly assessments for each of the three Packages (1-3) for a total of up to forty-eight (48) reviews.

Subtask 4.05 – Technical Services During Construction (Packages 1-3)

Carollo will perform technical oversight and review services for construction phase of the Project, including the following activities for Project Packages 1, 2, and 3:

Technical Oversight Coordination

Carollo's Package Technical Leads for Packages 1, 2, and 3, with support from Carollo's technical team members will provide technical support during construction to JPA's respective Package Leads as described below. Carollo assumes that the Package Technical Leads and technical support staff will provide support via remote communications means.

Shop Drawing and Submittals Review

At the request of JPA Package Lead and OA Construction Oversight Manager, Carollo technical support will assist with a review for concurrence of the DB's approved shop drawings and submittals. The review will include general conformance with the Final Design documents and technical reviews for key equipment and components.

Request for Clarification (RFC), Notice of Non-Conformance (NON), and Design Change Notification (DCN) Review and Oversight

At the request of JPA Package Lead and OA Construction Oversight Manager, Carollo technical support will review provide audit review comments to DBs (i.e., comments in addition to those provided by DBs), determine if the final RFCs, DCNs, and DCN responses by Design-Builder conform with the requirements of the Agreement, including amendments, and assist with preparation of NON documentation.

Permitting Oversight

At the request of JPA Package Lead and OA Construction Oversight, Carollo technical staff will provide review of DB's permitting plans for conformance with Agreement and Project permitting requirements, as listed in the GMP Amendment, attend DB permit status meetings to monitor plan progress, report status and concerns to JPA, and review DB's milestone submittal documentation, including schedule, for conformance with permitting requirements.

Deliverables:

- Written comments (electronic format) on shop drawing/submittals, RFCs, NONs, and DCNs.

- Assumes up to forty (40) shop drawing submittal reviews for concurrence for Package 1, ten (10) for Package 2, and ten (10) for Package 3.

- Assumes up to five (5) RFCs per month on Package 1, one (1) RFC per month on Package 2, and five (5) RFCs per month on Package 3 for technical support reviews during construction phase.

Task 5 – Design-Builder Oversight (Package 4)

Carollo shall provide engineering and technical assistance to JPA for Package 4 during the Phase 1 Preliminary Design and during Phase 2 Final Design and Construction. Phase 1 for Package 4 is anticipated to continue to GMP during FY23 and then Phase 2 with Final Design. The subtasks below are to be performed for Package 4. Carollo will provide coordination and facilitate resolution of major Project permitting, environmental, and technical issues to accomplish efficient delivery of the Package.

Subtask 5.01 – DB Oversight, Progress Meetings and Workshops

Carollo will prepare for and participate in bi-weekly design coordination meetings with the DB and Package-specific meetings focused on specific technical areas and disciplines as well as workshops on topics such as route determination, materials, and equipment specifications. Carollo will provide coordination and facilitate resolution of major permitting, environmental,

and technical issues to accomplish efficient delivery of the Project. Carollo will prepare for and participate in the following meetings related to Package 4:

Up to twenty-six (26) 2-hour bi-weekly meetings, per year during Phases 1A and 1B and weekly meetings during Phase 2 through Final Design

Package-specific meetings focused on specific areas and disciplines as well as workshops on topics such as route determination, HDD/trenchless design, hydraulics coordination with other packages, and materials and equipment specifications.

Up to six (6) 2-hour meetings per year for coordination and outreach to outside agencies, community and special interest groups, and the general public.

Deliverables:

Review and comment on meeting agenda, minutes and action/decision logs prepared by DBs.

Subtask 5.02 – Project Plans, Technical Memoranda, and Report Review

Carollo will assist the JPA Package 4 Lead in their review of Project plans and reports consistency with the Design-Build Contracts and requirements. These plans and reports include the following per the Scope of Work (Phase 1A and up to 60% Deliverable for Phase 1B) included in the Package 4, although the actual plans and reports reviewed and timing for these reviews will depend on the revised Package 4 schedule:

Project Plans/Reports	Phase 1A	Phase 1B
Project Preference and Alternatives Technical Memorandum	✓	
Geotechnical Plan of Investigation		✓.
Geotechnical Baseline Report		✓.
Hydraulic Modeling & Surge Analysis Report		✓
Condition Assessment Technical Memorandum		✓.
Wet Weather Flow Analysis	✓	
Site Survey and Utility Location Drawings		✓
Health and Safety Plan		✓
Quality Management Plan		✓
Utility Relocation Plan		✓
Contaminated Soils and Groundwater Management Plan		✓
Governmental Approvals Plan		✓
Temporary Traffic and Pedestrian Control Plan		✓
Subcontractor Procurement Plan		✓
DBE Participation Plan		✓
Site Management & Work Sequencing Plan		✓
East Mission Gorge Force Main Operational Plan	✓	
Supplemental Technical Information	✓	
Coordination Plan	✓	✓
Operations Coordination Plan		✓
Draft Startup & Commissioning Plan		✓
Constructability Technical Memorandum		✓

Constructability Technical Memorandum		✓
Operations & Maintenance Technical Memorandum		✓

Deliverables:

Written comments (electronic format) on the reviews and evaluations of the Project Plans/Reports for Package 4 Phase 1A and Phase 1B.

Subtask 5.03 – Design Submittal Review

Carollo technical staff will provide review and comment on the various DB-submitted design deliverables listed herein.

Basis of Design Reports (BODR) Review

Carollo will review the draft Final and Final BODRs for consistency with the Design-Build Contracts and requirements for Package 4. Carollo will also evaluate and provide recommendations on proposed deviations from the draft, updated, and Final BODR prepared by the DB review of BODRs will also include consideration of O&M impacts and life cycle costs.

Deliverables:

Written comments (electronic format) on the reviews and evaluations of the Draft and Final BODRs for Package 4; Phases 1A and 1B.

30% & 60% Design Documents Review

Carollo will review the 30% and 60% Design Documents for consistency with the Design-Build Contracts and requirements for Package 4 including identifying potential impacts on the O&M cost proformas and overall lifecycle costs (i.e., major changes in projected consumables including electricity usage, additional staff requirements, etc.). Carollo will also facilitate O&M staff review and input on the designs, including coordination with workshops. Carollo will perform constructability review of each design package. These documents are assumed to include the following per the Scope of Work (Phase 1A and Phase 1B) included in each package RFP, although the actual plans and reports reviewed will depend on the accepted Package 4 baseline schedule:

Conceptual Design Documents	Phase 1A	Phase 1B
Initial Basis of Design Report		✓
Cost Estimate		✓
Hydraulic Modeling and Surge Analysis		✓
Target Cost Proposal		✓
30% Design Documents		
Final BODR		✓
Drawings and Specifications		✓
Constructability TM		✓
O&M TM		✓
Updated Project Schedule	✓	✓
Updated Cost Model and Estimates		✓
Updated Design Log and Trend Log	✓	✓
60% Design Documents		

Drawings and Specifications		✓
Constructability TM		✓
O&M TM		✓
Updated Project Schedule		✓
Updated Cost Model and Estimates		✓
Updated Design Log and Trend Log		✓

Final Design Documents Review

Carollo will review the Phase 2 Final Design Documents for consistency with the Design-Build Agreement and requirements defined in Phases 1A and 1B, including identifying potential impacts on the O&M cost proformas and overall lifecycle costs (i.e., major changes in projected consumables including chemical and electricity usage, additional staff requirements, etc.). Carollo will also facilitate O&M staff review and input on the design of Package 4, including coordination with workshops. Carollo will determine if earlier comments are addressed and will perform constructability review of each design package.

Subconsultants assisting with this subtask are Geocon (geotechnical) and O'Day (civil/survey).

Subtask 5.04 – Cost Estimate Validation

Carollo will provide an evaluation of the DB-prepared project cost estimate, evaluate, and validate NTE proposals, and assist JPA staff in the negotiations of the NTE for Phase 2 GMP Proposal of Project Package 4. Carollo will perform the following cost validation activities:

- Perform review and verification of direct and indirect costs.
- Review/audit supplier and subcontractor quotes; request supplemental quotes, as necessary.
- Compare costs with other applicable projects.
- Perform review of cost contingencies developed by the DB.

Carollo will provide JPA with summary report of cost validation findings and recommendations. The level of effort for this task assumes review of one (1) cost estimate for Phase 1A (initial BODR estimate), one (1) cost estimate for Phase 1B (30% design estimate), and review of draft and final GMP cost estimates (60% design estimate) provided by the DB.

Deliverables:

- Up to four (4) cost estimate reviews.
- Summary report of cost validation findings and recommendations.

Subtask 5.05 – Phase 1B Not to Exceed and GMP Amendment Support

Carollo will assist the JPA in revising Phase 1B Not to Exceed (NTE) Amendment scope documentation and assembling documentation provided by Design-Build Team for Package 4.

Carollo will review Phase 1B NTE Proposal submitted by DB to evaluate compliance with PDB Agreement requirements. Carollo will notify the JPA and the DB of any deficiencies, and

coordinate with the JPA, JPA specialty legal and general counsel as needed, and Design-Build Team to revise NTE Proposal documents for acceptance by the JPA and incorporation into the Phase 1B NTE Amendment.

Carollo will assist the JPA in preparing Phase 2 scope documentation and assembling Phase 2 GMP Amendment documentation provided by Design-Build Team for Package 4. Carollo will lead the preparation of Phase 2 scope documentation that will include the Owner's requirements specifications (i.e., Division Owner's Requirements [ORs] specifications) and performance requirements documentation. Division ORs will be prepared using the template developed for Packages 1, 2, and 3, and will incorporate applicable language from the JPA's Division 1 (General Requirements) specifications and comments from the JPA and DBs.

Carollo will review Phase 2 GMP Proposal submitted by the Package 4 DB and evaluate compliance with PDB Agreement requirements. Carollo will notify the JPA and the DB of any deficiencies and coordinate with the JPA and DB to revise Phase 2 GMP Proposal documents for acceptance by the JPA and incorporation into the Phase 2 GMP Amendment. Carollo will coordinate with the JPA's legal counsel as required to prepare the Phase 2 GMP Amendment.

Carollo will assist the JPA and the JPA's specialty legal counsel in negotiating the terms of the Phase 2 GMP Amendment, referencing the GMP proposal cost negotiations as required. Carollo will review subcontractor proposals and bids submitted by DBs as provided in the GMP proposal and as required by the PDB Agreement. Carollo will support the JPA and the JPA's specialty legal counsel in review of the DB's subcontractor agreements to evaluate compliance with the PDB Agreement.

Deliverables:

Phase 1B NTE Amendment support documentation, as required.

Phase 2 scope documentation that includes Owner general requirements specifications (i.e., Division Owner's Requirements [ORs] specifications) and performance requirements.

Phase 2 GMP Amendment support documentation, as required.

Attend up to four (4), 2-hour meetings. No meeting deliverables required.

Up to two (2), 3-hour contract negotiations meetings.

Suggested revisions to contract language (if requested).

Subtask 5.06 – DB Project Controls Monitoring

DB Schedule Oversight

Carollo will review the DB's proposed Phase 1B Baseline schedule to determine compliance with contract requirements. Upon Phase 1B baseline schedule acceptance by the JPA, Carollo will review progress schedule updates prepared monthly by DB. Carollo shall recommend (as needed) phasing of work, critical paths, and milestones for the Package while assessing whether the Package complies with contractual, regulatory, funding, and other requirements. Carollo will identify, monitor, and manage the critical path against the planned baseline schedule to identify variances which may negatively impact the package

milestone dates. If needed, Carollo will recommend to the JPA any corrective actions that the DB may need to take to adjust sequence of work and durations to recover the completion dates.

Carollo will review the DB's proposed Phase 2 Baseline schedule to determine compliance with contract requirements. Upon Phase 2 baseline schedule acceptance by the JPA, Carollo will review progress schedule updates prepared monthly by DB. Carollo shall recommend (as needed) phasing of work, critical paths, and milestones for the Package while assessing whether the Package complies with contractual, regulatory, funding, and other requirements. Carollo will identify, monitor, and manage the critical path against the planned baseline schedule to identify variances which may negatively impact the package milestone dates. If needed, Carollo will recommend to the JPA any corrective actions that the DB may need to take to adjust sequence of work and durations to recover the completion dates.

The estimated level of effort is for two (2) Phase 1B Baseline schedule review (initial and one resubmittal) and three (3) Phase 2 Baseline schedule reviews (initial and two resubmittals). The level of effort includes thirty-six (36) monthly Progress schedule reviews (Phase 1B and Phase 2).

Budget Monitoring and Oversight

Carollo will monitor the DB's performance against its authorized budget and scope of work to assess progress of the Work. Carollo will monitor financial performance in relation to the baseline cashflow budget. Carollo will incorporate financial data updates provided by JPA monthly.

DB Pay Application and Project Status Report Review

Carollo will review monthly pay applications submitted by the Design Builder. Pay applications will be checked for compliance with defined invoice submittal requirements, including required supporting documentation which justifies the amount invoiced. Carollo will recommend to JPA approval or rejection of the DB's invoice based on issues identified.

The level of effort for this task assumes up to seventy-two (72) DB pay application and Project Status Report reviews (initial and one resubmittal per month) reviews.

DB Change Management

Carollo will monitor potential DB change orders, review change order requests (CORs) by the DBs and assist JPA in preparing DB contract amendments if necessary. Carollo will also monitor DBs use of Contingency and Allowance budgets to evaluate proper use for those budgets.

The level of effort for this task assumes up to twenty (20) COR reviews.

DB Risk Management Oversight

Carollo will review the DB's Risk Management Plan and Package Risk Register using Carollo's Risk Assessor and Manager Tool. The Risk Registers will identify potential risks,

develop risk mitigation strategies, and track how the risks are being handled. Up to two Monte Carlo analyses will be performed in support of GMP evaluation. Additionally, up to four (4) quarterly risk assessments will be conducted per year to monitor the DB's contingency usage against its risk register.

Subtask 5.07 – Technical Services During Construction (Package 4)

Carollo will perform technical oversight and review services for construction phase of the Project, including the following activities for Project Package 4.

Technical Oversight Coordination

Carollo's Technical Lead for Package 4, with support from Carollo's technical support team members, will provide technical support during construction to JPA's Package Lead. Carollo assumes that the Technical Lead and technical support staff will not be at the work site and support will be provided via remote communications.

Shop Drawing and Submittals Review

At the request of JPA Package Lead and OA Construction Oversight Manager, Carollo technical support will assist with a review for concurrence of the DB's approved shop drawings and submittals. The review will include general conformance with the Final Design documents and technical reviews for key equipment and components.

Request for Clarification (RFC), Notice of Non-Conformance (NON), and Design Change Notification (DCN) Review and Oversight

At the request of JPA Package Lead and OA Construction Oversight Manager, Carollo technical support will provide review of DCNs and DCN responses by Design-Builder for conformance with the requirements of the Agreement, including amendments, and assist with preparation of NON documentation.

Permitting Oversight

At the request of JPA Package Lead and OA Construction Oversight, Carollo technical staff will provide review of DB's permitting plans for conformance with Agreement and Project permitting requirements, as listed in the GMP Amendment, attend DB permit status meetings to monitor plan progress, report status and concerns to JPA, and review DB's milestone submittal documentation, including schedule, for conformance with permitting requirements.

Subconsultants assisting with this subtask are Geocon (geotechnical) and O'Day Consultants (surveying).

Deliverables:

- Written comments (electronic format) on shop drawing/submittals, RFCs, NONs, and DCNs.

- Assumes up to ten (10) shop drawing submittal reviews for concurrence.

- Assumes up to five (5) RFCs per for technical support reviews during construction phase.

Subtask 5.08 – Package 4 CEQA Coordination and Permitting Support

Carollo's subconsultant, HELIX Environmental, (HELIX) will assist the OWNER with CEQA and permitting support services for Package 4 and will continue in Phase 2 to assist the JPA in obtaining the Initial Study/Mitigated Negative Declaration (IS/MND) and updated CEQA permit.

Package 4 services include identifying and implementing required environmental compliance tasks in Phase 2 for sensitive habitat mitigation, pre-construction surveys, construction monitoring, and reporting. In addition, HELIX will assist the JPA with CEQA coordination and compliance support tasks, including drafting any required addenda, supplemental, subsequent, or other CEQA documents.

CEQA/NEPA Compliance Support. HELIX will continue to provide as-needed CEQA/NEPA environmental services during Phase 2 to implement and monitor the identified mitigation measures and assist in drafting addenda, supplemental, subsequent, or other CEQA/NEPA documents. This includes CEQA Addendum for Package 4.

Sensitive Habitat Mitigation Support. HELIX will continue to provide as-needed sensitive habitat mitigation services including providing definition for both upland and wetland mitigation, and revegetation of non-developed areas.

Pre-Construction Environmental Surveys. HELIX will support the JPA in providing pre-construction environmental surveys, including nesting bird, sensitive species, and other surveys as appropriate. Multiple surveys are anticipated prior to construction. HELIX will define for JPA and the Design-Builders areas where survey results may impact construction to allow Design-Builders to plan around those areas when working.

Construction Monitoring. HELIX will support the JPA in providing environmental monitoring services during Package construction to identify and mitigate potential DB work practices that may impact environmental permits. Monitoring includes biological, cultural/archeological, Native American, and paleontological disciplines.

Reporting. HELIX will assist JPA with preparation of worker environmental awareness training materials and reports through Phase 2. Typical reports to be prepared include agency notifications, survey reports, monitoring reports, and other permitting -related reports.

Environmental Project Management and Meetings. HELIX will provide project management and attend meetings with the project team and applicable agencies during the Phase 2. Meetings will be attended on an as-needed basis at the specific request of the project team.

As-Needed Environmental Services. Examples of as needed services during Phase 2 may include additional field surveys, noise studies (if necessary), air quality/greenhouse gas compliance support (if necessary), additional meetings, agency communications, and additional documentation. A 10% contingency and set aside based on environmental fees has been included in the cost proposal for these services.

Subconsultant assisting with this subtask is HELIX Environmental.

Deliverables:

Technical study reports (biological, cultural, paleontological, and other, as needed).

Biological and cultural monitoring reports, as needed.

Required documentation for CEQA/NEPA compliance.

Required documentation for CEQA/NEPA compliance

Written (electronic format) review comments on BODR and design submittals.

Attend up to twenty-four (24) 2-hour meetings. Meeting agenda, presentation materials, and minutes.

Subtask 5.09 – Package 4 Easement Support

This task will include the activities necessary to complete the final versions of the plat and legal documents for Package 4. This will include any required field survey to locate a minimum of two property monuments to tie each parcel into the project control network. This task also includes review of the design build pipeline alignment to provide coordination with the planned easement acquisition and survey information, as well as a review of each title report received to evaluate if it covers the required information.

Once plotted and confirmed, final legal descriptions and plat maps will be prepared for each required easement. Final legal descriptions and plats will be signed and sealed by a registered land surveyor in California. Documents will undergo an internal quality control review prior to submittal to the JPA. Final versions of easement document will be transmitted to the JPA in wet signed hardcopy and digital PDF format.

This task includes the following additional Right of Way (ROW) acquisition and appraisal support services required for Package 4:

- Assistance to the JPA in preparing materials to transfer the needed property and/or assets from Padre Dam Municipal Water District to the East County JPA.

- Assistance to the JPA in preparing materials and presentations regarding the status of acquisitions and appraisals for the Board.

- Coordination services with the JPA's legal counsel as required regarding acquisitions and, if needed, condemnation.

- Development and facilitation on behalf of the JPA up to four (4) appraisals of the estimated fair market value of the permanent easements. Appraisals will be in a narrative report prepared in conformance with and subject to the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute

- Assistance as the JPA's Acquisition Agent, serving as the point of contact for property owners and as the liaison between the JPA and the property owners.

- Assistance to the JPA in coordinating with escrow and closing procedures to determine if forms are filed, and final documents are transmitted to the East County JPA.

Subconsultants assisting with this subtask are O'Day Consultants (surveying) and Bender-Rosenthal, Inc. (acquisitions support).

Deliverables:

- Final legal descriptions and plat maps for each required easement for Package 4
- Up to four (4) Board agenda materials
- Written recommendations should property condemnation need to proceed
- Up to four (4) narrative appraisal reports in electronic format.
- Up to two (2) printed and bound copies of each appraisal report
- Up to four (4) offer letters including Summary Basis of Appraisal statements.
- Notice of Decision to Appraise letters
- Fully executed purchase agreement, property notarized deeds, and other pertinent documentation for execution and recordation.
- Recorded deeds
- Meeting minutes and agendas as required

Task 6 – Construction Oversight Services (Packages 1-3)

Carollo will provide overall construction oversight team administration and support, as described in the subtasks below and outlined in the Construction Oversight Plan, for Project completion on schedule and within budget. Carollo will provide qualified personnel that will perform the following: contract compliance monitoring; change management; project controls (performed as part of OA Services); coordination with the Project Packages; early identification and resolution of risks; stakeholder engagement (e.g., O&M, permitting agencies); reporting to support JPA updates to Board (performed as part of OA Services); and associated construction administration duties (e.g., RFCs, submittal logs, payment processing, meeting preparation and documentation). Carollo will monitor DBs' compliance with easement use restrictions, and biological and cultural monitoring/response/reporting requirements. Carollo expects that some construction work may occur during off hours (nights and weekends) and expects to assist the JPA and DBs respond to residents and businesses as needed. Carollo shall provide administration and support for construction oversight planning, tools, and on-site trailer resources.

Subtask 6.01 – Construction Oversight Administration

The Construction Oversight Plan (COP) was developed prior to GMP approvals. The COP, including references to the DBs' Quality Management and Health & Safety Plans will be the guiding and managing reference for the CO staff and used for reviewing the overall DB activities. The COP will be revised/updated as necessary during the Project.

Carollo assumes that a fully functional trailer ready for the occupancy of the JPA and OA for the duration of the construction phase will be provided by the Design-Builder. Specific trailer requirements were stipulated to DBs during the design and preconstruction phase. Carollo will perform the following to manage the JPA/OA trailer including:

- Stock and maintain general office supplies (pens, pencils, notepads, paper clips, etc.) and kitchen supplies.

Maintain and update CO trailer contact list and other inter-team documentation.
Coordinate with DBs trailer management staff for ongoing copier supplies, lavatory supplies and other trailer-related items.
Coordinate on-boarding of new CO personnel and security clearances for site visitors to CO trailer.
Coordinate conference room scheduling.

Deliverables:

Up to two (2) updates to Construction Oversight Plan

Subtask 6.02 – Construction Auditing and Oversight

Carollo will perform construction auditing and oversight services for construction phases of the Project, including the following activities for the Project Packages and DBs:

Meetings and Coordination

Attend weekly construction progress meetings and monitor the progress of work.
Attend DB coordination meetings, including DBs' Engineering Services during Construction (ESDC) meetings and other meetings as scheduled.
Monitor the progress of work by DBs, including productivity monitoring.
Monitor DB performance of quality control testing (including geotechnical testing) to determine compliance with contract requirements. Review testing reports for conformance with contract requirements and industry standards.
Attend pre-activity (pre-construction and pre-installation) meetings.
Coordinate field activities with technical requirements and Carollo technical team members performed under Tasks 4 and 5.
Review and comment on meeting summaries provided by DBs.
Coordinate with JPA Operations and Santee Lakes Park staff on tie-ins, access, and other areas of interface and logistics. Also coordinate with City of San Diego, Helix Water District, and other agencies as required.
Provide input to OA Project Controls Lead on work completed each month relative to DBs' Schedule of Values and associated monthly Request for Payment.

Construction Quality Assurance (QA) and Auditing

Provide field observation and quality assurance (QA) services to review and oversee DBs' inspection and quality (QC) of the Work for conformance with the Agreements. Services shall be coordinated with DBs' staff and shall rely on DBs performing QC activities in accordance with the Agreements and approved Quality Management Plans.
Observe daily construction activities and complete field reports summarizing work, observations, weather conditions, construction staff, onsite equipment, progress photos, and other information for the Project Record.
Audit DBs services relative to contractual and administrative plan requirements.

Provide at least monthly checks of Project As Built/Record Drawings relative to work completion and approved changes.

Regularly discuss lessons learned with the JPA and DBs with goal of improving the delivery of quality throughout the life of the Project.

Provide monthly checks of DBs BIM model and record drawings relative to as-constructed Work.

Pay Application Review

Review and comment on construction related schedules of value (SOV) and any proposed modifications.

Perform monthly evaluation of physical percent complete for construction work packages and DB-related costs.

Meet with JPA, OA Project Controls, and DB staff to review monthly percent complete review.

Determine if agreed-to changes are made to pay applications.

Review and evaluate quantities and pricing for proposed allowance usage items.

Review and comment on requests for contingency usage and line-item adjustments.

Special Inspections and Survey Determinations

Conduct QA audits and/or inspection of Project elements requiring specialty inspection and/or certification include structural and pipeline backfill, rebar, shoring, welding, coatings, pipe lining, and grout. (NOTE: special inspections will be audits only to determine DB's ongoing specialty inspections).

Document findings of the audits and inspections relative to the requirements of the Contract Documents.

Meet with the appropriate DB staff to review discrepancies and develop necessary corrective action plans.

Monitor follow-up activities.

Conduct spot-checking of DB surveyed field elevations and coordinates, or if concerns or questions are raised by COT and field survey verification is necessary.

Materials Testing and Auditing

Review DB Testing Plans to evaluate conformance with the Contract Documents, Design-Build principles and best practices as defined by the Design-Build Institute of America, and related State of California statutory requirements.

Compare results of independent testing to the results of comparative tests performed by DBs.

Document findings of the independent tests relative to the requirements of the Contract Documents and related State statutes.

Track testing results relative to DBs' testing and document discrepancies. Where significant deviations are noted between independent tests and

comparative tests by DBs, inform DBs of deviations and request clarification and/or corrective action as appropriate.

Safety Auditing

Review DB's safety plans for conformance with the Contract Documents and reference best practices.

Identify differences between DB's baseline safety objectives and procedures, and enhanced safety objectives and procedures to meet the goals of the Contract Documents and provide comments to DBs to specify the differences.

Participate in safety oversight committee with DBs and JPA to monitor Project safety and proactively address upgrades that can enhance jobsite safety.

Complete regular field audits to determine if DB is adhering to their Safety Plans. Written notification will be provided to JPA if any non-compliance or unsafe conditions are observed as described in Section 8.3, Notification of Apparent Danger, of the COP.

Notify DBs of deviations from their plan, and/or observations of unsafe working practices.

Where deviations from their Safety Plan are observed, review corrective action plans.

Conduct monthly safety training of OA staff to discuss Carollo and site-specific safety protocols and considerations.

Subtask 6.03 – Pre-Construction Services

Carollo's Construction Oversight Lead and selected staff will join the Project team in anticipation of the start of each Package's Phase 2 field Construction work. The Carollo staff will perform the following activities to become familiar with their Package scope and integrated into the Project:

- Review Package Design documents including 100% Design submittals

- Provide review and comment to DB Plans, including Construction Management Plan, Site Management and Coordination Plans, Health and Safety Plans, Quality Management Plans, and others.

- Review shop drawing submittals developed prior to 100% design completion.

- Become familiar with general site layout where work will be performed

- Review DB's project schedule

- Become familiar with DB's Phase 2 Agreement and its requirements.

Subtask 6.04 – Package Coordination & Interfaces

Carollo will facilitate coordination, and act as liaison, among the different DBs for each of the Project packages, including tracking coordination interfaces between the Packages. Carollo will facilitate monthly package coordination meetings with the DBs in which issues, interfaces, and coordination of efforts will be discussed and shared among the teams. Carollo will develop and maintain Package coordination items in the Action Items and Decision Logs to assist in tracking them completion.

Deliverables:

Up to forty-eight (48), 2-hour monthly coordination meetings.

Up to forty-eight (48) monthly package coordination meetings agendas and meeting summaries.

Package coordination items in Action Item and Decision Logs.

Subtask 6.05 – Claims Assistance

Carollo will monitor potential DB claims, review claims by the DBs and assist JPA in preparing a response to construction claims from the DB, if necessary. Carollo will assist JPA with mitigation and resolution of claims up to 120 hours per year claims assistance during Phase 2.

Subtask 6.06 – Visual Progress Documentation

Carollo will plan, prepare, and develop aerial photographic and video footage of the areas of construction, prior to the start of construction, and during construction activities, to document progress and provide materials for project reporting, public outreach, and general communications. The photographs and videos will be taken using an unmanned aerial vehicle (UAV) or drone that will be flown by an FAA-licensed commercial drone operator and in conformance with required permits and authorizations. For the purposes of this scope, up to 8 hours per week over the estimated 36 months of construction has been estimated. No aerial photography will occur during start-up and commissioning.

Carollo will also provide up to 16 hours per year for special visual documentation in support of JPA Public Outreach needs.

Deliverables:

Aerial photographic and video footage of up to 36 months of construction activities.

Special photographic and video footage to support JPA Public Outreach up to 16 hours per year.

Task 7 – Construction Oversight Services (Package 4)

Carollo will provide Package 4 construction oversight administration and support, as described in the subtasks below and outlined in the Construction Oversight Plan, for Project completion on schedule and within budget. Carollo will provide qualified personnel that will perform the following: contract compliance monitoring; change management; project controls (performed as part of OA Services); coordination with and amongst the Package 4; early identification and resolution of risks; stakeholder engagement (e.g., O&M, permitting agencies); reporting to support JPA updates to Board (performed as part of OA Services); and associated construction administration duties (e.g., RFIs/RFCs, submittal logs, payment processing, meeting preparation and documentation). Carollo will monitor DBs' compliance with easement use restrictions, and biological and cultural monitoring/response/reporting requirements. Carollo

expects that some construction work may occur during off hours (nights and weekends) and expects to assist the JPA and DBs respond to residents and businesses as needed. Carollo shall provide necessary administration and support for construction oversight planning, tools, and on-site trailer resources.

Subtask 7.01 – Construction Oversight Administration

Carollo will update the Construction Oversight Plan (COP) described in Subtask 6.01 including references to the DBs' Quality Management and Health & Safety Plans for guiding and managing the CO staff and reviewing the overall DB activities. This update to the COP will be prepared during the Package 4 design and preconstruction phase of the Project Package and will include the following: roles and responsibilities of the DB (quality control) and OA (quality assurance); communication protocols; pay application procedures; change management procedures; document templates; and issue resolution procedures. A draft plan will be submitted for review by JPA and updated based on comments received. The COP will be revised as necessary during services (assume up to two revisions).

Deliverables:

Updated Construction Oversight Plan: the draft COP has been submitted to the JPA and will be updated as Package 4 nears design completion.

Subtask 7.02 – Construction Auditing and Oversight

Carollo will perform construction auditing and oversight services for construction phases of the Project, including the following activities for Package 4:

Meetings and Coordination

Attend weekly construction progress meetings and monitor the progress of work.

Attend DB coordination meetings, including DBs' Engineering Services during Construction (ESDC) meetings and other meetings as scheduled.

Monitor the progress of work by DBs, including productivity monitoring.

Monitor DB performance of quality control testing (including geotechnical testing) to determine compliance with contract requirements. Review testing reports for conformance with contract requirements and industry standards.

Attend pre-activity (pre-construction and pre-installation) meetings.

Coordinate field activities with technical requirements and Carollo technical team members performed under Tasks 4 and 5.

Review and comment on meeting summaries provided by DBs.

Coordinate with JPA, Padre Dam MWD, City of Santee, and City of San Diego operations and park & recreation staff on tie-ins, access, and other areas of interface and logistics.

Construction Quality Assurance (QA) and Auditing

Provide field observation and quality assurance (QA) services to review and oversee DB's inspection and quality (QC) of the Work for conformance with the

Agreements. Services shall be coordinated with DB's staff and shall rely on DB performing QC activities in accordance with the Agreements and approved Quality Management Plans.

Observe daily construction activities and complete field reports summarizing work, observations, weather conditions, construction staff, onsite equipment, progress photos, and other information for the Project Record.

Audit DB services relative to contractual and administrative plan requirements. Provide monthly checks of Project As Built/Record Drawings relative to work completion and approved changes.

Regularly discuss lessons learned with the JPA and DBs with goal of improving the delivery of quality throughout the life of the Project.

Provide monthly checks of DBs BIM model and record drawings relative to as-constructed Work.

Pay Application Review

Review and comment on construction related schedules of value (SOV) and any proposed modifications.

Perform monthly evaluation of physical percent complete for construction work packages and DB-related costs.

Meet with JPA, OA Project Controls, and DB staff to review monthly percent complete review.

Determine if agreed-to changes are made to pay applications.

Review and evaluate quantities and pricing for proposed allowance usage items.

Review and comment on requests for contingency usage and line-item adjustments.

Special Inspections and Survey Determination

Conduct QA audits and/or inspection of Project elements requiring specialty inspection and/or certification include structural backfill, rebar, shoring, welding, coatings, pipe lining, and grout. (NOTE: special inspections will be audits only to determine DB's ongoing specialty inspections).

Document findings of the audits and inspections relative to the requirements of the Contract Documents.

Meet and review discrepancies with DBs and develop any corrective action plans.

Monitor follow-up activities.

Conduct spot-checking of DB surveyed field elevations and coordinates, or if concerns or questions are raised by COT and field survey verification is necessary.

Materials Testing and Auditing

Review DB Testing Plans to evaluate conformance with the Contract Documents, Design-Build principles and best practices as defined by the Design-Build Institute of America, and related State of California statutory

requirements.

Conduct independent testing

Compare results of independent testing to the results of comparative tests performed by DB.

Document findings of the independent tests relative to the requirements of the Contract Documents and related State statutes.

Track testing results relative to DBs' testing and document discrepancies.

Where significant deviations are noted between independent tests and comparative tests by DBs, inform DBs of deviations and request clarification and/or corrective action as appropriate.

Safety Auditing

Review DB's safety plans for conformance with the Contract Documents and referenced best practices.

Identify differences between DB's baseline safety objectives and procedures, and enhanced safety objectives and procedures to meet the goals of the Contract Documents and provide comments to DB to specify the differences.

Participate in safety meetings with DB and JPA to monitor Project safety and proactively address upgrades that can enhance jobsite safety.

Complete regular field audits to determine if DB is adhering to their Safety Plans. Written notification will be provided to JPA if any non-compliance or unsafe conditions are observed as described in Section 8.3, Notification of Apparent Danger, of the COP.

Notify DB of deviations from their plan, and/or observations of unsafe working practices.

Where deviations from their Safety Plan are observed, review corrective action plans.

Conduct monthly safety training of OA staff to discuss Carollo and site-specific safety protocols and considerations.

Subtask 7.03 – Pre-Construction Services

Carollo's Construction Oversight Lead and selected staff will join the Project teams in anticipation of the start of each Package's Phase 2 Construction work. The Carollo staff will perform the following activities to become familiar with the Package scope:

Review Package Design documents including 30%, 60% Design and 100% Design submittals

Provide review and comment to DB Plans, including Construction Management Plan, Site Management and Coordination Plans, Health and Safety Plans, Quality Management Plans, and others.

Review shop drawing submittals prepared by DB prior to the start of construction.

Provide review and comment to proposed Phase 2 Baseline Schedule

Provide review and comment to Phase 2 GMP proposals, as required.

Subtask 7.04 – Package Coordination & Interfaces

Carollo will facilitate coordination, and act as liaison, among the different DBs for each of the Project packages, including tracking coordination interfaces between the Packages. Carollo will facilitate monthly package coordination meetings with the design-builders in which issues, interfaces, and coordination of efforts will be discussed and shared among the teams. Carollo will develop and maintain a Package coordination log in which coordination issues will be tracked to completion.

The Deliverables described in Subtask 6.04 will include Package 4 in the monthly coordination meetings, agendas, and meeting summaries for five (5) months of construction and two (2) months of Commissioning.

Subtask 7.05 – Claims Assistance

Carollo will monitor potential DB claims, review claims by the DBs and assist JPA in preparing a response to construction claims from the DB, if necessary. Carollo will assist JPA with mitigation and resolution of claims. The level of effort for this task assumes up to 40 hours per year in claims assistance during Phase 2..

Subtask 7.06 – Visual Progress Documentation

Carollo will plan, prepare, and develop aerial photographic and video footage of the areas of construction, prior to the start of construction, and at least weekly during construction activities, to document progress and provide materials for project reporting, public outreach, and general communications. The photographs and videos will be taken using an unmanned aerial vehicle (UAV) or drone that will be flown by an FAA-licensed commercial drone operator and in conformance with all required permits and authorizations.

Deliverables:

Up to eight (8) hours per month aerial photographic and video footage of up to 18 months of construction activities.

Task 8 – Startup & Commissioning Support and Closeout (Packages 1-3)

8.01: Ongoing Operations Support & Coordination

Carollo will provide the operations support services, including the following activities for Packages 1, 2, and 3:

Conduct weekly status and issues meeting with JPA Operations staff.

Facilitate & coordinate Operations involvement in Project. Serve as point of contact between staff and Project, including DB personnel.

Facilitate & review planning and execution of tie-in and other Work items that impact operations of existing plant.

Monitor progress of Work relative to existing facility operations and notify staff of any potential impacts or issues. Work with JPA and DB to resolve issues that may arise.

8.02: Start-up & Commissioning Support

Carollo will provide the start-up and commissioning support services, including the following activities for Packages 1, 2, and 3:

Participate in ongoing workshops with DB and JPA to develop start-up and commissioning/acceptance testing plan.

Review draft plan(s) prepared by DB and provide comments. Determine if plans meet requirements of Design-Build Amendment, JPA requirements, best practices, and operational constraints.

Provide ongoing observation and review of factory acceptance testing, process acceptance testing, subsystem testing, facility checking, and overall module checking.

Document start-up and commissioning performance with daily reports, commissioning log, and technical correspondence.

Attend coordination meetings with DB commissioning staff, subcontractors, JPA, and others to plan work, discuss results, and resolve issues.

Provide documentation that summarizes start-up and commissioning activities, results, and attainment of contractual requirements.

8.03: Process & Transition Services Support

Carollo will provide the process and transition support services, including the following activities for all Packages:

Provide treatment process support during testing, start-up, and commissioning activities. Support services shall include:

- Process assistance.
- On-site assistance with developing, managing, and compiling monthly reporting information.
- On-site advice on equipment operations, settings, monitoring, and controls.
- On-site advice on routine and preventative maintenance for process components.

Review and advice on operations standard procedures including health and safety.

Conduct treatment process brown bags during construction to educate and prepare staff on the processes and requirements for treatment at the new facilities. It is assumed that up to 10 brown bag presentations will be conducted on-site at the JPA facilities.

Monitor DB services during performance guarantee period. Note any deficiencies and meet to discuss and resolve with DB and JPA.

At conclusion of performance guarantee period, provide written report to JPA documenting services provided and attainment (or non-attainment) of contractual requirements.

8.04: Warranty Support

Carollo will provide the warranty support services through project closeout, including the following activities for Packages 1, 2, and 3:

- a. Assist with development of a warranty tracking log.
- b. Track and monitor warranty performance of DB and vendors. Notify JPA of issues and participate in issue resolution process.
- c. Review close-out documentation at completion of warranty period. Note any deficiencies or corrective actions necessary to achieve close-out.
- d. Determine if DB makes any corrective actions.
- e. Review final close-out documentation and make recommendations to JPA on Project close-out and maintenance of warranties.

8.05: Onboarding, Training, and O&M Support

Carollo will provide the training and O&M support services for Packages 1, 2, and 3. As follow-up to Staffing Plan developed during Phase 1, Carollo will develop onboarding plan and training plan, submit draft plans to JPA for review and comment and meet to review comments and revise plans based on comments received. Carollo will assist with onboarding and initial training of operations and maintenance personnel.

Activities shall include:

Prepare for, and provide, follow-up for onboarding sessions (up to 8) that will overview Project, present tools and techniques that will be required to operate and maintain new facilities, and other information needed to integrate new staff into the Project.

Establish touch points and activities that will be used to bring O&M staff up to speed in advance of start-up of facilities. These will include shadowing of JPA staff on Project, review of drawings, specifications, and facility model, scheduling attendance at key meetings, and others. Facilitate process and serve as a guide through the various activities.

Work with DB to establish training approach for equipment, schedule sessions, determine if documentation occurs, log training, and provide training follow-up for staff that are unable to attend.

Coordinate onboarding and training activities with start-up and commissioning, EOM development, Asset Management development, and other associated tasks that are required to achieve successful onboarding and training. Manage schedule of activities and advise O&M staff on when, where, and what is occurring relative to onboarding and training.

Serve as advocate for JPA O&M staff through process.

Carollo will develop electronic (cloud-based) Operations Manual (EOM) using SharePoint or similar software. The following activities will be performed as part of this subtask:

Meet with JPA and review goals, requirements, functionality, options, and other factors necessary for developing a framework for EOM. Issue a

memorandum defining framework that will be used to guide development of EOM. Revise based on comments received.

Obtain O&M information from DB and coordinate development of EOM with DB's preparation of the final BIM model and associated equipment O&M submittals. This will be an ongoing task through DB receipt and approval of submittals during construction.

Prepare skeleton EOM and conduct workshop with JPA to review and evaluate layout. Modify based on comments received.

Prepare EOM on a facility-by-facility basis. Review draft EOM of each facility with JPA and revise/adjust based on comments received.

Upon reaching 90% completion of EOM, conduct workshop with JPA to overview EOM functionality and layout.

Roll-out EOM to O&M staff with two 4-hour training sessions conducted over a 2-day period. It is intended that EOM will serve as an onboarding and training tool for JPA operations and maintenance staff.

Finalize EOM and load onto JPA server.

Provide remote support through substantial completion by answering questions and conducting virtual sessions throughout period.

8.06 Project Closeout

Carollo will assist JPA with the closeout of each Package. The following activities will be performed as part of this subtask:

- Review Design Builder's final invoice documentation

- Review Design-Builder's as-built schedule submittal.

- Preparation of final SRF, WIFIA, and IRWM disbursement requests and reports

- Assist with final records management and archiving

- OA demobilization

Task 9 – Startup and Commissioning Support (Package 4)

9.01: Ongoing Operations Support & Coordination

Carollo will provide the operations support services, including the following activities for Package 4:

- Conduct weekly status and issues meeting with JPA Operations staff.

- Facilitate & coordinate Operations involvement in Project. Serve as point of contact between staff and Project, including DB personnel.

- Facilitate & review planning and execution of tie-in and other Work items that impact operations of existing plant.

- Monitor progress of Work relative to existing facility operations and notify staff of any potential impacts or issues. Work with JPA, City of Santee, City of San Diego, and DB to resolve issues that may arise.

9.02: Start-up & Commissioning Support

Carollo will provide the start-up and commissioning support services, including the following activities for Package 4:

- Participate in ongoing workshops with DB, JPA, and City of San Diego to develop start-up and commissioning/acceptance testing plan.

- Review draft plan(s) prepared by DB and provide comments. Determine if plans meet requirements of Design-Build Amendment, JPA requirements, best practices, and operational constraints.

- Provide ongoing observation and review of factory acceptance testing, process acceptance testing, subsystem testing, facility checking, and overall module checking.

- Document start-up and commissioning performance with daily reports, commissioning log, and technical correspondence.

- Attend coordination meetings with DB commissioning staff, subcontractors, JPA, City of San Diego, and others to plan work, discuss results, and resolve issues.

- Provide documentation that summarizes start-up and commissioning activities, results, and attainment of contractual requirements.

9.03: Process & Transition Services Support

Carollo will provide the process and transition support services, including the following activities for all Packages:

- Review and advice on operations standard procedures including health and safety.

- Monitor DB services during performance guarantee period. Note any deficiencies and meet to discuss and resolve with DB, JPA, and City of San Diego.

- At conclusion of performance guarantee period, provide written report to JPA documenting services provided and attainment (or non-attainment) of contractual requirements.

9.04: Warranty Support

Carollo will provide the warranty support services, including the following activities for Package 4:

- Assist with development of a warranty tracking log.

- Track and monitor warranty performance of DB and vendors. Notify JPA of issues and participate in issue resolution process.

- Review close-out documentation at completion of warrant period. Note any deficiencies or corrective actions necessary to achieve close-out.

- Determine if DB makes any corrective actions.

- Review final close-out documentation and make recommendation to JPA on Project close-out.

9.05: Onboarding, Training, and O&M Manual Support

Carollo will provide coordination for training and O&M support services for Package 4. As follow-up to Staffing Plan developed during Phase 1, Carollo will develop onboarding plan and training plan, submit draft plans to JPA for review and comment and meet to review comments and revise plans based on comments received.

Activities shall include:

- Establish touch points and activities that will be used to bring O&M staff up to speed in advance of start-up of facilities. These will include shadowing of JPA staff on Project, review of drawings, specifications, and facility model, scheduling attendance at key meetings, and others. Facilitate process and serve as a guide through the various activities.

- Work with DB to establish training approach for equipment, schedule sessions, determine if documentation occurs, log training, and provide training follow-up for staff that are unable to attend.

- Conduct an overall refresher training session on key equipment prior to initiation of operations.

- Coordinate onboarding and training activities with start-up and commissioning, EOM development, Asset Management development, and other associated tasks that are required to achieve successful onboarding and training. Manage schedule of activities and advise O&M staff on when, where, and what is occurring relative to onboarding and training.

- Serve as advocate for O&M staff through process.

9.06 Project Closeout (Package 4)

Carollo will assist JPA with the closeout of Package 4. The following activities will be performed as part of this subtask:

- Review Design Builder's final invoice documentation
- Review Design-Builder's final progress schedule
- Assist with final records management and archiving
- OA demobilization*

Task 10 – Additional Services (as authorized by JPA)

JPA and Carollo may from time to time identify additional services that are not specifically identified in this document. Upon agreement of scope and fee and authorized by JPA per the terms and conditions in the Contract, Carollo will perform said additional services.

To facilitate authorization of added services for Phase 2, Carollo has identified Task 10 Additional Services with 5% per year to facilitate maximum agility in providing Additional Services requested by the JPA.

Carollo will perform additional services to support the project, as requested and approved by the JPA. The additional services activities and tasks will be determined throughout the duration of Phase 2, in coordination with and at the direction of JPA management staff.

Upon request, Carollo will prepare for JPA approval an Amendment Request for requested additional services to be funded from this Task.

Additional Services

The following list of potential Additional Services has been identified and is subjected to change as the Project progresses. The list is not intended to be all-inclusive or final. Possible additional services include:

- Value Engineering support for Package 4

- Special Construction testing and/or audit services for audits of concrete batch plants, engineered fill process system yards, asphalt batch plants and other material production sources of materials being provided and installed on the Project.

- Source Control program assistance: visiting, witnessing, and auditing equipment source manufactures for manufacturing and/or factory testing prior to significant equipment being delivered to Project.

- Additional staffing and support due to extended Project completion date

- Prevailing Wage Program coordination and monitoring services

- Increasing frequency of SRF, WIFIA, and IRWM disbursement request package preparation services from quarterly to monthly.

- Procurement assistance for JPA Service Contracts

Other Additional Services may be identified by the JPA as Phase 2 progresses.

Package 5 Energy Recovery Design Builder Oversight

Carollo recommends including as an unauthorized additional service the Package 5 Energy Recovery - Design and Construction Oversight services. At this time, consultant procurement is underway, and the specifics of energy recovery system is not finalized. For budgeting, Carollo has assumed that JPA will proceed with Combined Heat and Power (CHP) only (no high strength waste) as the preferred design choice. Carollo services will include:

- Phase 1A Design oversight

- Phase 1A CEQA permitting assistance

- Phase 1B amendment support

- Phase 1B design oversight

- Phase 2 GMP amendment and negotiations support

- Phase 2 Final Design and Construction oversight

- CHP system startup and commissioning support

- Contract administrative closeout assistance

- CEQA and environmental permitting support services (included in Task 3.05)

The fee estimate is provided for budgeting and will be supplemented from the General Unauthorized Task Budget is needed. Carollo also assumes that these services will be authorized by phase to allow JPA and Carollo to better define the associated scope and budget as Package 5 evolves through Phase 1A, 1B, and GMP.

Other Direct Costs

Other Direct Costs (reimbursable costs) are listed as a total value in the Fee Table and distributed for General project ODCs and Package 4-related ODCs.

The ODC budget is based on the following assumptions:

Travel ODC are based upon average \$850 airfare, \$175/day lodging, \$75/day car rental and fuel, and \$75/day meals and incidentals and adjusted for length of trip.

Construction Oversight ODC include leasing of vehicles, temporary housing expenses for the Construction Oversight Manager, purchasing trailer office supplies, Auditor reporting devices, and brown bag presentation meals.

Exhibit B - Phase 2 Summary Fee Estimate



East County Advanced Water Purification Project Owner's Advisor Services - FY 2023-2026 (July 1, 2022 - June 30, 2026; 12 months) REVISED 2022-03-30																																					
Classification		Total FY 2023-2026						FY 2023						FY 2024						FY 2025						FY 2026											
		Total Carollo Labor Hours	Total Carollo Labor Fee \$	Subconsultants Fees* \$	Sub Markup \$	PECE** \$	Total Subs Fees & Markup \$	Total Carollo Labor Hours	Total Carollo Labor Fee \$	Subconsultants Fees* \$	Sub Markup \$	PECE** \$14/Carollo Labor Hour	Total Subs Fees & Markup \$	Total Labor + ODC Fees \$	Total Carollo Labor Hours	Total Carollo Labor Fee \$	Subconsultants Fees* \$	Sub Markup \$	PECE** \$15/Carollo Labor Hour	Total Subs Fees & Markup \$	Total Labor + ODC Fees \$	Total Carollo Labor Hours	Total Carollo Labor Fee \$	Subconsultants Fees* \$	Sub Markup \$	PECE** \$16/Carollo Labor Hour	Total Subs Fees & Markup \$	Total Labor + ODC Fees \$									
Task	Description																																				
Owner's Advisor Services																																					
Task 1 - Owner's Advisor Contract Administration		4,864	\$ 1,507,192	\$ -	\$ -	\$ 72,305	\$ 72,305	1,564	\$ 443,584	\$ -	\$ -	\$ 21,755	\$ 21,755	\$ 465,339	1,164	\$ 357,384	\$ -	\$ -	\$ 17,001	\$ 17,001	\$ 374,385	1,104	\$ 355,320	\$ -	\$ -	\$ 16,931	\$ 16,931	\$ 372,251	1,032	\$ 350,904	\$ -	\$ -	\$ 16,618	\$ 16,618	\$ 367,522		
1.01 Carollo and Subconsultants Team Coordination		2,822	\$ 885,020	\$ -	\$ -	\$ 41,832	\$ 41,832	998	\$ 285,392	\$ -	\$ -	\$ 13,882	\$ 13,882	\$ 299,274	648	\$ 202,680	\$ -	\$ -	\$ 9,464	\$ 9,464	\$ 212,144	588	\$ 192,780	\$ -	\$ -	\$ 9,017	\$ 9,017	\$ 201,797	588	\$ 204,168	\$ -	\$ -	\$ 9,468	\$ 9,468	\$ 213,636		
1.02 Contract Reporting and Invoice Preparation		1,024	\$ 312,460	\$ -	\$ -	\$ 15,331	\$ 15,331	331	\$ 92,799	\$ -	\$ -	\$ 3,728	\$ 3,728	\$ 96,527	252	\$ 75,600	\$ -	\$ -	\$ 3,681	\$ 3,681	\$ 79,281	252	\$ 79,428	\$ -	\$ -	\$ 3,865	\$ 3,865	\$ 83,293	252	\$ 83,472	\$ -	\$ -	\$ 4,058	\$ 4,058	\$ 87,530		
1.03 Owner's Advisor Planning & Change Management		1,018	\$ 309,712	\$ -	\$ -	\$ 15,141	\$ 15,141	298	\$ 84,232	\$ -	\$ -	\$ 4,145	\$ 4,145	\$ 88,377	264	\$ 79,104	\$ -	\$ -	\$ 3,856	\$ 3,856	\$ 82,960	264	\$ 83,112	\$ -	\$ -	\$ 4,049	\$ 4,049	\$ 87,161	192	\$ 63,264	\$ -	\$ -	\$ 3,092	\$ 3,092	\$ 66,356		
Task 2 - Project Management and JPA Administration Support		15,152	\$ 4,231,540	\$ 81,300	\$ 4,065	\$ 226,315	\$ 311,680	4,152	\$ 1,077,320	\$ 28,500	\$ 1,425	\$ 57,754	\$ 87,679	\$ 1,164,999	3,786	\$ 1,034,448	\$ 26,400	\$ 1,320	\$ 55,296	\$ 83,016	\$ 1,117,464	3,782	\$ 1,090,384	\$ 26,400	\$ 1,320	\$ 68,000	\$ 85,720	\$ 1,176,104	3,432	\$ 1,029,388	\$ -	\$ -	\$ 55,264	\$ 55,264	\$ 1,084,652		
2.01 JPA Management Advisory Support		2,868	\$ 858,468	\$ -	\$ -	\$ 42,927	\$ 42,927	901	\$ 250,995	\$ -	\$ -	\$ 10,405	\$ 10,405	\$ 261,399	720	\$ 210,284	\$ -	\$ -	\$ 10,516	\$ 10,516	\$ 220,800	700	\$ 214,208	\$ -	\$ -	\$ 10,735	\$ 10,735	\$ 224,943	700	\$ 225,084	\$ -	\$ -	\$ 11,272	\$ 11,272	\$ 236,356		
2.02 O&M Internal Coordination		4,178	\$ 1,271,406	\$ -	\$ -	\$ 62,412	\$ 62,412	1,333	\$ 381,816	\$ -	\$ -	\$ 16,636	\$ 16,636	\$ 398,452	970	\$ 287,622	\$ -	\$ -	\$ 14,167	\$ 14,167	\$ 301,789	1,030	\$ 322,294	\$ -	\$ -	\$ 15,796	\$ 15,796	\$ 338,060	982	\$ 323,044	\$ -	\$ -	\$ 15,813	\$ 15,813	\$ 338,857		
2.03 JPA Board and TAC Meetings Support		532	\$ 171,976	\$ -	\$ -	\$ 7,933	\$ 7,933	139	\$ 40,976	\$ -	\$ -	\$ 1,892	\$ 1,892	\$ 42,868	148	\$ 46,828	\$ -	\$ -	\$ 2,162	\$ 2,162	\$ 48,990	148	\$ 49,180	\$ -	\$ -	\$ 2,270	\$ 2,270	\$ 51,450	100	\$ 34,992	\$ -	\$ -	\$ 1,610	\$ 1,610	\$ 36,602		
2.04 Loan/Grant Reporting, Disbursement, and Application		1,672	\$ 350,114	\$ -	\$ -	\$ 24,781	\$ 24,781	596	\$ 116,552	\$ -	\$ -	\$ 8,290	\$ 8,290	\$ 124,842	380	\$ 77,994	\$ -	\$ -	\$ 5,550	\$ 5,550	\$ 83,544	348	\$ 75,888	\$ -	\$ -	\$ 5,337	\$ 5,337	\$ 81,225	348	\$ 79,680	\$ -	\$ -	\$ 5,804	\$ 5,804	\$ 85,284		
2.05 Project-Level CEQA Monitoring and Support		204	\$ 56,992	\$ -	\$ -	\$ 2,838	\$ 2,838	204	\$ 56,992	\$ -	\$ -	\$ 2,838	\$ 2,838	\$ 59,830	160	\$ 45,152	\$ 28,500	\$ 1,425	\$ 2,237	\$ 30,957	\$ 77,367	160	\$ 49,856	\$ 26,400	\$ 1,320	\$ 2,454	\$ 30,174	\$ 80,030	130	\$ 36,264	\$ -	\$ -	\$ 3,092	\$ 3,092	\$ 66,356		
2.06 Project-Level Controls Support		5,422	\$ 1,437,048	\$ -	\$ -	\$ 81,244	\$ 81,244	1,316	\$ 327,208	\$ -	\$ -	\$ 18,306	\$ 18,306	\$ 345,514	1,408	\$ 364,264	\$ -	\$ -	\$ 20,565	\$ 20,565	\$ 384,829	1,396	\$ 378,988	\$ -	\$ -	\$ 21,409	\$ 21,409	\$ 400,397	1,302	\$ 366,588	\$ -	\$ -	\$ 20,966	\$ 20,966	\$ 387,554		
Task 3 - Owner's Advisor Managed Tasks		4,976	\$ 1,331,638	\$ 2,961,260	\$ 148,063	\$ 74,437	\$ 3,183,750	1,324	\$ 341,532	\$ 1,661,750	\$ 83,088	\$ 18,417	\$ 1,763,255	\$ 2,104,787	1,208	\$ 313,956	\$ 612,500	\$ 30,625	\$ 17,543	\$ 660,768	\$ 974,724	1,276	\$ 340,008	\$ 492,000	\$ 24,600	\$ 19,588	\$ 536,168	\$ 978,176	1,168	\$ 336,192	\$ 195,000	\$ 9,750	\$ 18,808	\$ 223,558	\$ 559,750		
3.01 Information Systems and Data Management Support		3,268	\$ 843,156	\$ -	\$ -	\$ 40,063	\$ 40,063	692	\$ 171,296	\$ -	\$ -	\$ 9,681	\$ 9,681	\$ 180,977	904	\$ 228,888	\$ -	\$ -	\$ 13,203	\$ 13,203	\$ 242,091	888	\$ 226,264	\$ -	\$ -	\$ 13,618	\$ 13,618	\$ 239,882	780	\$ 216,708	\$ -	\$ -	\$ 12,550	\$ 12,550	\$ 229,269		
3.02 O&M Staffing Support		708	\$ 206,812	\$ -	\$ -	\$ 10,605	\$ 10,605	185	\$ 50,128	\$ -	\$ -	\$ 2,559	\$ 2,559	\$ 52,687	172	\$ 48,796	\$ -	\$ -	\$ 2,512	\$ 2,512	\$ 51,308	176	\$ 52,624	\$ -	\$ -	\$ 2,699	\$ 2,699	\$ 55,323	176	\$ 55,264	\$ -	\$ -	\$ 2,834	\$ 2,834	\$ 58,098		
3.03 Physical and Cyber Security Support		336	\$ 97,440	\$ 80,000	\$ 4,000	\$ 5,036	\$ 89,036	84	\$ 22,604	\$ 20,000	\$ 1,000	\$ 1,168	\$ 22,168	\$ 44,772	84	\$ 23,720	\$ 20,000	\$ 1,000	\$ 1,227	\$ 22,227	\$ 45,947	84	\$ 24,920	\$ 20,000	\$ 1,000	\$ 1,288	\$ 22,288	\$ 47,208	84	\$ 26,196	\$ 20,000	\$ 1,000	\$ 1,353	\$ 22,353	\$ 48,549		
3.04 Energy Recovery Project Procurement Support		204	\$ 56,992	\$ -	\$ -	\$ 2,838	\$ 2,838	204	\$ 56,992	\$ -	\$ -	\$ 2,838	\$ 2,838	\$ 59,830	160	\$ 45,152	\$ 28,500	\$ 1,425	\$ 2,237	\$ 30,957	\$ 77,367	160	\$ 49,856	\$ 26,400	\$ 1,320	\$ 2,454	\$ 30,174	\$ 80,030	130	\$ 36,264	\$ -	\$ -	\$ 3,092	\$ 3,092	\$ 66,356		
3.05 Project-Level CEQA Monitoring and Support		192	\$ 51,560	\$ 2,581,250	\$ 129,063	\$ 2,878	\$ 2,713,191	48	\$ 11,952	\$ 1,341,750	\$ 67,088	\$ 668	\$ 1,409,506	\$ 1,421,458	48	\$ 12,552	\$ 592,500	\$ 29,625	\$ 701	\$ 622,826	\$ 635,378	48	\$ 13,200	\$ 472,000	\$ 23,600	\$ 736	\$ 496,336	\$ 509,536	48	\$ 13,856	\$ 175,000	\$ 8,750	\$ 773	\$ 184,523	\$ 198,379		
3.06 Project-Level Easements Support		108	\$ 28,580	\$ 300,000	\$ 15,000	\$ 1,502	\$ 316,502	108	\$ 28,580	\$ 300,000	\$ 15,000	\$ 1,502	\$ 316,502	\$ 345,062	108	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	108	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	108	\$ -	\$ -	\$ -	\$ -	\$ -			
3.07 Service Contract Procurement Assistance		160	\$ 47,168	\$ -	\$ -	\$ 2,515	\$ 2,515	80	\$ 22,320	\$ -	\$ -	\$ -	\$ -	\$ 24,227	80	\$ 23,000	\$ -	\$ -	\$ -	\$ -	\$ 24,227	80	\$ 23,000	\$ -	\$ -	\$ -	\$ -	\$ 24,227	80	\$ 23,000	\$ -	\$ -	\$ -	\$ -	\$ 25,436		
Task 4 - Design-Builder Oversight (Packages 1-3)		10,875	\$ 2,990,684	\$ 208,000	\$ 10,400	\$ 150,417	\$ 377,817	3,368,501	\$ 1,328,016	\$ 99,000	\$ 4,950	\$ 69,759	\$ 173,709	\$ 1,501,725	2,116	\$ 569,796	\$ 42,000	\$ 2,100	\$ 30,905	\$ 75,005	\$ 644,801	2,082	\$ 566,476	\$ 47,000	\$ 2,350	\$ 30,702	\$ 80,052	\$ 646,526	1,742	\$ 526,396	\$ 20,000	\$ 1,000	\$ 28,051	\$ 40,051	\$ 575,447		
4.01 DB Oversight, Progress Meetings and Workshops		1,204	\$ 330,252	\$ -	\$ -	\$ 16,748	\$ 16,748	1,204	\$ 330,252	\$ -	\$ -	\$ 16,748	\$ 16,748	\$ 347,000	1,204	\$ 330,252	\$ -	\$ -	\$ 16,748	\$ 16,748	\$ 347,000	1,204	\$ 330,252	\$ -	\$ -	\$ 16,748	\$ 16,748	\$ 347,000	1,204	\$ 330,252	\$ -	\$ -	\$ 16,748	\$ 16,748	\$ 347,000		
4.02 Project Plans, Technical Memoranda, and Report Review		764	\$ 203,000	\$ -	\$ -	\$ 10,627	\$ 10,627	764	\$ 203,000	\$ -	\$ -	\$ 10,627	\$ 10,627	\$ 213,627	764	\$ 203,000	\$ -	\$ -	\$ 10,627	\$ 10,627	\$ 213,627	764	\$ 203,000	\$ -	\$ -	\$ 10,627	\$ 10,627	\$ 213,627	764	\$ 203,000	\$ -	\$ -	\$ 10,627	\$ 10,627	\$ 213,627		
4.03 Design Submittal Review		1,273	\$ 340,988	\$ 57,000	\$ 2,850	\$ 17,758	\$ 77,608	1,201	\$ 322,548	\$ 57,000	\$ 2,850	\$ 16,706	\$ 76,556	\$ 399,104	72	\$ 18,440	\$ -	\$ -	\$ 1,052	\$ 1,052	\$ 19,492	72	\$ 18,440	\$ -	\$ -	\$ 1,052	\$ 1,052	\$ 19,492	72	\$ 18,440	\$ -	\$ -	\$ 1,052	\$ 1,052	\$ 19,492		
4.04 DB Project Controls Monitoring		5,590	\$ 1,496,912	\$ -	\$ -	\$ 83,726	\$ 83,726	1,218	\$ 296,084	\$ -	\$ -	\$ 16,942	\$ 16,942	\$ 313,026	1,612	\$ 422,764	\$ -	\$ -	\$ 23,544	\$ 23,544	\$ 446,308	1,570	\$ 431,356	\$ -	\$ -	\$ 24,077	\$ 24,077	\$ 455,433	1,190	\$ 346,708	\$ -	\$ -	\$ 19,162	\$ 19,162	\$ 365,870		
4.05 Technical Services During Construction		2,044	\$ 619,532	\$ 151,000	\$ 7,550	\$ 30,559	\$ 189,109	808,641	2,212	\$ 583,840	\$ 228,350	\$ 11,413	\$ 30,733	\$ 270,432	1,044	\$ 285,536	\$ 202,750	\$ 10,135	\$ 15,245	\$ 226,136	\$ 513,672	844	\$ 245,572	\$ 190,750	\$ 9,538												

Exhibit B - FY 23 Fee Estimate

East County Advanced Water Purification Project																	Construction Oversight Staff				Total Carollo Labor Hours	Total Carollo Labor Fee \$	Subconsultants Fees*	Sub Markup	PECE** \$14/Carollo Labor Hour	Total Subs Fees & Markup \$	Total Labor + ODC Fees \$					
Classification	Sr. Advisor	OA PM	OA DPM	Package Leads	Team Lead (Controls)	Team Lead (P/CO)	Task Lead (Controls)	Task Lead (P/CO)	Task Lead (Tech)	Support 1	Support 2	Support 3	Support 4	Support 5	Support 6	Admin.	Construction Oversight Lead	Quality Auditor 1	Quality Auditor 2	Quality Auditor 3												
Task Description	\$309/hr	\$304/hr	\$304/hr	\$281/hr	\$281/hr	\$281/hr	\$238/hr	\$250/hr	\$281/hr	\$238/hr	\$265/hr	\$304/hr	\$182/hr	\$143/hr	\$134/hr	\$182/hr	\$281/hr	\$250/hr	\$238/hr	\$182/hr												
Owner's Advisor Services																																
Task 1 - Owner's Advisor Contract Administration		348	304	552	216		60									84					1,564	\$ 443,584	\$ -	\$ -	\$ 21,755	\$ 21,755	\$ 465,339					
1.01 Carollo and Subconsultants Team Coordination		230	192	480	48											48					998.00	\$ 285,392	\$ -	\$ -	\$ 13,882	\$ 13,882	\$ 299,274					
1.02 Contract Reporting and Invoice Preparation		48	64	24	72		36									24					268.00	\$ 73,960	\$ -	\$ -	\$ 3,728	\$ 3,728	\$ 77,688					
1.03 Owner's Advisor Planning & Change Management		70	48	48	96		24									12					298.00	\$ 84,232	\$ -	\$ -	\$ 4,145	\$ 4,145	\$ 88,377					
Task 2 - Project Management and JPA Administration Support	12	736	708	600	372	180	264				204	36	512	240		256	32				4,152	\$ 1,077,320	\$ 28,500	\$ 1,425	\$ 57,754	\$ 87,679	\$ 1,164,999					
2.01 JPA Management Advisory Support	12	288	192		64	64							64			64					748.00	\$ 208,892	\$ -	\$ -	\$ 10,405	\$ 10,405	\$ 219,297					
2.02 OA Internal Coordination		240	288	384	96	60						24				104					1,196.00	\$ 338,476	\$ -	\$ -	\$ 16,636	\$ 16,636	\$ 355,112					
2.03 JPA Board and TAC Meetings Support		48	60		8	8						12									136.00	\$ 40,976	\$ -	\$ -	\$ 1,892	\$ 1,892	\$ 42,868					
2.04 Loan/Grant Reporting, Disbursement, and Application S			12		44						140		160	240							596.00	\$ 116,552	\$ -	\$ -	\$ 8,290	\$ 8,290	\$ 124,842					
2.05 Partnering Support Services		32	48		32											16	32				160.00	\$ 45,216	\$ 28,500	\$ 1,425	\$ 2,226	\$ 32,151	\$ 77,367					
2.06 Project-Level Controls Support		128	108	216	128	48	264				64		288			72		32			1,316.00	\$ 327,208	\$ -	\$ -	\$ 18,306	\$ 18,306	\$ 345,514					
Task 3 - Owner's Advisor Managed Tasks		8	180	96		64	40		88	288	36	260	168			96					1,324	\$ 341,532	\$ 1,661,750	\$ 83,088	\$ 18,417	\$ 1,763,255	\$ 2,104,787					
3.01 Information Systems and Data Management Support			112							152		184	168			80					696.00	\$ 171,296	\$ -	\$ -	\$ 9,681	\$ 9,681	\$ 180,977					
3.02 O&M Staffing Support		8	16							88		72									184.00	\$ 50,128	\$ -	\$ -	\$ 2,559	\$ 2,559	\$ 52,687					
3.03 Physical and Cyber Security Support			16						24		36					8					84.00	\$ 22,604	\$ 20,000	\$ 1,000	\$ 1,168	\$ 22,168	\$ 44,772					
3.04 Energy Recovery Project Procurement Support			16	48		64			64			4				8					204.00	\$ 56,992	\$ -	\$ -	\$ 2,838	\$ 2,838	\$ 59,830					
3.05 Project-Level CEQA Monitoring and Support			8				40														48.00	\$ 11,952	\$ 1,341,750	\$ 67,088	\$ 668	\$ 1,409,506	\$ 1,421,458					
3.06 Project-Level Easements Support			12	48						48											108.00	\$ 28,560	\$ 300,000	\$ 15,000	\$ 1,502	\$ 316,502	\$ 345,062					
3.07 Service Contract Procurement Assistance																					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
Task 4 - Design-Builder Oversight (Packages 1-3)		88	264	992	744	48	250	64	1,184	357	230	182	312		172	56	72				5,015	\$ 1,328,016	\$ 99,000	\$ 4,950	\$ 69,759	\$ 173,709	\$ 1,501,725					
4.01 DB Oversight, Progress Meetings and Workshops		60	120	348	88				440			20	88			40					1,204.00	\$ 330,252	\$ -	\$ -	\$ 16,748	\$ 16,748	\$ 347,000					
4.02 Project Plans, Technical Memoranda, and Report Review		8	52	176	48			16	184	152	80		48								764.00	\$ 203,000	\$ -	\$ -	\$ 10,627	\$ 10,627	\$ 213,627					
4.03 Design Submittal Review		16	64	260		48		48	312	205	90	98	32			28					1,201.00	\$ 322,548	\$ 57,000	\$ 2,850	\$ 16,706	\$ 76,556	\$ 399,104					
4.04 DB Project Controls Monitoring					608		250						144			144					1,218.00	\$ 296,084	\$ -	\$ -	\$ 16,942	\$ 16,942	\$ 313,026					
4.05 Technical Services During Construction		4	28	208					248		60	64				16		72			628.00	\$ 176,132	\$ 42,000	\$ 2,100	\$ 8,735	\$ 52,835	\$ 228,967					
Task 5 - Design-Builder Oversight (Package 4)		74	110	402	356	80	240	36	190	196	168	60	172		104	24					2,212	\$ 569,940	\$ 228,250	\$ 11,413	\$ 30,769	\$ 270,432	\$ 840,372					
5.01 DB Oversight, Progress Meetings and Workshops		24	36	96	48				72			8	36			16					336.00	\$ 90,832	\$ -	\$ -	\$ 4,674	\$ 4,674	\$ 95,506					
5.02 Project Plans, Technical Memoranda, and Report Review		8	36	108	48			16	27	72			72								387.00	\$ 99,039	\$ -	\$ -	\$ 5,383	\$ 5,383	\$ 104,422					
5.03 Design Submittal Review		8	16	150		16		16	75	100		4	16		8						409.00	\$ 108,017	\$ 12,000	\$ 600	\$ 5,689	\$ 18,289	\$ 126,306					
5.04 Cost Estimate Validation		4				24	4	4				48									84.00	\$ 24,504	\$ -	\$ -	\$ 1,168	\$ 1,168	\$ 25,672					
5.05 Phase 1B NTE and GMP Amendment Support		2	2		12	40	24		16							8					104.00	\$ 27,492	\$ -	\$ -	\$ 1,447	\$ 1,447	\$ 28,939					
5.06 DB Project Controls Monitoring		24			248		212				168		48		96						796.00	\$ 193,560	\$ -	\$ -	\$ 11,072	\$ 11,072	\$ 204,632					
5.07 Technical Services During Construction																					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
5.08 Package 4 CEQA Coordination and Permitting Support		4	12	24													40.00	\$ 11,608			\$ 178,750	\$ 8,938	\$ 556	\$ 188,244	\$ 199,852							
5.09 Package 4 Easements Support			8	24						24							56.00	\$ 14,888			\$ 37,500	\$ 1,875	\$ 779	\$ 40,154	\$ 55,042							
Task 6 - Construction Oversight Services (Packages 1-3)			120	72	352		24					12	384			1,950	4,024	780	2,600	2,080	12,398	\$ 2,912,876	\$ 270,000	\$ 13,500	\$ 172,456	\$ 455,956	\$ 3,368,832					
6.01 Construction Oversight Administration					156											1,950	1,662				3,768.00	\$ 865,758	\$ -	\$ -	\$ 52,413	\$ 52,413	\$ 918,171					
6.02 Construction Auditing and Oversight																	1,232	780	2,600	2,080	6,692.00	\$ 1,538,552	\$ 270,000	\$ 13,500	\$ 93,086	\$ 376,586	\$ 1,915,138					
6.03 Pre-Construction Services																	230				230.00	\$ 64,630	\$ -	\$ -	\$ 3,199	\$ 3,199	\$ 67,829					
6.04 Package Coordination & Interfaces			96	72	136												600				904.00	\$ 256,232	\$ -	\$ -	\$ 12,575	\$ 12,575	\$ 268,807					
6.05 Claims Assistance					60												60				120.00	\$ 33,720	\$ -	\$ -	\$ 1,669	\$ 1,669	\$ 35,389					
6.06 Visual Progress Documentation			24				24					12	384				240				684.00	\$ 153,984	\$ -	\$ -	\$ 9,514	\$ 9,514	\$ 163,498					
Task 7 - Construction Oversight Services (Package 4)		24	24	40																	88	\$ 25,280	\$ 8,000	\$ 400	\$ 1,224	\$ 9,624	\$ 34,904					
7.01 Construction Oversight Administration																																

Exhibit B - FY 24 Fee Estimate

East County Advanced Water Purification Project																																															
Owner's Advisor Services - FY 2024 (July 1, 2023 - June 30, 2024; 12 months)																																															
REVISED 2022-03-30																																															
																			Construction Oversight Staff																												
Classification		Sr. Advisor	OA PM	OA DPM	Package Leads	Team Lead (Controls)	Team Lead (P/CO)	Task Lead (Controls)	Task Lead (P/CO)	Task Lead (Tech)	Support 1	Support 2	Support 3	Support 4	Support 5	Support 6	Admin.	Construction Oversight Lead	Quality Auditor 1	Quality Auditor 2	Quality Auditor 3	Total Carollo Labor Hours	Total Carollo Labor Fee \$	Subconsultants Fees*	Sub Markup	PECE** \$15/Carollo Labor Hour	Total Subs Fees & Markup \$	Total Labor + ODC Fees \$																			
Task	Description	\$324/hr	\$319/hr	\$319/hr	\$295/hr	\$295/hr	\$295/hr	\$250/hr	\$263/hr	\$295/hr	\$250/hr	\$278/hr	\$319/hr	\$191/hr	\$150/hr	\$141/hr	\$191/hr	\$295/hr	\$263/hr	\$250/hr	\$191/hr			\$	\$																						
Owner's Advisor Services																																															
Task 1 - Owner's Advisor Contract Administration																																															
1.01	Carollo and Subconsultants Team Coordination		260	220	120	48																	1,164	\$ 357,384	\$ -	\$ -	\$ 17,001	\$ 17,001	\$ 374,385																		
1.02	Contract Reporting and Invoice Preparation		60	60	24	72		36															648	\$ 202,680	\$ -	\$ -	\$ 9,464	\$ 9,464	\$ 212,144																		
1.03	Owner's Advisor Planning & Change Management		48	48	24	96		24															252	\$ 75,600	\$ -	\$ -	\$ 3,681	\$ 3,681	\$ 79,281																		
			48	48	48	96		24															264	\$ 79,104	\$ -	\$ -	\$ 3,856	\$ 3,856	\$ 82,960																		
Task 2 - Project Management and JPA Administration Support																																															
2.01	JPA Management Advisory Support	12	680	704	390	356	180	264				234	36	418		152	328		32				3,786	\$ 1,034,448	\$ 26,400	\$ 1,320	\$ 55,296	\$ 83,016	\$ 1,117,460																		
2.02	OA Internal Coordination		260	192		64	64							64			64						720	\$ 210,284	\$ -	\$ -	\$ 10,516	\$ 10,516	\$ 220,800																		
2.03	JPA Board and TAC Meetings Support		200	288	198	96	60						24				104						970	\$ 287,622	\$ -	\$ -	\$ 14,167	\$ 14,167	\$ 301,789																		
2.04	Loan/Grant Reporting, Disbursement, and Application Su		60	60		8	8						12										148	\$ 46,828	\$ -	\$ -	\$ 2,162	\$ 2,162	\$ 48,990																		
2.05	Partnering Support Services			8		40								90		152							380	\$ 77,994	\$ -	\$ -	\$ 5,550	\$ 5,550	\$ 83,544																		
2.06	Project-Level Controls Support		32	48		32						90					16		32				160	\$ 47,456	\$ 26,400	\$ 1,320	\$ 2,337	\$ 30,057	\$ 77,513																		
			128	108	192	116	48	264				144		264			144						1,408	\$ 364,264	\$ -	\$ -	\$ 20,565	\$ 20,565	\$ 384,829																		
Task 3 - Owner's Advisor Managed Tasks																																															
3.01	Information Systems and Data Management Support			112				40		24	312	36	292	264			88						1,208	\$ 313,956	\$ 612,500	\$ 30,625	\$ 17,643	\$ 660,768	\$ 974,724																		
3.02	O&M Staffing Support			16							224		224	264			80						904	\$ 228,888	\$ -	\$ -	\$ 13,203	\$ 13,203	\$ 242,091																		
3.03	Physical and Cyber Security Support			16						24			68										172	\$ 48,796	\$ -	\$ -	\$ 2,512	\$ 2,512	\$ 51,308																		
3.04	Energy Recovery Project Procurement Support			16								36					8						84	\$ 23,720	\$ 20,000	\$ 1,000	\$ 1,227	\$ 22,227	\$ 45,947																		
3.05	Project-Level CEQA Monitoring and Support			8				40															\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -																		
3.06	Project-Level Easements Support																						48	\$ 12,552	\$ 592,500	\$ 29,625	\$ 701	\$ 622,826	\$ 635,378																		
3.07	Service Contract Procurement Assistance																						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -																		
Task 4 - Design-Builder Oversight (Packages 1-3)																																															
4.01	DB Oversight, Progress Meetings and Workshops		24	32	240	844		360		168	16		32	144		160		96					2,116	\$ 569,796	\$ 42,000	\$ 2,100	\$ 30,905	\$ 75,005	\$ 644,801																		
4.02	Project Plans, Technical Memoranda, and Report Review																						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -																		
4.03	Design Submittal Review				24						16		16			16							72	\$ 18,440	\$ -	\$ -	\$ 1,052	\$ 1,052	\$ 19,492																		
4.04	DB Project Controls Monitoring		24			844		360		168				144		144		96					1,612	\$ 422,764	\$ -	\$ -	\$ 23,544	\$ 23,544	\$ 446,308																		
4.05	Technical Services During Construction			32	216								16										432	\$ 128,592	\$ 42,000	\$ 2,100	\$ 6,310	\$ 50,410	\$ 179,002																		
Task 5 - Design-Builder Oversight (Package 4)																																															
5.01	DB Oversight, Progress Meetings and Workshops		28	28	96	216	144	124	200	24			24	48		48		64					1,044	\$ 285,536	\$ 202,750	\$ 10,138	\$ 15,248	\$ 228,136	\$ 513,672																		
5.02	Project Plans, Technical Memoranda, and Report Review																						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -																		
5.03	Design Submittal Review																						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -																		
5.04	Cost Estimate Validation						24	4					24										\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -																		
5.05	Phase 1B NTE and GMP Amendment Support		16	16	48	16	120		200								16						52	\$ 15,736	\$ -	\$ -	\$ 759	\$ 759	\$ 16,495																		
5.06	DB Project Controls Monitoring		12			200		120						48		48		48					432	\$ 121,808	\$ -	\$ -	\$ 6,310	\$ 6,310	\$ 128,118																		
5.07	Technical Services During Construction																						476	\$ 122,924	\$ -	\$ -	\$ 6,952	\$ 6,952	\$ 129,876																		
5.08	Package 4 CEQA Coordination and Permitting Support			12	48					24													84	\$ 25,068	\$ 12,000	\$ 1,227	\$ 13,827	\$ 38,895																			
5.09	Package 4 Easements Support																						\$ -	\$ 178,750	\$ 8,938	\$ -	\$ 187,688	\$ 187,688	\$ 187,688																		
Task 6 - Construction Oversight Services (Packages 1-3)																																															
6.01	Construction Oversight Administration			120	72	340		36						384			1,560	4,027	3,120	2,860	2,080		14,599	\$ 3,660,929	\$ 157,000	\$ 7,850	\$ 213,226	\$ 378,076	\$ 4,039,005																		
6.02	Construction Auditing and Oversight					160											1,560	1,626					3,346	\$ 824,830	\$ -	\$ -	\$ 48,870	\$ 48,870	\$ 873,700																		
6.03	Pre-Construction Services																	1,405	3,120	2,860	2,080		9,465	\$ 2,347,315	\$ 157,000	\$ 7,850	\$ 138,241	\$ 303,091	\$ 2,650,406																		
6.04	Package Coordination & Interfaces			96	72	120												616						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -																		
6.05	Claims Assistance					60												60					904	\$ 268,984	\$ -	\$ -	\$ 13,203	\$ 13,203	\$ 282,187																		
6.06	Visual Progress Documentation			24				36						384				320					120	\$ 35,400	\$ -	\$ -	\$ 1,753	\$ 1,753	\$ 37,153																		
Task 7 - Construction Oversight Services (Package 4)																																															
7.01	Construction Oversight Administration			32	24	112		12						24			520	176	520	1,300			2,720	\$ 670,912	\$ 22,000	\$ 1,100	\$ 39,727	\$ 62,827	\$ 733,739.0																		
7.02	Construction Auditing and Oversight					52											520	60					632	\$ 132,360	\$ -	\$ -	\$ 9,231	\$ 9,231	\$ 141,591																		
7.03	Pre-Construction Services																	64	520	1,300			1,884	\$ 480,640	\$ 22,000	\$ 1,100	\$ 27,517	\$ 50,617	\$ 531,257																		
7.04	Package Coordination & Interfaces																	20					20	\$ 5,900	\$ -	\$ -	\$ 292	\$ 292	\$ 6,192																		
7.05	Claims Assistance			24	24	40												10					98	\$ 29,486	\$ -	\$ -	\$ 1,431	\$ 1,431	\$ 30,917																		
7.06	Visual Progress Documentation			8		20		12						24				20					40	\$ 11,800	\$ -	\$ -	\$ 584	\$ 584	\$ 12,384																		
Task 8 - Startup and Commissioning Support (Packages 1-3)																																															
8.01	Ongoing Operations Support & Coordination				296						140		92					47					575	\$ 165,533	\$ -	\$ -	\$ 6,732	\$ 6,732	\$ 173,931																		
8.02	Start-up & Commissioning Support				176						56		56					17					305	\$ 88,799	\$ -	\$ -	\$ 4,455	\$ 4,455	\$ 93,254																		
8.03	Process & Transition Services Support				56						12		12					30					146	\$ 41,198	\$ -	\$ -	\$ 2,132	\$ 2,132	\$ 43,330																		
8.04	Warranty Support				4						8		16										28	\$ 8,284	\$ -	\$ -	\$ 409	\$ 409	\$ 8,693																		
8.05	Onboarding, Training and O&M Support				12						4							16					16	\$ 4,540	\$ -	\$ -	\$ 234	\$ 234	\$ 4,774																		
8.06	Project Closeout				48						24		8					80					80	\$ 22,712	\$ -	\$ -	\$ 1,168	\$ 1,168	\$ 23,880																		
Task 9 - Startup and Commissioning Support (Package 4)																																															
9.01	Ongoing Operations Support & Coordination																						-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -																		
9.02	Start-up & Commissioning Support																						-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -																		
9.03	Process & Transition Services Support																						-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -																		
9.04	Warranty Support																						-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -																		
9.05	Onboarding, Training and O&M Support																						-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -																		
9.06	Project Closeout																						-	\$ -	\$ -																						

Notes:
 * Subconsultant fees and rates have been consolidated here to enhance readability of fee estimate
 ** Project Equipment Communication Expense (PECE) are not part of Carollo's labor overhead.

Exhibit B - FY 25 Fee Estimate

East County Advanced Water Purification Project																		Construction Oversight Staff				Total Carollo Labor Hours	Total Carollo Labor Fee \$	Subconsultants Fees* \$	Sub Markup \$	PECE** \$15/Carollo Labor Hour	Total Subs Fees & Markup \$	Total Labor + ODC Fees \$																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																					
Classification	Sr. Advisor	OA PM	OA DPM	Package Leads	Team Lead (Controls)	Team Lead (P/CO)	Task Lead (Controls)	Task Lead (P/CO)	Task Lead (Tech)	Support 1	Support 2	Support 3	Support 4	Support 5	Support 6	Admin.	Construction Oversight Lead \$310/hr	Quality Auditor 1 \$276/hr	Quality Auditor 2 \$263/hr	Quality Auditor 3 \$201/hr																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																													
Task Description	\$340/hr	\$335/hr	\$335/hr	\$310/hr	\$310/hr	\$310/hr	\$263/hr	\$276/hr	\$310/hr	\$263/hr	\$292/hr	\$335/hr	\$201/hr	\$158/hr	\$148/hr	\$201/hr																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
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Task 1 - Owner's Advisor Contract Administration																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
1.01 Carollo and Subconsultants Team Coordination		308	328	192	216		60																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																										

Exhibit B - FY 26 Fee Estimate

[illegible]

Notes:

* Subconsultant fees and rates have been consolidated here to enhance readability of fee estimate

** Project Equipment Communication Expense (PECE) are not part of Carollo's labor overhead.



April 29, 2022

East County Advanced Water Purification Joint Powers Authority
Seval Sen, P.E. – AWP Engineering Manager
9300 Fanita Parkway
Santee, California 92071

**Subject: East County Advanced Water Purification Project Joint Powers Authority Professional Services
for Permitting Support Fiscal Years 2023 through 2027**

Dear Ms. Sen,

We respectfully request your consideration of the enclosed package for Trussell's East County AWP Project Professional Services for Permitting Support for fiscal years 2023 through 2027. The package includes scope of work, schedule, budget tables, and subconsultant proposals.

Sincerely yours,

A handwritten signature in black ink that reads "Eileen Idica". The signature is written in a cursive, flowing style.

Eileen Idica, Ph.D., P.E.
Trussell Technologies, Inc.
Cell: (858) 232-8175

Cc. Shane Trussell



East County Advanced Water Purification Project

Joint Powers Authority

Professional Services for Permitting Support

Fiscal Years 2023 through 2027

SCOPE OF WORK

The East County Advanced Water Purification (AWP) Project is on track to produce 11.5 mgd of locally sourced drinking water via potable reuse by 2025. The East County AWP Joint Powers Authority, formed by Padre Dam Municipal Water District (Padre Dam), City of El Cajon (El Cajon), and the County of San Diego (County), is responsible for the governance of this project, along with Helix Water District as a collaborative partner. The East County AWP project has been in development since 2013 via Padre Dam's leadership with the following key engineering activities:

- Planning and construction of a 100,000-gpd Advanced Water Purification Demonstration Facility located at Padre Dam's Ray Stoyer Water Reclamation Facility;
- Demonstration- and pilot-scale testing, particularly targeting innovative treatment technologies to maximize existing infrastructure and minimize liquid residuals (e.g., reverse osmosis brine);
- Hydrodynamic modeling of Lake Jennings as the purified water receiving reservoir, including a state-of-the-art in-situ tracer field study to validate the reservoir model;
- Coordination and collaboration with the California State Water Board to ensure the requirements of the Division of Drinking Water and Regional Water Quality Control Board are met throughout the project;
- Engagement of an independent advisory panel of experts to evaluate the technical, scientific, and public health aspects of the project; and
- Preliminary design of the major facilities, including the influent pump stations, water reclamation and advanced water purification facilities, solids handling facilities, and associated pipelines.

Trussell Technologies (Trussell) has been involved with the project since 2013 as the lead consultant for program management of the Full Advanced Water Treatment Demonstration Project, under which many of the key technical and regulatory concepts were first developed and continue to be carried through to the East County AWP Project's implementation. Through this contract, Trussell aims to leverage their extensive historical involvement, technical and regulatory expertise, and treatment process operational knowledge to ensure timely project completion, reliability and robustness of the future East County AWP treatment facilities and infrastructure, and compliance throughout the State Water Board regulatory approval requirements.



The scope of work proposed for the services to be performed under this contract are categorized into the following five tasks in support of the JPA and Owner's Advisor (OA):

- State Water Board Permitting
- Workshops and Meetings
- Design and Submittal Review Support
- Startup and Operations Support
- As-Needed Technical Services

These tasks are a combination of the technical work and regulatory compliance guidance that Trussell has provided the East County AWP project leaders since 2013 and are estimated to occur between Fiscal Years (FY) 2020 to 2027. This scope of work describes the work that will be performed by Trussell in each of the tasks and fiscal years from FY2023 (i.e., July 1, 2022 to June 30, 2023) to FY2027.

Task A – State Water Board Permitting

This task encompasses support for the permitting required for the East County AWP Project from the State Water Resources Control Board (State Water Board), which includes the Division of Drinking Water (DDW) and the San Diego Regional Water Quality Control Board (Regional Board).

Task A1 – Title 22 Engineering Report, Public Hearing, and Conditional Acceptance (FY2021-FY2023)

The Title 22 Engineering Report is one of the first documents to support the ultimate State Water Board permitting of the ECAWP Project. The Title 22 Engineering Report supports all components of the East County AWP Project, from the source wastewater to distributed drinking water. The Title 22 Engineering Report also serves as the basis for other reports and documents required by DDW and Regional Board, such as those in the subsequent tasks in this scope of work. The primary reviewer of the Title 22 Engineering Report is DDW, but the report is also included in the Report of Waste Discharge (ROWD) to the Regional Board, which is the application for the Lake Jennings NPDES permit. The objective of the Title 22 Engineering Report is to achieve conditional acceptance of the project from DDW. Conditional acceptance is conveyed via a letter from DDW and allows the Regional Board to continue their process to draft and develop the NPDES permit.

The team for this task includes Trussell and Michael Welch for his expertise in Title 22 compliance. The activities to be performed by the team as part of Task A1 are detailed below.

Per 22 CCR Section 64668.20, the public water system is to facilitate at least **three public hearings** held by the State Board and the public water system.



FY2023:

- Activities
 - Incorporate DDW comments on Draft 2 of the Title 22 Engineering Report.
 - Develop and submit Final Title 22 Engineering Report to DDW.
 - Support JPA to work with Helix Water District and DDW to hold the required three (3) public hearings.
 - Support JPA in negotiations to obtain the DDW Conditional Acceptance Letter for the East County AWP Project Engineering Report.
- Deliverables
 - Response to comments on Draft 2 of Title 22 Engineering Report
 - Final Title 22 Engineering Report
 - Presentation materials for public hearings
- Assumptions
 - Draft 2 Title 22 Engineering Report is submitted to DDW and completed in FY2022.

Subtask A1.1 – Ray Stoyer Chlorine Contact Basin Tracer Study (FY2023)

As part of the ECAWP Project, the Ray Stoyer chlorine contact basin (CCB) will receive tertiary filtered effluent from the Project's new water recycling facility for production of up to 2.5 MGD of Title 22 non-potable reuse water for distribution to recycled water customers. The Title 22 requirement for disinfected tertiary recycled water establishes that the chlorine disinfection process shall provide a CT value of at least 450 mg-min/L with a modal contact time of at least 90 minutes. Under Subtask A.1.1, Trussell will conduct a tracer test at Ray Stoyer's CCB to determine the modal contact time. The activities in this subtask are detailed below.

FY2023

- Activities
 - Conduct tracer study at Ray Stoyer's CCB at three (3) different flow rates. Two (2) extra runs are included in the scope in case any of the conditions need to be repeated.
 - Coordinate with operations and engineering staff to ensure that the tests can be conducted in terms of schedule, available feedwater, feed water quality, and other testing considerations
 - Analyze all results from the tracer study to (1) determine the modal contact time from each test, (2) determine mass of tracer recovered, and (3) detail the observed hydraulic residence time and hydraulic efficiency of the reactor
 - Prepare a draft report summarizing the results and submit the report to the JPA for



- review and comments
 - Submit report to DDW and incorporate comments from DDW
 - Submit final report
- Deliverables
 - Draft CCB Tracer Study Report
 - Final CCB Tracer Study Report
- Assumptions
 - CCB Tracer Study Test plan is submitted to DDW and approved in FY2022

Task A2 – Monitoring and Reporting Plan (FY2021-FY2023)

A Monitoring and Reporting Plan (MRP) is a required submittal to both DDW and Regional Board for the East County AWP Project. This report defines the future Monitoring and Reporting Program, which coordinates all required monitoring by various state and federal regulations, including DDW surface water augmentation regulations, Regional Board Basin Plan, California Toxics Rule, and the regional monitoring framework adopted by the Regional Board. Per the surface water augmentation regulations (CCR Section 60320.326 Augmented Reservoir Monitoring), monitoring within Lake Jennings is required both prior to and after project implementation (i.e., purified water inflow). The prior monitoring must cover at least 2 years, with monitoring locations approved by the State Water Board. This task, as described herein, allows the MRP to serve as the single plan for the monitoring required both before and after purified water inflow to Lake Jennings.

The MRP will define compliance and monitoring points throughout the project, including within the treatment facilities, dechlorination facility, and Lake Jennings. Coordination between the JPA and Helix Water District for the monitoring at Lake Jennings will be essential for the finalization of the MRP. Monitoring locations within Lake Jennings must be representative and take into account the potential for differing characteristics throughout the reservoir (e.g., at varying depths to account for lake stratification) and include total organic carbon, temperature, dissolved oxygen, bacteria, nutrients (nitrogen and phosphorus), chlorophyll a, and other chemicals and contaminants. Previous efforts for the East County AWP Project have developed a hydrodynamic model of Lake Jennings to demonstrate dilution requirement compliance. Results from this model can be used in the determination of the monitoring locations, particularly with respect to the physical and hydrodynamic characteristics of the lake. Demonstrating the Project's ability to maintain the beneficial uses of Lake Jennings and meet Regional Board requirements, with respect to issues such as nutrients and algal productivity, can be achieved with careful selection of monitoring locations and early implementation of monitoring and data collection at Lake Jennings.

The Trussell team for this task includes Michael Welch, for his expertise in Regional Board permitting, and



Flow Science, for their work in lake modeling. The team proposes the activities detailed below for FY2023.

- Activities
 - Evaluate yearlong data collected by Helix Water District
 - Utilize data to develop water quality model of Lake Jennings for nutrient cycling and algal productivity
 - Perform four (4) water quality modeling runs, leveraging hydrodynamic modeling performed for Task A4 to demonstrate that Lake Jennings is expected to remain well-mixed with regards to water quality and to support a single long-term monitoring location for the reservoir
 - Respond to comments from DDW and Regional Board on the Draft 1 MRP
 - Update MRP based on water quality modeling and per Final Title 22 Engineering Report
- Deliverables
 - Calibrated water quality model of Lake Jennings
 - Four (4) water quality modeling runs
 - Responses to DDW and Regional Board comments on Draft 1 MRP
 - Updated Final MRP
- Assumptions
 - Draft 1 the Monitoring and Reporting Plan submitted in FY2022.
 - In-situ data collection (by Helix Water District) of Lake Jennings is complete in FY2022.

Task A3 – NPDES Permit (FY2021-FY2024)

Task A3.1- Lake Jennings NPDES Permit

Once comments from DDW on Draft #1 of the Title 22 Engineering Report are received, the team will prepare the Report of Waste Discharge (ROWD), which is the application for the NPDES permit for Lake Jennings. The ROWD demonstrates that the Project will comply with applicable water quality standards, plans and policies (Basin Plan, California Toxics Rule and Priority Pollutants list, federal water quality criteria established by the EPA, requirements in the California Thermal Plan, and state and federal anti-degradation policies). The ROWD includes EPA forms 1 and 2, State of California Form 200 with their associated tables, figures and diagrams, and a series of attachments to support the information provided in the forms. The water quality data for the product water provided in the state and federal application forms will come from monitoring done at the demonstration facility.

The team for this task includes Michael Welch, who will lead the effort and will put together the ROWD application and Trussell, which will provide support by compiling data. The activities detailed below will be conducted as part of Task A.3.1 for FY2023 and FY2024.



FY2023:

- Activities
 - Complete development of the ROWD and submit draft ROWD to JPA for comments (August 2022)
 - Incorporate JPA comments and submit ROWD to Regional Board (October 2022)
 - Respond to comments or requests for additional information from Regional Board on ROWD
 - Meet with RWQCB to support their development of the Draft Tentative Order
- Deliverables
 - ROWD, draft and final
 - Response to comments from Regional Board on the ROWD.
- Assumptions
 - Development of ROWD began in FY2022

FY2024:

- Activities
 - Review and provide comments on Draft Tentative Order
 - Meet with RWQCB to discuss Draft Tentative Order and NPDES permit adoption
- Deliverables
 - Comments on Draft Tentative Order
 - Comments on Tentative Order
- Assumptions
 - RWQCB issues Draft Tentative Order, Tentative Order, and NPDES permit in FY2024.

Task A3.2 – Ray Stoyer Water Reclamation Facility Existing NPDES Permit and Waste Discharge Requirements Renewal (FY2022)

Task completed.

Task A4 - Operation Plan (FY2021-FY2025)

The surface water augmentation regulations require an Operation Plan to be submitted by the JPA for the East County AWP Project prior to project startup. The Operation Plan utilizes information from the final design to define operational parameters and protocols to ensure compliance. The Operation Plan covers all operating components of the project (WRF, solids handling, AWP treatment processes, AWP pipeline chlorination and dechlorination), including Lake Jennings and the Levy Water Treatment Plant, and as such, requires coordination with Helix Water District.



This task includes hydrodynamic modeling of Lake Jennings per the surface water augmentation regulations to ensure that, prior to project startup, the project can satisfy the dilution requirements. A hydrodynamic model of Lake Jennings was first developed in 2015 by Flow Science for the ECAWP Project. The model has been used to create the framework by which the ECAWP Project can utilize Lake Jennings for surface water augmentation, specifically including both added infrastructure (e.g., in-situ aeration and air curtains for enhanced mixing) and defined lake operation (e.g., water surface elevation). It is anticipated that additional modeling work will be required to support this Operation Plan. The additional modeling runs will be performed by Flow Science and supported by Trussell for model scenario development and results analysis.

Trussell will develop a draft Operation Plan for submittal to DDW at least six months prior to project startup. As part of the development of the draft Operation Plan, Trussell will engage the JPA and Helix Water District for multiple reviews of the various sections to ensure that the proposed operating parameters and protocols are acceptable. DDW will return comments back to the JPA on the Operation Plan that must be addressed as part of startup and commissioning. An updated final draft Operation Plan is due to DDW within approximately 90 days after startup and commissioning. Trussell will support the JPA in addressing DDW comments and development of the updated final draft Operation Plan.

As part of Task A4, the Trussell team will conduct the activities described below for FY2023 through FY2026.

FY2023:

- Activities
 - Update Operation Plan based on information available in Final Design documents from Design-Build Packages 1, 2, 3, and 4.
 - Hydrodynamic modeling of Lake Jennings – Eight (8) modeling runs taking into account the new Lake Jennings air curtain design will be performed to update the operation strategy for Lake Jennings.
 - Present hydrodynamic modeling results to JPA and Helix. Trussell will hold one meeting for each of the 8 runs to present the results.
 - Incorporate modeling results into the Operation Plan in relation to flow rate, water elevation, and engineered mixing. Instead of generating separate reports for each of the modeling runs, Trussell will incorporate the results directly in the Operation Plan.
 - Lead three (3) progress update meetings with the JPA and Helix to present and discuss updates to the Operation Plan.
- Deliverables
 - Updated OP incorporating Final Designs from Design-Build Packages 1, 2, 3, and 4.



- Assumptions
 - Activities related to presenting the new Lake Jennings inlet and air curtain design and associated model results to the IAP are included in Task A8.

FY2024:

- Activities
 - Finalize Draft OP for submittal to DDW, and submit to DDW Jan 2024
- Deliverables
 - Draft Operation Plan Submittal to DDW
- Assumptions
 - IAP provides approval of the Lake Jennings operational strategy.

FY2025:

- Activities
 - Minor updates to the Draft Operation Plan based on installed instrumentation and startup and commissioning activities
- Deliverables
 - Updated Draft Operation Plan

FY2026:

- Activities
 - Develop updated Final Draft of Operation Plan within 90 days after the completion of startup and commissioning, and submit to DDW.
- Deliverables
 - Updated Final Draft Operation Plan for submittal to DDW

Task A5 - Joint Plan (FY2023-FY2025)

A Joint Plan is required for the ECAWP project that describes the specific roles for the JPA and Helix Water District with respect to DDW and Regional Board requirements. This Joint Plan must be signed by the JPA and Helix Water District and reviewed and approved by both DDW and Regional Board. The Joint Plan includes corrective actions for off-specification water and the procedures by which the JPA would notify Helix Water District, DDW, and Regional Board of operational changes that affect water quality.

The Trussell team will support the JPA and Helix Water District in developing the draft Joint Plan for submittal to DDW and Regional Board. Should changes occur during the project after DDW and Regional



Board have approved the Joint Plan, a revised Joint Plan must be submitted by the JPA and Helix Water District prior to the implementation of the change. Trussell will support the development of a revised Joint Plan, if necessary and if requested by the JPA. The activities to be performed under Task A5 are described below.

FY2023:

- Activities
 - Develop outline of Joint Plan and start discussions with Helix and City of San Diego
- Deliverables
 - Draft outline of Joint Plan

FY2024:

- Activities
 - Develop Draft Joint Plan for JPA review, incorporate comments, support JPA in a comment-review cycle of the Draft Joint Plan with Helix Water District
 - Incorporate remaining comments from JPA and Helix Water District for the Draft Joint Plan and submit to DDW
 - Meet with DDW to discuss Joint Plan
- Deliverables
 - Draft Joint Plan for JPA Review
 - Draft Joint Plan for Helix Water District Review
 - Draft Joint Plan for DDW Review

FY2025:

- Activities
 - Respond to comments from DDW on Draft Joint Plan.
 - Develop Final Joint Plan and submit to DDW.
- Deliverables
 - Responses to DDW Comments on Draft Joint Plan
 - Final Joint Plan

Task A6 – Source Control Support (FY2021-FY2025)

Trussell will support the source control program updates for the East County AWP Project as requested by the JPA. This could include assessment of the fate of DDW- and Regional Board-specific chemicals and contaminants.



Task A7 – Meetings with Division of Drinking Water and Regional Board (FY2021-FY2025)

The Trussell team proposes regular meetings with DDW and Regional Board to facilitate the conditional acceptance of the various required permitting documents. The meetings would enable key topics to be brought to DDW and Regional Board for discussion prior to the formal submittal of draft deliverables.

As part of Task A7, Trussell will prepare meeting materials and slides for each meeting shown in Table 1 below. Table 1 also describes the proposed topics and timeframe of each meeting.

Task A8 – Independent Advisory Panel Annual Meetings (FY2021-FY2027)

Independent Advisory Panel (IAP) is currently administered by the National Water Research Institute (NWRI). The IAP is required for key regulatory topics for which the State Water Board lacks expertise. Notably for surface water augmentation, this expertise includes hydrodynamic modeling of the reservoir. However, the IAP also serves to provide an independent and expert opinion of the public health safety of the project. As a result, IAP interaction can serve to support the project during the permitting process.

Six IAP meetings have already occurred as part of the East County AWP Project development. The dates and topics covered are presented in Table 1. Each IAP meeting is typically a one-day workshop during which the morning session involves presentations by the JPA, and the afternoon session is closed for the IAP members to discuss the presented material. Staff from DDW and Regional Board are invited to observe the morning session, as are other stakeholders. One option that may be considered for the East County AWP project is to hold a separate session in the afternoon for the DDW and Regional Board staff to allow them to discuss specific questions directly with the JPA on the presented topics. The Trussell team would support both the main IAP meeting presentations and the potential afternoon session with the regulators as requested by the JPA. The Trussell team would also support the development of written materials (reports and presentations) provided to the IAP prior to a meeting to facilitate IAP understanding of the presented topics. The IAP meetings planned through FY2027 and their corresponding topics are presented in Table 1. NWRI will develop an agenda for the IAP meeting in collaboration with the JPA, Trussell and the IAP Chair. NWRI will also administer the meeting. After the meeting, NWRI and the IAP Chair will facilitate the preparation of a report summarizing the IAP's comments and recommendations. NWRI will establish and oversee contracts with each IAP member. Trussell will organize a workshop with the JPA to discuss the IAP report and response to comments.

Trussell proposes to conduct an IAP meeting to provide an update on the 100% design and on the updated engineered mixing design and operational strategy for Lake Jennings. The meeting will take place before the Draft OP is submitted to DDW in order to secure approval from the IAP for the design and operational aspects of the project concerning Lake Jennings.



As part of Task D4, a trace study protocol for Lake Jennings will be developed. Before submission to DDW, Trussell proposes to hold a Limnology Subcommittee meeting for the panel to review and endorse the plan. A full panel meeting and a subcommittee meeting are proposed to review the results of the tracer study.

As part of Task A8, Trussell will conduct the activities described below through FY2027. IAP meeting topics are also described in Table 1.

FY2024:

- Activities
 - Prepare reading materials and slides for one IAP meeting.
 - Support preparation for one IAP meeting
 - Review Resulting IAP report for one IAP meeting
 - Lead workshop to discuss review of IAP report and response to IAP comments
- Deliverables
 - IAP meeting agenda for one IAP meeting
 - Pre-read materials for one IAP meeting
 - IAP presentation materials for one IAP meeting
 - Comments on IAP report for one IAP meeting
 - Meeting minutes from workshop to discuss IAP report for one IAP meeting

FY2025:

- Activities
 - Prepare reading materials and slides for one IAP subcommittee meeting.
 - Support preparation for one IAP subcommittee meeting
 - Review Resulting IAP report for one IAP subcommittee meeting
 - Lead workshop to discuss review of IAP report and response to IAP comments
 -
- Deliverables
 - IAP meeting agenda for one IAP subcommittee meeting
 - Pre-read materials for one IAP subcommittee meeting
 - IAP presentation materials for one IAP subcommittee meeting
 - Comments on IAP report for one IAP subcommittee meeting
 - Meeting minutes from workshop to discuss IAP report for one IAP subcommittee meeting
 -
- Assumptions



- IAP Subcommittee meeting will be needed to approve Lake Jennings Tracer Study protocol

FY2027:

- Activities
 - Prepare reading materials and slides for one IAP meeting and one IAP subcommittee meeting.
 - Support preparation for one IAP meeting and one IAP subcommittee meeting
 - Review Resulting IAP report for one IAP meeting and one IAP subcommittee meeting
 - Lead workshop to discuss review of IAP report and response to IAP comments and one IAP subcommittee meeting
- Deliverables
 - IAP meeting agenda for one IAP meeting and one IAP subcommittee meeting
 - Pre-read materials for one IAP meeting and one IAP subcommittee meeting
 - IAP presentation materials for one IAP meeting and one IAP subcommittee meeting
 - Comments on IAP report for one IAP meeting and one IAP subcommittee meeting
 - Meeting minutes from workshop to discuss IAP report for one IAP meeting and one IAP subcommittee meeting
- Assumptions
 - IAP Subcommittee meeting, in addition to IAP meeting, will be needed to approve Lake Jennings Tracer Study results and model validation

Table 1. East County AWP Project DDW and Regional Board Meetings and IAP Meetings

Meeting Type	Topics	Date
Regulator Meetings		
DDW Meeting	Discussion of DDW comments on Draft 2 of Title 22 Engineering Report	August 2022 (FY2023)
Regulator Meeting #8	Preparation for Public Hearings	September 2022 (FY2023)
Regional Board Meeting	Discuss ROWD Submittal	October 2022 (FY2023)
Regulator Meeting #9	Discussion of DDW Conditional Acceptance Letter Draft Conditions	December 2022 (FY2023)
Regulator Meeting #10	Operation Plan for AWP Facility	February 2023



Meeting Type	Topics	Date
		(FY2023)
Regional Board Meeting	Discuss Lake Jennings NPDES Permit Development	March 2023 (FY2023)
Regulator Meeting #11	Operation Plan for Lake Jennings	August 2023 (FY2024)
Regulator Meeting #12	Project Update and Startup and Commissioning Progress	February 2025 (FY2025)
IAP Meetings		
IAP Meeting #7	Project Status Update Lake Jennings update of engineered mixing design and operational strategy	July 2023 (FY2024)
IAP Limnology Subcommittee Meeting #3	Review Lake Jennings tracer study protocol	February 2025 (FY2025)
IAP Meeting #8	Review results from Lake Jennings tracer study and model validation	July 2026 (FY2027)
Limnology Subcommittee Meeting #4	Follow-up on full panel meeting on results from Lake Jennings tracer study and model validation	August 2026 (FY2027)

Task A9 – Cross-Connection Control Program (FY2023-FY2026)

A Cross-Connection Control Program (CCCP) must be developed for the East County AWP Project to address the following:

- The adoption of operating rules or ordinances to implement the cross-connection program.
- The conducting of surveys to identify water user premises where cross-connections are likely to occur,
- The provisions of backflow protection by the water user at the user's connection or within the user's premises or both,
- The provision of at least one person trained in cross-connection control to carry out the cross-connection program,
- The establishment of a procedure or system for testing backflow preventers, and
- The maintenance of records of locations, tests, and repairs of backflow preventers.

The CCCP must be done in consultation with an individual with a valid and current Cross-Connection



Control Program Specialist certification issued by the California-Nevada section of the American Water Works Association. The report documenting the CCCP for the East County AWP Project must be submitted to DDW prior to and separate from the Draft Operation Plan. Once the project is online, an inspection report must be submitted to DDW documenting the initial inspection. Subsequent inspection results must be included in the annual Compliance Status and Trends Report.

FY2023:

- Activities
 - Develop the East County AWP Project Cross-Connection Control Program
- Deliverables
 - Report documenting the Cross-Connection Control Program

FY2026:

- Activities
 - Perform the initial inspection and document the results in a separate report for submittal to DDW.
- Deliverables
 - CCCP Initial inspection report
- Assumptions
 - Discharge to Lake Jennings starts in November, 2025.

Task B – Workshops and Meetings (FY2021-FY2025)

As part of this task, Trussell will attend and participate in meetings with the JPA, DB, and OA, as requested. It is anticipated that these meetings will cover the following types of items:

- Technical workshops for key design criteria review.
- Meetings for major process decisions.
- East County AWP Project technical planning meetings.

As part of Task B, Trussell will conduct the activities described below in FY2023 through FY2025.

For each year:

- Activities
 - Review materials prior to each meeting, as needed.
 - Attend meetings with the DB, JPA, and/or OA to support an efficient design and decision-making process and provide input on decisions and aspects of the East County AWP



- Project that will impact permitting and operability.
 - Provide written comments on meeting materials, as needed.
 - Provide review to DB responses and make additional comments, as needed.
- Deliverables
 - Meeting attendance including prior review of materials
 - Written comments on meeting materials as requested by the JPA, SB, and DB, which may include:
 - Meeting presentations
 - Supplemental technical analyses memos
 - Comment logs
 - Comments on DB responses
- Assumptions
 - Assumes one workshop or meeting per week for the fiscal year (approximately 50 meetings) with the participation of two key Trussell members in all the meetings and additional Trussell topic-specific experts in 20-30% of the meetings.

Task C – Design and Submittal Review Support

The purpose of this task is to review the design of the major facilities at major milestones to ensure compliance with State Water Board requirements, as well as ensuring those facilities are technically optimal for the JPA's treatment and water quality goals. It is anticipated that these design reviews would happen at approximately 30% and 60% design levels, when modifications can be incorporated before the development of the guaranteed maximum price from the DB. Trussell will also review subsequent design levels (e.g., 100% design level) as requested to confirm key items are maintained for permitting and operability success throughout the design and construction.

Task C1 – Design Submittal Review for Package #1- WRF-AWP-Solids Facilities (FY2021-FY2023)

As part of Task C1, Trussell will perform the following activities in FY2023:

- Review major design submittals associated with the 100% and Final design documents (drawings, specifications, control narratives, and updated basis of design reports) developed by the DB for each of the three major areas of the WRF-AWP-Solids Facilities design package:
 - Water Reclamation Facility
 - Advanced Water Purification Facility
 - Solids Handling Facility



Trussell will focus on the treatment process aspects of these facilities and the capability of the designed components to allow the East County AWP Project to meet State Water Board requirements. Key items to review in detail include water quality assumptions and projections, instrumentation types and redundancy, monitoring and compliance locations, SCADA integration for permit-related reporting, side-stream treatment options for residual streams, and return and recycle streams.

- Provide written comments for submittal to the JPA for distribution.

Deliverables:

- Written comments on DB submittals to the JPA.

Task C2 – Design Submittal Review for Package #2- AWP Pipeline and Dechlorination Facilities (FY2021-FY2022)

As part of Task C2, Trussell will perform the following activities in FY2023:

- Complete the review of the 100% and Final design for the AWP Pipeline and Dechlorination Facilities design. Trussell anticipates that the design submittals may include drawings and specifications, including control narratives for interface with the AWP facility, physical and chemical methods for compliance with the free chlorine disinfection requirements (e.g., assumptions for pipeline residence time, flow rate, residual chlorine), instrumentation types and redundancy for both free chlorine log reduction credits and dechlorination, and resulting water quality prior to discharge to Lake Jennings. Trussell will focus on the treatment process aspects of these facilities and the capability of the designed components to allow the East County AWP Project to meet State Water Board requirements. Trussell will also be available to attend design meetings with the Design Build team and JPA to support an efficient design and decision-making process.
- Provide written comments to the JPA for distribution.

Deliverables:

- Written comments on DB submittals to the JPA.



Task C3 – Design Submittal Review for Package #3 – IPS and EMGPS Retrofits, New EMGPS force Main, and Residuals Bypass System (FY2021-FY2023)

As part of Task C3, Trussell will perform the following activities in FY2023:

- Review major design submittals developed by the DB for the Influent Pump Station and East Mission Gorge Pump Station design package as requested by the JPA. Trussell anticipates that key items for review include potential use of treatment technologies (e.g., mechanical screening) and chemicals (e.g., oxygen, ferric chloride) at the raw wastewater pump stations, and associated water quality assumptions and impacts.
- Provide written comments to the JPA for distribution.

Trussell's review will be focused on the impact for the downstream treatment processes to meeting State Water Board requirements.

Deliverables:

- Written comments on DB submittals to the JPA.

Task D – Startup and Operations Support

Task D1 – Operator AWT Training Support (FY2022-FY2027)

As part of this task, Trussell will provide as-needed support to the JPA for Advanced Water Treatment (AWT) training support. As-needed support items may include collaboration on training materials development and performing training sessions to support operators in developing the skills and knowledge to operate the advanced water treatment processes and achieve state certification for the AWT Operator categories.

Task D2 – Commissioning and Startup Support (FY2024-FY2026)

Trussell will support the commissioning and startup of the various facilities through completion of the acceptance testing by the DB teams for each facility. As part of Task D2, Trussell will conduct the activities described below.

FY2024:

- Activities
 - Review of plans for commissioning, startup, and acceptance
 - Review key equipment submittals for compatibility with the JPA's goals and to ensure



permitting requirements can be met.

- Deliverables
 - Written comments to the JPA

FY2025:

- Activities
 - Review of plans for commissioning, startup, and acceptance
 - Review key construction and equipment submittals for compatibility with the JPA's goals and to ensure permitting requirements can be met.
 - Onsite evaluation and troubleshooting to ensure required startup and testing activities for DDW-required activities can proceed smoothly
 - Review and comment on DB-led UVAOP Validation Testing protocol and results report.
- Deliverables
 - Written comments to JPA

FY2026:

- Activities
 - Review of plans for commissioning, startup, and acceptance
 - Review key construction and equipment submittals for compatibility with the JPA's goals and to ensure permitting requirements can be met.
 - Onsite evaluation and troubleshooting to ensure required startup and testing activities for DDW-required activities can proceed smoothly
 - Coordinate and lead DDW Inspection activities on behalf of JPA
 - Review acceptance testing results reports
- Deliverables
 - Written comments to JPA

Task D3 – Regulatory Reporting Support (FY2026 to FY2027)

As part of this task, Trussell will support the JPA in implementing the required regular monthly, quarterly, and annual water quality reporting, quarterly reporting on the RO and advanced oxidation process performance, and application for reduced monitoring for certain requirements after 12 months of operation. This task also includes updating the Title 22 Engineering Report, which is required every 5 years starting after the date of the conditional acceptance letter.



As part of Task D3, Trussell will conduct the activities described below.

FY2026:

- Activities
 - Assist JPA in developing reporting templates.
 - Assist JPA in setting up efficient systems to collect, consolidate, and analyze data and transfer to reporting template for submittal of final report/s to the State Water Board.
- Deliverables
 - Two (2) quarterly Advanced Treatment Criteria Reports (per 22 CCR Section 60320.328(a))
 - One (1) annual Compliance Status and Trends Report (per 22 CCR Section 60320.328(a))
 - Seven (7) monthly Pathogenic Microorganism Control Reports (per 22 CCR Section 60320.308(b))
 - One (1) Annual Receiving Water Monitoring Report (for calendar year 2025)
 - One (1) Annual Summary Report (for calendar year 2025)
 - Two (2) quarterly CEC Monitoring Reports
- Assumptions
 - Discharge to Lake Jennings starts in November 2025.

FY2027:

- Activities
 - Continue assisting JPA in setting up efficient systems to collect, consolidate, and analyze data and transfer to reporting template for submittal of final report/s to the State Water Board.
- Deliverables
 - One (1) annual Advanced Treatment Criteria Report (per 22 CCR Section 60320.302 (e) and (f)) for first 12 months of full-scale operation
 - Four (4) quarterly Advanced Treatment Criteria Reports (per 22 CCR Section 60320.328(a))
 - One (1) annual Compliance Status and Trends Report (per 22 CCR Section 60320.328(a))
 - Twelve (12) monthly Pathogenic Microorganism Control Reports (per 22 CCR Section 60320.308(b))
 - One (1) Annual Receiving Water Monitoring Report (for calendar year 2026)
 - One (1) Annual Summary Report (for calendar year 2026)
 - Four (4) quarterly CEC Monitoring Reports



Task D4 – Tracer Study for Lake Jennings (FY2025-FY2027)

The JPA and Helix Water District are required to perform an in-situ tracer study for Lake Jennings to confirm the hydrodynamic model accuracy. This tracer study must be performed within six months of discharging product water into Lake Jennings. Trussell will perform the following:

- Develop tracer study protocol for submittal to and approval by DDW and the IAP;
- Coordinate and conduct the tracer study field work with Scripps Institution of Oceanography;
- Coordinate with Flow Science to conduct validation of the hydrodynamic model with the tracer study field data;
- Develop the tracer study final report for submittal to and approval by the IAP; and
- Once IAP approval is obtained, submit the tracer study final report to DDW for approval.

Trussell and Flow Science conducted an in-situ tracer study and model validation with the Scripps Institution of Oceanography, who used state-of-the-art field technology to track and monitor the released tracer. This tracer study and validation was conducted in 2017-2018 and was required per the surface water augmentation regulations. This same team achieved IAP approval for the model validation as supported by the tracer study in 2019.

As part of Task D4, Trussell will conduct the activities described below in FY2025 through FY2027.

FY2025:

- Activities
 - Develop tracer study protocol for submittal and approval by DDW and the IAP
- Deliverables
 - Draft tracer study protocol

FY2026:

- Activities
 - Incorporate comments from DDW and the IAP on the tracer study protocol and develop a final approved protocol
 - Coordinate and conduct the tracer study field work with Scripps Institution of Oceanography
 - Coordinate with Flow Science to begin conducting validation of the hydrodynamic model with the tracer study field data
 - Initiate development the tracer study final report for submittal to and approval by the IAP
- Deliverables
 - Final tracer study protocol



FY2027:

- Activities
 - Complete validation of the hydrodynamic model with the tracer study field data
 - Complete draft and final tracer study report
- Deliverables
 - Draft and Final tracer study report
 - Draft and Final Hydrodynamic Modeling Validation report

Task D5 – Operations Plan Update (FY2026-FY2027)

An update to the Operations Plan is required by DDW after one full year of operation of the project to document any operations optimizations that may have occurred during this year. Trussell will support the development of the Operations Plan update for the JPA and Helix Water District, if requested. It is anticipated that submittal of a draft update is required approximately six months after the optimization period, which may be the first year of operation. The subsequent review and comment cycle with DDW may take several months. Trussell will support this task as requested by the JPA.

As part of Task D5, Trussell will conduct the activities described below in FY2026 to FY2027.

FY2026:

- Activities
 - Develop request to DDW that the East County AWP Project be categorized as a 4-month V/Q project from being a 6-month V/Q project.
 - Update the Lake Jennings section of the Operation Plan to reflect the approved request.
- Deliverables
 - Updated OP

FY2027:

- Activities
 - Develop the Operation Plan Update and facilitate submittal and comment-review cycle with DDW.
- Deliverables
 - Updated Operation Plan



Task D6 – High-Rate Filter Testing Support (FY2026)

DDW may require testing activities be conducted during startup of the WRF to ensure that the granular media filters consistently meet the filter effluent water quality requirements for non-potable reuse. These testing activities may include continuous combined and individual filter effluent monitoring for turbidity and particle counts and downstream virus disinfection confirmation testing under standard filtration rates (e.g., 5 gpm/sf) and high filtration rates (e.g., 7.5 gpm/sf). Should high rate filter testing activities be part of the DDW conditional acceptance of the project, Trussell will support the JPA in planning, conducting, and reporting these testing activities and the associated required coordination with DDW.

Task D7 – WRF Operations Optimization Support (FY2026 to FY2027)

Once startup and commissioning of the new WRF is complete, Trussell will support the JPA operations staff in optimizing the treatment processes to increase reliability for permit compliance and maximize operating efficiencies. These activities could include:

- Management of chemical dosing for phosphorus control to achieve permit limits more reliably and reduce use of sulfuric acid upstream of the RO system for scaling control
- Adjustments to reduce nitrate levels in the secondary effluent achieve permit limits more reliably
- Evaluate primary sludge pumping rates to ensure minimal detrimental impacts on other treatment processes
- Modifications to mitigate any impacts on solids handling
- Onsite evaluation and troubleshooting

Task D8 – AWP Facility Operations Optimization Support (FY2026 to FY2027)

Once startup and commissioning of the AWP Facility is complete, Trussell will support the JPA operations staff in optimizing the treatment processes to increase reliability for permit compliance and maximize operating efficiencies. These activities could include:

- Recommendations for optimal operational settings for each treatment process, chemical dosing system, and meter maintenance program
- SCADA system programming to adjust controls based on operator needs and to increase reliability of meeting DDW operational requirements
- Onsite evaluation and troubleshooting

Task E – As-Needed Technical Services (FY2023 - FY2027)

Further tasks will be determined as needed. An as-needed budget of \$150,000 has been allotted for each FY.



Task F – Project Management

Task F1 – Project Administration

Under this task, Trussell will perform administrative duties for the project, including schedule and budget management and tracking.

Assumptions

This scope of work assumes the following:

- Extended pathogen LRV credit for the new WRF, which would be obtained through a site-specific pathogen sampling study, is not being sought prior to construction of the new WRF.

Schedule

The schedule for fiscal years 2023 through 2027 is included in Attachment A.

Budget

The budget for the scope of work is provided in Attachment B as a summary table and breakdown by each fiscal year from FY2023 to FY2027. The total not-to-exceed cost is \$6,691,272.

Subconsultant Proposals

The subconsultant proposals are included in Attachment C.



Task ID		Task Description	FY23												FY24												FY25												FY26												FY27																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																					
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			July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																						
A-State Water Board Permitting	A1	Title 22 Engineering Report, Public Hearing, Conditional Acceptance (FY2021-FY2023)																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																						



Trussell Technologies Cost Summary
ECAWP Project - Professional Services for Permitting Support FY2023 to FY2027

Fiscal Year	Trussell Technologies	Sub Consultants					Mileage, Travel, Lab Analyses, Field Supplies	Total
		Flow Science	NWRI	Michael Welch	Scripps Institute of Oceanography	Hoch Consulting		
FY23	\$ 1,304,220	\$ 410,960	\$ -	\$ 82,583	\$ -	\$ 34,694	\$ 2,678	\$ 1,835,134.00
FY24	\$ 722,025	\$ 37,180	\$ 65,001	\$ 49,335	\$ -	\$ -	\$ 1,079	\$ 874,620.00
FY25	\$ 733,090	\$ 13,090	\$ 34,795	\$ 4,290	\$ 52,500	\$ -	\$ 1,085	\$ 838,850.00
FY26	\$ 1,339,700	\$ 45,760	\$ -	\$ -	\$ 315,000	\$ 9,878	\$ 21,385	\$ 1,731,723.00
FY27	\$ 1,174,740	\$ 87,230	\$ 99,796	\$ -	\$ 26,250	\$ -	\$ 22,929	\$ 1,410,945.00
TOTAL	\$ 5,273,775	\$ 594,220	\$ 199,593	\$ 136,208	\$ 393,750	\$ 44,572	\$ 49,155	\$ 6,691,272



Trussell Technologies Cost Breakdown by Task
ECAWP Project - Professional Services for Permitting Support FY2023

Attachment B

Task No.	FY2023	Trussell Technologies													Sub Consultants					ODC's	Total
	Staff Classification	Senior Company Officer	Principal Engineer III	Principal Engineer II	Principal Engineer I	Supervising Engineer II	Senior Engineer III	Senior Engineer I	Engineer II	Engineer I	Associate Engineer II	Senior Office Manager II	Total Labor Hours	Cost	Flow Science	NWRI	Michael Welch	Scripps Institute of Oceanography	Hoch Consulting	Mileage, Travel, Lab Analyses, Field Supplies	
	Hourly Billing Rate	\$355	\$330	\$300	\$280	\$240	\$205	\$185	\$175	\$160	\$150	\$160									
A	State Water Board Permitting	8	482	796	120	109	288	492	160	768	0	0	3,223	\$ 761,400.00	\$ 410,960.00	\$ -	\$ 82,582.50	\$ -	\$ 34,694.00	\$ 2,677.50	\$ 1,292,314.00
A1	Title 22 Engineering Report, Public Hearing, Conditional Acceptance		80	124			160	128		178			670	\$ 148,560.00			\$ 5,362.50				\$ 153,922.50
A1.1	Ray Stoyer CCB Tracer study (Onsite Testing, Report, DDW Approval)		6	24		3	80	66						\$ 38,510.00						\$ 2,677.50	\$ 41,187.50
A2	Monitoring and Reporting Plan		64	84			40	130		86			404	\$ 92,330.00	\$ 183,260.00		\$ 10,725.00				\$ 286,315.00
A.3.1	Lake Jennings NPDES Permit		44	64		40			90				238	\$ 59,070.00			\$ 53,625.00				\$ 112,695.00
A4	Operation Plan		68	184					70				322	\$ 89,890.00	\$ 227,700.00						\$ 317,590.00
A5	Joint Plan		58	78	120			128					384	\$ 99,820.00							\$ 99,820.00
A6	Source Control Support	8	40	40				40					128	\$ 35,440.00							\$ 35,440.00
A7	Meeting with DDW and Regional Board		120	192		66				488			866	\$ 191,120.00			\$ 12,870.00				\$ 203,990.00
A8	IAP Annual Meetings												0	\$ -							\$ -
A9	Cross-Connection Control Program		2	6			8			16			32	\$ 6,660.00				\$ 34,694.00			\$ 41,354.00
B	Workshops and Meetings	0	200	300	20	20	20	0	0	0	0	0	560	\$ 170,500.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 170,500.00
B	Workshops and Meetings		200	300	20	20	20						560	\$ 170,500.00							\$ 170,500.00
C	Design and Submittal Review Support	0	76	220	32	32	32	100	32	71	0	0	595	\$ 149,740.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 149,740.00
C1	Design Submittal Review for Package #1- WRF-AWP-Solids Facilities		40	120	32	32	32	60	32	46			394	\$ 96,460.00							\$ 96,460.00
C2	Design Submittal Review for Package #2- AWP Pipeline and Dechlorination Facilities		20	60				40					120	\$ 32,000.00							\$ 32,000.00
C3	Design Submittal Review for Package #3 – IPS and EMGPS Retrofits, New EMGPS Force Main, and Residuals Bypass System		16	40						25			81	\$ 21,280.00							\$ 21,280.00
D	Startup and Operations Support	0	0	16	40	0	80	0	0	0	0	0	136	\$ 32,400.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,400.00
D1	Operator AWT Training Support			16	40		80						136	\$ 32,400.00							\$ 32,400.00
D2	Commissioning and Startup Support												0	\$ -							\$ -
D3	Regulatory Reporting Support												0	\$ -							\$ -
D4	Tracer Study for Lake Jennings												0	\$ -							\$ -
D5	Operation Plan Update												0	\$ -							\$ -
D6	High-Rate Filter Testing Support												0	\$ -							\$ -
D7	WRF Operation Optimization Support												0	\$ -							\$ -
D8	AWP Facility Operation Optimization Support												0	\$ -							\$ -
E	As-Needed Technical Services	8	32	40	60	60	60	84	160	160	80	0	744	\$ 150,040.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,040.00
E4	As-Needed Technical Services for FY2023	8	32	40	60	60	60	84	160	160	80		744	\$ 150,040.00							\$ 150,040.00
E5	As-Needed Technical Services for FY2024												0	\$ -							\$ -
E6	As-Needed Technical Services for FY2025												0	\$ -							\$ -
E7	As-Needed Technical Services for FY2026												0	\$ -							\$ -
E8	As-Needed Technical Services for FY2027												0	\$ -							\$ -
F	Project Management	0	20	48	0	0	84	0	0	0	0	12	164	\$ 40,140.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,140.00
F1	Project Administration		20	48			84					12	164	\$ 40,140.00							\$ 40,140.00
TOTAL		16	810	1420	272	221	564	676	352	999	80	12	5,422	\$ 1,304,220.00	\$ 410,960.00	\$ -	\$ 82,582.50	\$ -	\$ 34,694.00	\$ 2,677.50	\$ 1,835,134.00

*Cost includes the following markups: ODC 5%
Subs (Flow Science, NWRI, Michael Welch, Hoch Consulting) 10%
Subs (Scripps Institute of Oceanography) 5%



Trussell Technologies Cost Breakdown by Task
ECAWP Project - Professional Services for Permitting Support FY2024

Attachment B

Task No.	FY2024	Trussell Technologies													Sub Consultants					ODC's	Total
	Staff Classification	Senior Company Officer	Principal Engineer III	Principal Engineer II	Principal Engineer I	Supervising Engineer II	Senior Engineer III	Senior Engineer II	Engineer II	Engineer I	Associate Engineer II	Senior Office Manager II	Total Labor Hours	Cost	Flow Science	NWRI	Michael Welch	Scripps Institute of Oceanography	Hoch Consulting	Mileage, Travel, Lab Analyses, Field Supplies	
	Hourly Billing Rate	\$355	\$330	\$300	\$280	\$240	\$205	\$185	\$175	\$160	\$150	\$160									
A	State Water Board Permitting	12	172	232	20	28	140	140	83	120	0	0	947	\$ 231,265.00	\$ 37,180.00	\$ 65,001.20	\$ 49,335.00	\$ -	\$ -	\$ 1,078.80	\$ 383,860.00
A1	Title 22 Engineering Report, Public Hearing, Conditional Acceptance												0	\$ -							\$ -
A1.1	Ray Stoyer CCB Tracer study													\$ -							\$ -
A2	Monitoring and Reporting Plan												0	\$ -							\$ -
A.3.1	Lake Jennings NPDES Permit		16	20		20			23				79	\$ 20,105.00			\$ 49,335.00				\$ 69,440.00
A4	Operation Plan		24	40			80		60				204	\$ 46,820.00	\$ 27,500.00						\$ 74,320.00
A5	Joint Plan		40	60			60	40					200	\$ 50,900.00							\$ 50,900.00
A6	Source Control Support	4	40	40				40					124	\$ 34,020.00							\$ 34,020.00
A7	Meeting with DDW and Regional Board		20	32		8				80			140	\$ 30,920.00	\$ 4,840.00						\$ 35,760.00
A8	IAP Annual Meetings	8	32	40	20			60		40			200	\$ 48,500.00	\$ 4,840.00	\$ 65,001.20				\$ 1,078.8	\$ 119,420.00
A9	Cross-Connection Control Program												0	\$ -							\$ -
B	Workshops and Meetings	0	200	300	20	20	20	0	0	0	0	0	560	\$ 170,500.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 170,500.00
B	Workshops and Meetings		200	300	20	20	20						560	\$ 170,500.00							\$ 170,500.00
C	Design and Submittal Review Support	0	0	0	0	0	0	0	0	0	0	0	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
C1	Design Submittal Review for Package #1- WRF-AWP-Solids Facilities												0	\$ -							\$ -
C2	Design Submittal Review for Package #2- AWP Pipeline and Dechlorination Facilities												0	\$ -							\$ -
C3	Design Submittal Review for Package #3 – IPS and EMGPS Retrofits, New EMGPS Force Main, and Residuals Bypass System												0	\$ -							\$ -
D	Startup and Operations Support	0	24	256	40	0	80	96	0	0	0	0	496	\$ 130,080.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 130,080.00
D1	Operator AWT Training Support			16	40		80						136	\$ 32,400.00							\$ 32,400.00
D2	Commissioning and Startup Support		24	240				96					360	\$ 97,680.00							\$ 97,680.00
D3	Regulatory Reporting Support												0	\$ -							\$ -
D4	Tracer Study for Lake Jennings												0	\$ -							\$ -
D5	Operation Plan Update												0	\$ -							\$ -
D6	High-Rate Filter Testing Support												0	\$ -							\$ -
D7	WRF Operation Optimization Support												0	\$ -							\$ -
D8	AWP Facility Operation Optimization Support												0	\$ -							\$ -
E	As-Needed Technical Services	8	32	40	60	60	60	84	160	160	80	0	744	\$ 150,040.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,040.00
E4	As-Needed Technical Services for FY2023												0	\$ -							\$ -
E5	As-Needed Technical Services for FY2024	8	32	40	60	60	60	84	160	160	80		744	\$ 150,040.00							\$ 150,040.00
E6	As-Needed Technical Services for FY2025												0	\$ -							\$ -
E7	As-Needed Technical Services for FY2026												0	\$ -							\$ -
E8	As-Needed Technical Services for FY2027												0	\$ -							\$ -
F	Project Management	0	20	48	0	0	84	0	0	0	0	12	164	\$ 40,140.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,140.00
F1	Project Administration		20	48			84					12	164	\$ 40,140.00							\$ 40,140.00
TOTAL		20	448	876	140	108	384	320	243	280	80	12	2,911	\$ 722,025.00	\$ 37,180.00	\$ 65,001.20	\$ 49,335.00	\$ -	\$ -	\$ 1,078.80	\$ 874,620.00

*Cost includes the following markups: ODC
Subs (Flow Science, NWRI, Michael Welch, Hoch Consulting)
Subs (Scripps Institute of Oceanography)

5%
10%
5%



Trussell Technologies Cost Breakdown by Task
ECAWP Project - Professional Services for Permitting Support FY2025

Attachment B

Task No.	FY2025	Trussell Technologies													Sub Consultants					ODC's	Total
	Staff Classification	Senior Company Officer	Principal Engineer III	Principal Engineer II	Principal Engineer I	Supervising Engineer II	Senior Engineer III	Senior Engineer I	Engineer II	Engineer I	Associate Engineer II	Senior Office Manager II	Total Labor Hours	Cost	Flow Science	NWRI	Michael Welch	Scripps Institute of Oceanography	Hoch Consulting	Mileage, Travel, Lab Analyses, Field Supplies	
		Hourly Billing Rate	\$355	\$330	\$300	\$280	\$240	\$205	\$185	\$175	\$160	\$150									
A	State Water Board Permitting	22	148	258	10	8	200	152	60	145	0	0	1,003	\$ 241,590.00	\$ 4,840.00	\$ 34,795.20	\$ 4,290.00	\$ -	\$ -	\$ 1,084.80	\$ 286,600.00
A1	Title 22 Engineering Report, Public Hearing, Conditional Acceptance												0	\$ -							\$ -
A1.1	Ray Stoyer CCB Tracer study													\$ -							\$ -
A2	Monitoring and Reporting Plan												0	\$ -							\$ -
A.3.1	Lake Jennings NPDES Permit												0	\$ -							\$ -
A4	Operation Plan	2	16	90			120		60				288	\$ 68,090.00							\$ 68,090.00
A5	Joint Plan	2	44	64			80	56					246	\$ 61,190.00							\$ 61,190.00
A6	Source Control Support	6	44	44				60					154	\$ 40,950.00							\$ 40,950.00
A7	Meeting with DDW and Regional Board	4	24	36		8				109			181	\$ 39,500.00			\$ 4,290.00				\$ 43,790.00
A8	IAP Annual Meetings	8	20	24	10			36		36			134	\$ 31,860.00	\$ 4,840.00	\$ 34,795.20			\$ 1,084.80	\$ 72,580.00	
A9	Cross-Connection Control Program												0	\$ -							\$ -
B	Workshops and Meetings	0	106	160	28	20	20	0	0	0	0	0	334	\$ 99,720.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 99,720.00
B	Workshops and Meetings		106	160	28	20	20						334	\$ 99,720.00							\$ 99,720.00
C	Design and Submittal Review Support	0	0	0	0	0	0	0	0	0	0	0	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
C1	Design Submittal Review for Package #1- WRF-AWP-Solids Facilities												0	\$ -							\$ -
C2	Design Submittal Review for Package #2- AWP Pipeline and Dechlorination Facilities												0	\$ -							\$ -
C3	Design Submittal Review for Package #3 – IPS and EMGPS Retrofits, New EMGPS Force Main, and Residuals Bypass System												0	\$ -							\$ -
D	Startup and Operations Support	0	40	299	108	0	180	136	0	40	0	0	803	\$ 201,600.00	\$ 8,250.00	\$ -	\$ -	\$ 52,500.00	\$ -	\$ -	\$ 262,350.00
D1	Operator AWT Training Support			16	40		80						136	\$ 32,400.00							\$ 32,400.00
D2	Commissioning and Startup Support		24	243	68		40	136		40			551	\$ 139,620.00							\$ 139,620.00
D3	Regulatory Reporting Support												0	\$ -							\$ -
D4	Tracer Study for Lake Jennings		16	40			60						116	\$ 29,580.00	\$ 8,250.00		\$ 52,500.00				\$ 90,330.00
D5	Operation Plan Update												0	\$ -							\$ -
D6	High-Rate Filter Testing Support												0	\$ -							\$ -
D7	WRF Operation Optimization Support												0	\$ -							\$ -
D8	AWP Facility Operation Optimization Support												0	\$ -							\$ -
E	As-Needed Technical Services	8	32	40	60	60	60	84	160	160	80	0	744	\$ 150,040.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,040.00
E4	As-Needed Technical Services for FY2023												0	\$ -							\$ -
E5	As-Needed Technical Services for FY2024												0	\$ -							\$ -
E6	As-Needed Technical Services for FY2025	8	32	40	60	60	60	84	160	160	80		744	\$ 150,040.00							\$ 150,040.00
E7	As-Needed Technical Services for FY2026												0	\$ -							\$ -
E8	As-Needed Technical Services for FY2027												0	\$ -							\$ -
F	Project Management	0	20	48	0	0	84	0	0	0	0	12	164	\$ 40,140.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,140.00
F1	Project Administration		20	48			84					12	164	\$ 40,140.00							\$ 40,140.00
TOTAL		30	346	805	206	88	544	372	220	345	80	12	3,048	\$ 733,090.00	\$ 13,090.00	\$ 34,795.20	\$ 4,290.00	\$ 52,500.00	\$ -	\$ 1,084.80	\$ 838,850.00

*Cost includes the following markups: ODC
Subs (Flow Science, NWRI, Michael Welch, Hoch Consulting)
Subs (Scripps Institute of Oceanography)

5%
10%
5%



Trussell Technologies Cost Breakdown by Task
ECAWP Project - Professional Services for Permitting Support FY2026

Attachment B

Task No.	FY2026	Trussell Technologies													Sub Consultants					ODC's	Total
	Staff Classification	Senior Company Officer	Principal Engineer III	Principal Engineer II	Principal Engineer I	Supervising Engineer II	Senior Engineer III	Senior Engineer I	Engineer II	Engineer I	Associate Engineer II	Senior Office Manager II	Total Labor Hours	Cost	Flow Science	NWRI	Michael Welch	Scripps Institute of Oceanography	Hoch Consulting	Mileage, Travel, Lab Analyses, Field Supplies	
	Hourly Billing Rate	\$355	\$330	\$300	\$280	\$240	\$205	\$185	\$175	\$160	\$150	\$160									
A	State Water Board Permitting	0	20	99	20	0	120	0	80	0	0	0	339	\$ 80,500.00	\$ -	\$ -	\$ -	\$ -	\$ 9,878.00	\$ -	\$ 90,378.00
A1	Title 22 Engineering Report, Public Hearing, Conditional Acceptance												0	\$ -							\$ -
A1.1	Ray Stoyer CCB Tracer study													\$ -							\$ -
A2	Monitoring and Reporting Plan												0	\$ -							\$ -
A.3.1	Lake Jennings NPDES Permit												0	\$ -							\$ -
A4	Operation Plan		20	80			120		80				300	\$ 69,200.00							\$ 69,200.00
A5	Joint Plan												0	\$ -							\$ -
A6	Source Control Support												0	\$ -							\$ -
A7	Meeting with DDW and Regional Board												0	\$ -							\$ -
A8	IAP Annual Meetings												0	\$ -							\$ -
A9	Cross-Connection Control Program			19	20								39	\$ 11,300.00					\$ 9,878.00		\$ 21,178.00
B	Workshops and Meetings	0	0	0	0	0	0	0	0	0	0	0	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
B	Workshops and Meetings												0	\$ -							\$ -
C	Design and Submittal Review Support	0	0	0	0	0	0	0	0	0	0	0	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
C1	Design Submittal Review for Package #1- WRF-AWP-Solids Facilities												0	\$ -							\$ -
C2	Design Submittal Review for Package #2- AWP Pipeline and Dechlorination Facilities												0	\$ -							\$ -
C3	Design Submittal Review for Package #3 – IPS and EMGPS Retrofits, New EMGPS Force Main, and Residuals Bypass System												0	\$ -							\$ -
D	Startup and Operations Support	0	432	1152	160	200	768	492	1040	360	0	0	4604	\$ 1,069,020.00	\$ 45,760.00	\$ -	\$ -	\$ 315,000.00	\$ -	\$ 21,385.00	\$ 1,451,165.00
D1	Operator AWT Training Support			16	40		80						136	\$ 32,400.00						\$ 525.00	\$ 32,925.00
D2	Commissioning and Startup Support		240	480	60		280	360	360				1780	\$ 427,000.00						\$ 6,300.00	\$ 433,300.00
D3	Regulatory Reporting Support			336				60	560				956	\$ 209,900.00							\$ 209,900.00
D4	Tracer Study for Lake Jennings		32	60			128	12					232	\$ 57,020.00	\$ 45,760.00			\$ 315,000.00		\$ 5,250.00	\$ 423,030.00
D5	Operation Plan Update		40	60			80						180	\$ 47,600.00							\$ 47,600.00
D6	High-Rate Filter Testing Support		20	40	60			60	120				300	\$ 67,500.00						\$ 3,010.00	\$ 70,510.00
D7	WRF Operation Optimization Support		40	80		200				160			480	\$ 110,800.00						\$ 3,150.00	\$ 113,950.00
D8	AWP Facility Operation Optimization Support		60	80			200			200			540	\$ 116,800.00						\$ 3,150.00	\$ 119,950.00
E	As-Needed Technical Services	8	32	40	60	60	60	84	160	160	80	0	744	\$ 150,040.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,040.00
E4	As-Needed Technical Services for FY2023												0	\$ -							\$ -
E5	As-Needed Technical Services for FY2024												0	\$ -							\$ -
E6	As-Needed Technical Services for FY2025												0	\$ -							\$ -
E7	As-Needed Technical Services for FY2026	8	32	40	60	60	60	84	160	160	80		744	\$ 150,040.00							\$ 150,040.00
E8	As-Needed Technical Services for FY2027												0	\$ -							\$ -
F	Project Management	0	20	48	0	0	84	0	0	0	0	12	164	\$ 40,140.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,140.00
F1	Project Administration		20	48			84					12	164	\$ 40,140.00							\$ 40,140.00
TOTAL		8	504	1339	240	260	1032	576	1280	520	80	12	5,851	\$ 1,339,700.00	\$ 45,760.00	\$ -	\$ -	\$ 315,000.00	\$ 9,878.00	\$ 21,385.00	\$ 1,731,723.00

*Cost includes the following markups: ODC 5%
Subs (Flow Science, NWRI, Michael Welch, Hoch Consulting) 10%
Subs (Scripps Institute of Oceanography) 5%



Trussell Technologies Cost Breakdown by Task
ECAWP Project - Professional Services for Permitting Support FY2027

Attachment B

Task No.	FY2027	Trussell Technologies													Sub Consultants					ODC's	Total
	Staff Classification	Senior Company Officer	Principal Engineer III	Principal Engineer II	Principal Engineer I	Supervising Engineer II	Senior Engineer III	Senior Engineer I	Engineer II	Engineer I	Associate Engineer II	Senior Office Manager II	Total Labor Hours	Cost	Flow Science	NWRI	Michael Welch	Scripps Institute of Oceanography	Hoch Consulting	Mileage, Travel, Lab Analyses, Field Supplies	
	Hourly Billing Rate	\$355	\$330	\$300	\$280	\$240	\$205	\$185	\$175	\$160	\$150	\$160									
A	State Water Board Permitting	16	64	80	40	0	0	120	0	80	0	0	400	\$ 97,000.00	\$ 9,680.00	\$ 99,796.40	\$ -	\$ -	\$ -	\$ 1,403.60	\$ 207,880.00
A1	Title 22 Engineering Report, Public Hearing, Conditional Acceptance												0	\$ -							\$ -
A1.1	Ray Stoyer CCB Tracer study													\$ -							\$ -
A2	Monitoring and Reporting Plan												0	\$ -							\$ -
A.3.1	Lake Jennings NPDES Permit												0	\$ -							\$ -
A4	Operation Plan												0	\$ -							\$ -
A5	Joint Plan												0	\$ -							\$ -
A6	Source Control Support												0	\$ -							\$ -
A7	Meeting with DDW and Regional Board												0	\$ -							\$ -
A8	IAP Annual Meetings	16	64	80	40			120		80			400	\$ 97,000.00	\$ 9,680.00	\$ 99,796.40				\$ 1,403.60	\$ 207,880.00
A9	Cross-Connection Control Program												0	\$ -							\$ -
B	Workshops and Meetings	0	0	0	0	0	0	0	0	0	0	0	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
B	Workshops and Meetings												0	\$ -							\$ -
C	Design and Submittal Review Support	0	0	0	0	0	0	0	0	0	0	0	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
C1	Design Submittal Review for Package #1- WRF-AWP-Solids Facilities												0	\$ -							\$ -
C2	Design Submittal Review for Package #2- AWP Pipeline and Dechlorination Facilities												0	\$ -							\$ -
C3	Design Submittal Review for Package #3 – IPS and EMGPS Retrofits, New EMGPS Force Main, and Residuals Bypass System												0	\$ -							\$ -
D	Startup and Operations Support	0	166	1053	40	400	816	120	600	720	0	0	3915	\$ 887,560.00	\$ 77,550.00	\$ -	\$ -	\$ 26,250.00	\$ -	\$ 21,525.00	\$ 1,012,885.00
D1	Operator AWT Training Support			16	40		80						136	\$ 32,400.00						\$ 525.00	\$ 32,925.00
D2	Commissioning and Startup Support												0	\$ -						\$ 6,300.00	\$ 6,300.00
D3	Regulatory Reporting Support			336				60	560				956	\$ 209,900.00							\$ 209,900.00
D4	Tracer Study for Lake Jennings		46	121			176	60	40				443	\$ 105,660.00	\$ 77,550.00			\$ 26,250.00		\$ 5,250.00	\$ 214,710.00
D5	Operation Plan Update		20	60			80						160	\$ 41,000.00							\$ 41,000.00
D6	High-Rate Filter Testing Support												0	\$ -						\$ 3,150.00	\$ 3,150.00
D7	WRF Operation Optimization Support		40	160		400				360			960	\$ 214,800.00						\$ 3,150.00	\$ 217,950.00
D8	AWP Facility Operation Optimization Support		60	360			480			360			1260	\$ 283,800.00						\$ 3,150.00	\$ 286,950.00
E	As-Needed Technical Services	8	32	40	60	60	60	84	160	160	80	0	744	\$ 150,040.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,040.00
E4	As-Needed Technical Services for FY2023												0	\$ -							\$ -
E5	As-Needed Technical Services for FY2024												0	\$ -							\$ -
E6	As-Needed Technical Services for FY2025												0	\$ -							\$ -
E7	As-Needed Technical Services for FY2026												0	\$ -							\$ -
E8	As-Needed Technical Services for FY2027	8	32	40	60	60	60	84	160	160	80		744	\$ 150,040.00							\$ 150,040.00
F	Project Management	0	20	48	0	0	84	0	0	0	0	12	164	\$ 40,140.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,140.00
F1	Project Administration		20	48			84					12	164	\$ 40,140.00							\$ 40,140.00
TOTAL		24	282	1221	140	460	960	324	760	960	80	12	5,223	\$ 1,174,740.00	\$ 87,230.00	\$ 99,796.40	\$ -	\$ 26,250.00	\$ -	\$ 22,928.60	\$ 1,410,945.00

*Cost includes the following markups: ODC
Subs (Flow Science, NWRI, Michael Welch, Hoch Consulting) 5%
Subs (Scripps Institute of Oceanography) 10%
5%

Flow Science Incorporated

790 E. Colorado Blvd, 9th Floor, Pasadena, CA 91101

(626) 304-1134 • FAX (626) 304-9427



April 27, 2022

Trussell Technologies, Inc.
380 Stevens Avenue, Suite 212
Solana Beach, California 92075

Attention: Ms. Eileen Idica, Ph.D, P.E.

Subject: East County Advanced Water Purification Project
Proposal for FY2023-2027: Hydrodynamic Modeling of Lake Jennings
East County Advanced Water Purification Joint Powers Authority
FSI 154059

Dear Ms. Idica,

This letter responds to your request for a proposal to provide continuing support to Lake Jennings modeling effort, as part of the services for the East County Advanced Water Purification Project (Project) for Fiscal Year 2023 to 2027. It presents a Scope of Work and Project Budget.

SCOPE OF WORK

Fiscal Year: 2021 - 2025

Task A2 – Monitoring and Reporting Plan

Flow Science will perform the following subtasks to support the development of the Monitoring and Reporting Plan:

1. Evaluate, QA/QC and plot the water quality data collected during the Lake Jennings water quality monitoring plan by Helix.
2. Develop a 3-dimensional (3-D) Lake Jennings water quality model including setup and calibration of the model.
3. Perform up to four (4) simulations using the calibrated 3-D Lake Jennings water quality model. The input parameters for each simulation will be identified in conjunction with Trussell Technologies (Trussell) and clients. Flow Science will prepare a Powerpoint presentation to summarize the findings for each simulation.
4. Provide a draft report with the analysis and results from Subtasks 1-3. A final report will be provided that incorporates consolidated comments received on the draft report.

Fiscal Year: 2021 - 2025

Task A4 – Operation Plan

Flow Science will continue to support Lake Jennings' operating plan by performing the following subtasks:

1. Incorporate the design of the new air curtains into the Lake Jennings hydrodynamic model. Based on the preliminary design report on the new air curtains by Black & Vetch, Flow Science has determined that the current model setup will need to be updated to reflect the new design including locations, length, air flow and bubble release approach.
2. Perform up to eight (8) modeling simulations to predict dilutions achieved in the lake. The input parameters for each simulation will be identified in conjunction with Trussell and the client. Each simulation will cover a 3-year modeling period with a total of 1,095 tracer releases and the minimum dilution at 99.9% confidence level will be estimated.
3. The results for the simulations will be presented to Trussell and the client. Flow Science will also support Trussell to develop the report for the Operation Plan that will be submitted to the regulatory agencies.

Fiscal Year: 2024

Task A7 – Meeting with DDW and Regional Board

Flow Science will attend the meetings with Department of Drinking Water and Regional Water Quality Board upon request by Trussell.

1. Attend one (1) in-person meeting with DDW or Regional Board. The budget is based on the assumption of a 2-hour meeting time, 6-hour preparation time, and a cost of \$2,500 for airfare and lodging.

Fiscal Year: 2024 - 2027

Task A8 – IAP Meetings

Flow Science will attend the Independent Advisory Panel (IAP) meetings upon request by Trussell. The budget included presents the costs for a total of four in-person meeting.

1. Attend a total of four (4) in-person IAP meetings. The budget is based on the assumption of a 4-hour meeting time, 8-hour preparation time, and a cost of \$2,500 for airfare and lodging for each meeting.

Fiscal Year: 2025 - 2027

Task D4 – Tracer Study of Lake Jennings

Flow Science will perform the following subtasks to support the tracer study of Lake Jennings:

1. Support the development of the tracer study protocol.
2. Evaluate, QA/QC and plot the field data collected during the tracer study.
3. Set up the Lake Jennings hydrodynamic model to simulate the tracer study. Perform one simulation of the tracer study. The modeling results will be compared with the field data following a similar approach used in the previous tracer study.
4. Provide a draft report with the analysis and results from Subtasks 1-3. A final report will be provided that incorporates consolidated comments received on the draft report.
5. A contingency for potential additional analysis for the tracer study requested by the client and IAP is provided.

PROJECT BUDGET

The budget for the above scope is provided below on a task-by-task basis. It is based on the level of effort that has been required for this and similar reservoir projects that Flow Science has previously completed.

Proposed Project Budget

Fiscal Year	Task #	Task Description	Budget
2021 - 2025	A2	Monitoring and Reporting Plan	
	Subtask A2.1	Evaluate water quality data collected by Helix	\$ 5,600
	Subtask A2.2	Develop 3-D Lake Jennings water quality model	65,000
	Subtask A2.3	Perform up to four (4) water quality simulations	68,000
	Subtask A2.4	Draft and final reports	28,000
	<i>Total</i>		<i>\$166,600</i>
2021 - 2025	A4	Operation Plan	
	Subtask A4.1	Incorporate new air curtain design into the model	\$ 10,000
	Subtask A4.2	Perform up to eight (8) simulations with the new air curtain design	210,000

	Subtask A4.3	Present results for 8 simulations and support the development of the operation plan	12,000
	<i>Total</i>		<i>\$232,000</i>
2024	A7	Meeting with DDW and Regional Board	
	Subtask A7.1	One in-person meeting	4,400
2024 - 2027	A8	IAP Meeting	
	Subtask A8.1	Four in-person meetings	17,600
2025 - 2027	D4	Tracer Study for Lake Jennings	
	Subtask D4.1	Support the development of the tracer study protocol	\$ 7,500
	Subtask D4.2	Collect, QA/QC and plot field data collected in the tracer study	23,100
	Subtask D4.3	Setup and perform the tracer study simulation	37,000
	Subtask D4.4	Draft and final reports	15,000
	Subtask D4.5	Contingency	37,000
	<i>Total</i>		<i>\$119,600</i>

If you have any questions or need more information, please do not hesitate to contact me at 540-442-8433 or lding@flowscienc.com. We look forward to continuing our work with you on this project.

Sincerely,



Li Ding, Ph.D., P.E.
 President and Principal Engineer



Budget Proposal

Date: April 28, 2022
To: Eileen Idica, Trussell Technologies, Inc.
From: Kevin Hardy, Executive Director
Subject: Proposal to Provide NWRI Independent Expert Advisory Services for the East County Advanced Water Purification Program

This memorandum proposes a budget for National Water Research Institute (NWRI) to plan and facilitate meetings of the NWR Independent Expert Advisory Panel (Panel) for the East County Advanced Water Purification (ECAWP) program. This proposal includes a projected budget for Panel Meetings 7 and 8, as well as technical Subcommittee Meetings 3 and 4.

Project Overview

The NWRI Panel for the ECAWP program was formed in 2013. Since then, the Panel has met six times to evaluate the technical, scientific, regulatory, and policy aspects of the ECAWP. The Meeting 6 agenda included the following topics:

- ECAWP program overview and update.
- The Panel's validation of the Lake Jennings Hydrodynamic Model as required by California Surface Water Augmentation (SWA) regulations.
- The Panel's confirmation that the results of the Hydrodynamic Model comply with the 100:1 dilution requirement as required by California SWA regulations.
- The ECAWP strategy for ensuring compliance with applicable provisions of the California Toxics Rule.
- The Panel's review of potential surrogates for demonstrating the integrity of ECAWP's proposed closed circuit reverse osmosis (CCRO) system.

Current Status

After Panel Meeting 6, Panel Chair James Crook reported, in part, that:



Independent Advisory Panel for Padre Dam East County Water Purification Project

1. The Panel confirmed that that the Lake Jennings Hydrodynamic Model is validated as required by California Surface Water Augmentation (SWA) regulations.
2. The Panel confirmed that the results of the Hydrodynamic Model comply with the 100:1 dilution requirement as required by California SWA regulations.

Both these items are key to obtaining a conditional acceptance letter from the Division of Drinking Water, which constitutes formal approval of the Title 22 Engineering Report.

Scope

This proposal outlines the scope and budget for Panel Meetings 7 and 8, plus technical Subcommittee Meetings 3 and 4 for the ECAWP.

NWRI will develop an agenda for Panel Meetings 7 and 8 and Subcommittee Meetings 3 and 4 in collaboration with the JPA, Trussell Technologies, and the Panel Chair. NWRI will administer the meetings and will support the Panel members as they prepare a summary report of comments and recommendations. NWRI establishes and oversees contracts with each Panel member. NWRI expects the Meetings will be held as follows:

- Meeting 7 – July 2023
- Subcommittee Meeting 3 – February 2025
- Meeting 8 – July 2026
- Subcommittee Meeting 4 – August 2026

Budget

The proposed budget for two full Panel meetings and two subcommittee meetings at current NWRI staff rates and current expert honoraria rates is \$181,448. The budget for all meetings held after August 30, 2023 will be adjusted as needed to reflect the current NWRI rates. Budgets includes NWRI staff time, honoraria payments for the Panel members, plus meeting and travel expenses. Please see the attached spreadsheet for cost details for one full Panel meeting and one subcommittee meeting at current rates.

The Panel's anticipated level of effort remains unchanged from that provided in Meeting 6. Project travel and meeting expenses will be billed only if they are incurred. For examples, when meetings are held via video conference, travel expenses will not be incurred or billed.

Contact

If you have questions or would like to discuss this proposal further, please contact Suzanne Sharkey, Project Manager, at ssharkey@nwri-usa.org or (949) 258-2093.

NATIONAL WATER RESEARCH INSTITUTE

Independent Expert Advisory Panel in support of the East County Advanced Water Purification Project

A. Expert Panel Member Honoraria

Meeting Preparation	7	\$ 900
Meeting and Workshop Participation and Working Calls	7	\$ 900
Report Drafting	7	\$ 900
Panel Chair - Additional Effort	1	\$ 900
Subtotal - Panel Honorarium		\$23,850

B. Project Administration and Operating Expenses

		Units	Cost
Flat Fully-Billed Rate for Technology, Postage, Supplies, Misc.	\$ 100	1	\$100
Project Specific Operating Reimbursements	\$ 100	1	\$100
Subtotal - Project Administration			\$200

C. Meeting Expenses and Travel

	People/Units	Cost Basis	Days/Units	Cost
Panelists				
Panelist R/T Airfare	4	\$ 400	1	\$1,600
Panelist Ground Transportation & Parking	7	\$ 200	1	\$1,400
Panelist Lodging Per Night	7	\$ 250	1	\$1,750
Panelist Breakfast	7	\$ 10	2	\$140
Panelist Lunch	7	\$ 15	2	\$210
Panelist Dinner	7	\$ 25	1	\$175
Panelist Travel Miscellaneous	1	\$ 200	1	\$200
NWRI Staff				
NWRI R/T Airfare	0	\$ 400	1	\$0
NWRI Ground Transportation & Parking	1	\$ 200	1	\$200
NWRI Lodging Per Night	1	\$ 250	1	\$250
NWRI Breakfast	1	\$ 10	2	\$20
NWRI Lunch	1	\$ 15	2	\$30
NWRI Dinner	1	\$ 25	1	\$25
Staff Travel Miscellaneous	1	\$ 100	1	\$100
Subtotal --Travel				\$6,100

D. Direct NWRI Staff Costs

	Hourly Rates	Hours	Cost
Executive Director	\$239	32	\$7,648
Project Manager	\$170	70	\$11,900
Communications Manager	\$157	42	\$6,594
Administrative, Finance, and Events Staff	\$140	20	\$2,800
Subtotal - NWRI Staff Direct Costs		164	\$28,942

Total Costs

\$59,092

NATIONAL WATER RESEARCH INSTITUTE

Independent Expert Advisory Panel in support of the East County Advanced Water Purification Project

A. Expert Panel Member Honoraria

Meeting Preparation	3	\$	900
Meeting and Workshop Participation and Working Calls	3	\$	900
Report Drafting	3	\$	900
Panel Chair - Additional Effort	1	\$	900
Subtotal - Panel Honorarium			\$11,250

B. Project Administration and Operating Expenses

			Units	Cost
Flat Fully-Billed Rate for Technology, Postage, Supplies, Misc.	\$	50	1	\$50
Project Specific Operating Reimbursements	\$	100	1	\$100
Subtotal - Project Administration				\$150

C. Meeting Expenses and Travel

Panelists

	People/Units	Cost Basis	Days/Units	Cost
Panelist R/T Airfare	3	\$ 400	1	\$1,200
Panelist Ground Transportation & Parking	3	\$ 200	1	\$600
Panelist Lodging Per Night	3	\$ 250	1	\$750
Panelist Breakfast	3	\$ 10	2	\$60
Panelist Lunch	3	\$ 15	2	\$90
Panelist Dinner	3	\$ 25	1	\$75
Panelist Travel Miscellaneous	1	\$ 200	1	\$200

NWRI Staff

NWRI R/T Airfare	0	\$ 400	1	\$0
NWRI Ground Transportation & Parking	1	\$ 200	1	\$200
NWRI Lodging Per Night	1	\$ 250	1	\$250
NWRI Breakfast	1	\$ 10	2	\$20
NWRI Lunch	1	\$ 15	2	\$30
NWRI Dinner	1	\$ 25	1	\$25
Staff Travel Miscellaneous	1	\$ 100	1	\$100

Subtotal --Travel

\$3,600

D. Direct NWRI Staff Costs

	Hourly Rates	Hours	Cost
Executive Director	\$239	16	\$3,824
Project Manager	\$170	40	\$6,800
Communications Manager	\$157	24	\$3,768
Administrative, Finance, and Events Staff	\$140	16	\$2,240
Subtotal - NWRI Staff Direct Costs		96	\$16,632

Total Costs

\$31,632



Michael R. Welch, Ph.D., P.E.

CONSULTING ENGINEER

2735 San Clemente Terrace
San Diego, CA 92122-4030

Office: (858) 625-0167
Fax: (858) 625-0267
email: mwelch1@san.rr.com

April 29, 2022

Eileen Idica, Ph.D., P.E.
Trussell Technologies, Inc.
380 Stevens Avenue, Suite 212
Solana Beach, CA 92075

Dear Dr. Idica:

Subject: Proposal for As-Needed Support Services
East County Advanced Water Purification Program, Fiscal Years 2022-23 through 2024-25

Thank you for the opportunity to submit a proposal to provide as-needed services to support Trussell Technologies, Inc. in assisting the East County Advanced Water Purification Joint Powers Authority (JPA) on the East County Advanced Water Purification Program (AWP Program). This proposal covers proposed services for Fiscal Year 2022-2023 (FY 2022-23) through Fiscal year 2024-2025 (FY 2024-25).

Background. The AWP Program is a collaborative effort between the Padre Dam Municipal Water District, the City of El Cajon, the County of San Diego and Helix Water District (HWD). The program involves treating recycled water using advanced water treatment processes to produce a purified water supply that will be used as a source of raw water supply to Lake Jennings which serves the HWD R.M Levy Water Treatment Plant.

Key regulatory agencies involved in reviewing and permitting the AWP Program include the California Regional Water Quality Control Board (RWQCB) and State Water Resources Control Board Division of Drinking Water (DDW). The RWQCB will regulate the treatment and discharge of purified water to Lake Jennings through issuance of a NPDES permit.¹ DDW will regulate the withdrawal of reservoir waters through (1) requirements incorporated into the RWQCB NPDES permit and (2) requirements established in an amended Water Supply Permit that implements applicable state and federal drinking water regulations and policies.

A Title 22 Engineering Report² that describes proposed AWP Program facilities and operations has been submitted to DDW and the RWQCB for initial comment. Work on draft NPDES application documents (called a Report of Waste Discharge or ROWD)³ is currently underway. It is anticipated that a draft version of the ROWD will be submitted to the JPA for review and comment in early FY 2022-23 and that the ROWD will be submitted to the RWQCB during FY 2022-23.

¹ The RWQCB issues the NPDES (National Pollutant Discharge Elimination System) permit under authority delegated by the U.S. Environmental Protection Agency. The NPDES permit implements federal regulations and standards established pursuant to the Clean Water Act, as well as State of California water quality regulations and implementation policies established pursuant to the State of California Porter Cologne Water Quality Act.

² A Title 22 Engineering Report is required pursuant to Title 22, Division 4, Chapter 3 of the *California Code of Regulations*. The Title 22 Engineering Report describes project facilities, source wastewater, proposed treatment processes and reliability features, and documents how the proposed project complies with Title 22 regulations for the control of pathogenic organisms, advanced treatment of recycled water, and reservoir discharge, retention and withdrawal requirements.

³ The document package submitted to the RWQCB in application for a NPDES permit is called a Report of Waste Discharge (ROWD).



Proposed As-Needed Support and Costs. Trussell Technologies has been retained by the JPA to lead the effort to plan, design and permit the proposed AWP Program. Trussell Technologies and the JPA may require outside technical assistance during FY 2022-23 and FY 2023-24 as part of coordinating with the JPA and regulatory agencies in:

- seeking DDW approval of the Title 22 Engineering Report,
- finalizing and submitting the ROWD to the RWQCB,
- addressing RWQCB requests for additional information,
- reviewing the tentative NPDES permit proposed by RWQCB staff,
- coordinating with regulators to revise (where applicable) the tentative NPDES permit,
- supporting the JPA in the RWQCB NPDES permit adoption process, and
- assisting the JPA in resolving post-adoption issues or in developing reports required by the adopted NPDES permit.

Table 1 (attached) summarizes as-needed tasks and hours proposed for assisting Trussell Technologies in tasks for FY 2022-23 through FY 2024-25. As shown in Table 1, a maximum cost of \$75,075 is proposed for FY 2022-23 tasks, a maximum cost of \$29,250 is proposed for FY 2023-24 tasks, and a maximum cost of \$19,500 is proposed for FY 2024-25 tasks. Services would be performed on an as-needed basis at an hourly rate of \$195 per hour, and the assigned hourly rate would not be increased during the contract term. Costs would be commensurately less if fewer than the maximum proposed hours are required.

Proposed Schedule. Assigned work would be completed in accordance with a mutually agreeable schedule that accommodates Trussell Technologies and JPA scheduling and permitting needs.

Insurance Coverage. My insurance coverage conforms to industry standards for providing regulatory assistance for water and recycled water projects, and includes:

- professional liability (\$1 million occurrence/\$2 million aggregate),
- general liability (\$2 million single occurrence/\$4 million aggregate), and
- commercial auto (\$1 million single occurrence/\$1 million aggregate).

Workman's compensation insurance is not required, as I am a sole proprietor, one-person company. For your reference, I am a public works contractor licensed by the State of California Department of Industrial Relations (License No. PW-LR-1000682847).

Thank you for the opportunity to submit this proposal. I look forward to assisting Trussell Technologies and the JPA in supporting the AWP Program during FY 2022-23 through FY 2024-25.

Sincerely,

Michael R. Welch, Ph.D., P.E.
CONSULTING ENGINEER

UCSD #42557-2022

This firm fixed price quote is inclusive of all labor, laboratory support services, project specific supplies, materials, and other expenses.

TOTAL AMOUNT REQUESTED \$375,000

Lake Jennings Tracer Study Utilizing an Autonomous Underwater Vehicle

Submitted to:
Trussell Technologies, Inc.

Submitted by:
Peter Rogowski, Principal Investigator
Eric Terrill, Co-Principal Investigator
Scripps Institution of Oceanography
University of California, San Diego
9500 Gilman Drive, Mail Code 0213
La Jolla, CA 92093-0213
(858) 822-3101
eterrill@ucsd.edu

For business issues (non-technical) related to the submittal of a purchase order:
Anne Footer, Financial Representative
Marine Physical Laboratory (MPL)
Scripps Institution of Oceanography
University of California, San Diego
291 Rosecrans Street
San Diego, CA 92106
(858) 534-1802 Fax (858) 822-0665
afooter@ucsd.edu

I. Background

The East County Advanced Water Purification (ECAWP) Project is a potable reuse project in East San Diego County. It is a collaborative effort among the ECAWP Joint Powers Authority (JPA) consisting of Padre Dam Municipal Water District, San Diego County Sanitation District, the City of El Cajon, and Helix Water District. The Lake Jennings reservoir (operated by Helix Water District) provides treated water to the La Mesa, El Cajon, Lemon Grove, and Spring Valley areas. As part of the ECAWP Project, the introduction of advanced treated purified water into Lake Jennings is scheduled for completion in the fall of 2025. The project is expected to be among the first facilities in both California and the United States to implement potable reuse through surface water augmentation (SWA) in adherence with the State of California's SWA regulations. It will create a new, local, sustainable drinking water source in a water-stressed area, reducing the region's dependence on imported water and increasing climate resilience. Upon completion, a tracer study will be performed to collect observations of the evolution of the purified water discharge for comparison/validation of hydrodynamic model results. Methods developed during the 2017 Tracer Study will be used to optimize sampling of the introduced purified water.

Emergent technology in the field of oceanographic instrumentation is enhancing survey methods for detecting and mapping buoyant plumes. A principal challenge in tracking these plumes in the ocean is the spatial and temporal variability of ocean currents and stratification in coastal waters which, without the aid of recent measurements, limits plume sampling far from the outfall due to uncertainty in the plume's location. Typically, the plume is missed by traditional boat-based pre-determined sampling designs due to the plume's spatial patchiness and the limited range of the freshwater signature of the plume. Recent studies have shown that modern tracer observation techniques coupled with a mobile platform (e.g. Autonomous Underwater Vehicle (AUV)), are often a more effective approach for mapping buoyant plumes. While an enclosed reservoir does not contain the same sampling challenges as in the ocean, the AUVs increased spatial sampling resolution and adaptive sampling options make it an appealing alternative to traditional boat-based sampling techniques.

II. Statement of Work

The ECAWP JPA and Trussell Technologies, Inc. has requested assistance from the Coastal Observing Research and Development Center (CORDC), located at Scripps Institution of Oceanography, La Jolla, California, in conducting an in-situ tracer study at Lake Jennings after project implementation. CORDC staff will perform an observational campaign of introduced dye at Lake Jennings including daily sampling of the introduced dye plume. CORDC staff will leverage their extensive knowledge of plume mapping using an AUV and apply it for optimal path planning (i.e. time in plume) at Lake Jennings (Figure 1). CORDC will support Trussell Technologies in development and approval of the tracer study protocols. Prior to the dye release, an initial AUV survey will be performed to observe ambient lake conditions and confirm final AUV path(s). All rhodamine dye sensors will be inter-calibrated prior to the study.

REMUS AUV Operations

A Remote Environmental Monitoring Units (REMUS) AUV will be used for this project (Figure 1a). The AUV can conduct untethered underwater surveys to depths of 100m with high precision navigation following a pre-programmed mission track (Figure 1b). Onboard sensors include a conductivity-temperature-depth (CTD) sensor, optical instruments for measurement of Colored Dissolved Organic Matter (CDOM), chlorophyll, and optical backscatter at two different wavelengths, and a rhodamine dye sensor. An Acoustic Doppler Current Profiler (ADCP) allows for direct measurement of water depth, and speed of vehicle over the seafloor. Typical surveys speeds range between 3-4 knots.

The introduced rhodamine dye plume will be monitored for 2-3 weeks after discharge into Lake Jennings. Monitoring is scheduled to occur daily in the days immediately after the dye release (excluding weekends), then less frequently in the following two weeks or until no measurable tracer persists. Using the 2017 Tracer Study as reference, 8-10 AUV survey days are expected to capture the evolution of the introduced dye plume. The exact number of AUV surveys during these days will be dependent on the mixing and residence time of the introduced dye. Dynamic AUV path planning will ensure optimal sampling of the tracer plume throughout the course of the experiment. Surveys are expected to take approximately one half a day, however more intensive surveys may occur during the first week of the field campaign if the tracer plume is found to be quickly dissipating.

Supplementary Observations

Supplemental casts will occur using a casting package that includes a suite of high accuracy and stable instruments combined in one package/cage with the following sensors: Seabird SBE37-SI (conductivity, temperature, pressure), Wetlabs ECO-VSF (optical backscatter), Wetlabs CST (light transmittance), Wetlabs WS3S (chlorophyll-a fluorescence), Wetlabs ECO-FLCDRT (CDOM), and a Wetlabs ECO-FLRHLT (Rhodamine). Current and temperature profiles will be measured by several moored instruments including Qty 1 Acoustic Doppler Current Profiler (ADCP) and Qty 3 temperature strings (e.g. See Figure 2a). Aerial imagery of the introduced plume will be observed using an Unmanned Aerial Vehicle (UAS) (e.g. Figure 2b). CORDC assets leveraged for this project include the REMUS AUV (\$~500K), a boat-based casting package (\$~100K), a UAS drone (\$~10K), and ADCP and temperature moorings (\$~80K).

Analysis

CORDC staff will track the evolution of the rhodamine dye plume throughout the experiment by processing collected data for the generation of daily high resolution 3D rhodamine maps (e.g. Figure 3). Initial processing of the raw data will occur after each survey to confirm optimal sampling of the rhodamine dye plume. Data will be made available for hydrodynamic model comparisons. A report summarizing AUV and boat-based cast observations along with relevant findings will be provided by CORDC staff.

Timeline

We are anticipating a background study of Lake Jennings during the week prior to the dye release. Monitoring of the tracer plume will start on the day of the tracer release and continue until no measurable tracer is observed. Prior to the fieldwork, an inter-calibration of all rhodamine sensors will occur. Data analysis and synthesis of deliverables will occur during the spring/summer of 2027.

Lake Jennings Tracer Study	
<i>Estimated Dates</i>	<i>Project Component</i>
November 2024 – January 2026	Trussell Support
February 2026 – March 2026	Initial Calibration Study, Instrument integration/preparation, LJ ambient survey.
February - March 2026	Field Campaign
April 2026 – March 2027	Data Processing/Analysis
May 2027	Draft Deliverables
June 2027	Final Data Deliverables

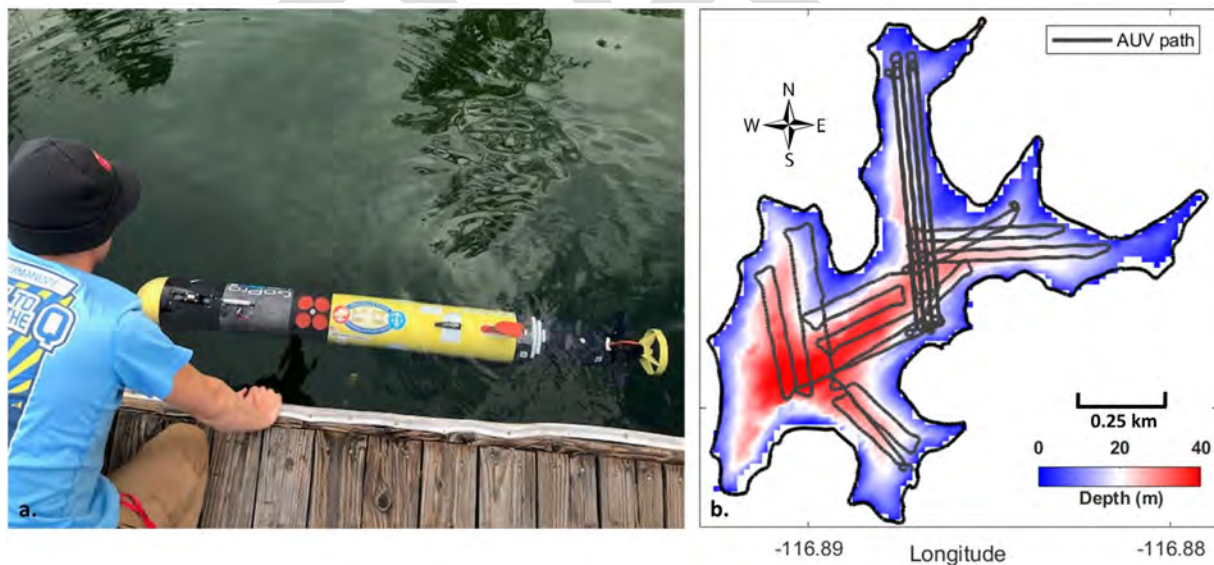


Figure 1. (a) Image of REMUS AUV used in the 2017 study and (b) plan view of typical undulating AUV survey path (gray lines) overlaid on reservoir bathymetry.

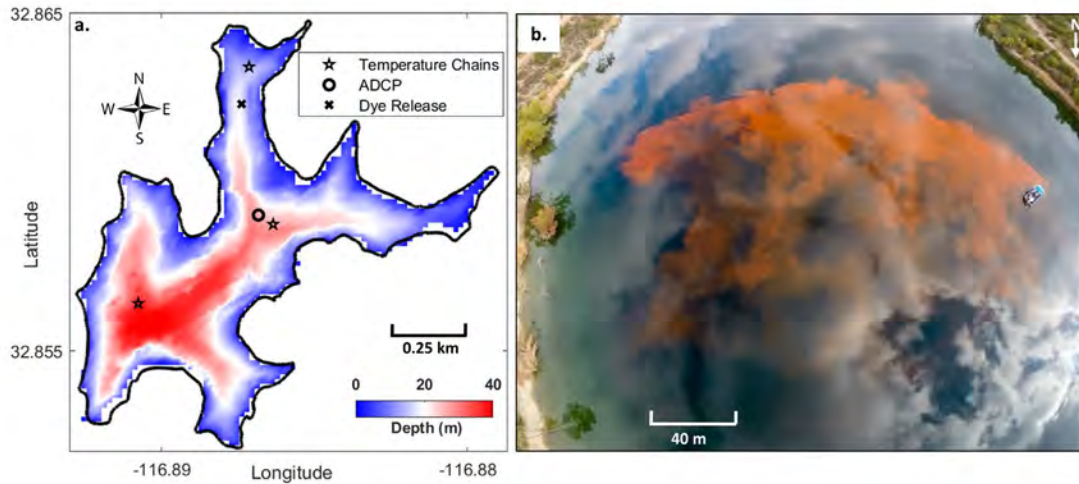


Figure 2. (a) Bathymetry map of Lake Jennings reservoir illustrating locations of fixed instruments and dye release locations and (b) aerial image of dye plume immediately after release from 2017 Tracer Study.

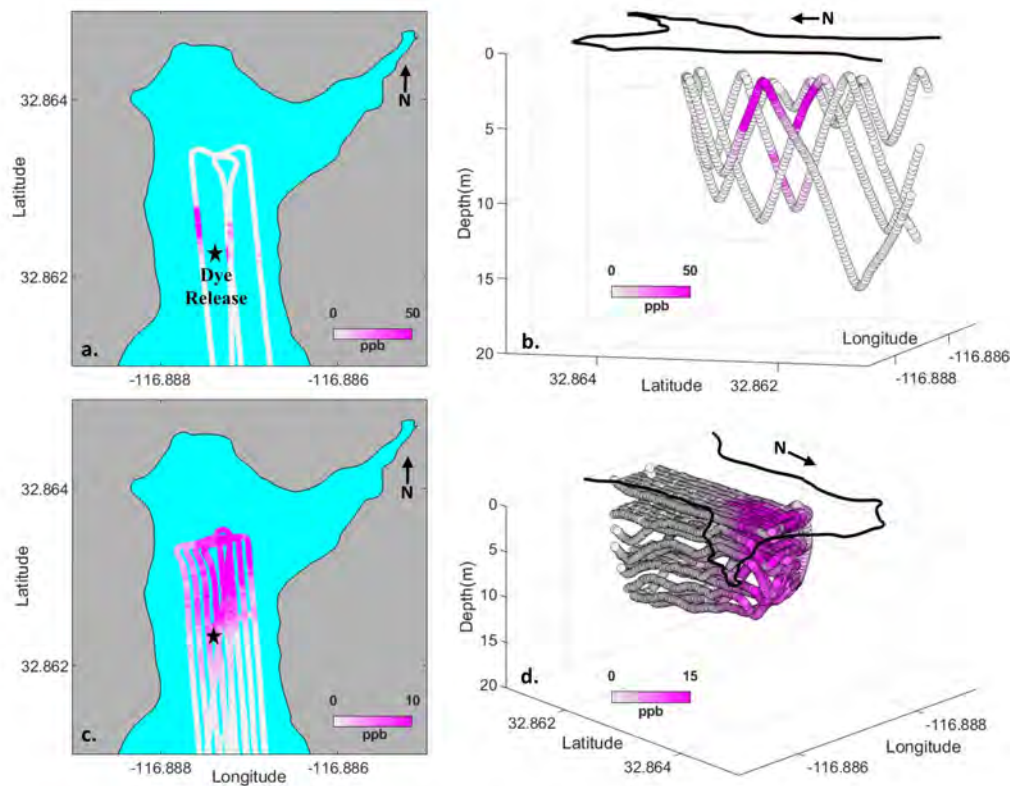


Figure 3. Summary of 30 October 2017 AUV rhodamine observations. (a) Plan view and (b) 3D view of rhodamine observations from survey #2. (c) Plan view and (d) 3D view of rhodamine observations from survey #3.

III. Service Agreement

The University will not, and does not, agree to any terms and conditions that may be contained in your purchase orders or other written communications. You agree that any services provided by the University in connection with this project are governed, exclusively, by the terms and conditions set forth in UCSD-SIO's standard service agreement (which is enclosed herewith and which may only be revised, in writing, by an authorized representative of the University) or by other terms mutually agreed upon by the parties. Please also note that any materials provided to UCSD-SIO in relation to this project may be subject to disclosure consistent with the provisions of the California Public Records Act.

**Hoch Consulting**

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ahoch@hochconsulting.com
www.hochconsulting.com

April 29, 2022

Trussell Technologies
Ms. Eileen Idica
380 Stevens Avenue, Suite 212
Solana Beach, CA 92075

Via email: eileeni@trusselltech.com

Subject: Cross Connection Control Plan Development and Inspection Services Proposal

Dear Ms. Idica:

Hoch Consulting recently developed a cross connection control plan for the City of Oceanside's Pure Water Oceanside Project and facilitated approval of the plan through the Division of Drinking Water (DDW) and inspection of facilities requiring cross connection control inspections. We are pleased to provide this proposal to Trussell Technologies to provide related services for the East County Joint Powers Authority (ECJPA) Advanced Water Purification Project.

Anticipated Scope of Services

Task 1: Project Management

Hoch Consulting will provide project management services including QA/QC, meeting attendance, and coordination with project stakeholders.

Task 2: Cross-Connection Control Plan/Report

Hoch Consulting will develop a Cross-Connection Control Plan (CCCP) for the East County AWP Project. The CCCP will be developed in conformance with the latest edition of the cross-connection control policy handbook (or the latest draft version, as this handbook has not yet been finalized). At a minimum, the plan will address the following:

- The adoption of operating rules or ordinances to implement the cross-connection program.

- The conducting of surveys to identify water user premises where cross-connections are likely to occur,

- The provisions of backflow protection by the water user at the user's connection or within the user's premises or both,

- The provision of at least one person trained in cross-connection control to carry out the cross-connection program,

- The establishment of a procedure or system for testing backflow preventers, and

- The maintenance of records of locations, tests, and repairs of backflow preventers.

The CCCP will be reviewed and signed by an individual with a valid and current Cross-Connection Control Program Specialist certification issued by the California-Nevada section of the American Water

Works Association. The report documenting the CCCP for the East County AWP Project will be prepared and ready for submission to DDW prior to and separate from the Draft Operation Plan.

Task 3: Cross-Connection Control Inspection/Reporting

Hoch Consulting will inspect the initial installation of facilities requiring cross-connection inspection. We will provide a deficiency list and up to two reinspections prior to preparation of a final report documenting the inspection. The inspection report will be ready to submit to DDW within two weeks of corrective actions.

FEE PROPOSAL & SCHEDULE

Hoch Consulting proposes to perform the services on a time and material basis not to exceed \$40,520 as detailed in Attachment A. Below is our anticipated schedule for these services.

FY23:

- Activities
 - o Develop the East County AWP Project Cross-Connection Control Program
- Deliverables
 - o Report documenting the Cross-Connection Control Program

FY26:

- Activities
 - o Perform the initial inspection and document the results in a separate report for submittal to DDW.
- Deliverables
 - o CCCP Initial inspection report
- Assumptions
 - o Discharge to Lake Jennings starts in November, 2025.

We appreciate the opportunity to propose on this important project. If you have any questions about our proposal, please do not hesitate to contact Me.

Sincerely,

HOCH CONSULTING



Adam Hoch, P.E., QSD

President/Principal Engineer

License No. C77635

858-431-9767

ahoch@hochconsulting.com

ECAWP - Cross Connection Control Report							Hoch Consulting
		Hoch Consulting Labor				Direct Costs†	Total Fees
Classification	Total Hours by Task	Principal Engineer - AH	Sr. Project Engineer - AR	AWWA Certified Cross Connection Control Specialist	Total Hoch Consulting Labor	Mileage, Reproduction, & Postage	Total
Rate (\$/hr)		\$230.00	\$200.00	\$125.00			
Base Proposal							
Task 1: Project Management		8	16	12	\$ 6,540.00	\$ -	\$ 6,540.00
Task 1.1: PM	24	8	16	0	\$ 5,040.00		
Task 1.2: Meetings	12			12	\$ 1,500.00		
Task 2: Cross Connection Report Preparation		12	80	60	\$ 26,260.00	\$ 400.00	\$ 26,660.00
Task 2: Report Preparation	152	12	80	60	\$ 26,260.00	\$ 400.00	
Task 3: Cross Connection Control Inspection/Reporting		4	16	24	\$ 7,120.00	\$ 200.00	\$ 7,320.00
Task 3: Cross Connection Control Inspection/Reporting	44	4	16	24	\$ 7,120.00	\$ 200.00	
Total Base Proposal		24	112	96	\$ 39,920.00	\$ 600.00	\$ 40,520.00
Total Base Proposal Hours by Consultant	232	24	112	96	232	-	232

Nossaman LLP Scope of Work / Budget

East County Advanced Water Purification Project

Specialty Legal Services Contract Scope / Budget for FYs 2023-2026

TASK / DESCRIPTION FOR FY 2023

Task 1: Packages 1-4 and Energy Recovery - General Contract Administration

1.	Participate in monthly contract admin phone calls related to Packages 1-4 and Energy Recovery Project ("All Packages") of the East County AWP Project ¹ .
2.	Provide general contract administration advice during Phase 2 for Packages 1-4 (assumes 60 hours per month total across East County AWP Project Packages 1-4 until end January 2023 and 75 hours per month total across All Packages from December 2022).
3.	Continue to assist JPA General Counsel with third party / intergovernmental agreements (e.g., City of San Diego) and integration with Package 4.
4.	Assist with board reports, briefings, and materials and attend JPA Board meetings (assumes 2 meetings per fiscal year).

Task 2: Package 4 - Phase 1B and Phase 2, Change Order and Amendment Negotiation Support

1.	Assist with development of overall negotiating strategies for Package 4 Amendments related to Phase 1B and Phase 2.
2.	Advise JPA during contract negotiations for the Amendments, and participate in contract negotiations for Phase 1B and 2 Amendments.
3.	Review deliverables prepared by Package 4 Design-Builder and Owner's Advisor ("OA") in connection with Phase 1B and 2 Amendments for consistency with the Package 4 PDB Agreement.
4.	Draft language addressing issues raised during negotiations (including finalization of Scopes of Work), and finalize the Phase 1B and 2 amendments.
5.	Review technical documents for conformity with Package 4 PDB Agreement.
6.	Track and review deliverables required for Phase 1B and 2 amendments execution, including corporate documents, bonds and insurance.
7.	Continue to advise JPA in relation to third party agreements with City of San Diego.

¹ See Item 3 in "Assumptions for Estimated Legal Budget" as to blue shaded items.

Nossaman LLP Scope of Work / Budget

8.	Assist in the preparation of a JPA Board Report regarding Phase 1B and 2 amendments. Assist JPA Administrator's staff and JPA's General Counsel with any materials for approval of awards.
Task 3: Package 4 CEQA	
1.	Continue to participate during monthly phone calls related to Package 4's CEQA/NEPA process.
2.	Continue to provide legal advice and opinions as requested and related to Package 4's procurement, CEQA/NEPA, and Phase 1A.
3.	As needed, continue to support the JPA in review, strategies and hearings related to Package 4's CEQA/NEPA process.
Task 4: Energy Recovery Project - General Legal Assistance	
1.	Participate during telephone, Microsoft Teams, and other meetings related to Energy Recovery Project.
2.	Update and maintain a detailed Energy Recovery Project procurement work plan that is viable and will allow the JPA to assess progress.
3.	As needed, continue to coordinate and consult with JPA's General Counsel, insurance advisors, Owner's Advisor, and technical consultants for matters related to Energy Recovery Project.
4.	Continue to provide advice to minimize legal risks and increase efficiencies associated with the overall Energy Recovery Project procurement strategy.
5.	Continue to determine Energy Recovery Agreement requirements for any additional federal grants and loans, review grant and loan agreements.
6.	Provide high-level assistance in implementation of a transparent Energy Recovery RFP evaluation process.
Task 5: Energy Recovery - Legal Assistance with Procurement and Documents	
1.	Advise the East County AWP JPA through the Energy Recovery RFP process with the ultimate goal of selecting the most qualified team with the right mentality to begin contract negotiations.
2.	Continue to review, comment, and provide advice on the Energy Recovery RFP, including addenda and work with the East County AWP JPA Administrator to ensure successful receipt of Proposals.
3.	Respond to proposer questions (RFIs) of a commercial / legal nature during RFP for Energy Recovery.
4.	Prepare RFP evaluations manuals for Energy Recovery Project.
5.	Assistance during Energy Recovery Proposal evaluation process, including structuring the evaluation committee(s),

Nossaman LLP Scope of Work / Budget

	assistance with preparing JPA for interview process (as needed), assisting with pass-fail and responsiveness reviews in conjunction with JPA, its Owner's Advisor and project evaluation committee. JPA or OA to handle reference checks (if required), technical questions and technical review.
6.	Facilitate Energy Recovery Project Proposal evaluation meeting, and provide documentation of evaluation decision and notification letters to Proposers.
7.	As needed, support Energy Recovery Agreement debriefs of non-shortlisted RFQ Respondents or non-preferred RFP Proposers.
8.	Draft Request for Proposal documents for Phase 2/3 (if applicable)
9.	Continue to prepare draft and final Energy Recovery Agreement, including addenda responsive to RFIs (either initial agreement for Phase 1A/B and subsequent agreement for Phase 2/3 or combined agreement depending on approach).
10.	Continue to ensure interfaces and integration between Energy Recovery and other East County AWP Packages are appropriately addressed.
11.	Continue to coordinate with the JPA Administrator and JPA's General Counsel, financial and economic advisors, insurance experts, Owner's Advisor, technical consultants and other advisors in connection with the comprehensive drafting of the Energy Recovery Agreement and other legal aspects of the Energy Recovery.
12.	Participate in Interactive Meetings with shortlisted Proposers and any necessary final meetings for Energy Recovery Project in order to ensure timely delivery of Proposals.
13.	Draft language addressing issues raised during Interactive Meetings.
Task 6: Energy Recovery - Energy Recovery Agreement (Phase 1A/B) Negotiation Support	
14.	Assist with development of overall negotiating strategies for Phase 1A/1B.
15.	Advise the JPA during contract negotiations for Phase 1A/B, and participate in contract negotiations for Phase 1A/Phase 1B.
16.	Draft language addressing issues raised during negotiations (including finalization of the Scope of Work), and finalize Energy Recovery Agreement for Phase 1A/1B.
17.	Review technical documents for conformity with Energy Recovery Agreement.
18.	Track and review post-selection deliverables required for Phase 1A and Phase 1B Energy Recovery Agreement's execution, including corporate documents, bonds and insurance.
19.	Assist in the preparation of a JPA Board Report regarding Energy Recovery Agreement award. Assist JPA Administrator's

	staff and JPA's General Counsel with any materials for approval of award.
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TASK / DESCRIPTION FOR FY 2024

Task 1: Packages 1, 2, 3, 4 and Energy Recovery Project - Contract Administration

1. Participate in monthly contract admin phone calls related to each Package of the East County AWP Project.
2. Provide general contract administration advice during Phase 2 for Packages 1-4 and Phase 1 B and 2/3 of Energy Recovery (assumes 75 hours per month total across All Packages).
3. Assist with board reports, briefings, and materials and attend JPA Board meetings (assumes 2 meetings per fiscal year)

Task 2: Energy Recovery Project - Energy Recovery Agreement Amendment (Phase 2/3) Negotiation Support

1. Assist with development of overall negotiating strategies for amendments related to Phase 2/3.
2. Advise JPA during contract negotiations for the Phase 2/3 amendments, and participate in contract negotiations for the amendments.
3. Review deliverables prepared by Energy Recovery Contractor in connection with the Phase 2/3 amendments for consistency with the Energy Recovery Agreement.
4. Review financing and security documents and closing documentation for consistency with DBFO Agreement requirements (if financed)
5. Draft language addressing issues raised during negotiations (including finalization of Scopes of Work), and finalize the Phase 2/3 agreement.
6. Review technical documents for conformity with Energy Recovery Agreement
7. Track and review deliverables required for Phase 2/3 amendment's execution, including corporate documents, bonds and insurance.
8. Assist in the preparation of a JPA Board Report regarding the Phase 2/3 amendments. Assist JPA Administrator's staff and JPA's General Counsel with any materials for approval of awards.

TASK / DESCRIPTION FOR FY 2025

Task 1: Packages 1, 2, 3, 4 and Energy Recovery Agreement - Contract Administration

1.	Participate in monthly contract admin phone calls related to All Packages of the East County AWP Project.
2.	Provide general contract administration advice during Phase 2 for All Packages (assumes 75 hours per month total across All Packages).
3.	Assist with board reports, briefings and materials and attend JPA Board meetings (assumes 2 meetings per fiscal year).

TASK / DESCRIPTION FOR FY 2026

Task 1: Packages 1, 2, 3, 4 and Energy Recovery Agreement - Contract Administration

1.	Participate in monthly contract admin phone calls related to All Packages of the East County AWP Project.
2.	Provide general contract administration advice during Phase 2 for All Packages (assumes 60 hours per month total across All Packages since Package 2 and 2 will likely be complete).
3.	Provide advice and contract administration advice with respect to completion and final acceptance.
4.	Assist with board reports, briefings and materials and attend JPA Board meetings (assumes 2 meetings per fiscal year).

Nossaman LLP Scope of Work / Budget

Year	Category	Estimated Legal Services Budget
FY 2023	Package 1	\$126,260.00
	Package 2	\$126,260.00
	Package 3	\$126,260.00
	Package 4 (including CEQA)	\$375,000.00
	Energy Recovery (including CEQA)	\$600,000.00
	Reimbursable Travel Expenses	\$10,000.00
	TOTAL	\$1,363,780.00
FY 2024	Package 1	\$131,610.00
	Package 2	\$131,610.00
	Package 3	\$131,610.00
	Package 4 (including CEQA)	\$131,610.00
	Energy Recovery (including CEQA)	\$650,000.00
	Reimbursable Travel Expenses	\$10,000.00
	TOTAL	\$1,186,440.00
FY 2025	Package 1	\$136,960.00
	Package 2	\$136,960.00
	Package 3	\$136,960.00
	Package 4	\$136,960.00
	Energy Recovery (including CEQA)	\$136,960.00
	Reimbursable Travel Expenses	\$10,000.00
	TOTAL	\$694,800.00

Nossaman LLP Scope of Work / Budget

FY 2026	Package 1	\$177,887.00
	Package 2	\$103,075.00
	Package 3	\$103,075.00
	Package 4	\$103,075.00
	Energy Recovery	\$142,310.00
	Reimbursable Travel Expenses	\$10,000.00
	TOTAL	\$639,422.00
	TOTAL 2023-2026	\$3,884,442.00

Assumptions for Estimated Legal Budget:

1. Package 1-4 and Energy Recovery Project procurements and all associated amendments (ie Phase 2 for Packages 1-3 and Phase 1B and 2 for Package 4 and Energy Recovery Project) will be successfully completed.
2. Subconsultant Scope: It is anticipated that our subconsultant, Progressive Design Build Consulting, LLC, will provide strategic input and commercial advice on the items shaded in blue in the scope above.
3. Energy Recovery Project Procurement Process:
 - Procurement process / timelines will be consistent with the timelines articulated in the initial draft of the Energy Recovery RFP
 - Energy Recovery Project evaluation process will be based on qualifications / price factors consistent with Packages 1-4.
 - RFP with mini qualifications process (no RFQ).
 - No more than an aggregate of 350 RFIs on Energy Recovery Project RFP documents require Nossaman input.
4. Energy Recovery Project PDB[F]O Agreement Development Process:
 - Nossaman will draft the PDB[F]O Agreement (whether a single agreement or a consultant agreement following by a PDB[F]O) in consultation with the JPA's General Counsel, Technical Advisor / Owner's Advisor, and Clean Water Capital, using the PDB Agreements prepared for Package 4, amended to add operations and maintenance for Energy Recovery Project and financing if needed, based on market precedent.
 - No more than three internal revisions of the PD[F]BO Agreement and no more than two RFP addenda, allowing for one supplement to 2nd RFIs (RFP).
 - Nossaman will receive timely input from JPA staff and its consultants / partners.
 - The JPA's financial advisors to have primary drafting role on the payment mechanism (if financed), with Nossaman in a limited review/comment role.
 - ERC or its lenders will have primary drafting role for direct agreements
 - Insurance issues will be addressed by JPA risk manager or internal risk management team.
 - Third party / intergovernmental agreements will be handled by JPA's General Counsel.
 - Negotiations will be limited as described in the ITP.
5. Energy Recovery Project ITP / SOW Process:
 - JPA /Technical Advisor / Owner's Advisor will draft ITP, SOW and other technical documents with Nossaman in a limited review/comment role.
 - No more than two ITP addenda, allowing for one supplement to 2nd RFIs (RFP).

Nossaman LLP Scope of Work / Budget

- Technical team work product will be available in a timely fashion.
 - No more than two rounds of ITP and SOW review per Phase 1A, 1B and 2 SOWs.
 - JPA / Technical Advisor / Owner's Advisor will address all questions and amendments of a technical nature.
6. Energy Recovery Project PDB[F]O Agreement (Phase 1A):
- Negotiations will be limited to matters described in the ITP required to document the applicable phase's agreement.
 - Contract negotiations will take place with only one firm.
7. Energy Recovery and Package 4 Phase 1B and 2 Amendments:
- Estimate assumes a reasonable level of negotiation for each Package consistent with documenting the changes resulting from the applicable phase (as opposed to having the Design-Builder attempt to renegotiate the entire commercial deal), and no additional substantive changes from the JPA Team.
 - SOW and other pertinent documents will be developed consistent with existing frameworks in applicable PDB[F]O Agreements.
8. General:
- Tasks specified in the budget are not sequential and there will be overlap among work in the Tasks / Packages.
 - This is an estimate that applies to all Tasks / Packages and not a guaranty or a cap on fees and expenses. We do recognize that written authorization would be required to exceed the authorized budget.
 - Estimate excludes legal fees relating to the following items of additional legal services scope (budget amendment would be required):
 - Protests or other procurement challenges;
 - Financing / grant support to obtain funds for the Project.
 - Challenges or litigation with respect to the environmental review process;
 - Developing standard form documents; and
 - Significant contract administration activities, including significant change orders, claims and disputes.

Attachment B - Rates from Proposal

Title	Key Personnel Currently in Category	2023 Calendar Year Rate	2024 Calendar Year Rate	2025 Calendar Year Rate	2026 Calendar Year Rate
IPG Partners	Liz Cousins, Nancy Smith, Corey Boock, Frank Liu	\$675	\$695	\$715	\$735
Other Partners / Senior Policy Advisors	Rob Thornton, Liz Klebaner	\$545	\$560	\$580	\$595
Consultant	Robynne Thaxton	\$450	\$465	\$480	\$490
Associates	Kyle Hamilton, Kathy Fernandez	\$505	\$530	\$555	\$585
Paralegals	TBD As Needed	\$175	\$180	\$185	\$190



**East County Advanced Water Purification
NV5 Community Outreach and Construction Communications
Scope of Work
Fiscal Years 2023 – 2026**

1. Strategic Communications

NV5 will annual review and revise the Program Community Outreach Plan, attend strategic planning meetings and prepare monthly activity reports. Strategize on communications efforts and provide strategic communications counsel to the Program administrator.

2. Speakers Bureaus, JPA & Industry Presentations and Leader Briefings

Speakers Bureau

Presentations will be offered to groups, interested parties and critical stakeholders, including residents, businesses, environmental advocates, recreation enthusiasts, elected officials and other stakeholder groups.

Industry and JPA Presentations

NV5 will manage and support industry and East County AWP JPA presentations as directed by Program staff. Efforts may include preparing a PowerPoint, speaking points, graphics, speaking points and assisting staff to prepare.

Briefings

Maintain regular briefings to elected officials representing the East County AWP Program service area and public agency leaders to keep them updated on the Program and maintain/gain Program support.

3. Events and Program Presentations

NV5 will plan, manage and staff special events to continue the momentum of awareness around the East County AWP Program and build positive sentiment around advanced water purification. Efforts include planning and preparing speaking points, PowerPoints and graphics as directed by Program staff. Events may include:

- Staffing Program information tables at events in the service area such as festivals, fun runs and concerts.
- Hosting Meet & Greet Events as needed for community leaders and staff to attend to learn about the Program and ask questions.
- Coordinating and supporting Town Hall Partnerships to provide project updates during local elected officials Town Hall meetings. NV5 will coordinate and support the effort, including staffing table, engaging town hall attendees to provide Program education.

4. Publicity Materials and Stakeholder Communications

Educational materials and East County AWP Program collateral pieces will be drafted and graphically designed as needed. This effort includes print and electronic materials, graphics, signs and other forms of visual communications.

The Program e-newsletter will be drafted and distributed via Constant Contact multiple times per year, depending on content and milestones. Bill inserts will be prepared based on need for all partners. Videos will be produced as needed. Video shorts (approximately 10 to 30 seconds) will be designed specifically for use on social media to provide short-form snippets of Program information. NV5 will respond to stakeholder inquiries.

5. Online and Internet Tools

Social Media

NV5 will draft social media content and graphics on a monthly basis. NV5 will manage content advertising is planned through a third party to increase the reach of specific posts. Social media events and contests will also be managed by NV5 as approved by Program staff. NV5 will monitor social media comments, strategize and respond to comments as appropriate and directed by Program staff.

Website

NV5 will maintain the EastCountyAWP.com website with updated information about the Program and promotions and add a press clips page to the site.

6. Media Relations

Media relations is a low cost and highly effective communication method with wide distribution and trust-building opportunities. Press releases will be drafted and distributed to provide accurate and timely information about important issues, special events and milestones to keep media representatives current and involved on project issues that affect Program stakeholders. Includes providing media training to Program spokespersons as needed. NV5 will draft template articles on behalf of the Program and staff as directed.

7. Tours & Education Program

Visitor Center

NV5 will manage the visitor center design and exhibit effort in collaboration with Program Staff. Efforts include draft exhibit messaging, content and graphics as needed. This will include education signage and education design efforts for the Lake Jennings water feature.

Tours

Once the facility is complete, a tour plan will be prepared and tours managed and lead by NV5. During construction, tours may be offered depending on safe access. Outreach and promotion of virtual tour options will continue as construction begins and throughout the duration.

School and Next Generation Outreach

NV5 will prepare educational materials and programming to educate and outreach to the next generation. Efforts may include in-class visits/presentations and in person field trips once, the facility is complete.

8. Construction Outreach

a. Strategic Planning

NV5 will annual review and revise the Program Community Outreach Plan and attend strategic planning meetings. Includes situational analysis and identification of most affected stakeholders and audiences (schools, homeowners associations, utilities and government agencies, elected officials, and neighbors within 500 to 1,000 feet of work areas), a phased outreach and communications approach based on key construction milestones, key messages and key messages as well as recommendations for tools and tactics needed to reach the audiences (social media, postcard, letter, door hanger, etc.).

b. Meetings

NV5 will serve as lead outreach staff on the project and attend project team meetings, Construction Progress and/or Construction Management team meetings, as needed, for the duration of construction. NV5 will plan and manage all East County AWP-sponsored open house events, attend community meetings, events and one-on-one meetings with stakeholders, virtually or in-person to provide construction information.

c. Mailing List

NV5 will procure mailing lists for the Program, including the City of Santee and construction areas that includes all interested parties and neighbors within 500-1,000 feet of work areas.

d. Printed Notices, Signs, Webpage, Interactive Map

NV5 will draft, design and print flyers, banners/signage, postcard and door hanger templates that will be used for communications with project neighbors and interested parties during construction.

A new webpage dedicated to construction will be created, content and graphics prepared and maintained by NV5.

An interactive map will be created by NV5 showing the construction alignment, locations of active construction and activities at that site. The map will be updated regularly as the construction progresses.

NV5 will draft and print construction notices as identified in the Construction Outreach Plan to all interested parties and those within 500-1,000 feet of construction activity. Key project milestones for which notices are anticipated include the start of construction, night and/or weekend work or other key construction activities.

e. Other Construction Outreach Efforts

NV5 will coordinate, strategize and plan for additional construction related outreach as additional needs arise.

Fiscal Year 2023 East County Advanced Water Purification					
NV5 Public Outreach and Communications					
Task Identification	Expenses	Labor Budget	Total	Contingency	Total with Contingency
1) Strategic Communications	\$2,000	\$25,000	\$27,000	\$4,000	
2) Speakers Bureaus, JPA and Industry	\$4,000	\$15,000	\$19,000	\$3,000	
3) Events and Program Presentations	\$3,000	\$30,000	\$33,000	\$6,000	
4) Publicity Materials and Stakeholder Communications	\$10,000	\$50,000	\$60,000	\$6,000	
5) Online and Internet Tools	\$5,000	\$30,000	\$35,000	\$3,000	
6) Media Relations	\$4,000	\$20,000	\$24,000	\$2,000	
7) Tours and Education	\$2,000	\$20,000	\$22,000	\$2,000	
8) Construction Outreach	\$60,000	\$90,000	\$150,000	\$11,000	
Total	\$90,000	\$280,000	\$370,000	\$37,000	\$407,000

Fiscal Year 2024 East County Advanced Water Purification					
NV5 Public Outreach and Communications					
Task Identification	Expenses	Labor Budget	Total	Contingency	Total with Contingency
1) Strategic Communications	\$2,000	\$25,000	\$27,000	\$3,000	
2) Speakers Bureaus, JPA and Industry	\$4,000	\$15,000	\$19,000	\$3,000	
3) Events and Program Presentations	\$3,000	\$30,000	\$33,000	\$4,500	
4) Publicity Materials and Stakeholder Communications	\$4,000	\$50,000	\$54,000	\$4,000	
5) Online and Internet Tools	\$5,000	\$30,000	\$35,000	\$3,000	
6) Media Relations	\$4,000	\$20,000	\$24,000	\$2,000	
7) Tours and Education	\$3,000	\$20,000	\$23,000	\$2,000	
8) Construction Outreach	\$30,000	\$80,000	\$110,000	\$11,000	
Total	\$55,000	\$270,000	\$325,000	\$32,500	\$357,500

Fiscal Year 2025 East County Advanced Water Purification					
NV5 Public Outreach and Communications					
Task Identification	Expenses	Labor Budget	Total	Contingency	Total with Contingency
1) Strategic Communications	\$2,000	\$25,000	\$27,000	\$3,000	
2) Speakers Bureaus, JPA and Industry	\$4,000	\$15,000	\$19,000	\$3,000	
3) Events and Program Presentations	\$3,000	\$30,000	\$33,000	\$4,500	
4) Publicity Materials and Stakeholder Communications	\$4,000	\$50,000	\$54,000	\$4,000	
5) Online and Internet Tools	\$5,000	\$30,000	\$35,000	\$3,000	
6) Media Relations	\$4,000	\$20,000	\$24,000	\$2,000	
7) Tours and Education	\$3,000	\$20,000	\$23,000	\$2,000	
8) Construction Outreach	\$30,000	\$80,000	\$110,000	\$11,000	
Total	\$55,000	\$270,000	\$325,000	\$32,500	\$357,500

Fiscal Year 2026 East County Advanced Water Purification					
NV5 Public Outreach and Communications					
Task Identification	Expenses	Labor Budget	Total	Contingency	Total with Contingency
1) Strategic Communications	\$2,000	\$25,000	\$27,000	\$3,000	
2) Speakers Bureaus, JPA and Industry	\$5,000	\$25,000	\$30,000	\$3,000	
3) Events and Program Presentations	\$30,000	\$40,000	\$70,000	\$8,000	
4) Publicity Materials and Stakeholder Communications	\$8,000	\$60,000	\$68,000	\$4,000	
5) Online and Internet Tools	\$6,000	\$35,000	\$41,000	\$3,000	
6) Media Relations	\$4,000	\$25,000	\$29,000	\$2,000	
7) Tours and Education	\$30,000	\$60,000	\$90,000	\$6,000	
8) Construction Outreach	\$5,000	\$10,000	\$15,000	\$8,000	
Total	\$90,000	\$280,000	\$370,000	\$37,000	\$407,000



East County Advanced Water Purification Project Scope of Work For Tanner Pacific Inc.

PROJECT:

The East County Advanced Water Purification Project (Project) has completed over 6 years of planning and project development and is now commencing the implementation stage. Project focus is shifting to program management of final design, permitting, construction and commissioning of the various Project packages as described below:

Package 1 includes a 16 mgd Water Recycling Facility, an 11.5 mgd Advanced Water Purification Facility, a solids handling facility, a product water pump station and a new visitor's center. AECOM/WML IV a Joint Venture is the Design-Build Entity (DBE).

Package 2 includes a 10-mile pipeline, dechlorination facility, and an inlet to Lake Jennings. Orion Construction Corporation is the DBE.

Package 3 includes rehabilitation of the Influent Pump Station and East Mission Gorge Pump Station, a new 30-inch force main, a new residuals bypass system, and sliplining an existing sludge line. AECOM/WML VI a Joint Venture is the DBE.

Package 4 includes a new Regional Brine Line (RBL) to convey brine and solids dewatering liquid-waste stream produced by the advanced water purification treatment processes from the East Mission Gorge Pump Station (EMGPS) to the City of San Diego's South Mission Valley Trunk Sewer, and to rehabilitate the existing East Mission Gorge Force Main (EMGFM) which will serve as a wet weather/failsafe pipeline. Orion Construction Corporation is the DBE.

Package 5 (fka Package 1b) consists of project delivery and the long-term operations and maintenance, and possible financing, of biogas energy recovery facilities from the anaerobic digesters at the future solids handling facilities forming part of the East County AWP Project.

Carollo Engineers has been retained as the Owner's Advisor/Program Manager (OA) and Trussell Technologies has been retained to provide permitting services.

The East County Advanced Water Purification (AWP) Joint Powers Authority (JPA) requires additional services to implement the Project. Under the following scope of work, TPI Consulting will provide services, in coordination with staff of the JPA's Administrator (Padre Dam MWD) and other JPA consultants and independent contractors, related to program management of the design, permitting, construction, commissioning and transitioning of Project into operations and maintenance. TPI will provide specialized expertise, advice, and quality assurance services to the JPA Administrator's staff and other JPA consultants in program management and technical analysis in several project critical areas in the implementation of the Project.



TERM:

The initial term of this Agreement was from January 1, 2022 through June 30, 2023 to perform the original scope of work.

The Parties mutually agree to extend the term of this Agreement through February 28, 2026. Additionally, the Parties agree to an expanded scope of work, as shown below, starting March 1, 2023.

Any further extension or other type of increase in the not-to-exceed amount shall require an amendment to this Agreement approved by the Board of Directors.

SCOPE OF WORK:

TASK 1 - PHASE 2 NEGOTIATIONS & CONSTRUCTION SUPPORT

- 1.1 GMP Negotiations Support. Provide specialized services in coordination with the OA regarding JPA's negotiation, review, and approval of Guaranteed Maximum Price for each of the five (5) Packages and participate in contract amendment reviews.
- 1.2 Package 5 Support. During the Procurement, Phase 1 Negotiations and Phase 1A "Feasibility Study and CEQA Preparation" stages, Consultant assist the PEC and the Advisory Subcommittees in making the educated and informed assessment of the individual strengths and weaknesses of the Proposals. Consultant will not provide qualitative/quantitative ratings or scoring recommendations. Effort during these stages is estimated to be minimal.

As the project progresses into Phase 1B "Development of 60% Design and Guaranteed Maximum Price" and through Phase 2 "Final Design, Construction, Permitting, Commissioning and Close-out", Consultant will provide facilitation services and advice regarding commercial terms, risk transfer, and Progressive Design-Build delivery methodology, to assist the project team with making informed, value-based decisions.

- 1.3 Project Management Support (Packages 1 -4). Provide advice to JPA Administrator and individual Package Project Managers/Leads on oversight and performance of each Design-Build Entity (DBE) for all Packages in coordination with Carollo, the JPA's Owner Advisor (OA). Attend design/build meetings, monthly progress meetings, design progress meetings, pre-construction conferences, construction meetings, and coordination meetings and/or workshops with the DBE, regulatory agencies, and other project participants, as requested. Provide Quality Assurance (QA) services by reviewing relevant Project controls reports to verify the DBE is tracking and resolving all issues in a timely manner and make recommendations to staff on the preferred course of action.
- 1.4 Program Management Support. Attend weekly program Update & Management meetings, provide the JPA Administrator and the Program Management staff advice and support in its professional development throughout the delivery of each Package.



- 1.5 Package-Level Facilitation Support. Elevate issues and provide options/recommendations when required in accordance with the Project partnering charter protocol. This includes preparing and participating in Partnering meetings, including debriefing session.
- 1.6 External Stakeholder Facilitation Services. Assist Package Leads and the JPA Administrator with facilitating discussions and expediting mutually acceptable resolution to current and unforeseen issues that may arise during the course of implementing the five (5) packages.
- 1.7 Contract Compliance Quality Assurance Support. Provide advice, Quality Assurance services, and support to JPA Administrator and its OA on ensuring DBE contract compliance during construction. This includes monitoring compliance with DBE QA/QC plan and project funding requirements as required.
- 1.8 Risk Identification, Management and Mitigation Support. Assist the JPA Administrator and Package Leads with identifying, assessing, and mitigating risks to scope, schedule, cost and quality on each project and the Program. The probability of occurrence and project impacts will be quantified and compared to available program contingency to ensure the most impactful risks are being addressed as a priority to ensure the Program and its projects remain on schedule and budget.
- 1.9 Change Management and Dispute Resolution Support. Provide specialized support to JPA Administrator staff in drafting, reviewing proposals (either Owner or Contractor requested), negotiating, and executing amendments to DBE's contracts.
- 1.10 Transition Planning. Consult with JPA Administrator's Operations, Engineering, and Finance Departments and other project consultants to prepare a Transitional Operations and Staffing Plan for long-term operation of all JPA treatment facilities.
- 1.11 Supplemental Progressive Design-Build Training. Plan and coordinate additional training modules developed by the Water Collaborative Delivery Association (f.k.a., the Water Design Build Council) for an annual training program. Additionally, provide continual support to the JPA Administrator, its support staff, OA and other team members, as requested.
- 1.12 Staff Development. Incidental to performing the other services listed herein, Consultant will serve as a resource to key personnel, as identified by the JPA Administrator, to assist them with their professional development which may include, but is not limited to: establishing and improving on skills and techniques associated with executive management, organizational behavior, strategic planning, timely value-based decision making, transition planning, resource planning and management, risk management, negotiations and dispute resolution, use of alternative delivery methods (e.g., progressive design-build), continual improvement, and participation in continued education.



TASK 2 – LABOR COMPLIANCE SERVICES

TPI's subconsultant, RGM Kramer, will provide the following services. These services are necessary to ensure compliance with labor requirements outlined in the WIFIA and SRF funding terms and conditions, the requirements set forth in the Davis Bacon Related Acts and California Labor Code §§1720-1861, and the State of California's skilled and trained workforce requirements. In summary, services include the following subtasks and will be invoiced on a time and materials basis. Should the JPA determine that specific services are not required, RGM Kramer will only perform and invoice for the remaining services.

TASK 2.1 Initial Wage, Signage, Licensing and State Department of Industrial Relations Determinations

- 2.1.1. Confirm or establish appropriate state and federal wage determinations applicable to project(s).
- 2.1.2. Prepare prevailing wage compliance instructive materials and thoroughly review with contractors (and subcontractors) during pre-construction meeting and/or as needed.
- 2.1.3. Prepare all signage and copies of wage determinations, as required, for posting at the job site.
- 2.1.4. Contact prime contractor and establish procedures for submitting certified payroll records (CPRs), skilled and trained workforce reports (STWF) and other necessary compliance documentation.
- 2.1.5. Confirm contractors and subcontractors are duly licensed with the California State Contractors License Board and are registered with the Department of Industrial Relations.
- 2.1.6. Determine whether contractors and subcontractors have fully complied with the requirements of the California State Division of Apprenticeship Standards and the Department of Labor Bureau of Apprenticeship and Training.

TASK 2.2 On-site Interviews and Confirmation of Required Postings

- 2.2.1. Conduct on-site visits when workers are present at the public works project and interview workers as deemed necessary to ensure wage compliance.
- 2.2.2. Post all signage and copies of wage determinations. Confirm during on-site visits that postings remain current and available to laborers and mechanics working at the job site.

Task 2.3 Certified Payroll Records Review and Compliance Determinations

- 2.3.1. Collect, review, and audit CPRs for compliance with current prevailing wage rates and laws, including appropriate labor classifications and apprenticeship requirements.
- 2.3.2. Compare site interview reports to associated CPR to verify accuracy of worker classification reporting.
- 2.3.3. Document any missing or inaccurate information and notify the contractor in writing of discrepancies or apparent violations of prevailing wage labor laws applicable to public works projects, including adherence to apprenticeship standards and skilled and trained workforce compliance violations.
- 2.3.4. Verify corrective actions and collect evidence of restitution for wage underpayments.
- 2.3.5. Maintain project database to track the number of CPRs, apprenticeship forms, requests for public information, site interviews, etc. received each day, monies recovered, and investigations undertaken.



Task 2.4 Confirmation of DIR Submittal, Auditing, and Resolution of Issued Correction Actions

- 2.4.1. Confirm contractor(s) and subcontractor(s) are submitting payroll records to the Department of Industrial Relations as stipulated in Labor Code §1771.4.
- 2.4.2. Conduct audits whenever there are indications a wage underpayment or other violation may have occurred.
- 2.4.3. Investigate apparent discrepancies if clarification/correction is not received from the contractor within a timely manner and/or investigate all complaints or concerns submitted by workers or others.
- 2.4.4. Upon completion of any investigation, if it is determined significant violations may have occurred, prepare the necessary information to submit to funding and/or enforcement agency.
- 2.4.5. On behalf of the owner, facilitate all procedures related to investigations or enforcement by the funding and/or enforcement agency.

Task 2.5 Monthly Reporting

- 2.5.1. Collect and review monthly skilled and trained workforce reports.
- 2.5.2. Provide monthly STWF status reports to the owner and/or its representative.
- 2.5.3. Provide project status reports to project owner, manager and/or funding agency.
- 2.5.4. Complete closeout activities.



East County Advanced Water Purification Project

Level of Effort & Fee Estimate

For Tanner Pacific Inc.

The initial term of this Agreement was from January 1, 2022, through June 30, 2023, and assumed a limited level of effort equal to approximately 25% full time equivalent (FTE) for the tasks shown in Table 1.

The Parties mutually agree to extend the term of this Agreement through February 28, 2026, with an increased level-of-effort equal to 50% FTE starting March 1, 2023, as shown in Table 2 through Table 5.

TPI will invoice RGM Kramer's services on a time and materials basis as shown in Attachment 1. A five percent (5%) mark-up shall be applied to the subcontractor's monthly invoice and included in TPI's monthly pay application. Should the JPA determine that specific services are not required, TPI and RGM Kramer will only perform and invoice for the remaining services.

Any further extension, addition of services, or other type of modification shall require an Amendment to this Agreement, as mutually agreed to by both Parties.



TABLE 1 - Revised Jan. 1 '22 through June 30, '23 Budget (18 months)

Task No.	Task Description	FY 21/22			FY 22/23			Grand Total	% of Budget
		Hours	Rate	Total	Hours	Rate	Total		
1.0	Phase 2 Negotiations & Construction Support								
1.01	GMP Negotiations Support	25	\$285	\$ 7,125	95	\$285	\$ 27,075	\$ 34,200	5.2%
1.02	Package 5 Support		\$285	\$ -	80	\$285	\$ 22,800	\$ 22,800	3.5%
1.03	Project Management Support (Package 1 -4)	60	\$285	\$ 17,100	200	\$285	\$ 57,000	\$ 74,100	11.3%
1.04	Program Management Support	60	\$285	\$ 17,100	180	\$285	\$ 51,300	\$ 68,400	10.5%
1.05	Package-Level Facilitation Support	30	\$285	\$ 8,550	90	\$285	\$ 25,650	\$ 34,200	5.2%
1.06	External Stakeholder Facilitation Support	15	\$285	\$ 4,275	81	\$285	\$ 23,085	\$ 27,360	4.2%
1.07	Contract Compliance Quality Assurance Support	20	\$285	\$ 5,700	76	\$285	\$ 21,660	\$ 27,360	4.2%
1.08	Risk Identification, Management and Mitigation Support		\$285	\$ -	96	\$285	\$ 27,360	\$ 27,360	4.2%
1.09	Change Management and Dispute Resolution Support	30	\$285	\$ 8,550	66	\$285	\$ 18,810	\$ 27,360	4.2%
1.10	Transition Planning	20	\$285	\$ 5,700	52	\$285	\$ 14,820	\$ 20,520	3.1%
1.11	Supplemental Progressive Design-Build Training		\$285	\$ -	72	\$285	\$ 20,520	\$ 20,520	3.1%
1.12	Staff Development		\$285	\$ -	72	\$285	\$ 20,520	\$ 20,520	3.1%
Sub Totals		260		\$ 74,100	1016		\$330,600	\$ 404,700	62%
	FTE	25.0%			48.8%				
2.0	RGM Kramer (See attached scope for breakdown)	0		\$ -	2320		\$249,136	\$ 249,136	38%
	RGM Kramer FTE	0%			25.7%				
Total		260		\$ 74,100	3336		\$579,736	\$ 653,836	100%



TABEL 2 - FY 23/24 Budget

Task No.	Task Description	Hours	Rate	Total	% of Budget
1.0	Phase 2 Negotiations & Construction Support				
1.01	GMP Negotiations Support	80	\$294	\$ 23,484	4.5%
1.02	Package 5 Support	120	\$294	\$ 35,226	6.7%
1.03	Project Management Support (Package 1 -4)	180	\$294	\$ 52,839	10.0%
1.04	Program Management Support	148	\$294	\$ 43,445	8.2%
1.05	Package-Level Facilitation Support	48	\$294	\$ 14,090	2.7%
1.06	External Stakeholder Facilitation Support	72	\$294	\$ 21,136	4.0%
1.07	Contract Compliance Quality Assurance Support	60	\$294	\$ 17,613	3.3%
1.08	Risk Identification, Management and Mitigation Support	72	\$294	\$ 21,136	4.0%
1.09	Change Management and Dispute Resolution Support	60	\$294	\$ 17,613	3.3%
1.10	Transition Planning	36	\$294	\$ 10,568	2.0%
1.11	Supplemental Progressive Design-Build Training	48	\$294	\$ 14,090	2.7%
1.12	Staff Development	36	\$294	\$ 10,568	2.0%
Sub Totals		876		\$ 281,808	53%
TPI FTE		42.1%			
2.0	RGM Kramer (See attached scope for breakdown)	2150		\$ 245,887	47%
RGM Kramer FTE		103.4%			
Total		3,026		\$ 527,695	100%



TABEL 3 - FY 24/25 Budget

Task No.	Task Description	Hours	Rate	Total	% of Budget
1.0	Phase 2 Negotiations & Construction Support				
1.01	GMP Negotiations Support	80	\$302	\$ 24,189	3.9%
1.02	Package 5 Support	120	\$302	\$ 36,283	5.9%
1.03	Project Management Support (Package 1 -4)	180	\$302	\$ 54,424	8.8%
1.04	Program Management Support	148	\$302	\$ 44,749	7.3%
1.05	Package-Level Facilitation Support	48	\$302	\$ 14,513	2.4%
1.06	External Stakeholder Facilitation Support	72	\$302	\$ 21,770	3.5%
1.07	Contract Compliance Quality Assurance Support	60	\$302	\$ 18,141	2.9%
1.08	Risk Identification, Management and Mitigation Support	72	\$302	\$ 21,770	3.5%
1.09	Change Management and Dispute Resolution Support	60	\$302	\$ 18,141	2.9%
1.10	Transition Planning	36	\$302	\$ 10,885	1.8%
1.11	Supplemental Progressive Design-Build Training	48	\$302	\$ 14,513	2.4%
1.12	Staff Development	36	\$302	\$ 10,885	1.8%
Sub Totals		876		\$ 290,262	47%
TPI FTE		42.1%			
2.0	RGM Kramer (See attached scope for breakdown)	2800		\$ 326,928	53%
RGM Kramer FTE		134.6%			
Total		3,676		\$ 617,190	100%



TABLE 4 - FY 25/26 Budget (ends 3/31/26)

Task No.	Task Description	Hours	Rate	Total	% of Budget
1.0	Phase 2 Negotiations & Construction Support				
1.01	GMP Negotiations Support		\$311	\$ -	0.0%
1.02	Package 5 Support	108	\$311	\$ 33,634	16.3%
1.03	Project Management Support (Package 1 -4)	108	\$311	\$ 33,634	16.3%
1.04	Program Management Support	72	\$311	\$ 22,423	10.9%
1.05	Package-Level Facilitation Support	36	\$311	\$ 11,211	5.4%
1.06	External Stakeholder Facilitation Support	36	\$311	\$ 11,211	5.4%
1.07	Contract Compliance Quality Assurance Support	48	\$311	\$ 14,949	7.3%
1.08	Risk Identification, Management and Mitigation Support	36	\$311	\$ 11,211	5.4%
1.09	Change Management and Dispute Resolution Support	45	\$311	\$ 14,014	6.8%
1.10	Transition Planning		\$311	\$ -	0.0%
1.11	Supplemental Progressive Design-Build Training		\$311	\$ -	0.0%
1.12	Staff Development		\$311	\$ -	0.0%
Sub Totals		489		\$ 152,288	74%
TPI FTE		31.3%			
2.0	RGM Kramer (See attached scope for breakdown)	450		\$ 53,619	26%
RGM Kramer FTE		28.8%			
Total		939		\$ 205,907	100%



TABLE 5 - Summary Budget

Task No.	Task Description	Hours	Total	% of Budget
1.0	Phase 2 Negotiations & Construction Support			
1.01	GMP Negotiations Support	280	\$81,873	4.1%
1.02	Package 5 Support	428	\$127,943	6.4%
1.03	Project Management Support (Package 1 -4)	728	\$214,997	10.7%
1.04	Program Management Support	608	\$179,017	8.9%
1.05	Package-Level Facilitation Support	252	\$74,015	3.7%
1.06	External Stakeholder Facilitation Support	276	\$81,477	4.1%
1.07	Contract Compliance Quality Assurance Support	264	\$78,063	3.9%
1.08	Risk Identification, Management and Mitigation Support	276	\$81,477	4.1%
1.09	Change Management and Dispute Resolution Support	261	\$77,129	3.8%
1.10	Transition Planning	144	\$41,973	2.1%
1.11	Supplemental Progressive Design-Build Training	168	\$49,124	2.5%
1.12	Staff Development	144	\$41,973	2.1%
Sub Totals		3,517	\$ 1,129,058	56%
TPI FTE		39.0%		
2.0	RGM Kramer (See attached scope for breakdown)	7,720	\$ 875,570	44%
RGM Kramer FTE		85.7%		
Total		11,237	\$ 2,004,628	100%



ATTACHMENT 1 – RGM Kramer Scope of Work

SCOPE OF WORK & COST ESTIMATE
 EAST COUNTY ADVANCED WATER PURIFICATION JPA
 ADVANCED WATER PURIFICATION PROGRESSIVE DESIGN
 BUILD PROGRAM



April 30, 2022

On behalf of and as a subcontractor to Tanner Pacific, Inc., RGM KRAMER (RGMK) will provide complete wage compliance services, including all requirements of the applicable funding agencies. Tasks include but are not limited to on-site visits and worker interviews, posting of federal and/or state wage determinations, review of payroll records and additional prevailing wage documentation, written notification of deficiencies and verification of restitution, quarterly/bi-annual/annual reporting as necessary, and participation in funding agency auditing process. Estimated to construction on five (5) packages from June 2022 – February 20206 and includes up to 4 additional months for closeout tasks.

	Labor Hours/Package
TASK 1	
Labor Compliance Officer	2.0 hours/month
Project & staff oversight; community outreach; compliance mitigation, and closeout	
TASK 2	
Labor Compliance Manager	12.0 hours/month
Team and project management; review (with contractor/subcontractors) public works prevailing wage laws and required documentation; audits and/or investigations; ascertain classification or trade determinations; monthly and annual reporting, funding agency audits, misc. regulatory supervision, etc., and closeout.	
TASK 3	
Site Monitor	16.0 hours/month
On-site visits, worker interviews, site reports, complaint investigation and maintaining job site postings, compliance investigations, etc.	
TASK 4	
Prevailing Wage Specialist	20.0 hours/month
Review and track payroll records, apprenticeship ratios, travel and subsistence; prepare written discrepancy notices, receive corrected documents and evidence of restitution; prepare responses to Public Record Act requests; check contractor CSLB, DIR registration, workers' comp, etc., and closeout.	
TASK 5	
Project Set Up	200.0 hours total
Establish project files, populate project database, create project binders, prepared wage compliance binders and job site postings, misc. administrative tasks.	

Wage Compliance & Skilled and Trained Workforce Monitoring
 Estimated June 2022 through February 2026, plus closeout activities

ESTIMATED NOT TO EXCEED BUDGET \$ 833,876.00

(Details per fiscal year provided below.)

TABLE 1 - FY 6/22-6/23

TASK NO.	TASK DESCRIPTION	HOURS	RATE	TOTAL	% OF BUDGET
1	Project & Staff Oversight Community outreach Compliance mitigation	84	\$132.00	\$ 11,088.00	5%
2	Team and project management Pre-construction (wage compliance requirements review) Skilled and Trained Workforce monitoring Audits and/or investigations Classification and/or trade determinations Monthly and annual reporting Quarterly compliance certification Funding agency audits Misc. regulatory supervision or support	504	\$126.00	\$ 63,504.00	27%
3	On-site visits Job site postings Worker interviews Site reports Compliance investigation	672	\$115.00	\$ 77,280.00	33%
4	Review and tracking payroll records, apprenticeship ratios, travel and subsistence Prepare written discrepancy notices Receive corrected documents and evidence of restitution Prepare responses to Public Record Act requests Confirm contractor CSLB, DIR registration, workers' comp, etc.	840	\$ 85.00	\$ 71,400.00	30%
5	Establish project files Populate project database Create project binders Prepare pre-construction information packet Prepare wage compliance binders & job signs Misc. administrative tasks	200	\$ 70.00	\$ 14,000.00	6%
TOTALS		2320		\$ 237,272.00	100%

FTE = 110.6%

- Reimbursable costs will be at cost plus 12%, as approved by Owner.
- Aforementioned rates include all taxes, insurance, health and welfare benefits, overhead and profit.
- Annual fee increases, when applicable, will be based on data provided by the Bureau of Labor Statistics, Consumer Price Index.

TABLE 2 - FY 7/23-6/24

TASK NO.	TASK DESCRIPTION	HOURS	RATE	TOTAL	% OF BUDGET
1	Project & Staff Oversight Community outreach Compliance mitigation	86	\$135.00	\$ 11,610.00	5%
2	Team and project management Pre-construction (wage compliance requirements review) Skilled and Trained Workforce monitoring Audits and/or investigations Classification and/or trade determinations Monthly and annual reporting Quarterly compliance certification Funding agency audits Misc. regulatory supervision or support	516	\$129.00	\$ 66,564.00	28%
3	On-site visits Job site postings Worker interviews Site reports Compliance investigation	688	\$118.00	\$ 81,184.00	35%
4	Review and tracking payroll records, apprenticeship ratios, travel and subsistence Prepare written discrepancy notices Receive corrected documents and evidence of restitution Prepare responses to Public Record Act requests Confirm contractor CSLB, DIR registration, workers' comp, etc.	860	\$ 87.00	\$ 74,820.00	32%
TOTALS		2150		\$ 234,178.00	100%

FTE = 103.4%

- Reimbursable costs will be at cost plus 12%, as approved by Owner.
- Aforementioned rates include all taxes, insurance, health and welfare benefits, overhead and profit.
- Annual fee increases, when applicable, will be based on data provided by the Bureau of Labor Statistics, Consumer Price Index

TABLE 3 - FY 7/24-6/25

TASK NO.	TASK DESCRIPTION	HOURS	RATE	TOTAL	% OF BUDGET
1	Project & Staff Oversight Community outreach Compliance mitigation	112	\$138.00	\$ 15,456.00	5%
2	Team and project management Pre-construction (wage compliance requirements review) Skilled and Trained Workforce monitoring Audits and/or investigations Classification and/or trade determinations Monthly and annual reporting Quarterly compliance certification Funding agency audits Misc. regulatory supervision or support	672	\$132.00	\$ 88,704.00	28%
3	On-site visits Job site postings Worker interviews Site reports Compliance investigation	896	\$120.00	\$ 107,520.00	35%
4	Review and tracking payroll records, apprenticeship ratios, travel and subsistence Prepare written discrepancy notices Receive corrected documents and evidence of restitution Prepare responses to Public Record Act requests Confirm contractor CSLB, DIR registration, workers' comp, etc.	1120	\$ 89.00	\$ 99,680.00	32%
TOTALS		2800		\$ 311,360.00	100%

FTE = 134.6%

- Reimbursable costs will be at cost plus 12%, as approved by Owner.
- Aforementioned rates include all taxes, insurance, health and welfare benefits, overhead and profit.
- Annual fee increases, when applicable, will be based on data provided by the Bureau of Labor Statistics, Consumer Price Index

TABLE 4 - FY 7/25-6/26

TASK NO.	TASK DESCRIPTION	HOURS	RATE	TOTAL	% OF BUDGET
1	Project & Staff Oversight Community outreach Compliance mitigation	18	\$141.00	\$ 2,538.00	5%
2	Team and project management Pre-construction (wage compliance requirements review) Skilled and Trained Workforce monitoring Audits and/or investigations Classification and/or trade determinations Monthly and annual reporting Quarterly compliance certification Funding agency audits Misc. regulatory supervision or support	108	\$135.00	\$ 14,580.00	28%
3	On-site visits Job site postings Worker interviews Site reports Compliance investigation	144	\$122.00	\$ 17,568.00	35%
4	Review and tracking payroll records, apprenticeship ratios, travel and subsistence Prepare written discrepancy notices Receive corrected documents and evidence of restitution Prepare responses to Public Record Act requests Confirm contractor CSLB, DIR registration, workers' comp, etc.	180	\$ 91.00	\$ 16,380.00	32%
TOTALS		450		\$ 51,066.00	100%

FTE = 21.6%

- Reimbursable costs will be at cost plus 12%, as approved by Owner.
- Aforementioned rates include all taxes, insurance, health and welfare benefits, overhead and profit.
- Annual fee increases, when applicable, will be based on data provided by the Bureau of Labor Statistics, Consumer Price Index

EXHIBIT A-1
AMENDED SCOPE OF SERVICES

TAS Consulting LLC

East County Advanced Water Purification Project Amended Consulting Scope of Work for FY23 - 26

The TAS Consulting original Scope of Work included as Attachment 1 to this Exhibit, is modified as follows:

A. Under Task 1 – TECHNICAL PROJECT PACKAGE SUPPORT

1. Replace Task 1.6 with the following:
 - 1.6 Consult with JPA Administrator's Operations, Engineering, Human Resources and Finance Departments and other project consultants to prepare and implement an Operations and Staffing Plan for operation and maintenance of all JPA treatment facilities. The Plan will address staffing over the course of the project during design, construction, startup and commissioning and commercial operations. The Plan will consider hiring timelines, development of Job Descriptions, approval of new job descriptions by the union and the Board, and implementation of the Plan over the course of the Project. Assist with staff training, development of Standard Operating Protocols, tools, equipment, and fleet purchases and installation. Assist staff with drafting service and procurement contracts for O&M of the Plant (i.e. chemicals, solids hauling and disposal, etc.). Provide additional Operations assistance as it relates to staffing, equipment, service contracts and resources for the project as required.
2. Add Task 1.13:
 - 1.13 Provide management and support in developing the Energy Recovery Project (ERP) Request for Proposals, evaluation of ERP Proposals, selecting a qualified Energy Recovery Contractor, execution of Energy Recovery Contract (ERC), administering the ERC through design, construction, permitting, construction, start-up, acceptance testing and preliminary operations and commercial operations. Coordinate ERP with Package 1 design, construction, permitting, testing and start-up as required. Assist with preliminary ERC O&M as required. Establish management protocols, reports, and KPIs to aid JPA in managing O&M of the ERC.

B. Under Task 4 - CONSTRUCTION ADMINISTRATION SUPPORT

1. Replace Task 4.2 in the original scope of services with the following:
 - 4.2 Provide Quality Assurance services and support to the OA in managing DBEs during construction, start-up, testing, and Acceptance Testing. Provide Quality Assurance services in managing ERC during construction, start-up and testing. Coordinate ERC construction with other Packages, OA and JPA.

ATTACHMENT 1

EXHIBIT A

SCOPE OF SERVICES

TAS Consulting

East County Advanced Water Purification Project Consulting Scope of Work

PROJECT:

The East County Advanced Water Purification (ECAWP) Project has completed over 6 years of planning and project development and is now commencing the implementation stage. Project focus is shifting to program management of design, permitting, construction and commissioning of the various Project packages. Package 1 includes design, installation and preliminary operations of 16 mgd Water Recycling Facility, an 11.5 mgd Advanced Water Purification Facility, a solids handling facility, a product water pump station and a new visitor's center by AECOM/WML IV a Joint Venture. Package 2 includes designing and constructing a 10-mile pipeline, dechlorination facility, and an inlet to Lake Jennings by Orion Construction Corp. Package 3 includes rehabilitation of the influent pump station and East Mission Gorge Pump Station, a new 30-inch force main, and a new residuals bypass system by AECOM/WML VI, a Joint Venture. Carollo Engineers has been retained as the Owner's Advisor/Program Manager (OA) and Trussell Technologies has been retained to provide permitting services.

The East County Advanced Water Purification Joint Powers Authority (JPA) requires additional services to implement the Project. Under the following scope of work, TAS Consulting will provide services, in coordination with staff of the JPA's Administrator (Padre Dam MWD) and other JPA consultants and independent contractors, related to program management of the design, permitting, construction, commissioning and transitioning of ECAWP Project into operations and maintenance. In this role TAS Consulting will provide specialized expertise, advice and quality assurance services to the JPA Administrator's staff and other JPA consultants in program management and technical analysis in several project critical areas in the implementation of the Project.

TERM:

Approximately 29 months beginning February, 2021.

SCOPE OF WORK:

Task 1 – TECHNICAL PROJECT PACKAGE SUPPORT

- 1.1 Provide advice to JPA Administrator on oversight and evaluation of Package 1 Design-Build Entity (DBE) efforts. Attend design/build meetings, monthly progress meetings, design progress meetings, pre-construction conference, and/or workshops with the DBE, regulatory agencies, SDG&E, and other project participants. Provide Quality Assurance services by reviewing relevant Project controls reports to verify the DBE is tracking and resolving all issues in a timely manner and make recommendations to staff on the preferred course of action. Elevate issues when required in accordance with the Project partnering charter protocol. Review DBE meeting minutes and provide written comments and modifications to staff as required.
- 1.2 Provide quality assurance services and advice to JPA Administrator on oversight of the Owner's Advisor review of Design/Build Work Submittals, maintenance of the submittal log, risk register, logging and tracking RFIs and contract clarifications. Provide quality assurance services and advice to staff and OA on review of the DBE's Design/Build Work Submittals in time frames established by the design-build contract. Support staff in managing OA distribution of submittals to appropriate reviewers.

- 1.7 Provide advice to JPA Administrator on ensuring DBE contract compliance. Review contract clarifications, provide interpretations, and draft responses to contract clarifications and in negotiating amendments to DBE contract as required.
- 1.8 Provide specialized technical services in oversight of the Advanced Water Treatment components of the Project including coordinating activities of the OA in evaluation of DBE recommendations on equipment selection, operating parameters, chemical usage, energy consumption and estimation of annual operating costs. Prepare independent written evaluations and technical memorandums as required.
- 1.9 Provide Quality Assurance services and coordinate with OA in review of the DBE's Design/Build Work Submittals pertaining to the Package 2 dechlorination facility in time frames established by the DB Contract.
- 1.10 Consult with JPA Administrator's Operations, Engineering and Finance Departments and other project consultants to prepare a Transitional Operations and Staffing Plan for operation of all JPA treatment facilities. The Plan will address staffing during startup and commissioning and commercial operations. The Plan will consider the training and certification requirements of operations staff and evaluate the role of a transitional contract operator to facilitate handover of facilities to the JPA Administrator/Operator. The Plan will provide recommendations on staffing and budget requirements. The Plan will also address O&M standards, training requirements, turnover requirements, etc.
- 1.11 Serve as JPA liaison with SDG&E and the DBE on acquiring new utility service connections to Package 1 Facilities, and provide periodic written updates to the JPA Administrator staff on progress of planning and design of SDG&E facilities. Represent JPA in negotiating required agreements with SDG&E.
- 1.12 Interface Support: Provide specialized technical support and quality assurance of physical, control system, and transient analysis and design interfaces between the packages including review and approval of the DBE prepared SCADA Integration Plan and Interface Coordination Plan.
- 1.13 Identify concepts and evaluate opportunities to coordinate Pond C and Santee Lakes long term maintenance goals with the potential dredging of Pond C and Santee Lakes and using soil as fill material for Package 1 facilities. Coordinate with OA and DBE to develop a budget, cost sharing plan and schedule for implementation. Prepare written Technical Memorandums as required.
- 1.14 Provide Quality Assurance services in monitoring compliance with DBE QA/QC plan and project funding requirements as required.
- 1.15 Provide specialized technical services in coordination with the OA regarding JPA's review and approval of Guaranteed Maximum Price for each of the Packages, proposed change orders and participate in Phase 2 DBE contract amendment.
- 1.16 Provide specialized technical and operational input to the OA and DBE with development review and JPA approval of the Preliminary and Final Startup, Commissioning and Acceptance Testing Plans and work pro-actively with the DBE to develop a comprehensive testing and start-up program and schedule acceptable to the JPA and JPA Administrator. Provide support services to JPA Administrator staff and OA in managing startup and testing in Phase 2 and in coordination between Packages in preparation of and during the Full System Test. Provide Quality Assurance services through monitoring DBE services as necessary for compliance with the contract throughout start-up, commissioning, acceptance testing, and through final completion. Monitor start-up, testing, and commissioning to ensure compliance with the DB Contract. Provide oversight support during equipment start-up, testing, and commissioning. Coordinate and attend meetings with the JPA Administrator to resolve testing and start-up issues.

Coordinate with JPA Administrator and OA in documenting all non-compliance issues and suggestions/clarifications in tabular format, providing tables to the DBE, resolving all non-compliant issues, and elevating in accordance with the Project partnering charter protocol when necessary.

Task 2 - PERMITTING SUPPORT

- 2.1 Provide specialized technical support and advice to JPA Administrator staff on oversight of Trussell Technologies permitting efforts by providing input into the following deliverables:
 - Developing the Title 22 Engineering Report and Monitoring and Reporting Plan
 - Acquiring the Lake Jennings NPDES Permit
 - Renewing the Stoyer NPDES Permit and Waste Discharge Requirements
 - Developing a Project Operations Plan
- 2.2 Attend meetings with DDW and RWQCB as required to support these efforts.
- 2.3 Provide necessary support services to maintain CEQA compliance.
- 2.4 Represent the JPA in facilitating DBEs acquisition of permits, easements, and approvals.
- 2.5 Represent the JPA and support Trussell Technologies in facilitating activities with Helix Water District on obtaining related Surface Water Augmentation Permit and amendment of Helix Domestic Drinking Water Supply Permit. Provide services supporting JPA Administrator staff in the development and approval of an Operating, and Reporting and Monitoring Plan.

Task 3 - OUTSIDE STAKEHOLDER COORDINATION

- 3.1 Provide technical support to JPA Administrator staff in addressing coordination with Helix Water District associated with Package 2, agreements, permitting, commissioning, and operations.
- 3.2 Provide technical support to JPA Administrator staff in addressing coordination with the City of San Diego associated with Package 3 and 4, agreements, permitting, commissioning and operations.
- 3.3 Support JPA Administrator staff and work with NV5, Project Public Outreach Consultant, to provide strategic advice with interfacing with the community and affected residents. Support coordination of public outreach and DBE including public meetings, development of brochures, fact sheets, papers and other public outreach materials.

Task 4 - CONSTRUCTION ADMINISTRATION SUPPORT

- 4.1 Provide specialized technical support to JPA Administrator staff in drafting construction administration strategies, protocols, and procedures. Support drafting scopes of work, negotiating and executing amendments to OAs contract to provide these services.
- 4.2 Provide Quality Assurance services and support to the OA in managing DBE during construction.

Task 5 - PROJECT CONTROLS SUPPORT

- 5.1 Provide Quality Assurance services with invoicing, scheduling, scope clarifications, and report development with a focus on overall program management.

- 5.2 Coordinate with JPA Administrator staff and the OA in collecting, reviewing and conducting Quality Assurance of data used to prepare regularly scheduled Key Performance Indicators (KPIs) and other progress and status reports pertaining to Package 1 critical path items and major milestones.

EXHIBIT B-1
East County Advanced Water Purification Project
TAS Consulting Services, Amendment No. 1

Fee Estimate Fiscal Year 23
East County Advanced Water Purification Project



		Summary Totals		Total				
No.	Task	Labor Hours		Hours	Labor Cost		Total	Assumptions
		JPA	Dam		JPA	Padre Dam		
1	TECHNICAL PROJECT PACKAGE SUPPORT							
1.1	Advise on Package 1 DBE efforts	114		114	\$ 19,950	\$ -	\$ 19,950	
1.2	Review of Package 1 DBE Work Submittals	80		80	\$ 14,000	\$ -	\$ 14,000	Review 10 DBE work submittals 8 hrs/rev
1.3	DBE Contract Compliance				\$ -	\$ -	\$ -	Carolee and Nossaman to provide this effort
1.4	Technical Support on Project	100		100	\$ 17,500	\$ -	\$ 17,500	
1.5	Review of Package 2 DBE Work Submittals	32		32	\$ 5,600	\$ -	\$ 5,600	Review 4 Package 2 DBE work submittals 8 hrs ea
1.6	Transitional Operations Planning		220	220	\$ -	\$ 38,500	\$ 38,500	4 hours/wk for 50 weeks plus 10%
1.7	SDG&E Liason and support	12		12	\$ 2,100	\$ -	\$ 2,100	1 hr per month
1.8	Interface support				\$ -	\$ -	\$ -	Included in Task 1.13
1.10	QA/QC Monitoring and project funding				\$ -	\$ -	\$ -	Included in Task 1.13
1.11	GMP review of each Package, Change Orders, Amendments				\$ -	\$ -	\$ -	Included in Task 1.13
1.12	Start-up, Commissioning and Acceptance Testing				\$ -	\$ -	\$ -	
1.13	Energy Recovery Solicitation/Contract Implementation and Phase 1A Management	900		900	\$ 157,500	\$ -	\$ 157,500	Approximately 50% time spent on Energy Recovery
	Task 1 Totals	1,238	220	1458	\$ 216,650	\$ 38,500	\$ 255,150	
2	PERMIT SUPPORT							
2.1	Technical Support on State Permitting	6		6	\$ 1,050	\$ -	\$ 1,050	
2.2	Attend DDW/RWQCB Meetings	6		6	\$ 1,050	\$ -	\$ 1,050	
2.3	CEQA Compliance Support	6		6	\$ 1,050	\$ -	\$ 1,050	
2.4	Support for permits, easements, approvals	6		6	\$ 1,050	\$ -	\$ 1,050	
2.5	Lake Jennings Surface Water Augmentation/HWD Domestic Water Supply Permit Support	6		6	\$ 1,050	\$ -	\$ 1,050	
	Task 2 Totals	30		30	\$ 5,250	\$ -	\$ 5,250	
3	OUTSIDE STAKEHOLDER COORDINATION							
3.1	Technical Support for Package 2 HWD Coordination on Agreements, Permits, operations	12		12	\$ 2,100	\$ -	\$ 2,100	
	Task 3 Totals	12		12	\$ 2,100	\$ -	\$ 2,100	
4	CONSTRUCTION ADMINISTRATION SUPPORT							
4.1	Draft CA strategies, protocols, scopes of work	10		10	\$ 1,750	\$ -	\$ 1,750	
4.2	Support CA for each Package				\$ -	\$ -	\$ -	
	Task 4 Totals	10		10	\$ 1,750	\$ -	\$ 1,750	
5	PROJECT CONTROLS SUPPORT							
5.1	Invoicing, Scheduling, Scope Clarifications Support	120		120	\$ 21,000	\$ -	\$ 21,000	10 hrs per month
5.2	Package 1 KPI Tracking and Reporting	24	24	48	\$ 4,200	\$ 4,200	\$ 8,400	4 hrs per month
	Task 5 Totals	144	24	168	\$ 25,200	\$ 4,200	\$ 29,400	
	Totals	1,434	244	1,678	\$ 250,950	\$ 42,700	\$ 293,650	

EXHIBIT B-1
East County Advanced Water Purification Project
TAS Consulting Services, Amendment No. 1

Fee Estimate Fiscal Year 24
East County Advanced Water Purification Project



No.	Task	Subcon. Time		Total	Labor Cost		Total	Assumptions
		Labor Hours		Hours	JPA		Padre Dam	
		JPA	Dam		JPA	Padre Dam		
1	TECHNICAL PROJECT PACKAGE SUPPORT							
1.1	Advise on Package 1 DBE efforts				\$ -	\$ -	\$ -	
1.2	Review of Package 1 DBE Work Submittals				\$ -	\$ -	\$ -	
1.3	DBE Contract Compliance				\$ -	\$ -	\$ -	
1.4	Technical Support on Project				\$ -	\$ -	\$ -	
1.5	Review of Package 2 DBE Work Submittals				\$ -	\$ -	\$ -	
1.6	Transitional Operations Planning	414		414	\$ 76,590	\$ -	\$ 76,590	
1.7	SDG&E Liason and support				\$ -	\$ -	\$ -	
1.8	Interface support				\$ -	\$ -	\$ -	
1.10	QA/QC Monitoring and project funding				\$ -	\$ -	\$ -	
1.11	GMP review of each Package, Change Orders, Amendments				\$ -	\$ -	\$ -	
1.12	Start-up, Commissioning and Acceptance Testing				\$ -	\$ -	\$ -	
1.13	Energy Recovery Contract Management	900		900	\$ 166,500	\$ -	\$ 166,500	
	Task 1 Totals	1,314		1314	\$ 243,090	\$ -	\$ 243,090	
2	PERMIT SUPPORT							
2.1	Technical Support on State Permitting				\$ -	\$ -	\$ -	
2.2	Attend DDW/RWQCB Meetings				\$ -	\$ -	\$ -	
2.3	CEQA Compliance Support				\$ -	\$ -	\$ -	
2.4	Support for permits, easements, approvals				\$ -	\$ -	\$ -	
2.5	Lake Jennings Surface Water Augmentation/HWD Domestic Water Supply Permit Support				\$ -	\$ -	\$ -	
	Task 2 Totals				\$ -	\$ -	\$ -	
3	OUTSIDE STAKEHOLDER COORDINATION							
3.1	Technical Support for Package 2 HWD Coordination on Agreements, Permits, operations				\$ -	\$ -	\$ -	
	Task 3 Totals				\$ -	\$ -	\$ -	
4	CONSTRUCTION ADMINISTRATION SUPPORT							
4.1	Draft CA strategies, protocols, scopes of work				\$ -	\$ -	\$ -	
4.2	Support CA for each Package	220		220	\$ 40,700	\$ -	\$ 40,700	
	Task 4 Totals	220		220	\$ 40,700	\$ -	\$ 40,700	
5	PROJECT CONTROLS SUPPORT							
5.1	Invoicing, Scheduling, Scope Clarifications Support	120		120	\$ 22,200	\$ -	\$ 22,200	
5.2	Package 1 KPI Tracking and Reporting	24		24	\$ 4,440	\$ -	\$ 4,440	
	Task 5 Totals	144		144	\$ 26,640	\$ -	\$ 26,640	
	Totals	1,678		1,678	\$ 310,430	\$ -	\$ 310,430	

EXHIBIT B-1
East County Advanced Water Purification Project
TAS Consulting Services, Amendment No. 1

Fee Estimate Fiscal Year 25
East County Advanced Water Purification Project



		Schedul. Tim		Total				
No.	Task	Labor Hours		Hours	Labor Cost		Total	Assumptions
		JPA	Dam		JPA	Padre Dam		
1	TECHNICAL PROJECT PACKAGE SUPPORT							
1.1	Advise on Package 1 DBE efforts				\$ -	\$ -	\$ -	
1.2	Review of Package 1 DBE Work Submittals				\$ -	\$ -	\$ -	
1.3	DBE Contract Compliance				\$ -	\$ -	\$ -	
1.4	Technical Support on Project				\$ -	\$ -	\$ -	
1.5	Review of Package 2 DBE Work Submittals				\$ -	\$ -	\$ -	
1.6	Transitional Operations Planning	414		414	\$ 76,590	\$ -	\$ 76,590	
1.7	SDG&E Liason and support				\$ -	\$ -	\$ -	
1.8	Interface support				\$ -	\$ -	\$ -	
1.10	QA/QC Monitoring and project funding				\$ -	\$ -	\$ -	
1.11	GMP review of each Package, Change Orders, Amendments				\$ -	\$ -	\$ -	
1.12	Start-up, Commissioning and Acceptance Testing				\$ -	\$ -	\$ -	
1.13	Energy Recovery Contract Management	900		900	\$ 166,500	\$ -	\$ 166,500	
	Task 1 Totals	1,314		1314	\$ 243,090	\$ -	\$ 243,090	
2	PERMIT SUPPORT							
2.1	Technical Support on State Permitting				\$ -	\$ -	\$ -	
2.2	Attend DDW/RWQCB Meetings				\$ -	\$ -	\$ -	
2.3	CEQA Compliance Support				\$ -	\$ -	\$ -	
2.4	Support for permits, easements, approvals				\$ -	\$ -	\$ -	
2.5	Lake Jennings Surface Water Augmentation/HWD Domestic Water Supply Permit Support				\$ -	\$ -	\$ -	
	Task 2 Totals				\$ -	\$ -	\$ -	
3	OUTSIDE STAKEHOLDER COORDINATION							
3.1	Technical Support for Package 2 HWD Coordination on Agreements, Permits, operations				\$ -	\$ -	\$ -	
	Task 3 Totals				\$ -	\$ -	\$ -	
4	CONSTRUCTION ADMINISTRATION SUPPORT							
4.1	Draft CA strategies, protocols, scopes of work				\$ -	\$ -	\$ -	
4.2	Support CA for each Package	220		220	\$ 40,700	\$ -	\$ 40,700	
	Task 4 Totals	220		220	\$ 40,700	\$ -	\$ 40,700	
5	PROJECT CONTROLS SUPPORT							
5.1	Invoicing, Scheduling, Scope Clarifications Support	120		120	\$ 22,200	\$ -	\$ 22,200	
5.2	Package 1 KPI Tracking and Reporting	24		24	\$ 4,440	\$ -	\$ 4,440	
	Task 5 Totals	144		144	\$ 26,640	\$ -	\$ 26,640	
	Totals	1,678		1,678	\$ 310,430	\$ -	\$ 310,430	

EXHIBIT B-1
East County Advanced Water Purification Project
TAS Consulting Services, Amendment No. 1

Fee Estimate Fiscal Year 26
East County Advanced Water Purification Project



		Laydon: Fun		Total				
No.	Task	Labor Hours		Hours	Labor Cost		Total	Assumptions
		JPA	Dam		JPA	Padre Dam		
1	TECHNICAL PROJECT PACKAGE SUPPORT:							
1.1	Advise on Package 1 DBE efforts				\$ -	\$ -	\$ -	
1.2	Review of Package 1 DBE Work Submittals				\$ -	\$ -	\$ -	
1.3	DBE Contract Compliance				\$ -	\$ -	\$ -	
1.4	Technical Support on Project				\$ -	\$ -	\$ -	
1.5	Review of Package 2 DBE Work Submittals				\$ -	\$ -	\$ -	
1.6	Transitional Operations Planning	220		220	\$ 41,800	\$ -	\$ 41,800	
1.7	SDG&E Liason and support				\$ -	\$ -	\$ -	
1.8	Interface support				\$ -	\$ -	\$ -	
1.10	QA/QC Monitoring and project funding				\$ -	\$ -	\$ -	
1.11	GMP review of each Package, Change Orders, Amendments				\$ -	\$ -	\$ -	
1.12	Start-up, Commissioning and Acceptance Testing	414		414	\$ 78,660	\$ -	\$ 78,660	
1.13	Energy Recovery Contract Management	900		900	\$ 171,000	\$ -	\$ 171,000	
	Task 1 Totals	1,534		1534	\$ 291,460	\$ -	\$ 291,460	
2	PERMIT SUPPORT							
2.1	Technical Support on State Permitting				\$ -	\$ -	\$ -	
2.2	Attend DDW/RWQCB Meetings				\$ -	\$ -	\$ -	
2.3	CEQA Compliance Support				\$ -	\$ -	\$ -	
2.4	Support for permits, easements, approvals				\$ -	\$ -	\$ -	
2.5	Lake Jennings Surface Water Augmentation/HWD Domestic Water Supply Permit Support				\$ -	\$ -	\$ -	
	Task 2 Totals				\$ -	\$ -	\$ -	
3	OUTSIDE STAKEHOLDER COORDINATION							
3.1	Technical Support for Package 2 HWD Coordination on Agreements, Permits, operations				\$ -	\$ -	\$ -	
	Task 3 Totals				\$ -	\$ -	\$ -	
4	CONSTRUCTION ADMINISTRATION SUPPORT							
4.1	Draft CA strategies, protocols, scopes of work				\$ -	\$ -	\$ -	
4.2	Support CA for each Package				\$ -	\$ -	\$ -	
	Task 4 Totals				\$ -	\$ -	\$ -	
5	PROJECT CONTROLS SUPPORT							
5.1	Invoicing, Scheduling, Scope Clarifications Support	120		120	\$ 22,800	\$ -	\$ 22,800	
5.2	Package 1 KPI Tracking and Reporting	24		24	\$ 4,560	\$ -	\$ 4,560	
	Task 5 Totals	144		144	\$ 27,360	\$ -	\$ 27,360	
	Totals	1,678		1,678	\$ 318,820	\$ -	\$ 318,820	

Ken Weinberg

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PROJECT:

The East County Advanced Water Purification (East County AWP) Project has completed Phase 1 activities for three of the five Design Build Packages (Packages 1-3). Planning and project development is nearing completion on Packages 4 and 5. The focus of the East County AWP will continue to be on project execution and program management. The following scope of work for *Ken Weinberg Water Resources Consulting LLC* continues the firm's role in assisting the East County AWP JPA in transitioning to the final design phase and construction of Packages 1-3 and finalizing the planning and development of Packages 4 and 5. This also includes assisting the JPA in negotiating the terms of conditions of remaining implementation agreements with the City of San Diego on Package 4 and other AWP related items. Ken Weinberg will also assist the JPA in conducting the remaining project procurement and provide strategic advice and assistance in implementing AWP program management best practices and administering Design Build Agreements. In this ongoing role Ken Weinberg will provide strategic advice and technical support to Padre Dam staff as the East County AWP Administrator, JPA member agencies and the consulting team in a number of project critical areas to assist the JPA in the implementation of the East County AWP Project.

TERM:

14 months (May 2022 Through June 2023)

SCOPE OF WORK:

Task 1 ASSIST IN DEVELOPING ECAWP IMPLEMENTATION AGREEMENTS AND OPERATING PLANS

- 1.1. Provide strategic advice and assistance to the JPA in amending and complying with terms and conditions of MWD Local Resources Program (LRP) financial incentives agreement between MWD, SDCWA and the JPA.
- 1.2. Provide strategic advice and facilitation services to JPA in developing and negotiating terms and conditions on Agreements and coordinated operations with the City of San Diego and ECAWP JPA to further implement EC AWP.
- 1.3. Assist JPA in developing detailed operating plans and protocols between ECAWP facilities and Helix Water District and between the JPA members, the JPA and the Metro Wastewater System regarding wastewater treatment services.
- 1.4. Assist JPA in water and wastewater rate analysis and rate projections. Provide as needed assistance in external funding project financing and review of financing and budget documents.

Ken Weinberg

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- 1.5. Provide advice and technical support to JPA in involvement of the JPA Technical Advisory Committee (TAC) in key program decisions and issues

Task 2 BOARD ENGAGEMENT PLAN

- 2.1 Provide support and assistance in preparation of agendas, development of information and materials and participate in the presentation of agenda items to JPA Board meetings

Task 3 PROJECT DELIVERY & PROGRAM MANAGEMENT

- 3.1 Provide strategic advice and technical support to the JPA on implementing Package 4 including negotiating and finalizing Phase 1 B and Phase 2 contract documents with the Design Builder including final scopes of work amendments to the Progressive Design Build Agreements, technical requirements, and appendices
- 3.2 Assist in coordination activities between the JPA and its Owner's Advisor/Construction Oversight team with the various Design Build entities reviewing schedules, cost estimates, cash flows, Phase 2 design and construction issues and other contractual issues identified through exception management
- 3.3 Assist staff and consulting team in reviewing Guaranteed Maximum Price and negotiating terms and conditions for the Package 5 Energy Recovery Project
- 3.4 Provide strategic advice and technical support to the JPA in overall Capital Improvements Program Management including project controls and reporting, exception management, contractual enforcement, staff training and allocation of resources

Task 4 PROJECT MANAGEMENT

- 4.1 Attend Project team and Owner's Advisor meetings, participate in conference calls and meet with JPA Administrator Executive Team and AWP Management Team staff regarding project coordination and implementation
- 4.2 Develop, track, and monitor Project budget information, prepare monthly invoices and back up documentation

Ken Weinberg

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FEE ESTIMATE:

East County AWP Project Cost Estimate				
	PROJECT TASKS	LABOR HOURS	LABOR COST (\$)	NEW CONTRACT
JPA FORMATION & IMPLEMENTATION AGREEMENTS	Task 1			
	Task 1.1	24.0	\$240.00	\$5,760.00
	Task 1.2	100.0	\$240.00	\$24,000.00
	Task 1.3	80.0	\$240.00	\$19,200.00
	Task 1.4	40.0	\$240.00	\$9,600.00
	Task 1.5	40.0	\$240.00	\$9,600.00
	Subtotal	284.0	240.0	\$68,160.00
BOARD ENGAGEMENT PLAN	Task 2			
	Task 2.1	40.0	\$240.00	\$9,600.00
	Subtotal	40.0	240.0	\$9,600.00
PROJECT PERMITTING, PROCUREMENT AND OPERATIONS PLANNING	Task 3			
	Task 3.1	120.0	\$240.00	\$28,800.00
	Task 3.2	80.0	\$240.00	\$19,200.00
	Task 3.3	24.0	\$240.00	\$5,760.00
	Task 3.4	40.0	\$240.00	\$9,600.00
	Subtotal	264.0	\$240.00	\$63,360.00
ECAWP PROJECT MGMT	Task 4			
	Task 4.1	100.0	\$240.00	\$24,000.00
	Task 4.2	12.0	\$240.00	\$2,880.00
	Subtotal	112.0	\$240.00	\$26,880.00
Total Labor & ODC Estimate ECAWP		700.00	\$240.00	\$168,000.00



Nexinite Proposal for Project #215011

Microsoft Teams & SharePoint Services for the East
County Advanced Water Purification JPA

Phase 2: FY 2023 - 2026

April 29, 2022

Prepared by Nexinite LLC

Jeffrey Wright, Managing Partner

jeff@nexinite.com

415-915-2929

The Nexinite logo and tagline are centered on a rectangular background with a purple-to-blue gradient. The logo consists of the word 'NEXINITE' in a bold, white, sans-serif font. The letter 'N' is stylized with a pixelated trail. Below 'NEXINITE' is the tagline 'MAKING MODERN WORK' in a smaller, white, all-caps, sans-serif font.

NEXINITE
MAKING MODERN WORK

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Overview

Project Recap & Future Objectives

Nexinite, LLC ("Nexinite") is pleased to submit its proposal for continued development and support of the East County Advanced Water Purification (ECAWP) Program Microsoft Teams and SharePoint Services Business Decision Platform (BDP) ("Program").

To date, Nexinite's efforts have enabled rapid and cost-effective development of Padre Dam and ECAWP Program business reports, dashboards, and applications. We look forward to continuing our partnership through FY 2023 and beyond as we help improve collaboration, automate real-time reporting, save time, and assist your team in making the best decisions for the ECAWP Program.

Current BDP Environment

Progress in FY 2022 on various key projects has enabled rapid and cost-effective development of Padre Dam and ECAWP Program business reports, dashboards, and applications.

The following key projects have gone through the Requirements & Design and Development & Implementation stages. For FY 2023, these projects are scheduled to move to Support & Enablement Services unless Phase 2 tools development is needed. 480 hours have been allotted to Support & Enablement Services for these projects in FY 2023.

- **Business Data Repository (BDR).** The BDR is built in Microsoft's Dataverse platform and provides a common data repository across the organization. It is tightly integrated with Microsoft's other products including Power BI, Power Apps and SharePoint, which are also used in the solution delivered to the JPA and Padre Dam. The BDR is currently used to deliver 6 reports to the JPA including: Executive Report, Detailed Project Status Report, Decision Log, Invoice Log, Submittal Log and Teams Activity Report. It was also used to develop a proof-of-concept report for the Quarterly Report.

The BDR has been extended to accommodate Padre Dam's additional requirements. Features like Invoice, P.O. and Payment information has been built out to meet Padre Dam's reporting requirements. *This functionality can eventually be used by the JPA since the BDR has been architected and built in a way that both organizations share the same platform.* Enhancements can then be shared by everyone, and the cost of maintenance and support can be significantly reduced.

- **Teams Tenant Site.** Microsoft Teams was selected by the JPA/Padre Dam to provide streamlined communications and program controls. Currently the ECAWP Teams environment hosts 170 ECAWP members across 28 organizations. A program of this magnitude requires a robust tool set for improved collaboration, versioning controls/history, integration with Microsoft Tools such as Office, PowerApps/SharePoint, Power Automate (All ECAWP Workflows) and PowerBI.



- **Submittal & Invoice Application.** A tool built within the Teams environment to address submittals coming from the 4 Package sites was prepared. This tool provides controls for access and visibility for both the JPA and the Design Builders.

The submittal & invoice application is made up of 5 separate apps deployed to the 4 Packages sites and the Owners Advisor Teams site. The Design Builders are able to create a new submission record and attached documents located within their package site to the submittal. When ready, they can submit the data to the Owners Advisor Team.

At the point of submission workflows are triggered to notify the correct Owners Advisor Team members depending on which Package site the submittal was initiated from. This solution allows the Owners Advisor to review submission securely in the site and return content and comments back to the Design Builder Package site where it originated. This submittal tool includes the same features and functionality for invoices that need to be reviewed before approval.

The Invoice and Submittal application are connected to PowerBI reports for PM to review status and movement of information between the Owners Advisor and Design Builder teams. The reports capture the ball in court status and key in on when these items are due by each party. These tools facilitate the process of invoices and submittals to help the JPA maintain define workflows and best practices in addition to full audit data if the need arises.

This application will be further developed as part of the Phase 2 Project Controls Tools referenced in the Upcoming Projects section.

- **Risk Register.** A centralized Risk Register was prepared to support owner's contingency reporting for the program. The Risk Register provides for a centralized Risk log with scoring features. This central Risk Register will facilitate Owner's Contingency Reporting.
- **Action Item List/Decision Log.** A log for both Decisions and Actions items to support items throughout the project was prepared. Creating a central log for both decisions and action has allowed for greater visibility for members of the program. These logs are connected to the PM Reports for the Owner's Advisor team's review.

To date, detailed logs have been developed in SharePoint, introduced to the ECAWP Teams sites, and rolled out on the Owner's Advisor and all package sites. Each package site and Owner's Advisor has specific views setup show decision and action for each package. Required fields ensure complete data is captured in the logs. A workflow has been established to notify members when ownership is assigned.

- **SharePoint Archive.** SharePoint Archive Teams sites were created before the ECAWP Teams Sites were established. Microsoft Teams and SharePoint have a built-in feature



for developing archives where permissions to the archive can be established and defined. Currently the Administrative Team Members have full control of the Archive for when they need to pull information out of those locations.

Due to the number of Teams sites that were established early on, we decided to create central SharePoint Archive and migrated all of the Teams documents to this location. Once the migration was complete, we archived the legacy Teams for future reference. Access to the legacy Teams sites is limited to Administrative Team Members currently.

- **ECAWP Reporting Development.** The purpose of the reports is two-fold. First, they provide status information of the projects to help Project Managers and Executive Management better understand the project performance and anticipate/avoid and potential issues. Second, some reports enhance applications that were developed to help run the project, and these reports ensure timely and accurate information.

Nexinite has delivered 6 reports to the JPA including: Executive Report, Detailed Project Status Report, Decision Log, Invoice Log, Submittal Log and Teams Activity Report. These reports continue to evolve (i.e., the Detailed Project report has evolved from a 7-page report to a 12-page report since launch). The reports aggregate information from Munis, user-generated files (for status info), the P6 project schedule application, and a number of other business applications to present a consolidated and holistic view of project status and performance.

- **Teams Usage Report.** The out-of-the-box reports available in Teams were limited, so reports to track specific metrics for the use and adoption of Teams in the program were prepared. Nexinite has configured a customize report to surface the required usage data and metrics.
- **Quarterly Report.** Nexinite has developed reporting that can deliver the financial visuals that the JPA can use for their quarterly report, thus reducing dependency on the Finance team and automating the entire process.

Upcoming Projects

Nexinite has discussed including following projects in the scope of services for FY 2023 with the JPA team. All of these projects are still in the Requirements & Design phase and therefore the scope may change once the projects are fully defined.

- **CMMS Information & Data Management System.** A Computerized Maintenance Management System (CMMS) is software that centralizes maintenance information and facilitates the processes of maintenance operations. Typical CMMS systems focus on records management with content management for documents (i.e., SOPs, O&M manuals, images, videos, etc.) being lackluster or not present and managed externally. SharePoint provides enterprise-class document management features when coupled with Dataverse and PowerBI.



Nexinite anticipates working with the JPA to develop requirements around configuring detailed reports and applications that interface with CMMS Records and Documents to create a relational data module that integrates systems across the environment.

Anticipated FY 2023 Project Resources and Hours

Resource	Estimated Hours
1. Requirements & Design	
Project Solution Architect	40
Project Solution Specialist	40
2. Development & Implementation	
Project Solution Architect	0
Project Solution Specialist	0
4. Project Management Support	
Project Manager	40

- **Risk Register Owner's Contingency Reporting.** Once created, this reporting will automate the contingency status and data by tracking the risk information during the entire life cycle and identifying when a risk triggers a contingency without manual user intervention. Additionally, the reporting will provide a way to project different outcomes and scenarios based on potential events and give the users a tool to proactively manage the contingency and understand potential budget impacts.

The reporting will leverage the BDR to store, track and use the data required to drive the reports. The configuration will involve integrating new data within the BDR and expanding the BDR data model, leveraging and expanding the existing BDR features.

Anticipated FY 2023 Project Resources and Hours

Resource	Estimated Hours
1. Requirements & Design	
Project Solution Architect	40
Project Solution Specialist	20
2. Development & Implementation	
Project Solution Architect	40
Project Solution Specialist	40
4. Project Management Support	
Project Manager	40



- **Package 5 Development.** Package 5 (P5) is a project team for ECAWP. Package 5 Development tasks will include creating a Microsoft Teams site, configuring permissions, setting up channels, building P5 submittal application, updating reports, and connecting other tools and apps.

Anticipated FY 2023 Project Resources and Hours

Resource	Estimated Hours
1. Requirements & Design	
Project Solution Architect	16
Project Solution Specialist	8
2. Development & Implementation	
Project Solution Architect	40
Project Solution Specialist	80
4. Project Management Support	
Project Manager	60

- **Submittal & Invoice Application.** The Submittal & Invoice Application that has already been rolled out will be redeveloped in FY 2023 due to the addition of package 5. It will also be redeveloped for Phase 2 Project Controls Tools.

Anticipated FY 2023 Project Resources and Hours

Resource	Estimated Hours
3. Requirements & Design	
Project Solution Architect	60
Project Solution Specialist	16
4. Development & Implementation	
Project Solution Architect	40
Project Solution Specialist	160
5. Project Management Support	
Project Manager	60



- **Phase 2 Project Controls Tools.** Nexinite and the JPA have discussed redesigning the following tools to support the JPA's needs in Phase 2 of the program:
 - Shop Drawing Submittal Log
 - Request for Clarification
 - Add Teams Channels
 - OA Daily Reports Tool

Anticipated FY 2023 Project Resources and Hours

Resource	Estimated Hours
1. Requirements & Design	
Project Solution Architect	40
Project Solution Specialist	20
2. Development & Implementation	
Project Solution Architect	100
Project Solution Specialist	120
4. Project Management Support	
Project Manager	40

Ongoing Development Support

An as-needed bucket to support requests for specific enhancements and updates to any of the packages has been reserved for FY 2023 - 2026. Please refer to pages 10 - 11 for a detailed breakout of this bucket by fiscal year.



Scope of Work (SOW) Tasks for FY 2023 - FY 2026

Nexinite's support for FY 2023 covers the task areas outlined below. During each stage of the project, Nexinite will perform all activities in accordance with industry best system development lifecycle (SDLC) practices.

Task 1 - Requirements & Design. Coordinate and communicate with Project Stakeholders to formally document project goals, ensure that the final design meets the requirements, and aid in solution development. Nexinite's Project Manager (PM) will designate an applicable Architect as the Project Lead to manage the day-to-day activities for each approved Project.

Task 2 - Development & Implementation. Develop, test, and deploy the approved solution and provide any required user and support services training, guides, and documentation. Upon Project Task Order approval, Nexinite's PM will schedule applicable resource(s) to develop the Project and provide the JPA's and Owner's Advisor's PM and Stakeholder(s) an estimated development start date.

Nexinite's PM will designate an applicable Architect as the Project Lead to manage the day-to-day activities for each approved Project. This may or may not be the same resource who functioned as the Project Lead during the requirements and design phase. This assignment will be based on the most efficient and effective use of resources for each Project.

Task 3 - Support & Enablement Services. Includes support and enablement for the existing BDP Environment and new features implemented in Task 2. The Solution Architect's focus is to enable these services across the project to ensure that all new offerings are being fully utilized. Nexinite's Project Manager will lead the support services to ensure all support requests are addressed and resolved in a timely manner. Requests can be sent via chat or email to the Nexinite Account Team. Your Nexinite Project Manager, Estefania Lopez, should be copied on all requests.

Task 4 - Project Management. Dedicated Project Management support to effectively manage the program and individual projects. They support projects across the entire lifecycle and therefore will provide support throughout the Requirements & Design, Development & Implementation, and Support & Enablement stages.

Your Nexinite Project Manager will coordinate and communicate with the JPA team and liaise internally with the Nexinite team to ensure the allocation of timely support for all requests. Support will include regular Program Progress Meetings, Project Planning Meetings, and ongoing reporting.

Task 5 - As-Needed Development. Based on Nexinite's experience with similar clients, as the program grows and matures, we anticipate additional development needs to existing projects and/or new projects. This will create agility within the program.



FY 2023-2026 JPA Projected Investment

FY 2023

FISCAL YEAR 2023 1-Jul 2022 – 1-Jul 2023						
Project Manager \$144 Project Solution Architect \$206 Project Solution Specialist \$155 Client Account Manager \$129						
Task	JPA	JPA	JPA	JPA	Total Hours	Total Cost
1. Requirements & Design	0	196	104	0	300	
2. Development & Implementation	0	220	400	0	620	
3. Support & Enablement Services	0	96	384	0	480	
4. Project Management Support	240	0	0	0	240	
5. As-Needed Development	40	32	136	0	208	
Subtotal Hours	280	544	1024	0	1848	
Subtotal Cost	\$40,320	\$112,064	\$158,720	\$0	N/A	\$311,104

FY 2024

FISCAL YEAR 2024 1-Jul 2023 – 1-Jul 2024						
Project Manager \$148 Project Solution Architect \$212 Project Solution Specialist \$160 Client Account Manager \$133						
Task	JPA	JPA	JPA	JPA	Total Hours	Total Cost
1. Requirements & Design	0	0	0	0	0	
2. Development & Implementation	0	0	0	0	0	
3. Support & Enablement Services	0	80	315	0	395	
4. Project Management Support	219	0	0	0	219	
5. As-Needed Development	0	365	525	0	890	
Subtotal Hours	219	445	840	0	1504	
Subtotal Cost	\$32,412	\$94,340	\$134,400	\$0	N/A	\$261,152



NEXINITE PROPOSAL FOR PROJECT #215011
Microsoft Teams & SharePoint Services for the ECAWP JPA - Phase 2: FY 2023-2026

FY 2025

FISCAL YEAR 2025 1-Jul 2024 – 1-Jul 2025		Project Manager \$152	Project Solution Architect \$218	Project Solution Specialist \$165	Client Account Manager \$137		
Task	JPA	JPA	JPA	JPA	Total Hours	Total Cost	
1. Requirements & Design	0	0	0	0	0		
2. Development & Implementation	0	0	0	0	0		
3. Support & Enablement Services	0	65	265	0	330		
4. Project Management Support	185	0	0	0	185		
5. As-Needed Development	0	310	446	0	756		
Subtotal Hours	185	375	711	0	1271		
Subtotal Cost	\$28,120	\$81,750	\$117,315	\$0	N/A		\$227,185

FY 2026

FISCAL YEAR 2026 1-Jul 2025 – 1-Jul 2026		Project Manager \$157	Project Solution Architect \$225	Project Solution Specialist \$170	Client Account Manager \$141		
Task	JPA	JPA	JPA	JPA	Total Hours	Total Cost	
1. Requirements & Design	0	0	0	0	0		
2. Development & Implementation	0	0	0	0	0		
3. Support & Enablement Services	0	40	265	0	305		
4. Project Management Support	145	0	0	0	145		
5. As-Needed Development	0	250	415	0	665		
Subtotal Hours	145	290	680	0	1115		
Subtotal Cost	\$22,765	\$65,250	\$115,600	\$0	N/A		\$203,615

*Note: Other resources may be assigned to the project on an as-needed basis.

Assumptions

- Labor cost escalation is estimated at 3% per year
- ECAWP will appoint a primary contact to liaise with Nexinite who has the authority to sign off on each phase of the project. This primary contact will manage the logistics of any internal stakeholder approvals
- Any new requests outside of the projects outlined in this proposal must be approved by the Change Control Board and may result in an additional SOW
- All proposed meetings will take place remotely. If onsite visits by Nexinite are required, each such visit will be subject to travel expense reimbursement. All expenses will be subject to ECAWP's advance approval and will be billed back at cost



NEXINITE PROPOSAL FOR PROJECT #215011

Microsoft Teams & SharePoint Services for the ECAWP JPA – Phase 2: FY 2023-2026

- If ECAWP and Nexinite mutually agree that a scope adjustment is needed due to changes of requirements or desired outcomes, Nexinite will provide an adjusted quote. Upon receiving this quote, ECAWP will have the opportunity to sign off on the adjusted quote or to revert to the original scope of work.
- Payment terms are net 30 days
- Contracts can be cancelled with a minimum 30-day notice or upon successful completion of the project
- The resulting agreement will be governed by the Terms and Conditions of the applicable Microsoft Service Agreement & Terms and end-user license agreement (EULA) for your product(s)
- ECAWP will grant Nexinite reasonable access to their IT environment for the sole purpose of performing the services specified



About us

Nexinite LLC, a Microsoft Partner, specializes in using Microsoft tools to provide innovative business solutions. We deliver customized, scalable infrastructure, providing collaborative, insightful workflows. Our approach is to work with existing systems using Microsoft tools deployed at your organization. Our goal is to improve your productivity in the most efficient and smartest way possible.



NEXINITE
MAKING MODERN WORK



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May 13, 2022

Karen Jassoy
Chief Financial Officer
Padre Dam Municipal Water District
9300 Fanita Parkway
Santee, CA 92071

**Re: East County Advanced Water Purification Program (ECAWP)
Financial Advisory Scope of Service and Cost Estimate – Phase 2**

Dear Karen,

In response to your request, we are pleased to provide this scope of service and fee estimate for continued financial advisory services in support of the East County Advanced Water Purification Program (the “**Project**”). Our proposed scope of service and fee estimate is provided in Attachment A hereto.

Thank you for the opportunity to outline the scope of service and estimated cost for Clean Energy Capital’s continued engagement. Please don’t hesitate to contact me with any comments or questions.

Best regards,

A handwritten signature in black ink, appearing to read 'D. Moore'.

David M. Moore
Managing Director

Exhibit A
Scope of Service and Fee Estimate

A. Scope of Work

Clean Energy Capital shall complete the following tasks, which may be performed concurrently:

1. Support the Energy Recovery program, including proforma financial modeling, RFP and contract development, and support in implementation;
2. Revise and maintain the ECAWP JPA proforma financial model, including scenario analysis, client review and revisions;
3. Support development of billing methodology, including development of billing templates;
4. Support maintenance of the JPA's credit ratings; and
5. Perform such other tasks as are reasonably requested.

We note that our scope of work generally assumes that financing for the Project will be provided by grant monies, California's State Revolving Fund (SRF) loan program, and the U.S. Environmental Protection Agency's Water Infrastructure Financing and Innovation Act (WIFIA) loan program. To the extent that the Project's plan of finance includes the issuance of municipal revenue bonds or other comparable debt instruments in addition to SRF and WIFIA funding, we will propose a scope of work and compensation for the supporting financial advisory services.

B. Project Schedule

Clean Energy Capital shall employ best efforts to complete the tasks by approximately December 31, 2023.

C. Project Fees

Clean Energy Capital shall endeavour to complete the tasks described in this scope of work, payable based on actual hours/expenses incurred, but at a not-to-exceed amount of \$277,090, as shown in the Fee Table below.

Fee Table

Task No.	Task Description	Project Lead	Vice President	Associate	Combined
1	Energy Recovery				
	Total Estimated Hours	120	100	40	260
	Billing	\$51,000.00	\$27,000.00	\$9,200.00	\$87,200.00
2	Proforma Modeling				
	Total Estimated Hours	80	160	20	260
	Billing	\$34,000.00	\$43,200.00	\$4,600.00	\$81,800.00
3	Billing Methodology				
	Total Estimated Hours	40	60	40	140
	Billing	\$17,000.00	\$16,200.00	\$9,200.00	\$42,400.00
4	Rating Maintenance				
	Total Estimated Hours	20	20	20	60
	Billing	\$8,500.00	\$5,400.00	\$4,600.00	\$18,500.00
5	Project Management				
	Total Estimated Hours	40	10	10	60
	Billing	\$17,000.00	\$2,700.00	\$2,300.00	\$22,000.00
	Total				\$251,900.00
	Contingency Added for Not-to-Exceed Amount				
	Percentage				10%
	Amount				\$25,190.00
Not-to-Exceed Amount					<u>\$277,090.00</u>

The above Fee Table provides an estimate of the level of effort required to complete each task and Clean Energy Capital may shift hours among tasks and personnel as circumstances change during the engagement. If hours incurred are less than anticipated, then the savings shall be passed on to Valley Water.

Any additional work beyond the tasks listed in the Fee Table are optional services that will only be performed at the client's request. Optional services will be billed on a time and material basis.

The hourly rates for the services provided are as follows. These rates reflect an approximately 10% cost of living adjustment from the rates set forth in our Professional Services Agreement from January 2019.

<i>Consultant</i>	<i>Rate</i>
Managing Director / Project Lead (David Moore)	\$425/Hour
Director / Vice President (Will Lockwood, Saravleen Singh)	\$315/Hour
Associate (Amanda Hanson, Jordan Decker)	\$270/Hour
Analyst	\$230/Hour



BOARD AGENDA REPORT

Meeting Date: 05-19-2022

Submitted by: Karen Jassoy, CFO/Director of Finance Padre Dam

Subject: East County Advanced Water Purification FY '23 Budget and FY '23-'26 Capital Improvement Budget

Recommendation(s):

Adopt the FY '23 Proposed Operating Budget, which covers the term July 1, 2022 through June 30, 2023 (FY '23), and the FY '23-'26 Capital Improvement Budget.

Alternative(s):

Do not approve the Budget

Attachment(s):

1. FY '23 Proposed Operating and CIP Budget Packet
2. FY '22 Approved Budget compared to the FY '22 Forecast
3. Total Forecasted Capital, Soft and Administration Project Costs – Inception (FY '16) through June 30, 2026
4. JPA Board Memo updating Project cost assumptions

Funding:

Requested amount: \$2,048,370 for FY '23 Operating Budget and \$855,371,911 for FY '23-'26 CIP Budget (of which \$81,140,252 has been spent)

Funding source: Wastewater Services Agreement, grants and incentives.

Project cost to date: Forecast through 6/30/22: \$88,349,192 (\$7,208,940 Operational Costs and \$81,140,252 CIP Costs from FY '16-'22)

Project Goals: The East County Advanced Water Purification Program is a regional water and wastewater solution. This Program is a collaborative partnership between Padre Dam Municipal Water District, County of San Diego, the City of El Cajon and Helix Water District. It will create a new, local, sustainable and drought proof drinking water supply using state-of-the-art technology to purify recycled water and diversify East County's water supply while reducing our dependence on imported water. This Program will provide up to 30 percent of East County's drinking water demands while reducing wastewater discharge into the ocean.

Reviewed by:			Action Required:		
Padre Dam GM	<input checked="" type="checkbox"/>	Legal Counsel	<input type="checkbox"/>	Motion	<input checked="" type="checkbox"/>
Finance	<input checked="" type="checkbox"/>	Standard Form	<input type="checkbox"/>	Resolution	<input type="checkbox"/>
				Ordinance	<input type="checkbox"/>
				None	<input type="checkbox"/>

Executive Summary:

The East County Advanced Water Purification (AWP) Joint Powers Authority (JPA) Agreement (Agreement) was executed on November 1, 2019. Article 7.2.2 of that Agreement provides that “annually, prior to July 1 of each year, the Board shall adopt a budget for all expenditures to be made by the Authority during the ensuing Fiscal Year (FY). Each annual budget shall be adopted and shall be effective on the affirmative vote of a majority of the Directors.” This agenda presents the FY '23 Operating Budget and the FY '23-'26 CIP Budget developed by the Administrator's Staff (Staff), with input from the design-builders, in the form of their Guaranteed Maximum Price (GMP)/Lump Sum (LS) pricing, and various consultants.

Annual Budgets

Since the formation of the JPA, the East County AWP Project (Project) expenditures have been broken out into three categories: JPA Administration, Project Administration and Project Implementation. Page 5 of the FY '23 Budget Document, provided as Attachment 1, outlines the type of expenditures that are charged to each category. Beginning this year, expenditures previously identified as Project Implementation will now make up the CIP budget.

Staff has also presented Project costs in a series of annual budgets that attempt to identify expenditures each year. The reason for this was twofold: first, to gain approval for the maximum amount the Partners felt comfortable committing to in any one year; and secondly, to breakdown the commitments into smaller amounts since off-ramps are available up until the receipt of the GMP. Now that the JPA has negotiated LS, Phase 2 contract amendments for Packages 1 – 3, Staff is seeking Board approval for the FY '23 Operating Budget and the FY '23-'26 CIP Budget. The decision to issue the Notice to Proceed (NTP) for Phase 2 activities represents the final investment decision for the Board to move forward into final design and construction.

FY '22 Budget v Forecast

Table 1 is a summary of the approved FY '22 Budget compared to the forecasted spending through June 30, 2022. The FY '22 Budget included operational costs as well as a portion of the forecasted CIP budget. The detailed report is included as Attachment 2.

TABLE 1 FY '22 BUDGET VS ACTUAL/FORECAST SUMMARY			
	Approved Budget	Actual / Forecast	Amount Over (Under) Budget
Administrator/Operator	\$ 3,513,663	\$ 2,568,471	\$ (945,192)
Design Builders	46,052,839	34,209,857	(11,842,982)
Professional Services	22,335,634	13,666,888	(8,668,746)
Building	11,000	4,512	(6,488)
Utilities	2,700	22,102	19,402
Materials and Supplies	76,000	9,481	(66,519)
Administrative Expenses	2,910,150	345,962	(2,564,188)
	<u>\$ 74,901,986</u>	<u>\$ 50,827,273</u>	<u>\$ (24,074,713)</u>

As mentioned previously, Project costs have been broken down into annual budgets to limit Partner's financial commitments until GMP. As with any large construction project, timing differences can cause both positive and negative variances to budget from year-to-year while the full CIP budget is still met. Based on the FY '22 forecast, the JPA will be \$24.1M under the approved FY '22 budget. The largest variances are due to timing of expenditures for the Design Build firms (\$11.8M), Owner's Contingency (\$7.0M) and Right of Way/Easements (\$2M) in the Administration Cost category. On the detailed budget, Other Professional Services looks to be under budget but that is because various services are now broken out (e.g. Consulting, Engineering, and Technology). Timing differences are captured in the FY '23 Operating or FY '23-'26 CIP Budgets. Administrator/Operator costs are also under budget (\$945K) due to a one year delay in hiring certain positions (e.g. Data System's Supervisor, Data Management Analyst, Accountant and other Operational Support).

FY '23 Operating Budget

A summary of the proposed FY '23 Operating Budget is presented in Table 2; the full budget packet is provided as Attachment 1.

TABLE 2 FY '23 PROPOSED OPERATING BUDGET SUMMARY			
	JPA Admin	Project Admin	Total
Administrator/Operator	\$ 94,886	\$ 1,121,484	\$ 1,216,370
Professional Services	100,000	580,000	680,000
Materials and Supplies	2,000	-	2,000
Administrative Expenses	150,000	-	150,000
	<u>\$ 346,886</u>	<u>\$ 1,701,484</u>	<u>\$ 2,048,370</u>

The Proposed Operating Budget is smaller than the approved FY '22 Budget. There are two reasons for this. First, CIP related costs are now shown separately in the proposed FY '23-'26 CIP Budget. Secondly, the AWP Visitor's Center has been removed from the site, so costs to run and maintain that facility are no longer needed.

The main cost in the proposed Operating Budget are for the Administration of the JPA and the Project. The main professional service costs are for the JPA's Legal Counsel (Best, Best and Krieger) and Clean Energy Capital (CEC) for as-needed financial services.

FY '23-'26 Capital Improvement Program (CIP) Budget

A summary of the proposed CIP budget for FY '23–FY '26 is shown in Table 3. More detail for the CIP budget is included in the Budget Packet (Attachment 1).

TABLE 3
FY '23-' 26 PROPOSED CIP BUDGET
SUMMARY

	Actual Forecast FY '16 - '22	Budget FY '23-'26	Total
Administrator/Operator	\$ 5,639,090	\$ 23,483,514	\$ 29,122,604
Design Builders	43,198,944	600,649,387	643,848,331
Professional Services	31,848,662	56,408,927	88,257,589
Owner's Contingency	-	60,400,000	60,400,000
Operational Costs	42,169	24,284,831	24,327,000
Permits and Fees	381,396	3,855,000	4,236,396
Vehicles and Equipment	-	5,150,000	5,150,000
	<u>\$ 81,110,261</u>	<u>\$ 774,231,659</u>	<u>\$ 855,341,920</u>

The following outlines the various contracts that will support the Project. A detailed discussion of the main professional services contracts is presented in a separate agenda report for Board approval. A detailed discussion of the Phase 2 amendments for Packages 1–3 is likewise presented in a separate agenda report for Board Approval.

Carollo Engineers - Owners' Advisor / Program Manager

- Project Management and Administrative support;
- Engineering and Technical Assistance;
- Design-Builder Oversight;
- Loan/Grant Reporting, Disbursement and Application support;
- Phase 2 Guaranteed Maximum Price (GMP) Amendment support;
- Construction Oversight Services for Phase 2.

Nossaman LLP - Specialty Legal Counsel

- Contract and change management negotiations for Packages 4 and 5;
- Contract administration for all five project packages;
- Environmental (CEQA) support for Package 4;
- Legal assistance with procurement of an Energy Recovery (Package 5) Contractor;
- Continue to assist the JPA General Counsel with third party / intergovernmental agreements;
- Assistance with contract close-out (including project acceptance, start-up and commissioning).

Trussell Technologies - Permitting Support and Consulting Services

- State Water Board Permitting;
- Workshops and Meetings (i.e. Division of Drinking Water, Regional Board, etc.);
- Design and Submittal Review Support;
- Startup and Operations Support;
- As-Needed Technical Services and regulatory compliance guidance.

NV5 - Communications and Outreach

- JPA Communications Support;
- Planning, Materials, Website, Newsletter, Annual Report;
- Media Relations & Social Media;
- Tours, Speakers Bureau, Briefings, Government Outreach;
- Special Events;
- Construction Outreach;
- Project Management, Team Meetings, Trainings, Monthly Reports.

Nexinite - Data Management / Information Systems

- Development of production reports and dashboards to enhance the efficiency and ability for the Administrator to manage, integrate and share financial, project, and executive oversight data;
- Assistance promoting stakeholder integration;
- Business Data Repository Maintenance;
- MS Teams / SharePoint Platform / Business Data Repository Maintenance.

Tanner Pacific Inc. Consulting

- Program management of the final design, permitting, construction, commissioning;
- Assistance in transitioning the Project into operations and maintenance;
- Specialized expertise, advice, and quality assurance services;
- Technical analysis in several project critical areas.

TAS Consulting

- Technical/operational input and development support of the final Startup, Commissioning, and Acceptance Testing Plans;
- Startup and testing coordination and support;
- Preparation of a transitional operations and staffing plan for operation and maintenance of all JPA treatment facilities over the course of the project during construction, startup and commissioning, and commercial operations;
- Quality assurance services in review of design submittals and plans during construction, start-up, and commissioning;
- Management and support of the Energy Recovery Project (Package 5).

Ken Weinberg Water Resources Consulting, LLC

- Assistance in the transition to the final design and construction of Packages 1, 2, & 3;
- Assistance in finalizing the planning and development of Packages 4 and 5;
- Assistance negotiating the terms of conditions of remaining implementation agreements with the City of San Diego on Package 4 and other AWP related items;
- Assistance in remaining project procurement;
- Provide strategic advice, technical support, and assistance to the JPA.

Project Expenditures – Inception-to-Date

The following table shows the actual expenditures from FY 2016 through March 31, 2021 plus forecasted expenditures through June 30, 2022.

TABLE 4 FY '22 BUDGET VS ACTUAL/FORECAST SUMMARY				
	JPA Admin	Project Admin	CIP	Total
Administrator/Operator	\$ 391,025	\$ 2,497,382	\$ 5,639,090	\$ 8,527,497
Design Builders	-	-	43,198,944	43,198,944
Professional Services	383,315	3,645,996	31,888,124	35,917,436
Building	-	29,781	-	29,781
Utilities	-	7,671	20,586	28,257
Materials and Supplies	2,315	196,775	2,231	201,321
Administrative Expenses	29,489	25,191	391,277	445,956
	<u>\$ 806,144</u>	<u>\$ 6,402,796</u>	<u>\$ 81,140,252</u>	<u>\$ 88,349,192</u>

Table 5 shows the cumulative amount spent through April 30, 2022 broken out by Project partner.

"Invested" is cash received from partners or grants. "Committed" is the remaining amount spent to date. This is the amount that each project partner would have to pay if the Project off-ramp is taken (plus any unpaid but incurred costs). The first \$9.4M was split evenly between the 4 project partners. After that, the next \$10M was split 1/3 each to the three JPA members. After that, all costs are split based on the partner's relative flow (i.e. El Cajon - 46.9%, Sanitation District - 28.9% and Padre Dam - 24.2%). Once Phase 2 amendments are approved, excess amounts paid by Padre will be proportionally allocated to the JPA Partners. Ultimately Project costs will be recovered through rates.

TABLE 5 INVESTED / COMMITTED FY '16 - APRIL 30, 2022						
	El Cajon	Padre Dam*	Helix	Helix	Grants	TOTAL
Invested	\$ 975,000	\$ 5,156,984	\$ 1,008,000	\$ 827,943	\$ 3,514,823	\$ 11,482,750
Committed	20,964,616	13,568,345	15,099,731	2,350,000	-	51,982,691
	<u>\$ 21,939,615</u>	<u>\$ 18,725,329</u>	<u>\$ 16,107,731</u>	<u>\$ 3,177,943</u>	<u>\$ 3,514,823</u>	<u>\$ 63,465,441</u>

*Excess amounts paid by Padre will be proportionately allocated to JPA Partners after GMP.

Forecasted Capital and Soft Costs

Table 6 presents a summary of the total forecasted Capital and Soft Costs from FY '16-'26. Attachment 3 shows this in more detail. Costs for FY '16-'21 are actual. Costs for FY '22 are actual through March 31, 2022 plus a forecast through June 30, 2022. The Budget/Forecast includes 2 different sets of data. JPA Administration and Project Administration includes the proposed FY '23 Operating Budget as well as forecasted operating expenditures through FY '26. CIP includes the proposed FY '23-'26 CIP Budget.

TABLE 6 TOTAL FORECASTED CONSTRUCTION + SOFT COSTS SUMMARY				
	JPA Admin	Project Admin	CIP	Total
Administrator/Operator	\$ 784,486	\$ 8,585,155	\$ 29,122,604	\$ 38,492,245
Design Builders	-	-	643,848,331	643,848,331
Professional Services	683,315	5,875,996	148,697,051	155,256,363
Building	-	29,781	-	29,781
Utilities	-	7,671	14,552,912	14,560,582
Materials and Supplies	10,315	196,775	14,884,736	15,091,826
Administrative Expenses	1,779,489	25,191	4,266,277	6,070,956
	<u>\$ 3,257,605</u>	<u>\$ 14,720,569</u>	<u>\$ 855,371,911</u>	<u>\$ 873,350,085</u>

Pro Forma Model and Budget Assumptions

The Pro-Forma Model is an internal tool developed for the JPA by Clean Energy Capital to estimate the price of wastewater services to be charged by the JPA. The price is dependent on a number of assumptions including capital cost, soft costs, O&M, Reserves, Plan of Finance, Renewal & Replacement, Debt Service Coverage Requirements, Offsetting Revenues, Contingencies, and Acquisition and Easement Costs. Attachment 4 provides context and detail for assumptions used in the most recent draft of the model (V6.0 – Draft) as well as in the development of the Operating and CIP Budgets. Table 7 summarizes the forecasted “all-in” project costs; this includes the budgeted construction, soft and administration amounts shown in Table 6 as well as other Project related costs and reserves.

TABLE 7 FORECASTED ALL-IN PROJECT COSTS
--

Construction, Soft and Admin Costs

Lump Sum Contracts*	\$ 643,848,331
Soft Costs	151,123,580
JPA and Project Admin	17,978,174
Owner's Contingency	<u>60,400,000</u>
Total Construction, Soft & Admin	\$ 873,350,085
Acquisition Costs	4,760,000
Interest During Construction	31,430,685
Financing Costs & Reserves	24,880,474
Working Capital Reserve	<u>16,580,391</u>
	<u>\$ 951,001,635</u>

* Lump Sum contracts for Package 1-3 and an estimate for Package 4

Recommendation(s):

Adopt the FY '23 Proposed Operating Budget, which covers the term July 1, 2022 through June 30, 2023 (FY'23), and the FY '23–'26 Capital Improvement Budget.



**East County
Advanced Water
Purification**
Joint Powers Authority



Fiscal Year 2023 Budget

July 1, 2022 - June 30, 2023

OVERVIEW

The East County Advanced Water Purification (AWP) Joint Powers Authority (JPA) was established for the purpose of constructing, operating and administering a reclamation facility that will treat wastewater and produce advanced purified water (collectively known as the “Project”). The members of the JPA include the City of El Cajon (El Cajon), Padre Dam Municipal Water District (Padre Dam) and the San Diego County Sanitation District (County). A member of Helix Water District’s (Helix) Board serves as an ex-officio member of the JPA. El Cajon, Padre Dam, the County and Helix together comprise the JPA Project Partners.

The JPA Agreement provides that “annually, prior to July 1 of each year, the Board shall adopt a budget for all expenditures to be made by the Authority during the ensuing Fiscal Year. Each annual budget shall be adopted and shall be effective on the affirmative vote of a majority of the Directors.” (Article 7.2.2)

The JPA Agreement also provided that Padre Dam would serve as the Authority’s Interim Administrator (IA) until the Board appoints a long-term Administrator (Article 4.6.2). In November 2021, Padre Dam was appointed by the JPA Board to serve as the Administrator/Operator. As Administrator, Padre Dam performs all services reasonably necessary for the management and administration of the JPA including, but not limited to, continuing the financing, planning, design, permitting and procurement activities necessary to construct and operate the Project. Padre Dam will be reimbursed for all costs incurred in performance of their duties as the Administrator. The JPA’s Budget incorporates all such expenditures.

In prior budgets, expenditures have been broken out into three categories: JPA Administration, Project Administration and Project Implementation. Page 3 outlines the type of expenditures that are charged to each category. Beginning this year, expenditures previously identified as Project Implementation costs will now make up the separate CIP budget.

Table 1 is a summary of the proposed FY ’23 Operating Budget; this budget is smaller than prior years because it only includes costs to administer the JPA and Project. The main cost in this budget are for the Administrator/Operator services. The main professional services costs include the JPA’s Legal Counsel (Best, Best and Krieger) and Clean Energy Capital (CEC) for as-needed financial services. The full FY ’23 Operating Budget along with actual expenditures through FY ’22 is shown on page 3.

Table 2 is a summary of the proposed FY ’23-’26 CIP Budget. The total CIP budget includes cost spent to date as well as forecasted costs through June 30, 2027.

TABLE 1
FY '23 PROPOSED OPERATING BUDGET
SUMMARY

	JPA Admin	Project Admin	Total
Administrator/Operator	\$ 94,886	\$ 1,121,484	\$ 1,216,370
Professional Services	100,000	580,000	680,000
Materials and Supplies	2,000	-	2,000
Administrative Expenses	150,000	-	150,000
	<u>\$ 346,886</u>	<u>\$ 1,701,484</u>	<u>\$ 2,048,370</u>

TABLE 2
PROPOSED CIP BUDGET
SUMMARY

	Actual /Forecast FY '16 - '22	Budget FY '23-'26	Total
Administrator/Operator	\$ 5,639,090	\$ 23,483,514	\$ 29,122,604
Design Builders	43,198,944	600,649,387	643,848,331
Professional Services	31,888,124	56,408,927	88,297,051
Owner's Contingency	-	60,400,000	60,400,000
Operational Costs	42,169	24,284,831	24,327,000
Permits and Fees	371,925	3,855,000	4,226,925
Vehicles and Equipment	-	5,150,000	5,150,000
	<u>\$ 81,140,252</u>	<u>\$ 774,231,659</u>	<u>\$ 855,371,911</u>

EAST COUNTY ADVANCED WATER PURIFICATION PROGRAM
FY '23 PROPOSED OPERATING BUDGET (With Prior Years' Actual/Forecast)

	ACTUAL FY '16-'21			ACTUAL / FORECAST FY '22			PROPOSED BUDGET FY '23		
	JPA Admin	Project Admin	Total	JPA Admin	Project Admin	Total	JPA Admin	Project Admin	Total
SUMMARY									
Administrator/Operator	\$ 286,889	\$ 1,776,120	\$ 2,063,010	\$ 104,136	\$ 721,261	\$ 825,398	\$ 94,886	\$ 1,121,484	\$ 1,216,370
Professional Services	364,911	2,571,959	2,936,869	18,404	1,074,038	1,092,442	100,000	580,000	680,000
Building	-	25,269	25,269	-	4,512	4,512	-	-	-
Utilities	-	5,533	5,533	-	2,138	2,138	-	-	-
Materials and Supplies	315	190,828	191,142	2,000	5,947	7,947	2,000	-	2,000
Administrative Expenses	24,736	12,518	37,255	4,752	12,673	17,425	150,000	-	150,000
Total Expenditures	\$ 676,851	\$ 4,582,227	\$ 5,259,078	\$ 129,293	\$ 1,820,569	\$ 1,949,862	\$ 346,886	\$ 1,701,484	\$ 2,048,370
EXPENDITURES BY ACCOUNT									
Administrator/Operator	\$ 286,889	\$ 1,776,120	\$ 2,063,010	\$ 104,136	\$ 721,261	\$ 825,398	\$ 94,886	\$ 1,121,484	\$ 1,216,370
	\$ 286,889	\$ 1,776,120	\$ 2,063,010	\$ 104,136	\$ 721,261	\$ 825,398	\$ 94,886	\$ 1,121,484	\$ 1,216,370
Professional Services									
Legal Services	\$ 359,911	\$ 47,976	\$ 407,887	\$ 13,876	\$ 45,304	\$ 59,181	\$ 100,000	\$ 30,000	\$ 130,000
Consulting Services	-	231,035	231,035	-	222,490	222,490	-	250,000	250,000
Financial Services	-	1,316,119	1,316,119	-	422,340	422,340	-	250,000	250,000
MIS Services	5,000	341,605	346,605	4,528	196,546	201,074	-	-	-
Engineering Services	-	164,565	164,565	-	54,037	54,037	-	50,000	50,000
Outreach	-	350,252	350,252	-	133,320	133,320	-	-	-
Other Professional Services	-	120,407	120,407	-	-	-	-	-	-
	\$ 364,911	\$ 2,571,959	\$ 2,936,869	\$ 18,404	\$ 1,074,038	\$ 1,092,442	\$ 100,000	\$ 580,000	\$ 680,000
Building (Visitor's Center)									
Rental - Buildings	-	25,269	25,269	-	4,512	4,512	-	-	-
	\$ -	\$ 25,269	\$ 25,269	\$ -	\$ 4,512	\$ 4,512	\$ -	\$ -	\$ -
Utilities (Visitor's Center)									
Water and Sewer	\$ -	\$ 3,631	\$ 3,631	\$ -	\$ 569	\$ 569	\$ -	\$ -	\$ -
Telephone - Local	-	1,902	1,902	-	1,569	1,569	-	-	-
	\$ -	\$ 5,533	\$ 5,533	\$ -	\$ 2,138	\$ 2,138	\$ -	\$ -	\$ -
Materials and Supplies									
Maintenance and Repair	-	60	60	-	-	-	-	-	-
Materials/Supplies	315	190,768	191,082	2,000	4,206	6,206	2,000	-	2,000
	\$ 315	\$ 190,828	\$ 191,142	\$ 2,000	\$ 5,947	\$ 7,947	\$ 2,000	\$ -	\$ 2,000
Administrative Expenses									
Office Supplies	548	-	548	-	-	-	-	-	-
Postage	61	-	61	336	-	336	-	-	-
General Insurance	24,127	-	24,127	4,416	-	4,416	150,000	-	150,000
Licenses, Permits and Fees	-	12,518	12,518	-	12,673	12,673	-	-	-
	\$ 24,736	\$ 12,518	\$ 37,255	\$ 4,752	\$ 12,673	\$ 17,425	\$ 150,000	\$ -	\$ 150,000
Total Expenditures	\$ 676,851	\$ 4,582,227	\$ 5,259,078	\$ 129,293	\$ 1,820,569	\$ 1,949,862	\$ 346,886	\$ 1,701,484	\$ 2,048,370

EAST COUNTY ADVANCED WATER PURIFICATION PROGRAM

FY '23-'26 PROPOSED CIP BUDGET (with Prior Years' Actual/Forecast)

	ACTUAL FY '16 - '21	FORECAST FY '22	FY '23	FY '24	FY '25	FY '26	TOTAL CIP
Administrator/Operator	\$ 3,896,016	\$ 1,743,074	\$ 2,543,151	\$ 4,138,803	\$ 7,857,087	\$ 8,944,473	\$ 29,122,604
Design Builders							
DB Package 1 (Acom/Lyles)	4,763,436	23,178,263	152,000,000	220,050,000	72,350,000	1,184,000	473,525,699
DB Package 2 (Orion/GHD)	2,747,376	3,528,154	24,860,410	16,603,934	9,059,280	546,075	57,345,229
DB Package 3 (Acom/Lyles)	1,478,275	7,271,725	33,246,000	38,500,000	8,191,000	30,000	88,717,000
DB Package 4 (Orion/GHD)	-	231,715	1,344,483	6,509,096	16,175,109	-	24,260,403
Professional Services							
Engineering Services	13,539,831	3,589,949	2,153,784	1,235,050	1,199,280	3,536,488	25,254,382
Consulting	-	-	330,600	281,808	290,262	152,288	1,054,958
Information Technology	-	396,510	311,104	811,152	1,077,185	203,615	2,799,566
Legal Fees	2,758,059	1,567,240	1,438,780	1,221,440	724,800	684,422	8,394,741
Outreach	-	-	407,000	357,500	357,500	407,000	1,529,000
Owners Advisor	2,922,988	6,970,097	10,735,348	9,671,047	10,311,202	6,132,396	46,743,078
Other Services	92,800	50,650	595,741	583,156	542,433	656,545	2,521,326
Owner's Contingency	-	-	15,100,000	15,100,000	15,100,000	15,100,000	60,400,000
Operational Costs							
Gas & Electric	622	19,964	224,000	2,247,000	2,764,214	8,644,509	13,900,309
Insurance	14,820	4,532	5,000	5,000	5,000	5,000	39,352
Maintenance & Repair	-	-	2,500	5,000	94,319	1,605,550	1,707,369
Materials & Supplies	-	533	10,000	10,000	774,324	7,218,312	8,013,169
Printing & Mailing	698	1,000	5,000	2,500	2,500	2,500	14,198
Telephone	-	-	2,500	2,750	3,025	3,328	11,603
Water & Sewer	-	-	100,000	90,000	301,000	150,000	641,000
Permits & Fees	47,920	324,005	1,280,000	305,000	1,840,000	430,000	4,226,925
Vehicles & Equipment	-	-	370,000	610,000	2,920,000	1,250,000	5,150,000
	\$ 32,262,842	\$ 48,877,411	\$ 247,065,401	\$ 318,340,236	\$ 151,939,521	\$ 56,886,501	\$ 855,371,911

BUDGET CATEGORIES

The budget and actual for the Project until construction completion consists of three elements:

1) JPA Administration: Costs and staff time necessary to administer the JPA including:

- JPA's General Counsel
 - Assist with Service Agreements
 - Administration and O&M Agreements
 - Review policies and agenda materials
 - Ongoing legal costs relating to running the JPA
 - Other interim legal costs relating to running the JPA
- Padre Dam staff time necessary to:
 - Plan and Prepare agenda packages, presentations and reports
 - Provide Board support
 - Develop budgets & Financial reporting
 - Develop and implement JPA policies
 - Administer conflict of interest code
 - Maintain JPA records & Respond to Public Records Requests
 - Perform other duties necessary to administer the JPA
- Materials, Supplies and Insurance for the Board

2) Project Administration: Costs and staff time necessary to administer the project including:

- Financial modeling & analysis
- Rating agency fees
- Consultants engaged to assist grant and loan application development
- Outreach, public relations, communication and education
- Padre Dam staff time spent securing grants and loans for the project
- Padre Dam staff time spent administering the Project including
 - Oversight & planning: CFO, Director of AWP
 - Grant and loan processing and reporting
 - Board and meeting logistics
 - Accounts payable, HR, support staff
 - Other duties necessary to administer the Project

3) Project Implementation (CIP): Costs and staff time necessary for the development of project infrastructure from initial planning, feasibility studies and pre-design (non-capitalizable) to design, construction, project completion and startup-activities (capitalizable). These costs include:

- Term 1, 2 and 3 technical services provided by the Kennedy Jenks team
- Legal services provided by Nossaman to manage the progressive design build contracts
- Project Management
- Owner's Advisor
- Construction Management
- Environmental and Permitting
- Right-of-Way / Easements
- Progressive Design-Build Contracts
- Padre Dam staff time to directly support project development, such as to support design, construction, startup activities and other duties necessary to implement the project.

Once the Project is operational, there will be two distinct budgets: the JPA Administration Budget and the Operations and Maintenance Budget.

ADMINISTRATOR/OPERATOR LABOR ASSUMPTIONS

Padre Dam will incur labor charges in performance of their duty as Administrator/Operator. The types of activities performed by Padre Dam staff is listed in the Budget Categories section above. Labor charges are estimated as a portion of a full time equivalent (FTE), based on the Staffing Plan (discussed below) multiplied by the salary and benefits for each position. No additional overhead factor was applied.

It is assumed that each of the Project Partners will contribute in-kind services related to their role as JPA members. These activities will be covered by the operating budgets of each of the parties. Activities that are not included in the FY '23 Budget include:

- Attendance at JPA Board Meetings (except for roles required as JPA Administrator)
- Attendance at TAC Meetings or other meetings with all Parties
- Reviewing / finalizing Project agreements
- Evaluation / selection of Design-Build teams
- Reporting out to individual Boards, elected officials, etc.

A staffing plan for the JPA was developed by the Owner's Advisor, consultants and the Administrator's staff. The plan is based on significant research and interviews with other, similar operations. It also relies on the experience of the Administrator's staff who work at the Ray Stoyer Water Recycling Facility and operated the AWP Demonstration plant for many years. Finally it comports with current regulatory requirements.

The staffing plan includes a hiring schedule that phases in staff over the years leading to full operations. This not only assures staff will be better trained to operate the facilities but mitigates the risk that the JPA will not be able to hire all necessary employees in one year and be unable to operate the Project. The Administrator will remain as efficient as possible; if hiring dates can be delayed due to improved market conditions or increased availability of qualified staff without threatening operations, they will do so thereby reducing this cost. The FY '23 Budget assumes the hiring of three plant operators to begin "training the trainer" and work towards getting staff ready for the Advanced Water Treatment Operator (AWTO) certification. Table 3 on the next page shows the FY '23 staffing plan presented as equivalent FTEs.

TABLE 3
FY '23 ESTIMATED EQUIVALENT FTEs

	<u>JPA Admin</u>	<u>Project Admin</u>	<u>CIP</u>	<u>Total</u>
Support				
Board Secretary	0.15	-	-	0.15
JPA Treasurer/ Auditor / Controller	0.10	0.40	-	0.50
Accounting Manger	-	0.05	-	0.05
Accountant	-	1.00	-	1.00
Budget	-	0.10	-	0.10
HR Director	-	0.30	-	0.30
Risk & Safety / Insurance	-	0.10	-	0.10
Communications Manager	-	0.30	-	0.30
Communication Assistant	-	0.30	-	0.30
IT Manager	-	0.20	-	0.20
IT Support	-	0.15	-	0.15
GIS	-	0.20	-	0.20
Operations Assistant (Varied)	-	0.20	-	0.20
Engineering Support				
Director of Operations, AWP	0.05	0.09	0.77	0.90
Engineering and Compliance Manager	-	-	0.95	0.95
Engineering Manager	-	-	0.95	0.95
Limited Term Engineers	-	-	2.00	2.00
Engineering Department Support	-	-	0.30	0.30
Operational Support				
Operations / Plant Manager	-	-	0.50	0.50
Operations / Plant Supervisor	-	-	0.50	0.50
Plant Operators	-	-	3.00	3.00
Data Systems Supervisor	-	1.00	-	1.00
Control System Technician	-	-	0.50	0.50
Lab Supervisor	-	-	0.20	0.20

FUNDING AGREEMENTS

In 2016, the project partners jointly completed the East County Advanced Water Purification Program Planning Study ("Planning Study"). Since then, the Project Partners have taken steps to implement the Project. The responsibility for funding these Project activities has been covered under several agreements including a series of MOUs and an Interim Funding Agreement (IFA). Responsibility for costs incurred post IFA are covered under the Wastewater Service Agreements approved by the JPA Board on May 21, 2020.

Funding Source	Activity	Start	End	FY
MOUs and IFA	Interim Development Costs ¹ (Pre-JPA Agreement)	03/05/14	10/31/19	Multiple
IFA	Interim Development Costs ¹ (Post-JPA Agreement)	11/01/19	06/30/20	FY 19/20
Wastewater Service Agreement	Procurement Period ²	07/01/20	06/30/21	FY 20/21
		07/01/21	06/30/22	FY 21/22
	Project Deployment ³	07/01/22	06/30/23	FY 22/23
		07/01/23	06/30/24	FY 23/24
		07/01/24	06/30/25	FY 24/25
Wastewater and Water Service Agreements	Operations Phase ⁴	07/01/25	06/30/26	FY 25/26

- ^{1.} Interim Development Costs are defined in the IFA as costs incurred by Padre Dam related to development activities required until the awarding of one or more bids for the design and construction of a majority of the Project. The interim period was estimated to occur between April 1, 2019 and August 31, 2020.
- ^{2.} Procurement period includes design activities, post-IFA, until the establishment of the guaranteed maximum price (GMP), estimated to be in Dec 2021. The first 2 months of FY20/21 are included in the IFA Interim Development Costs.
- ^{3.} Project deployment includes final design and construction after GMP and startup activities, anticipated to be complete by April 2025
- ^{4.} Includes operational test period prior to Commercial Operations Date.

The following chart shows the investments/commitments by the Project Partners through June 30, 2023

INVESTED / COMMITTED ITD						
	County	El Cajon	Padre Dam*	Helix	Other^	Total
Invested						
Feasibility Study	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 75,000	\$ 275,000
MOU Term 1	108,000	75,000	2,086,357	277,943	1,125,075	3,672,375
MOU Term 2	500,000	500,000	1,428,368	500,000	314,747	3,243,115
All Other	350,000	350,000	1,592,259	-	-	2,292,259
Total Invested	\$ 1,008,000	\$ 975,000	\$ 5,156,984	\$ 827,943	\$ 1,514,822	\$ 9,482,750
Committed						
Interim Funding Agreement	\$ 2,350,000	\$ 2,350,000	\$ 2,350,000	\$ 2,350,000	\$ -	\$ 9,400,000
JPA Approved (Up to \$10)	3,333,333	3,333,333	3,333,333	-	-	10,000,000
JPA Approved (Over \$10M)	17,185,802	27,889,762	14,390,879	-	-	59,466,443
Total Committed	\$ 22,869,135	\$ 33,573,095	\$ 20,074,212	\$ 2,350,000	\$ -	\$ 78,866,443
Total Invested and Committed	\$ 23,877,136	\$ 34,548,094	\$ 25,231,197	\$ 3,177,943	\$ 1,514,822	\$ 88,349,192

*Excess amounts paid by Padre will be proportionately allocated to JPA Partners after GMP.

^ Grants less capitalized interest

EAST COUNTY ADVANCED WATER PURIFICATION PROGRAM
BUDGET VS. ACTUAL/FORECAST

	APPROVED BUDGET FY '22					ACTUAL / FORECAST FY '22					OVER / UNDER BUDGET FY '22				
	JPA Admin	Project	Admin	CIP	Total	JPA Admin	Project	Admin	CIP	Total	JPA Admin	Project	Admin	CIP	Total
SUMMARY															
Administrator/Operator	\$ 108,130	\$ 1,768,684		\$ 1,636,849	\$ 3,513,663	\$ 104,136	\$ 721,261		\$ 1,743,074	\$ 2,568,471	\$ (3,993)	\$ (1,047,423)		\$ 106,224	\$ (945,192)
Design Builders	-	-		46,052,839	46,052,839	-	-		34,209,857	34,209,857	-	-		(11,842,982)	(11,842,982)
Professional Services	50,000	1,147,700		21,137,934	22,335,634	18,404	1,074,038		12,574,446	13,666,888	(31,596)	(73,662)		(8,563,488)	(8,668,746)
Building	-	11,000		-	11,000	-	4,512		-	4,512	-	(6,488)		-	(6,488)
Utilities	-	2,700		-	2,700	-	2,138		19,964	22,102	-	(562)		19,964	19,402
Materials and Supplies	5,500	69,500		1,000	76,000	2,000	5,947		1,533	9,481	(3,500)	(63,553)		533	(66,519)
Administrative Expenses	37,050	548,100		2,325,000	2,910,150	4,752	12,673		328,537	345,962	(32,298)	(535,428)		(1,996,463)	(2,564,188)
Total Expenditures	\$ 200,680	\$ 3,547,684		\$ 71,153,622	\$ 74,901,986	\$ 129,293	\$ 1,820,569		\$ 48,877,411	\$ 50,827,273	\$ (71,387)	\$ (1,727,115)		\$ (22,276,212)	\$ (24,074,713)
EXPENDITURES BY ACCOUNT															
Administrator/Operator	\$ 108,130	\$ 1,768,684		\$ 1,636,849	\$ 3,513,663	\$ 104,136	\$ 721,261		\$ 1,743,074	\$ 2,568,471	\$ (3,993)	\$ (1,047,423)		\$ 106,224	\$ (945,192)
	\$ 108,130	\$ 1,768,684		\$ 1,636,849	\$ 3,513,663	\$ 104,136	\$ 721,261		\$ 1,743,074	\$ 2,568,471	\$ (3,993)	\$ (1,047,423)		\$ 106,224	\$ (945,192)
Professional Services															
Legal Services	\$ 50,000	\$ 15,000		\$ 1,590,000	\$ 1,655,000	\$ 13,876	\$ 45,304		\$ 1,567,240	\$ 1,626,420	\$ (36,124)	\$ 30,304		\$ (22,760)	\$ (28,580)
Consulting Services	-	100,000		-	100,000	-	222,490		-	222,490	-	122,490		-	122,490
Financial Services	-	220,000		-	220,000	-	422,340		-	422,340	-	202,340		-	202,340
MIS Services	-	249,000		-	249,000	4,528	196,546		396,510	597,584	4,528	(52,454)		396,510	348,584
Engineering Services	-	-		2,103,677	2,103,677	-	54,037		3,589,949	3,643,986	-	54,037		1,486,272	1,540,309
Owner's Contingency	-	-		7,000,000	7,000,000	-	-		-	-	-	-		(7,000,000)	(7,000,000)
Design Builder	-	-		46,052,839	46,052,839	-	-		34,209,857	34,209,857	-	-		(11,842,982)	(11,842,982)
Owners' Advisor	-	-		6,970,097	6,970,097	-	-		6,970,097	6,970,097	-	-		-	-
Outreach	-	150,000		-	150,000	-	133,320		-	133,320	-	(16,680)		-	(16,680)
Other Professional Services	-	413,700		3,474,160	3,887,860	-	-		50,650	50,650	-	(413,700)		(3,423,510)	(3,837,210)
	\$ 50,000	\$ 1,147,700		\$ 67,190,773	\$ 68,388,473	\$ 18,404	\$ 1,074,038		\$ 46,784,303	\$ 47,876,745	\$ (31,596)	\$ (73,662)		\$ (20,406,470)	\$ (20,511,728)
Building															
Rental - Buildings	-	11,000		-	11,000	-	4,512		-	4,512	-	(6,488)		-	(6,488)
	\$ -	\$ 11,000		\$ -	\$ 11,000	\$ -	\$ 4,512		\$ -	\$ 4,512	\$ -	\$ (6,488)		\$ -	\$ (6,488)
Utilities															
Water and Sewer	\$ -	\$ 1,200		\$ -	\$ 1,200	\$ -	\$ 569		\$ -	\$ 569	\$ -	\$ (631)		\$ -	\$ (631)
Gas and Electric	-	-		-	-	-	-		19,964	19,964	-	-		19,964	19,964
Telephone - Local	-	1,500		-	1,500	-	1,569		-	1,569	-	69		-	69
	\$ -	\$ 2,700		\$ -	\$ 2,700	\$ -	\$ 2,138		\$ 19,964	\$ 22,102	\$ -	\$ (562)		\$ 19,964	\$ 19,402
Materials and Supplies															
Expendable Equipment	\$ -	\$ 10,000		\$ -	\$ 10,000	\$ -	\$ -		\$ -	\$ -	\$ -	\$ (10,000)		\$ -	\$ (10,000)
Printing/Copying	500	500		1,000	2,000	-	1,742		1,000	2,742	(500)	1,242		-	742
Maintenance and Repair	-	3,000		-	3,000	-	-		-	-	-	(3,000)		-	(3,000)
Materials/Supplies	5,000	56,000		-	61,000	2,000	4,206		533	6,739	(3,000)	(51,794)		533	(54,261)
	\$ 5,500	\$ 69,500		\$ 1,000	\$ 76,000	\$ 2,000	\$ 5,947		\$ 1,533	\$ 9,481	\$ (3,500)	\$ (63,553)		\$ 533	\$ (66,519)
Administrative Expenses															
Travel	\$ -	\$ 1,000		\$ -	\$ 1,000	\$ -	\$ -		\$ -	\$ -	\$ -	\$ (1,000)		\$ -	\$ (1,000)
Office Supplies	850	-		-	850	-	-		-	-	(850)	-		-	(850)
Postage	200	500		-	700	336	-		-	336	136	(500)		-	(364)
General Insurance	30,000	-		5,000	35,000	4,416	-		4,532	8,948	(25,584)	-		(468)	(26,052)
Memberships and Dues	-	15,000		-	15,000	-	-		-	-	-	(15,000)		-	(15,000)
Subscriptions	6,000	-		-	6,000	-	-		-	-	(6,000)	-		-	(6,000)
Bank Fees	-	1,000		-	1,000	-	-		-	-	-	(1,000)		-	(1,000)
Meetings	-	500		-	500	-	-		-	-	-	(500)		-	(500)
Licenses, Permits and Fees	-	100		2,320,000	2,320,100	-	12,673		324,005	336,678	-	12,573		(1,995,995)	(1,983,422)
Interest Expense	-	530,000		-	530,000	-	-		-	-	-	(530,000)		-	(530,000)
	\$ 37,050	\$ 548,100		\$ 2,325,000	\$ 2,910,150	\$ 4,752	\$ 12,673		\$ 328,537	\$ 345,962	\$ (32,298)	\$ (535,428)		\$ (1,996,463)	\$ (2,564,188)
Total Expenditures	\$ 200,680	\$ 3,547,684		\$ 71,153,622	\$ 74,901,986	\$ 129,293	\$ 1,820,569		\$ 48,877,411	\$ 50,827,273	\$ (71,387)	\$ (1,727,115)		\$ (22,276,212)	\$ (24,074,713)

EAST COUNTY ADVANCED WATER PURIFICATION PROGRAM
TOTAL FORECASTED CAPITAL + SOFT

	ACTUAL FY '16 - '21				ACTUAL/FORECAST FY '22				BUDGET / FORECAST FY '23 - '26				TOTAL FORECASTED CAPITAL + SOFT FY '16 - '26			
	JPA Admin	Project Admin	CIP	Total	JPA Admin	Project Admin	CIP	Total	JPA Admin	Project Admin	CIP	Total	JPA Admin	Project Admin	CIP	Total
SUMMARY																
Administrator / Operator	\$ 286,889	\$ 1,776,120	\$ 3,896,016	\$ 5,959,026	\$ 104,136	\$ 721,261	\$ 1,743,074	\$ 2,568,471	\$ 393,461	\$ 6,087,773	\$ 23,483,514	\$ 29,964,748	\$ 784,486	\$ 8,585,155	\$ 29,122,604	\$ 38,492,245
Professional Services	364,911	2,571,959	28,302,766	31,239,635	18,404	1,074,038	46,784,303	47,876,745	300,000	2,230,000	717,458,314	719,988,314	683,315	5,875,996	792,545,382	799,104,694
Building	-	25,269	-	25,269	-	4,512	-	4,512	-	-	-	-	-	29,781	-	29,781
Utilities	-	5,533	622	6,155	-	2,138	19,964	22,102	-	-	14,532,326	14,532,326	-	7,671	14,552,912	14,560,582
Materials and Supplies	315	190,828	698	191,840	2,000	5,947	1,533	9,481	8,000	-	14,882,505	14,890,505	10,315	196,775	14,884,736	15,091,826
Administrative Expenses	24,736	12,518	62,740	99,994	4,752	12,673	328,537	345,962	1,750,000	-	3,875,000	5,625,000	1,779,489	25,191	4,266,277	6,070,956
Total Expenditures	\$ 676,851	\$ 4,582,227	\$ 32,262,842	\$ 37,521,919	\$ 129,293	\$ 1,820,569	\$ 48,877,411	\$ 50,827,273	\$ 2,451,461	\$ 8,317,773	\$ 774,231,659	\$ 785,000,893	\$ 3,257,605	\$ 14,720,569	\$ 855,371,911	\$ 873,350,085
EXPENDITURES BY ACCOUNT																
Administrator / Operator	\$ 286,889	\$ 1,776,120	\$ 3,896,016	\$ 5,959,026	\$ 104,136	\$ 721,261	\$ 1,743,074	\$ 2,568,471	\$ 393,461	\$ 6,087,773	\$ 23,483,514	\$ 29,964,748	\$ 784,486	\$ 8,585,155	\$ 29,122,604	\$ 38,492,245
	\$ 286,889	\$ 1,776,120	\$ 3,896,016	\$ 5,959,026	\$ 104,136	\$ 721,261	\$ 1,743,074	\$ 2,568,471	\$ 393,461	\$ 6,087,773	\$ 23,483,514	\$ 29,964,748	\$ 784,486	\$ 8,585,155	\$ 29,122,604	\$ 38,492,245
Professional Services																
Legal Services	\$ 359,911	\$ 47,976	\$ 2,758,059	\$ 3,165,946	\$ 13,876	\$ 45,304	\$ 1,567,240	\$ 1,626,420	\$ 300,000	\$ 120,000	\$ 4,069,442	\$ 4,489,442	\$ 673,787	\$ 213,281	\$ 8,394,741	\$ 9,281,809
Consulting Services	-	231,035	-	231,035	-	222,490	-	222,490	-	910,000	1,054,958	1,964,958	-	1,363,525	1,054,958	2,418,483
Financial Services	-	1,316,119	-	1,316,119	-	422,340	-	422,340	-	1,000,000	-	1,000,000	-	2,738,459	-	2,738,459
MIS Services	5,000	341,605	-	346,605	4,528	196,546	396,510	597,584	-	-	2,403,056	2,403,056	9,528	538,150	2,799,566	3,347,244
Engineering Services	-	164,565	13,539,831	13,704,395	-	54,037	3,589,949	3,643,986	-	200,000	8,124,602	8,324,602	-	418,602	25,254,382	25,672,984
Owner's Contingency	-	-	-	-	-	-	-	-	-	-	60,400,000	60,400,000	-	-	60,400,000	60,400,000
Design Builder	-	-	8,989,087	8,989,087	-	-	34,209,857	34,209,857	-	-	600,649,387	600,649,387	-	-	643,848,331	643,848,331
Owners' Advisor	-	-	2,922,988	2,922,988	-	-	6,970,097	6,970,097	-	-	36,849,993	36,849,993	-	-	46,743,078	46,743,078
Outreach	-	350,252	-	350,252	-	133,320	-	133,320	-	-	1,529,000	1,529,000	-	483,572	1,529,000	2,012,572
Other Professional Services	-	120,407	92,800	213,207	-	-	50,650	50,650	-	-	2,377,876	2,377,876	-	120,407	2,521,326	2,641,733
	\$ 364,911	\$ 2,571,959	\$ 28,302,766	\$ 31,239,635	\$ 18,404	\$ 1,074,038	\$ 46,784,303	\$ 47,876,745	\$ 300,000	\$ 2,230,000	\$ 717,458,314	\$ 719,988,314	\$ 683,315	\$ 5,875,996	\$ 792,545,382	\$ 799,104,694
Building																
Rental - Buildings	-	25,269	-	25,269	-	4,512	-	4,512	-	-	-	-	-	29,781	-	29,781
	\$ -	\$ 25,269	\$ -	\$ 25,269	\$ -	\$ 4,512	\$ -	\$ 4,512	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,781	\$ -	\$ 29,781
Utilities																
Water and Sewer	\$ -	\$ 3,631	\$ -	\$ 3,631	\$ -	\$ 569	\$ -	\$ 569	\$ -	\$ -	\$ 641,000	\$ 641,000	\$ -	\$ 4,200	\$ 641,000	\$ 645,200
Gas and Electric	-	-	622	622	-	-	19,964	19,964	-	-	13,879,723	13,879,723	-	-	13,900,309	13,900,309
Telephone - Local	-	1,902	-	1,902	-	1,569	-	1,569	-	-	11,603	11,603	-	3,471	11,603	15,073
	\$ -	\$ 5,533	\$ 622	\$ 6,155	\$ -	\$ 2,138	\$ 19,964	\$ 22,102	\$ -	\$ -	\$ 14,532,326	\$ 14,532,326	\$ -	\$ 7,671	\$ 14,552,912	\$ 14,560,582
Materials and Supplies																
Expendable Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,150,000	\$ 5,150,000	\$ -	\$ -	\$ 5,150,000	\$ 5,150,000
Printing/Copying	-	-	698	698	-	1,742	1,000	2,742	-	-	12,500	12,500	-	1,742	14,198	15,940
Uniform Rentals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maintenance and Repair	-	60	-	60	-	-	-	-	-	-	1,707,369	1,707,369	-	60	1,707,369	1,707,429
Materials/Supplies	315	190,768	-	191,082	2,000	4,206	533	6,739	8,000	-	8,012,636	8,020,636	10,315	194,973	8,013,169	8,218,457
	\$ 315	\$ 190,828	\$ 698	\$ 191,840	\$ 2,000	\$ 5,947	\$ 1,533	\$ 9,481	\$ 8,000	\$ -	\$ 14,882,505	\$ 14,890,505	\$ 10,315	\$ 196,775	\$ 14,884,736	\$ 15,091,826
Administrative Expenses																
Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office Supplies	548	-	-	548	-	-	-	-	-	-	-	-	548	-	-	548
Postage	61	-	-	61	336	-	-	336	-	-	-	-	397	-	-	397
General Insurance	24,127	-	14,820	38,947	4,416	-	4,532	8,948	1,750,000	-	20,000	1,770,000	1,778,543	-	39,352	1,817,895
Licenses, Permits and Fees	-	12,518	47,920	60,438	-	12,673	324,005	336,678	-	-	3,855,000	3,855,000	-	25,191	4,226,925	4,252,116
	\$ 24,736	\$ 12,518	\$ 62,740	\$ 99,994	\$ 4,752	\$ 12,673	\$ 328,537	\$ 345,962	\$ 1,750,000	\$ -	\$ 3,875,000	\$ 5,625,000	\$ 1,779,489	\$ 25,191	\$ 4,266,277	\$ 6,070,956
Total Expenditures	\$ 676,851	\$ 4,582,227	\$ 32,262,842	\$ 37,521,919	\$ 129,293	\$ 1,820,569	\$ 48,877,411	\$ 50,827,273	\$ 2,451,461	\$ 8,317,773	\$ 774,231,659	\$ 785,000,893	\$ 3,257,605	\$ 14,720,569	\$ 855,371,911	\$ 873,350,085



MEMO from Administrator

DATE: April 30, 2022

TO: Board of Directors, East County Advanced Water Purification JPA

FROM: Karen Jassoy, CFO
Padre Dam MWD, Administrator for the JPA

RE: Informational Update

SUMMARY

On May 19, 2022, this Board will be asked to approve amendments to the Progressive Design-Build (PDB) Agreements for Packages 1, 2, & 3 of the East County Advanced Water Purification (AWP) project (Project). These amendments authorize the PDB firms to perform Phase 2 activities (Final Design and Construction) for the negotiated and agreed upon scope of work, project schedule, and fixed lump sum price. The Board will also be asked to authorize the Administrator to issue an initial Notice to Proceed (NTP 1) for Phase 2. The decision to issue the NTP for Phase 2 activities represents the final investment decision for the Board to move forward into final design and construction. Should the Board decide not to authorize the Phase 2 Amendments for any or all of the Packages, then the Board would be choosing the contractual “off-ramp” for the Project.

This informational memo provides the Board with an overview of recent advances in the Project to help inform their decision on May 19th. A pro-forma model, developed by Clean Energy Capital (CEC), has been used as a tool to show projected Project costs compared to the “do-nothing” alternative (continue to send wastewater flows to Metro). It has been updated periodically at critical decision points. This memo covers Version 6.0 (V6.0) of the pro-forma and provides details for revisions to model inputs. Contributors to this effort include the Administrator’s staff (Staff), Owners’ Advisor (OA), Progressive Design-Builders (PDBs), JPA consultants and CEC.

BACKGROUND

In September 2021, Staff provided the Board with a memo that addressed escalating commodity prices and the impact on 30% design cost estimates. Staff also described the in-depth value engineering process that took place, resulting in \$18M of cost savings. Only ideas that did not compromise quality, asset useful life, redundancy, did not increase O&M costs, or that resulted in only acceptable increases in risk were selected.

Staff also provided revisions in projected wholesale costs (e.g. the price per acre foot of water purchased from San Diego County Water Authority (CWA) and the price per million gallons per day (MGD) for wastewater treatment and disposal by the City of San Diego’s Metro System (Metro). The revisions were based on the best available information at the time.

MILESTONES

The JPA selected the progressive design-build (PDB) delivery method for the Project. PDB allowed for more collaboration, offered schedule advantages and provided a series of off-ramps as Project cost estimates evolved. The following shows the main milestones in Phase 1 (the design phase) of the Project:

- **Development of an initial Target Cost Proposal (TCP).** This is where the JPA and PDB firms validate the Project cost estimates developed as part of the initial Basis of Design Reports (BODRs) and work to refine the initial cost estimates provided in the PDB proposals.
- **Revised Cost Estimate at the 30 percent (30%) design stage.** As design progresses, the PDBs have more information upon which to update their cost estimate. At this stage the JPA has an opportunity to price and evaluate scope options and value-engineering ideas, refine Project Design, continue to eliminate unknowns and evaluate project risks.
- **Revised Cost Estimate at the 60 percent (60%) and Guaranteed Maximum Price (GMP)**
At this milestone, the PDB firms work closely with the JPA to confirm that their 60% design reflects the JPA's complete desired scope of work and that competitive pricing from qualified vendors and subcontractors was obtained in order to develop a Guaranteed Maximum Price (GMP).

Whereas Staff's September 2021 memo focused on the 30% design phase, this memo outlines developments since that time and focuses on costs at the 60% design stage. The impact of to the Project's financial forecast is shown through an update to the Proforma Model (V6.0).

INFLATIONARY PRESSURES

The construction industry continues to be impacted by significant escalation due to unprecedented and worldwide-related macroeconomic pressures on the cost of construction commodities, wages and delivery of critical materials and equipment. The Bureau of Labor Statistic's Producer Price Index (PPI) measures the average change over time in selling prices received by domestic producers of goods and services. Table 1 shows the change in price for various materials used in construction and by contractors. As you can see the PPI for steel mill products more than doubled from December 2020 to 2021, rocketing up 127.2%. PPI for other materials showed double digit increases. Prices for items and services used by contractors also soared.

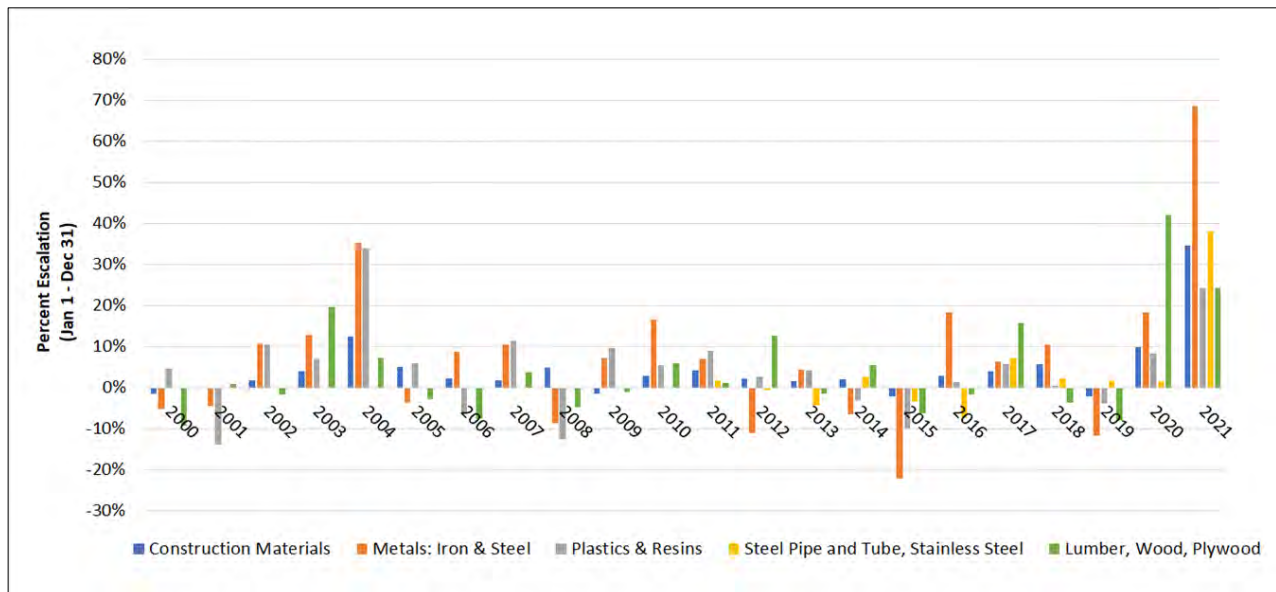
TABLE 1
YEAR OVER YEAR CHANGE IN DECEMBER PPI

	2020	2021
CONSTRUCTION MATERIALS		
Steel mill products	5.2%	127%
Plastic construction products	5.4%	34%
Aluminum mill shapes	-1.7%	30%
Copper and brass mill shapes	24%	23%
Gypsum products	3.6%	21%
Lumber and plywood	37%	18%
Architectural coatings	1.9%	14%
Asphalt felts and coatings	2.1%	12%
USED BY CONTRACTORS		
Diesel fuel	-2.8%	55%
Truck transport of freight	2.2%	18%
Construction machinery & equipment	1.1%	10%
Truck and off-road tires	.3%	11%

Source: Bureau of Labor Statistics, producer price indexes

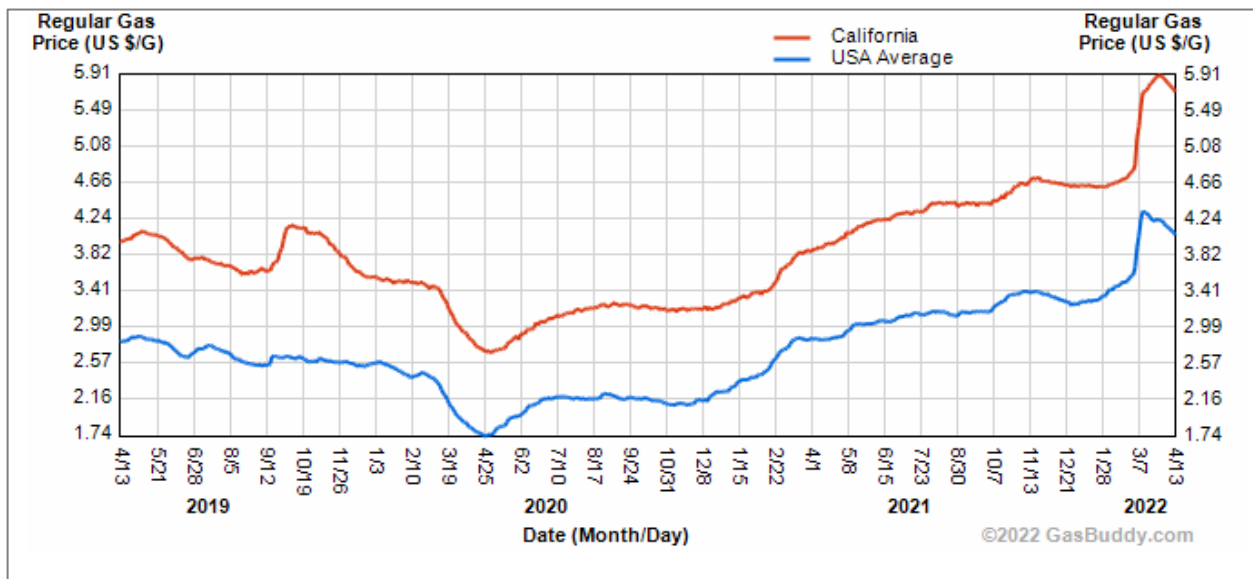
Chart 1 shows the annual escalation of broad categories of construction materials from 2000 to 2021. Limitations in raw materials, global and local supply chain, and qualified labor have resulted in market increases between 25% and 60%, depending on the category. Another cost driver is rising oil prices (Chart 2). In April 2022, the average price for a gallon of regular gas in California hit its highest level ever, topping out at \$5.91. These inflationary pressures have had a significant impact the cost of the AWP Project. From the 30% design cost estimate to the final 60% design price, there has been an overall construction cost increase of 28.3% for Packages 1-3.

CHART 1
ANNUAL ESCALATION TRENDS (US)



Source: Federal Reserve Economic Data – Producer Price Index

CHART 2
AVERAGE RETAIL PRICE FOR GAS



Source: 2022 GasBuddy.com

A prime example of material price volatility and its impact on the Project is steel. Because steel is used in the construction of over 10 miles of large diameter pipelines and the extensive presence of steel rebar in concrete structures used in the treatment plant and pump stations the Project has been subject to significant cost increases. Rising fuel costs have also had a significant impact on the Project. To compound these unpredictable and escalating material costs, constraints in supply chains are resulting in extensive delays in finished material and equipment (e.g. pipe fabrication and pumps) deliveries of up to twice as long as is typical under more normal circumstances.

RESPONSE TO COST ESCALATION

Contract Negotiations

To help offset increases in pricing, the JPA negotiated an early completion bonus with the Package 1 PDB that provides a maximum potential benefit to the JPA of \$7.82M should the PDB finish two months early. The minimum benefit to the JPA is \$2M, should the PDB not finish early. In other words, the JPA received a \$2M reduction in lump sum pricing. Should regulatory approval to discharge product water to Lake Jennings be obtained two months early, the Package 1 PDB would receive a \$1M bonus while the JPA would realize approximately \$4.53M (\$75,500/day) in water sales and approximately \$2.29M (\$38,200/day) in avoided Metro treatment costs. For conservatism, the model does not factor in these potential savings.

Additionally, final negotiations with the PDBs included converting the Guaranteed Maximum Price (GMP or cost-plus contingencies) for each Package to a Lump Sum (LS) Fixed Price or “Guaranteed Price (GP)”. This approach yielded the following benefits to the JPA:

- **Price Certainty:** For a contract over 3 years in duration, market conditions create hyper-escalation and “spot” pricing. With a LS contract, the JPA knows exactly what they’re going to pay, which adds confidence when forecasting rates.
- **Risk Transfer:** 100% of the risk associated with material and labor pricing and availability was transferred to the PDBs; for which they are the best suited to manage and be responsible. Under a GMP, the JPA would be contractually responsible for compensating the PDB. With a LS contract, the JPA avoids these construction-related risks, while the PDB is fully incentivized to complete the Project ahead of schedule.
- **Savings:** It costs significantly less to administer a Lump Sum (LS) contract than a GMP, which is basically a cost-plus contract requiring each receipt to be reviewed and validated. This also distracts project managers from doing what they’re hired to do: build the projects quickly and maintain high quality. Because it also benefits the PDB, the JPA received a price reduction totaling approximately \$10M for all 3 packages by converting to a LS. In addition, the JPA anticipates additional savings by reducing soft costs associated with the Owner’s Advisor’s efforts to review and validate receipts.

Working together with the Design Builders towards a GMP, this “open book” approach allowed the JPA to be assured that pricing was competitive, responsive, and a good value prior to converting to LS. Utilizing the LS approach also transferred the appropriate risks to the PDB’s. On May 19th, the Board will be asked to approve the proposed amendments to the PDB agreements to design and construct packages 1, 2 & 3.

State Revolving Fund Agreement

In 2016, Staff submitted an application for a Clean Water State Revolving Fund (SRF) loan to fund a portion of the AWP Project. In the fall of 2020, the State included \$135.8M for the Project in its Fiscal Year 2020-21 Intended Use Plan. The State and Padre Dam also agreed to transfer over a previously negotiated \$116.2M loan to the JPA for a total of \$252M of funding for the Project at a 1.7% interest rate. Staff has been negotiating with the State since 2020 and was able to increase the loan to fund an additional \$130M of Project costs rather than issuing bonds. The final SRF loan, which was executed on April 28, 2022, was for \$383.2M at a 0.8% interest rate, reducing interest expense over the 30 year planning horizon by an additional \$103.5M (or an estimated total of \$234.9M compared to traditional financing).

WIFIA Loan Sculpting

In May 2021, Staff secured a \$387.5M WIFIA loan with the United States Environmental Protection Agency at 2.33%. In August of 2021, Staff took advantage of a one-time opportunity to reduce the interest rate, re-executing the loan with a 1.95% interest rate saving the Project and additional \$32.7M in interest costs (or an estimated total of \$188.4M compared to traditional financing).

Another advantage of the WIFIA loan is that it allows borrowers the flexibility to defer debt service for up to five years and/or modify the annual debt service (i.e. "loan sculpting"). V6.0 takes advantage of this option to capitalize on increasing revenues in later years and create more intergenerational equity as opposed to maintaining a fixed level of debt service over the life of the loan. Rather than a complete five year deferral of the WIFIA loan, V6.0 targeted a level of debt service that would allow the initial cost of wastewater treatment to be cost competitive but minimize capitalized interest. In year 1 of operation, when revenue from water sales is estimated to be \$27.2M, WIFIA debt service payment has been set at \$5M. Annual debt service payments then escalate through year 10. By 2037, annual debt service is \$17.7M and remains at that amount until maturity; by 2037, revenue from water sales will have increased to \$43.4M making the increase debt service more manageable. Amortization of all other loans remain straight-line (i.e. same payment every year for the term of the loan).

WATER SALES REVENUE

Product water sales revenue along with financial incentives from the Metropolitan Water District (MWD) under the Local Resources Program (LRP) reduce the revenue requirement needed to be collected from the JPA's three wastewater agencies. LRP revenues are set at \$475/AF for the first 15 years of operation or approximately \$6 million annually. Water sales revenue received from the sale of product water to Helix Water District (Helix) and Padre Dam is tied to the water rates charged as agreed to in the Water Purchase Agreement (WPA) between the JPA, Helix and Padre Dam.

Since the previous version of the Proforma model, CWA released a Long Range Finance Plan (LRFP) and updated rate projections. CWA's projections indicated increased upwards pressure on near term water rates from a combination of increasing costs and reduced water demand. Based on CWA's information, a third-party consultant, Ken Weinberg of H2O resources, developed new high and low long-term rate projections for Proforma 6.0. The average of the high and low projection indicated a long term average annual rate increase of approximately 4%. The revised water sales rate projection results in increased sales revenue for the JPA in both the near term and long term thus reducing the net revenue collected from wastewater agencies through service charges.

AVOIDED METRO COSTS

As analyzed under previous versions of the Proforma model, the net cost to the wastewater agencies to be collected through JPA service charges is compared to the alternative of continued participation in the City of San Diego owned Metro System. In Version 5.1, Ken Weinberg and Dan Baker from Carollo (the JPA's OA) revised Metro avoided costs to incorporate then recently released information from the City of San Diego on existing Metro and future Pure Water Phase 1 debt service as well as preliminary capital cost estimates for Pure Water Phase 2. Since then, increased material costs, underlying inflationary pressures on operations and maintenance (O&M) and increased interest rates for debt in the capital markets have all contributed to upwards pressure on infrastructure costs.

However, in the absence of new updated information from the City of San Diego, the consultants (and Staff) felt it was fiscally prudent to take a conservative approach to projecting Metro avoided costs. Consequently the consultants made limited revisions to the Metro forecast for V6.0; these changes included updating assumptions on O&M escalation to reflect current conditions and consistency with escalation factors used to project East County AWP costs. Whereas V5.1 assumed 3% annual escalation for the base case Metro forecast and 4% for the high case, V6.0's base case assumes 4% in the first 2 years, 3.5% in the next 8 and 3% thereafter while the high case assumes 4.5% in years 1 & 2, 4% in years 3-10 and 3.5% thereafter. Comparison of AWP costs to a still conservative estimate of avoided Metro costs continues to show cost competitiveness in the early years and significant cost savings in the later years when Pure Water Phase 2 is implemented.

ENERGY RECOVERY

The JPA is pursuing energy recovery as a component of the Project. Energy recovery offers the potential to take biogas produced during the wastewater solids handling process and convert it to electricity to offset power purchases from San Diego Gas & Electric (SDG&E) for plant operations. By incorporating organic food waste and other sources (collectively HSW) into the Energy Recovery Project, the JPA can generate more biogas/additional electricity to offset power purchases, reduce operating expenses, and contribute to statewide sustainability mandates. Furthermore, if energy recovery and HSW are implemented now, the JPA could take advantage of potential tax sales savings on many of the solids handling facilities/equipment.

Given the potential benefits, the JPA board authorized the release of a Request for Proposal (RFP) for an Energy Recovery Project (aka "Package 5") on April 5, 2022. Since the decision has not been made as to whether or not Package 5 will be implemented, projected benefits have not been included in V6.0 of the Proforma. In the future, the Board will be asked to decide whether or not to move forward with Package 5 after more information is available and a thorough cost-benefit analysis is performed.

PRO-FORMA MODEL

The Pro-Forma Model is an internal tool developed for the JPA by Clean Energy Capital to estimate the price of wastewater services to be charged by the JPA. The price is dependent on a number of assumptions including:

- Capital costs
- Soft Costs
- O&M
- Plan of Finance
- Reserves
- Renewal and Replacement
- Debt Service Coverage Requirements
- Offsetting Revenues
- Contingencies
- Acquisition & Easement Costs

For context, the model includes forecasted costs for Metro wastewater treatment not as a goal but to ensure the Project remains competitive with the alternative. Although we use the term “avoided cost”, once the Project is live, all increases are rate increases to our customers (i.e. there is no “savings”) so the goal is to keep Project costs as low as possible without sacrificing quality and long term operations.

UPDATES TO THE PRO-FORMA MODEL

The current version of the Pro Forma Model (V6.0) includes the following updated estimates. Some of the updates were addressed in more detail above but are referenced here as well. Table 2 summarize these main updates while Graphs 3 and 4 on pages 10 and 11 present the results of V6.0.

- **Updated Construction Costs:** Updated construction costs were based on the negotiated lump sum contracts for Packages 1-3. Since Package 4 is still in pre-design, an updated cost estimate was developed by the package lead and the owners advisor based on revised assumptions; Package 4 is therefore shown separately. Capital costs for Packages 1-3 increased from \$514.2M in V5.1 to \$619.6M in V6.0 while estimated capital costs for Package 4 increased from \$26.4 to \$29.2M;
- **Updated JPA Soft Costs:** JPA soft costs include Owner’s Advisor fees, construction support services, engineering costs, legal fees, capitalized labor and other Project related costs paid for by the JPA. JPA soft costs were increased from \$104.6M in V5.1 to \$142.3M in V6.0. The main component of this increase (\$23.6M) is related to an assumed ramp up of labor leading to full operations. Given the tight labor market and the need for qualified individuals with industry specific experience, V6.0 conservatively assumes hiring is done over a period of years. This not only assures staff will be better trained to operate the facilities but mitigates the risk that the JPA will not be able to hire all necessary employees in one year and be unable to operate the Project. The Administrator will remain as efficient as possible; if hiring dates can be delayed due to improved market conditions or increased availability of qualified staff without threatening operations, they will do so thereby reducing this cost. Other increases were based on additional engineering needed to meet regulatory requirements (\$2.7M) and increased legal costs related to contract negotiations for Package 4, exploration of Package 5 and other tasks (\$1.9M). In addition, estimates to utility costs (SDG&E/water) were better defined and moved out of the Acquisition/Other contingency and into Soft costs (\$6.0 M).
- **Updated O&M Costs:** Annual Operating and Maintenance costs include items like chemicals, utilities, maintenance, materials, supplies and other consumables used in the treatment process or transmission of product water or wastewater. At the 60% design stage, there is much more clarity about equipment that will be used and materials that are needed. Materials escalation also had an impact on prices. Staff worked closely with the OA and PDB firms to refine the O&M cost estimates. In the first full year of operation (FY ’27) V6.0 estimates O&M to be \$24.0M verses \$23.3M in V5.1 (a 3.2% increase). This increase is driven mostly by an increase in chemicals (\$419K or 13.1%) and other consumables (\$379K or 6.5%) followed by a smaller increase in power costs (\$196K or 1.7%). Maintenance cost estimates decreased by 9.0% or \$252K.
- **Updated Staffing:** The staffing plan was also updated to reflect more clarity on needs and requirements. Although positions were modified to reflect necessary qualifications, new positions were added to meet regulatory requirements, and positions that were no longer needed were deleted, there was minimal impact to Project costs (3.8%). In the first full year of operation (FY ’27) estimated staffing in V6.0 is \$10.0M verses \$9.7M in V5.1. Labor costs for JPA operations increased by \$366K (4.2%) while JPA administration costs were flat.

- **Updated Facility Acquisition Costs:** This category includes estimates to purchase various facilities assumed to be needed for the Project. In V5.1, these included Padre Dam's Influent Pump Station (IPS), the IPS Force Main and the East Mission Gorge Pump Station (EMGPS). Also included in this category was an estimate for costs related to bringing power and water to the Project site (\$6.0M) and an estimate for unknown property acquisition/easement costs (\$4.1M). In V6.0, costs relating to water and power were moved to soft costs as discussed above. Since the decision was made that the IPS would not be transferred to the JPA, the estimated purchase price (\$667K) was removed. In addition, the estimated purchase price of the EMGPS was reduced by \$1M due to ongoing depreciation of the asset. Finally, Staff felt comfortable with current estimates for right away/easement costs so the \$4M acquisition contingency was reduced by \$3M.
- **Updated Renewal and Replacement (R&R) Expense:** R&R expense is intended to cover annual renewal and replacement costs of major equipment and/or build up a renewal and replacement fund for future needs. Replacement costs for consumables used in the treatment process that are replaced frequently (e.g. primary and secondary R/O elements, UV/AO lamps, lab equipment) are budgeted for separately in the O&M cost estimate.
In V6.0, R&R was modified to better reflect operational needs and remove non-R&R capital cost (e.g. PDB's fee of \$11M, a portion (\$60M) of extraordinary inflation). Actual R&R expense could be lower if experience is more favorable or if the R&R fund reaches an acceptable level. The following outlines this update:
 - V5.1 assumed R&R expense began in year 6 at .3% of capital costs, increased to .6% in year 7 and then remained at 1% from years 8 through 10 (i.e. \$3.3M, \$5.0M and \$6.7M/year). From years 10-30, R&R expenses was set at 1.5% (~\$10.1M/year).
 - V6.0 assumes R&R expense begins in Year 3 at .5% (~\$2.7M given the lower capital cost base) and increases every year by 10% until it reaches 3.0% of capital costs (double the percent in V5.1). By 2056 R&R is estimated to be \$16.2M.
- **Updated JPA Contingency:** The JPA contingency in V6.0 is based on a Monte Carlo simulation that estimated the probability of certain identified risks combined with potential owner directed scope changes and an allowance for unidentified risks. The OA and Staff worked together to identify risks, quantify them and assign a probability of occurrence. The resulting contingency used in V6.0 covers Package 1-3 but also provides for cost uncertainty for Package 4 Package 5 with possible high strength waste operations. In V5.1, the JPA construction contingency was estimated at \$30M with an additional program related contingency of \$16.4M for a total of \$46.6M. V6.0 contains a \$44M construction contingency (\$30.5M for Packages 1-3, \$7.4M of Package 4 and \$5.5M for Package 5) and retains the \$16.4M overall program related contingency for a total of \$60.4M.
- **Updated Funding Sources:** The model was updated to reflect a decrease in the SRF loan interest rate from 1.25% (estimated) to .8% (actual). The ZMFU loan was updated from \$20M to \$30M to reflect the renegotiated loan amount. Finally municipal bonds were added to fund additional Project costs. The model assumes a 4% interest rate and estimated issuance costs; however staff will pursue low interest financing options (i.e. WIFIA, SRF) as an alternative to issuing municipal bonds to hopefully reduce borrowing costs.
- **Sculpting of the WIFIA Debt Service:** V6.0 takes advantage of the flexibility provided by WIFIA to capitalize on increasing revenues in later years and create more intergenerational equity as opposed to maintaining a fixed level of debt service over the life of the loan (discussed above);

- **Reforecasted County Water Authority Rates & Adjustment to Water Revenue Projection:** As discussed above, recent CWA projections indicated upwards pressure on water rates. Consequently new high and low long term rate projections were developed and revenues from product water sales were revised;
- **Reforecasted City of San Diego Metro Projections & adjustment to Avoided Cost.** Also discussed above, the City of San Diego faces the same inflationary pressures in constructing the Pure Water Project as the JPA. In the absence of updated information from the City, only O&M projections were updated to reflect current conditions and consistency with escalation factors used to project East County AWP costs.

Table 2 summarizes the main differences from V5.1 and V6.0.

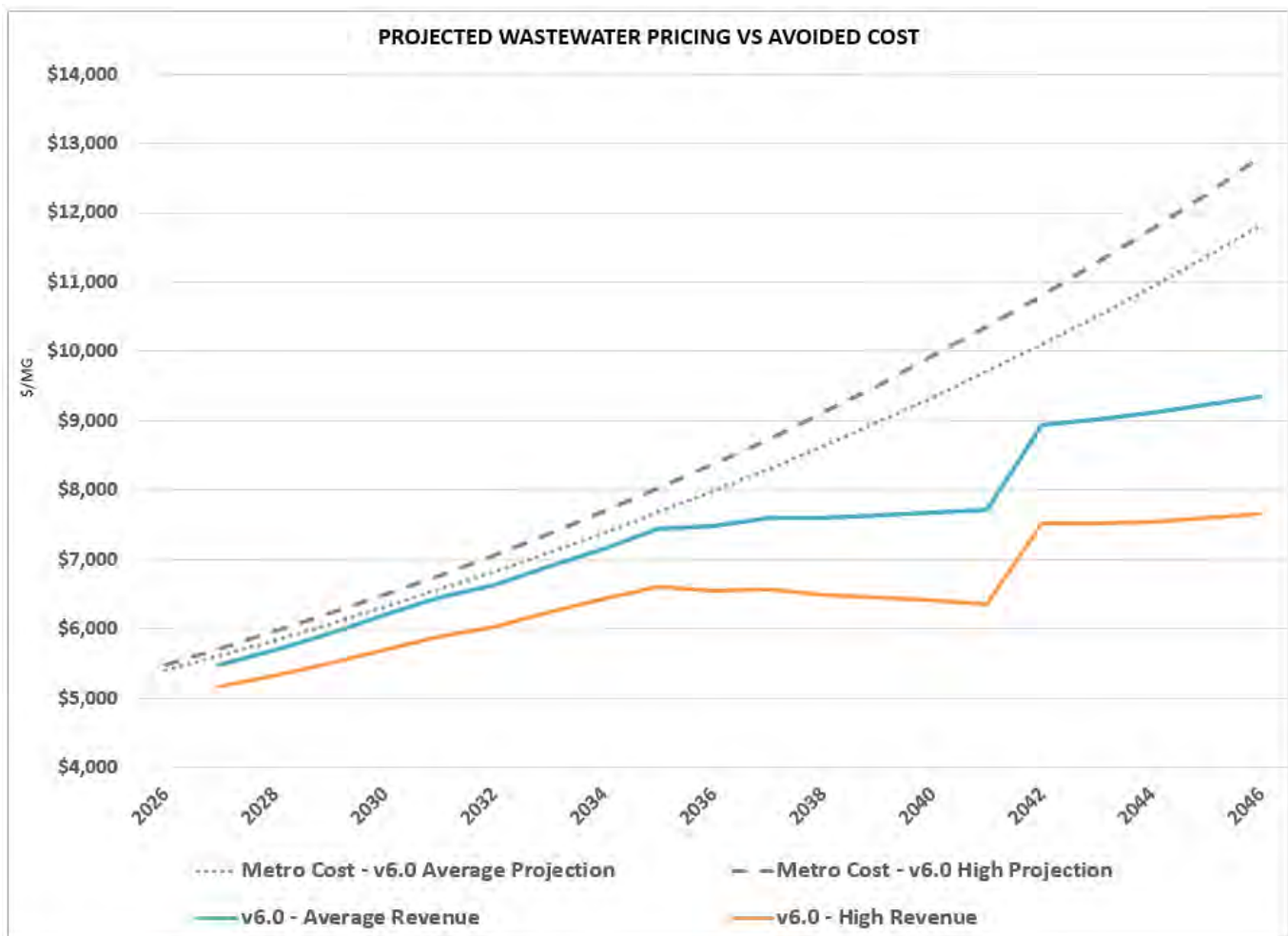
TABLE 2
PROFORMA MODEL UPDATES

<i>Category</i>	<i>V5.1</i>	<i>V6.0</i>
Design Builder (Soft & Construction)	\$514,185,603	\$619,587,927
JPA Soft (Engineering, OA, IA)	\$104,622,721	\$142,313,322
Acquisition Costs & Contingency	\$15,700,000	\$4,760,000
JPA Contingency	\$46,613,000	\$60,613,000
Start-up and Commissioning	\$0	\$18,272,000
Package 4 (Estimated DB & Soft)	\$26,404,410	\$29,900,784
Financing Costs & Required Reserves	\$55,370,660	\$72,458,550
All-in Project Costs *	\$762,896,394	\$947,905,583
Annual O&M and Labor (Yr 1)	\$33,426,000	\$34,064,468
Renewal and Replacement (R&R) Expense / Funding R&R Reserve (% of Capital)	Year 6: .3%, Year 7: .6%, Years 8-10: 1.0% Years 10+ : 1.5%	Year 3: .35% Years 4+: 10% annual increase, capped at 3%
Average Metro Cost in 2026	\$ 5,399 / MG	\$ 5,393 / MG
Average Metro Cost in 2032	\$ 6,811 / MG	\$ 6,820 / MG
Offsetting Revenues from Water Sales	\$1,248,323,000	\$1,539,334,053
Total Debt Service	\$890,079,000	\$1,146,236,203

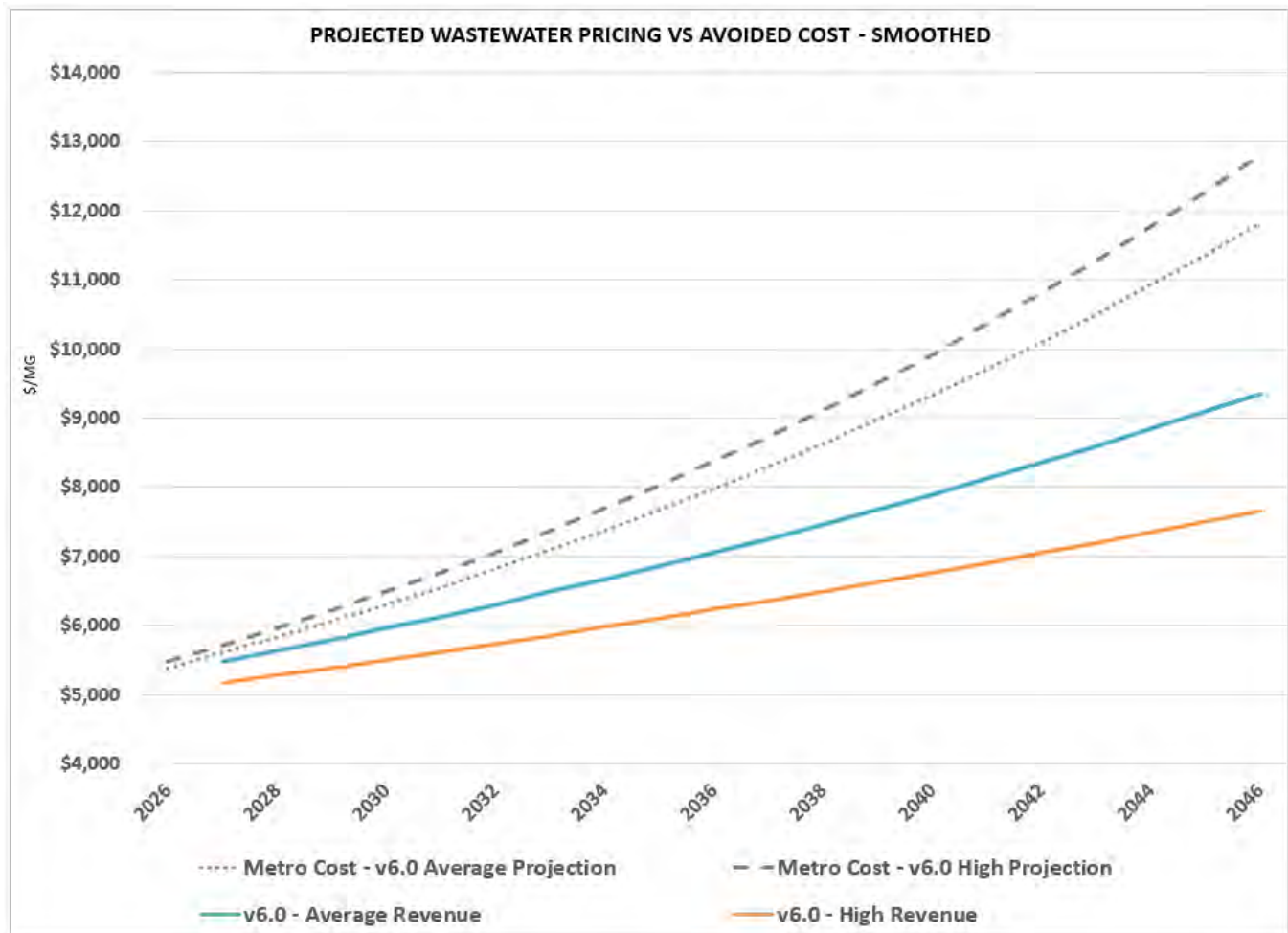
** Excludes Energy Recovery (Package 5). Initial estimates show that Energy Recovery would have a positive net benefit on the Project. However, for conservatism, it has been left out of the V6.0 until more information is available and a final decision to implement has been made.*

The results of the Proforma model are shown in the next two graphs. Graph 3 shows projected wastewater pricing under two scenarios: the blue line shows projected wastewater pricing assuming an average CWA costs (i.e. average revenue for the JPA) whereas the orange line show projected wastewater pricing assuming CWA costs trend higher (i.e. higher revenue for the JPA). The two grey lines are smoothed, projected Metro costs. The dashed line assumes higher escalation than the dotted line. Finally the grey lines begin in 2026 because that was what was shown in V5.1. However the blue and orange lines are shown as starting in 2027, the first full year of operation. Graph 4 is based on the same data but smooths JPA wastewater rates over the planning horizon.

GRAPH 3
PROFORMA MODEL 6.0



GRAPH 4
PROFORMA MODEL 6.0 (SMOOTHED)



NEXT STEPS

On May 19, 2022, Staff will present proposed amendments to the PDB Agreements for Packages 1, 2, & 3 and ask the Board to authorize Phase 2 activities for the negotiated LS amounts. Staff will also seek Board authorization to issue NTP 1 to each PDB for Phase 2. As mentioned earlier, the decision to issue the NTPs for Phase 2 activities represents the final investment decision for the Board to move forward into final design and construction. Should the Board decide not to authorize the Phase 2 Amendments for any or all of the Packages, then the Board would be choosing the contractual “off-ramp” for the Project. If the Board approves these recommendations, Staff will present and seek approval for the comprehensive Project Budget, which was developed from the information presented above.



BOARD AGENDA REPORT

Meeting Date: 05-19-2022

Submitted by: Melissa McChesney, Communications Manager

Subject: East County AWP Executive Overview Report

Recommendation(s):

Note and file; informational item only.

Alternative(s):

n/a

Attachment(s):

1. East County AWP Executive Overview Report for May 2022

Funding:

Requested amount: n/a

Funding source: n/a

Project Goals: The East County Advanced Water Purification Program is a regional water and wastewater solution. This Program is a collaborative partnership between Padre Dam Municipal Water District, County of San Diego, the City of El Cajon and Helix Water District. It will create a new, local, sustainable and drought proof drinking water supply using state-of-the-art technology to purify recycled water and diversify East County's water supply while reducing our dependence on imported water. This Program will provide up to 30 percent of East County's drinking water demands while reducing wastewater discharge into the ocean.

Reviewed by:

Padre Dam GM
Finance



Legal Counsel
Standard Form



Action Required:

Motion
Resolution



Ordinance
None



Executive Summary:

The quarterly East County Advanced Water Purification Executive Overview Report for May 2022 is attached. This report is intended to provide the JPA Board and interested stakeholders with key project status updates.

Informational topics in the report include:

- Implementation Updates on Package 1, 2, 3 and 4
- East County AWP JPA Board Meeting Highlights
- Project Financials through April 30th of Fiscal Year 2022
- Public Outreach highlights

The report uses graphics, text and breakout comments to provide a thorough overview and understanding of the current Project status. The report is provided quarterly in the JPA Board meeting agenda as a “Note and File” informational item. The next report is scheduled for the August 2022 Board meeting.

Recommendation(s):

Note and file; informational item only.

Executive Overview

May 2022

The East County Advanced Water Purification Program is a regional water and wastewater solution. This program is a collaborative partnership between Padre Dam Municipal Water District, the County of San Diego, the City of El Cajon, and Helix Water District. It will create a new, local, sustainable and drought proof drinking water supply using state-of-the-art technology to purify recycled water and diversify East County’s water supply while reducing our dependence on imported water.

Implementation Updates

Package 1

Package 1 Design-Build, AECOM/Lyles continues work in Phase 1 at a not-to-exceed amount of \$14M. Components of Package 1 includes a 16 MGD water recycling facility, an 11.5 MGD advanced water purification facility, a solids handling facility, a product water pump station and a new visitor’s center. Highlights include:

- Finalized 60% design drawings and specifications
- Completed review of the equipment procurement bid results and finalized major equipment selection list
- Completed review of the Phase 2 Project cost with the DB firm and negotiations on the contract lump sum price
- Completed work on Phase 2 contract amendment documents in collaboration with DB firm
- Responded to regulator comments received on the Draft Title 22 Engineering Report. Next version of the Report will be submitted in June 2022.

Package 2

Package 2 Design-Build, Orion and GHD, continue work in Phase 1 at a not-to-exceed amount of \$5.5M. Package 2 includes designing and constructing a 10-mile advanced water purification pipeline, dechlorination facility, water feature and inlet to Lake Jennings. Highlights include:

- Orion Construction completed geotechnical borings on Fanita Parkway to support the design of the Package 2 Segment 1 redesign and the AWP Potable Waterline.
- Received the Final Guaranteed Maximum Price on April 20th from Orion Construction
- Received the Final Cost Loaded Phase II baseline schedule from Orion Construction on April 25th.
- Orion Construction is scheduled to submit the Revised Final Water Feature and Final AWP Potable Water Pipeline Designs on May 2.

Package 3

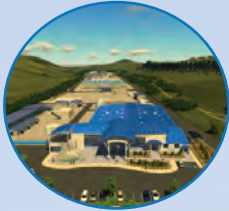
Package 3 Design-Build AECOM/Lyles continue work in Phase 1 at a not-to-exceed amount of \$4.7M. Components of Package 3 are retrofits and capacity expansions of the Influent Pump Station and East Mission Gorge Pump Station (EMGPS), 3.5 mile force main, a 3 mile residuals bypass pipeline and a 1.7 million gallon a day lift station on for the residuals bypass system. Highlights include:

- Design-Build has submitted the Final 60% Basis of Design Report and GMP/Lump Sum Cost for Phase 2.
- Design-Build is addressing JPA comments on the Phase 2 Baseline Schedule.
- Revised horizontal and vertical alignments have been developed with the coordination of improvements on Fanita Parkway with Package 2, the City of Santee, and future expansion of Fanita Parkway by HomeFed.
- Progress continues for easement acquisition with property owners including the City of San Diego, HomeFed, Carlton Oaks Golf Course and others.
- Continuing to coordinate with all stakeholders as we prepare to transition to Phase 2.

Package 4

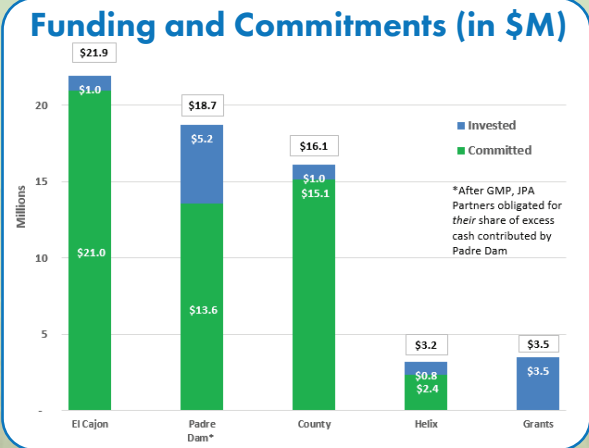
Package 4 is a collaborative effort between the JPA and the City of San Diego to implement the provisions of the Residuals Management Agreement. The preliminary capital cost for Package 4 is \$40M-\$45M inclusive of contingency. Highlights include:

- Completed the CEQA analysis for Package 4 and issued the Draft Subsequent IS/MND for Public Review
- Continued progress on EMGFM wet weather flow analysis
- Continued coordination with the City of San Diego on the Final Condition Assessment Work Plan
- Design and Permitting coordination with Caltrans was initiated

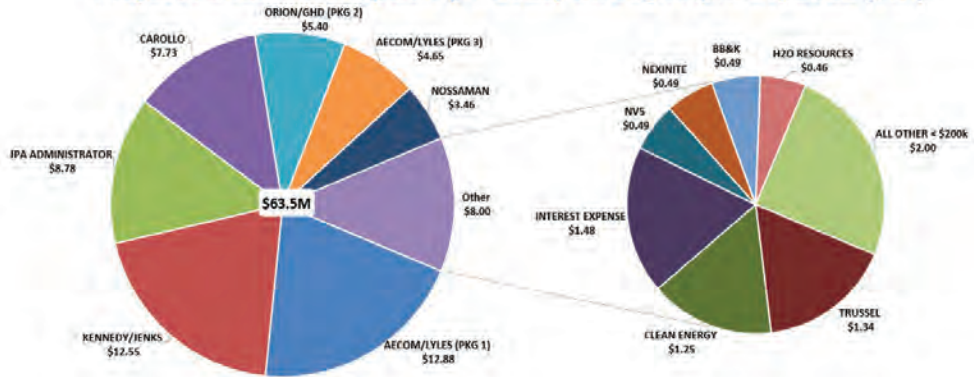


Financial Highlights

This section highlights financial information for Fiscal Year 2022 through April 30, 2022.



Project Funds for Inception (FY 2015) through April 30, 2022 (\$M)



FY 2022 Budget vs. Q3 Actuals (in \$1,000s)

Approved budget is for the full Fiscal Year while actuals are through April 30, 2022.

	Budget	Actual	Amount Over (Under) Budget
Interim Administrator	\$ 2,928,053	\$ 2,896,772	\$ (31,280)
Design Builders	38,377,366	13,598,418	(24,778,947)
Professional Services	18,613,028	6,695,900	(11,917,128)
Equipment, Building, Utilities	12,250	5,501	(6,749)
Materials and Supplies	62,500	3,904	(58,596)
Administrative Expenses	1,983,458	52,984	(1,930,474)
Interest Expense	441,667	389,778	(51,889)
Total Expenditures	\$ 62,418,322	\$ 23,643,258	\$ (38,775,064)



At the May 19, 2022 JPA Board Meeting the Board will consider approving Phase 2 work including final design and construction for Packages 1, 2 and 3. If approved, this will move the \$950M program into construction and ultimately another step closer to providing this new water supply for our region.



Board Meeting Highlights

November 2021

At their November meeting the JPA Board approved the long-term Energy Recovery Strategic Approach, and purchase of the East Mission Gorge Pump Station. The Board also approved the East County AWP Joint Powers Authority Administrator and Operator agreement with the Padre Dam Municipal Water District.

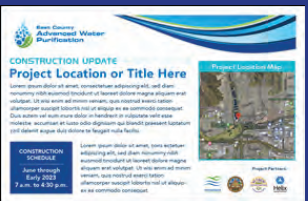
February 2022

At their February meeting the JPA Board reelected Director Gobel as Chair of the Board and Director Anderson as Vice Chair of the Board. The Board also approved audited financials for Nov. 2019 - June 2021, amendments to JPA policies and procedures and authorized a loan agreement with ZFMU, II.

Public Outreach

The Outreach team continued work on the construction outreach plan and coordinating a timeline for what outreach will occur in different project areas. Additionally, the outreach team is progressing with the concepts for educational displays and exhibits in the future Visitor’s Center and planning a groundbreaking event.

Legislative Tours



Construction Outreach Plan developed

Social Media Content

