



Montecito Sanitary District

1042 Monte Cristo Lane *A Public Service Agency*
Santa Barbara, CA 93108

Phone: (805) 969-4200
www.montsan.org

BOARD PACKET

For the Regular Board Meeting of

Thursday, July 14, 2022

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AGENDA

For the Regular Meeting of the Board on:

July 14, 2022

The regular meeting of the Governing Board will begin at **2:00 p.m. on July 14, 2022** in the District's Board Room at 1042 Monte Cristo Lane.

The public may attend the meeting in person or participate remotely via Zoom using the following virtual meeting details:

By visiting: <https://us02web.zoom.us/j/89962037096>

Or by calling: 1-669-900-6833

Meeting ID: 899 6203 7096

1. CALL TO ORDER

President Dorinne Lee Johnson statement regarding meeting decorum. When the MSD Board is in session, all Board members must preserve order, decency, and decorum at all times and be respectful while others are speaking.

A. ROLL CALL

B. PLEDGE OF ALLEGIANCE

2. PUBLIC COMMENT

Public comment is **limited to 3 minutes** and is at the discretion of the Board President. For further instructions, see please see [Instructions for Public Comment](#) on the District's website.

3. APPROVAL OF MINUTES

It is recommended that the Board consider approving the minutes from Board Meetings held on June 9, 2022, June 16, 2022 and June 23, 2022.

4. COMMITTEE REPORTS

It is recommended that the Board receive and file a report provided by the following committee(s):

- i) Joint Strategic Planning Committee (Johnson & Barrett) related to their Meeting of Thursday June 30, 2022.

5. OLD BUSINESS

A. ANNUAL SEWER SERVICE CHARGE HEARING TO COLLECT SEWER SERVICE CHARGES ON THE COUNTY TAX ROLL - RESOLUTION 2022-950

It is recommended that the Board consider:

- i) Holding a hearing and accepting public comment related to the collection of sewer service charges on the County Tax roll;
- ii) Adopting resolution 2022-950 ordering the filing with the County Auditor of a report of Sewer Service Charges for Fiscal Year 2022-23 to be placed on and collected by means of the County Tax Roll; and
- iii) Taking such additional, related action that may be desirable.

B. HIGHWAY 192 MANHOLE ADJUSTMENT

It is recommended that the Board consider:

- i) Accepting the Highway 192 Manhole Adjustment Project as complete and approving the issuance of a Notice of Completion for a total project cost of \$191,331.68; and
- ii) Taking such additional, related action that may be desirable.

C. ROUNDABOUTS SEWER RELOCATION PROJECT

It is recommended that the Board consider:

- i) Awarding a contract with Tierra Contracting in their low bid amount of \$368,400 for construction of relocations of District assets associated with the roundabouts at the intersections of North Jameson Lane at Olive Mill and San Ysidro; and
- ii) Authorizing the General Manager to execute the contract and approve expenditures of up to \$36,840 to cover any cost increases that may result from contract change orders for extra work and differences between estimated bid quantities and actual quantities measured for payment;
- iii) Authorizing the General Manager to execute a Task Order with Filippin Engineering under an existing On-Call Contract (2020-008-OC), in the amount of \$34,720 for construction inspection services or Phase1, and
- iv) Authorizing the General Manager to approve expenditures of up to \$3,472 (10%) for extra professional services that may result from necessary changes in the scope of work.

6. NEW BUSINESS

A. ENHANCED RECYCLED WATER FEASIBILITY STUDY

It is recommended that the Board consider:

- i) Authorizing the General Manager to approve expenditures up to \$12,346 for extra services encountered during the project.

B. PUBLIC OUTREACH

It is recommended that the Board consider:

- i) Discussing the approach to meeting the District's public outreach needs; and
- ii) Taking such additional, related action that may be desirable.

7. **ITEMS FOR THE NEXT AGENDA**

The next Board meeting will be a special board meeting on July 19, 2022 at 2:00 pm; to discuss the following items (but not limited to):

8. **ADJOURNMENT**

The Montecito Sanitary District has resumed in-person meetings in accordance with the Brown Act. In accordance with the State of Emergency declaration issued on March 4, 2020 by the Governor of the State of California in response to COVID-19 and Government Code 54953(e), the District also provides alternative methods of remote participation which permit members of the public to observe and address public meetings remotely via telephone or Zoom. These methods of participation can be accessed through the internet link provided at the top of this agenda.

This agenda was posted on the District website, and at the Montecito Sanitary District Bulletin Board in accordance with the requirements of the Brown Act. Attested by:



Stephen Williams
District Administrator/Clerk of the Board

ADA – The Americans with Disabilities Act provides that no qualified individual with a disability shall be excluded from participation in, or denied the benefits of, the District's programs, services or activities because of any disability. If you need special assistance to participate in this meeting, please contact the District Office at 969-4200. Notification at least twenty-four (24) hours prior to the meeting will enable the District to make appropriate arrangements.

MINUTES

For the Regular Meeting of the Board on:

June 9, 2022

1. CALL TO ORDER

The Governing Board of the Montecito Sanitary District convened a regular meeting at 2:04 p.m. on Thursday, June 9, 2022.

ATTENDANCE

Board Members Present:

Vice President Woody Barrett (Remote via telecommute), Director Newquist, and President Dorinne Lee Johnson

Board Members Absent:

Treasurer Don Eversoll

Also Present and Participating:

Brad Rahrer, P.E. MSD General Manager
Stephen Williams, MSD District Administrator
Bryce Swetek, MSD Engineering Manager
Bob Hazard, Member of the Public

2. PUBLIC COMMENT

No members of the public addressed the Board.

3. APPROVAL OF MINUTES

ON MOTION by Director Newquist, Second by Director Johnson, the Board voted to approve the minutes for the Board meetings of May 12, 2022 and May 26, 2022.

AYES:	Directors Barrett, Eversoll, Newquist, and Johnson
NAYS:	None
ABSTAIN:	None
ABSENT:	None

4. OLD BUSINESS

A. APPOINTMENT HEARING

The Board received brief presentations from the four candidates for the vacant Board of Directors seat describing their relevant experience, backgrounds, and motivations for applying. After each candidates presentation the Board of Directors were given the opportunity to ask them questions. After Board deliberation a selection was made to appoint Phillip Hogan to the vacant Board of Directors seat.

5. NEW BUSINESS

A. CLARIFIER SCUM TROUGH REPLACEMENT

ON MOTION by Director Newquist, Second by Director Barrett, the Board voted to authorize the General Manager to execute a purchase order to Jim Myers & Sons, Inc. in the amount of \$96,144 for the purchase of materials necessary for the replacement of the four clarifier scum troughs.

AYES: Directors Barrett, Newquist and Johnson
NAYS: None
ABSTAIN: None
ABSENT: Director Eversoll

Director Newquist left the meeting at 3:05 p.m.

B. FISCAL YEAR 2022-23 BUDGET

District Administrator Stephen Williams presented the 2022-23 Proposed Budget and discussed with the Directors present. No action was taken and the item will be continued at the Regular Board Meeting of June 23, 2022.

Director Barrett left the meeting at 3:38 p.m.

6. ITEMS FOR THE NEXT AGENDA

The next Board meeting will be a regularly scheduled board meeting on June 23, 2022 at 2:00 pm; to discuss the following items (but not limited to):

- FY 2022-2023 Budget
- Short Review of the District's Board Policies and Procedures
- Recycled Water Maintenance Update

7. ADJOURNMENT

The meeting adjourned at 3:48 p.m. when Director Barrett left the meeting.

These minutes were presented for approval at the Board Meeting on July 14, 2022.

Dorinne Lee Johnson, President

Ellwood T. Barrett II, Vice President

Dana Newquist, Secretary

Donald M. Eversoll, Treasurer

Vacant, Director

MINUTES

For the Special Meeting of the Board on:

June 16, 2022

1. CALL TO ORDER

The Governing Board of the Montecito Sanitary District convened a regular meeting at 2:05 p.m. on Thursday, June 16, 2022.

ATTENDANCE

Board Members Present:

Vice President Woody Barrett (Remote via telecommute), Director Eversoll, Director Newquist, and President Dorinne Lee Johnson

Board Members Absent:

None

Also Present and Participating:

Brad Rahrer, P.E. MSD General Manager

2. PUBLIC COMMENT

No members of the public addressed the Board.

3. CLOSED SESSION

A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION (GOVERNMENT CODE § 54956.9(d)(2))

Board voted to draft letter to relevant parties.

B. PUBLIC EMPLOYEE EVALUATION (GOVERNMENT CODE SECTION 54957)

Title: General Manager

No reportable action taken.

C. LABOR NEGOTIATIONS (GOVERNMENT CODE § 54957.6)

The Board received an update on labor negotiations between District and SEIU Local 620. No reportable action taken.

D. ITEMS FOR THE NEXT AGENDA

Director Newquist requested discussing the Board Policies and Procedures and considering adopting a resolution to resume remote meetings.

Director Barrett requested to discuss hiring someone for public relations.

4. **ADJOURNMENT**

The meeting adjourned at 4:41 p.m. ON MOTION by Director Newquist, seconded by Director Eversoll.

These minutes were presented for approval at the Board Meeting on July 14, 2022.

Dorinne Lee Johnson, President

Ellwood T. Barrett II, Vice President

Dana Newquist, Secretary

Donald M. Eversoll, Treasurer

Phillip Hogan, Director

MINUTES

For the Regular Meeting of the Board on:

June 23, 2022

1. CALL TO ORDER

The Governing Board of the Montecito Sanitary District convened a regular meeting at 2:03 pm on Thursday, June 23, 2022.

ATTENDANCE

Board Members Present:

Vice President Woody Barrett, Treasurer Don Eversoll, Director Newquist, and President Dorinne Lee Johnson

Board Members Absent:

None

Also Present and Participating:

Brad Rahrer, P.E. MSD General Manager
Stephen Williams, MSD District Administrator
Ricardo Larroude, MSD Operations Manager
David Flynn, Member of the Public
Linda Rosso, Member of the Public

2. PUBLIC COMMENT

Two members of the public addressed the board:

- Member of the public David Flynn addressed the board to inquire about the challenges, feasibility, and process required to get his property located at 2126 E Valley Road connected to the sewer system.
- Linda Rosso addressed to board to describe her background and experience in land development and marketing and how that experience can be helpful to the District in the form of driving traffic to the District's website and inform and educate the community.

3. SWEARING IN NEW DIRECTOR

ON MOTION by Director Eversoll, Second by Director Barret, the Board voted to ratify the vote from the June 9, 2022 Board Meeting appointing Phil Hogan to fill the board of directors vacancy.

AYES: Directors Barrett, Eversoll, Newquist and Johnson
NAYS: None
ABSTAIN: None
ABSENT: None

Director Johnson administered Oath of Office to Phil Hogan. Director Hogan assumed seat on the Board at 2:16 p.m.

4. Organizational Decisions

President Johnson made the following appointments:

- Finance Committee: Directors Dorinne Johnson and Ellwood Barrett
- Personnel Committee: Directors Dana Newquist and Ellwood Barrett
- Administrative & Operations (A&O) Committee: Directors Eversoll and Phillip Hogan
- Public Information Committee: Directors Dana Newquist and Dorinne Johnson
- Strategic Planning Committee: Directors Dorinne Johnson and Ellwood Barrett

5. APPROVAL OF PAYABLES

ON MOTION by Director Newquist, Second by Director Eversoll, the Board voted to approve the District payables for checks dated April 1 through April 30, 2022.

Accounts Payable	\$ 164,089.01
Capital Improvement Projects	\$ 464,402.89
Recycled Water Fund	<u>\$ 25,655.67</u>
Payroll	<u>\$ 158,527.79</u>
TOTAL	<u>\$ 812,675.36</u>

AYES: Directors Barrett, Eversoll, Hogan, Newquist, and Johnson
NAYS: None
ABSTAIN: None
ABSENT: None

6. COMMITTEE REPORTS

It is recommended that the Board receive and file a report provided by the following committee(s):

- i) Director Eversoll gave a summary of the Finance Committee Meeting held June 15, 2022.

7. OLD BUSINESS

None.

8. NEW BUSINESS

A. RESOLUTION 2022-949 – SETTING THE DATE, TIME, AND PLACE FOR THE ANNUAL SEWER SERVICE CHARGE HEARING

ON MOTION by Director Newquist, Second by Director Barrett, the Board voted to adopt Resolution 2022-949 setting the date, time, and place for the annual sewer service charge hearing on the July 14th, 2022 general board meeting.

AYES: Directors Barrett, Eversoll, Hogan, Newquist, and Johnson
NAYS: None
ABSTAIN: None
ABSENT: None

B. RESOLUTION 2022-951 REMOTE MEETINGS ADOPTION

ON MOTION by Director Newquist, Second by Director Barrett, the Board voted to adopt Resolution 2022-951 enabling the District to continue to hold remote public meetings and comply with California Assembly Bill 361.

AYES: Directors Barrett, Eversoll, Hogan, Newquist, and Johnson
NAYS: None
ABSTAIN: None
ABSENT: None

C. FISCAL YEAR 2022-23 BUDGET

District Administrator Stephen Williams presented the 2022-23 Proposed Budget. The Board discussed the budget and provided input on several of the line items:

Director Newquist left the meeting at 4:46 p.m.

ON MOTION by Director Barrett, Second by Director Eversoll, the Board voted to approve the proposed FY2022-23 Budget as presented with the following modifications to the Operating Budget:

- Change Line 7467 – Prof Services Special Legal Counsel to \$50,000
- Change Line 7500 – Public Outreach/Education to \$75,000
- Change Line 7675 – COVID-19 Expenses to \$35,000
- Change Line 7703 – Contract Laboratory Expenses to \$10,000
- Change COLA used in the budget from 5.5% to 3.0%

AYES: Directors Barrett, Eversoll, Hogan and Johnson
NAYS: None
ABSTAIN: None
ABSENT: Newquist

9. ITEMS FOR THE NEXT AGENDA

The next Board meeting will be a regularly scheduled board meeting on July 14, 2022 at 2:00 p.m.; to discuss the following items (but not limited to):

- Short Review of the District’s Board Policies and Procedures
- Ordinance No. 19 Review
- Recycled Water Pilot Project
- Public Outreach Consultant

10. ADJOURNMENT

The meeting adjourned at 4:03 p.m. ON MOTION by Director Newquist, seconded by Director Eversoll.

These minutes were presented for approval at the Board Meeting on July 14, 2022.

Dorinne Lee Johnson, President

Ellwood T. Barrett II, Vice President

Dana Newquist, Secretary

Donald M. Eversoll, Treasurer

Phillip Hogan, Director



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MONTECITO SANITARY DISTRICT STAFF REPORT

DATE: Thursday, July 14, 2022

TO: BOARD OF DIRECTORS

FROM: Bradley Rahrer, P.E., General Manager

PREPARED BY: Stephen Williams, District Administrator

SUBJECT: Resolution 2022-950 – Collection of Sewer Service Charges on the County Tax Roll

SUMMARY: Per in [CA Government Code Section 5473 through 5473.11](#); the Montecito Sanitary District must annually adopt a resolution and hold a hearing to collect all annual sewer service charges on the County property tax roll.

RECOMMENDATION: STAFF RECOMMENDS THAT THE BOARD:

1. The Board of Directors adopt resolution 2022-950 to collect annual sewer service charges on the County of Santa Barbara Tax Roll

Fiscal Impact – Collecting sewer service charges on the County Tax Roll guarantees the District will receive all its annual operating revenue, as we are on a Teeter plan. If we do not collect service charges on the tax roll, we’d have to manually bill all customers including residential customers, which would not guarantee receipt of any revenue.

Public Notice – Notice of the public hearing must be published once a week for two successive weeks per CA government code section 6066.

Previous Related Action – See resolutions 2021-932, and 2021-933 and annually prior to 2021 since Fiscal Year 1990-91.

Goals and Objectives – Collecting sewer service charges on the County Tax Roll to guarantee the District will receive all its annual operating revenue.

Environmental Determination – Categorically exempt by C.E.Q.A.

Analysis – Justifications: – Collecting sewer service charges on the County Tax Roll guarantees the District will receive all its annual operating revenue, as we are on a Teeter plan. If we do not collect service charges on the tax roll, we'd have to manually bill all customers including residential customers, which would not guarantee receipt of any revenue.

OTHER DEPARTMENTS INVOLVED: Admin

ATTACHMENTS: Resolution 2022-950

RESOLUTION NO. 2022-950

**RESOLUTION OF THE GOVERNING BOARD
OF THE MONTECITO SANITARY DISTRICT
ORDERING THE FILING WITH THE COUNTY AUDITOR
OF A REPORT OF SEWER SERVICE CHARGES
FOR FISCAL YEAR 2022-23
TO BE PLACED ON AND COLLECTED
BY MEANS OF THE COUNTY TAX ROLL**

WHEREAS the Governing Board by its Ordinance No. 6 dated July 2, 1990 elected to collect certain of its sanitary sewer service charges by means of the County Tax Roll; and

WHEREAS pursuant to section 5473 of the Health and Safety Code, the Governing Board of the District has in previous years caused to be filed annual reports with the Auditor of the County of Santa Barbara (the "previous reports"), which describe each parcel of real property then receiving services or facilities furnished by the District and, for each such parcel, the charge for said services or facilities; and

WHEREAS pursuant to section 5473 of the Health and Safety Code, the Governing Board of the District has this year prepared a revised report which, with the previous reports, describes each parcel of real property receiving services or facilities furnished by the District and, for each such parcel, the charge for Fiscal Year 2022-23 computed in conformity with the charges with Resolution No. 2016-897 dated May 9, 2016; and

WHEREAS the previous reports are hereby incorporated by reference and the previous reports and the revised report are hereinafter referenced collectively as the "report;" and

WHEREAS pursuant to section 5473.1 of the Health and Safety Code and Resolution No. 2022-949 dated June 23, 2022, a hearing on the report was set for 2:00 o'clock p.m. on the 14th day of July 2022; and

WHEREAS notice of said hearing was given by publication and mailing as required by section 5473.1 and proof of publication and affidavit of mailing are on file with the District; and

WHEREAS at said time and place said hearing was held; and

WHEREAS at said hearing the Governing Board of the MONTECITO SANITARY DISTRICT heard and considered all objections or protests to said report;

NOW, THEREFORE, BE IT RESOLVED:

1. That all of the recitals contained in the preamble to this Resolution are true;
2. That this Governing Board finds that the protests, if any, are not made by the owners of a majority of the separate parcels described in the report on file with the District;
3. The report shall be and it is hereby adopted and it is determined that each charge as set forth in said report is proper;
4. That the Secretary of this Governing Board and of the District shall, on or before the 29th day of July 2022, file or cause to be filed with the Auditor of the County of Santa Barbara a

copy of said report, together with a statement endorsed thereon that said report has been adopted by the Governing Board of the MONTECITO SANITARY DISTRICT;

5. That pursuant to section 5473.4 of the Health and Safety Code, the Auditor of the County of Santa Barbara, State of California, shall enter the amounts of the charges against the respective lots or parcels of land as they appear on the current assessment roll;
6. That the amount of the charges shall constitute a lien against the lot or parcel of land against which the charge has been imposed as of noon the first day immediately preceding date of levy; and
7. That the hearing is hereby concluded.

PASSED AND ADOPTED by the Governing Board of the MONTECITO SANITARY DISTRICT on the 14th day of July 2022 by the following vote:

AYES:

NAYS:

ABSTAIN:

ABSENT:

Dorinne Lee Johnson, President of the
Governing Board of the
MONTECITO SANITARY DISTRICT

ATTEST:

Stephen Williams, Clerk to the
Governing Board of the
MONTECITO SANITARY DISTRICT



July 14, 2022

Mr. Blair Douglas
Tierra Contracting
5484 Overpass Road
Santa Barbara, CA 93111

SUBJECT: NOTICE OF COMPLETION- HIGHWAY 192 MANHOLE ADJUSTMENT PROJECT
BID NO. 2021-02

Dear Mr. Douglas:

On July 14, 2022, the Montecito Sanitary District Board at a regularly scheduled board meeting took action to accept the Riven Rock Community Low Pressure Sewer Force Main Project as complete. The one year warranty period commenced on this date as determined by the contract, and will end on July 14, 2023.

The final price of \$191,331.68 has been determined to be the final cost for this contract. If you have any questions please contact the District office at (805) 969-4200.

Sincerely,

Bradley Rahrer, P.E.
General Manager



Montecito Sanitary District

1042 Monte Cristo Lane
Santa Barbara, CA 93108

A Public Service Agency

Phone: (805) 969-4200

www.montsan.org

MONTECITO SANITARY DISTRICT STAFF REPORT

DATE: July 14, 2022
TO: Board of Directors
FROM: Bradley Rahrer, General Manager
PREPARED BY: Bryce Swetek, Engineering Manager
SUBJECT: Roundabouts Sewer Relocation Project
SUMMARY: Relocate District sewer facilities in conflict with the proposed roundabouts at San Ysidro/North Jameson and Olive Mill/North Jameson intersections, as part of the Caltrans Hwy 101 HOV Widening Project.

RECOMMENDATION: STAFF RECOMMENDS THAT THE BOARD:

1. Award a contract with Tierra Contracting in their low bid amount of \$368,400 for construction of relocations of District assets associated with the roundabouts at the intersections of North Jameson Lane at Olive Mill and San Ysidro;
2. Authorize the General Manager to execute the contract and approve expenditures of up to ten percent of the bid, amounting to \$36,840, to cover any cost increases that may result from contract change orders for extra work and differences between estimated bid quantities and actual quantities measured for payment;
3. Authorize the General Manager to execute a Task Order with Filippin Engineering under an existing On-Call Contract (2020-XXX-OC), in the amount of \$34,720 for construction inspection services; and
4. Authorize the General Manager to approve expenditures of up to \$3,472 for extra services that may result from necessary changes in the scope of work

DISCUSSION:

Background – On November 29 2021, the District received a Relocation Claim Letter from Caltrans requesting relocations plans the District’s sewer facilities passing through the intersection of N. Jameson at San Ysidro and Olive Mill intersections because they may be in conflict with new roundabouts proposed for construction in fall of 2022 and winter

of 2023. Shortly thereafter, District staff met with design representatives from Caltrans to review the impacts and agreed relocating the District’s facilities in conflict with the new roundabout footprint was in the District’s best interest. Because MNS Engineers (MNS) were contracted with Caltrans to identify conflicts such as these, the District contracted with MNS to design realignments and abandonments of existing District sewer facilities to resolve conflicts with the proposed roundabout footprints.

District staff issued a request for bids on June 5, 2022 and opened bids on June 30, 2022. While there were seven prospective bidders registered for the project, only three attended the mandatory pre-bid meeting and the District ultimately received two bids from local companies for the project. The bids received range as follows:

	Bidder	Bid Amount
1	Tierra Contracting	\$368,400
2	Cedro Contracting	\$494, 839

Fiscal Impact – This project was included in the Fiscal Year 2022-23 Capital Improvement Project budget with an estimated cost of \$250,000. The bid results exceed budgetary estimates. From Staff’s analysis of the bids, the primarily reason for the cost differential is the County and City of Santa Barbara’s specialized traffic control requirement necessary to safely move vehicular, cyclists and pedestrian traffic through these busy intersections; additionally, the County and City allowable working hours have been restricted during the day and night due to traffic concerns in these high traffic areas and residential noise, respectively.

Previous Related Action –

- November 29, 2021 – Received Relocation Claim Letter from Caltrans
- December 9, 2021 – Notified the Board regarding potential conflict
- January 13, 2022 – Provided status update on the design work
- April 28, 2022 – Provided status update on the design work

Goals and Objectives – To resolve conflicts between the District’s sewer facilities and the proposed infrastructure for the roundabouts at the intersections of N. Jameson at San Ysidro Road and N. Jameson at Olive Mill Road.

Environmental Determination – Categorically exempt by CEQA as its maintenance and repair of existing facilities.

Analysis – Justifications – The low bid of \$368,400 submitted by Tierra Contracting is an acceptable bid that is responsive to and meets the requirements of the bid specifications. District staff will coordinate with Santa Barbara County and the Contractor to reduce the traffic control costs if at all possible. The change order funding recommendation of \$36,840 or 10%, is typical for this type of work and size of project.

The on-site inspection services from Fillipin Engineering are necessary to ensure the project is built per the design drawings and traffic impacts are minimized.

DEPARTMENTS INVOLVED: Collections

ATTACHMENTS: Proposal for Inspection Services by Fillipin

July 8, 2022

W.O. 214201

Montecito Sanitary District
1042 Monte Cristo Lane
Santa Barbara, CA 93108
Attn: Bradley Rahrer, P.E.

SUBJECT: PROPOSAL TO PROVIDE ON-CALL CONSTRUCTION OBSERVATION SERVICES FOR THE ROUNDABOUT SEWER RELOCATION PROJECT, PHASE 1

Dear Mr. Rahrer,

Filippin Engineering, Inc. (FE) is pleased to submit a proposal to provide Construction Observation services to Montecito Sanitary District (District) for the Roundabout Sewer Relocation Project, which consists of sewer relocation for the Olive Mill and San Ysidro Roundabout project. Filippin Engineering and its staff have completed numerous projects of similar scope and are well qualified to assist with all aspects of the project through the construction phase.

PROJECT UNDERSTANDING / ASSUMPTIONS

We understand that the District plans to use FE construction observation services on the referenced project set to begin in early August. FE's understanding is based upon plans provided by District staff, along with conversations via email indicating the anticipated duration of the project at 40 working days. We believe that the District would like the construction observation tasks for this project to be part-time, and we also are assuming that these part-time services can be paired with the Lilac sewer project to make a full-time assignment for the 40 working day duration. Because of the nature of part-time work, we will coordinate with District staff to determine what staffing arrangements can be made if the project moves forward at a different timing, as the majority of our inspectors are on full-time assignments, so we may need to use a combination of staff to cover the part time work. We are flexible in working with the District to meet the specific needs of this project and welcome any suggestions to our approach in this proposal or throughout the performance of the work.

PROJECT TEAM AND OVERVIEW

Kelly R. Wheeler, P.E., QSD, Principal Construction Manager: While FE is not providing Construction Management services with this assignment, a principal of the firm is assigned to every project we perform to assist our inspectors with scheduling, quality control, and any construction services that may be required to be added to the contract. Kelly Wheeler will be the Project Manager assigned to this project. Mrs. Wheeler has extensive experience as the Project Manager for a variety of public works projects, consisting of engineering design, construction management, and construction inspection, and has been assigned as the project manager for other District assignments.

Because this project is scheduled to run concurrent with Lilac, which is assigned to Tyler, we have proposed him for this assignment. Should the project schedule vary, FE will be using one of our qualified inspectors who is stationed closest to this assignment.

Tyler Beets, Senior Construction Inspector: Mr. Beets has an extensive background in public works construction and over 10 years of direct experience including water and sewer pipelines, underground utilities, drainage, structures, roads, and pavement maintenance. Previously employed with Allen Construction, Tyler served as the operations and production manager, project manager and estimator during his tenure. Tyler's depth of hands-on experience and

breadth of knowledge through a range of projects and roles has developed an exceptional skill set in a Senior Construction Inspector. Tyler excels at understanding the construction work as well as the engineering details and design intent. He is as adept at resolving potential field conflicts as he is at communicating with designers or Agency staff. Tyler is currently inspecting for the District on the Lilac Drive and Oak Grove Drive Sewer Main Extension Project, so is well versed in what is required for this project.

We have not included resumes by attachment, but they are available upon request.

WORK PLAN

The following are services that are likely to be required during the on-call observation work. Our inspector will coordinate with District staff to determine the actual services desired on each day. Possible tasks to be performed include:

Construction Observation Services

- **Construction Observation/Inspection** – The inspector will document, daily, the progress being made on the project, including the materials incorporated and the quantity of work completed, and recorded by pay item.
- **As Needed Construction Observation based on Actual Construction Activity**—observations of general/civil work and/or actions of the inspection team at the jobsite includes:
 - Observe contractor's compliance with the contract documents
 - Observe and record bid item quantities of Contractor's work and materials and equipment incorporated into the work
 - Observe and record weather and site conditions
 - Notify contractor and owner of deficient or non-compliant work
 - Observe and record correction of deficient or non-compliant work
 - Observe and record materials and equipment received
 - Observe stored materials for proper protection
 - Observe and record construction activities and progress
 - Observe and record contractor/subcontractor staffing and equipment usage
 - Take photographs daily for pertinent project activities and conditions
 - Coordinate with materials testing consultant(s) to in accordance with the Project's Quality Assurance Program
 - Complete Assistant Resident Engineer Daily Reports
 - Stay abreast of Contractor's schedule
- **Communication** – Communicate with the District's Project Manager and staff as appropriate, keeping all well informed of work progress and problems. Notify the Project Manager at any point when a dispute arises, an unknown condition is discovered, or when the Contractor indicates extra work/change order work is warranted.
- **Contractor Communication** – Communicate with the Contractor, notifying him of any unacceptable condition or workmanship. No deviations from contract documents without District approval will be made. Conversations with the Contractor regarding disputed work, quality of workmanship, extra work, progress or schedule of activities, or other topics related to the project will be recorded in the daily reports for use in claims and disputes. Other items of communication include:
 - Verify layout, operations, and intent of work with the Contractor.
 - Maintain open communication, coordinating each day before, after, and throughout the course of the work on outstanding items, schedule, and quantities.
- **Traffic Control and Public Safety** – Monitor throughout construction compliance with the approved TC plans. Review all detour, lane closures, temporary access, signing, delineation and traffic control. Prior to start of daily operations, report deficiencies to Contractor and record in daily reports.

- **Stormwater Controls** – Monitor throughout construction, compliance with the approved WPC plans.
- **Materials** – Examine material to be used for contract compliance and if rejected, direct the Contractor to remove.
- **Changes in Work** – Be alert to changes in the character of the work and site conditions. Notify the Project Manager of anticipated changes in the character of the work, or Contractor concerns regarding changes in work.
- **Extra Work** – Document extra work on the daily reports and report to the Project Manager what is observed to be extra work.
- **Workmanship** – Notify the Contractor and the Project Manager if materials or workmanship are not in compliance with the Contract Documents.
- **Contract Documents** – Continually review contract documents on upcoming work to stay ahead of the Contractor and notify the Project Manager of anticipated areas of concern.
- **Maintain Construction Record Drawings** – Maintain one set of contract documents with up-to-date information regarding all addendum, substitutions, clarifications and change orders.
- **Final Inspection and Punch list** – Participate in final inspection with the Contractor, Project Manager, and District to review the project for acceptance of workmanship and materials and prepare a punch list of project construction deficiencies for resolution by Contractor.
- **Project Closeout** – Prepare inspection documentation needed for project closeout (Daily reports, photos, materials tickets, record drawings). Deliver all project documentation to Project Manager within 2 weeks of acceptance of the work.

Please note that due to the part time nature of the District’s request, that we will only be able to document while onsite, so work that happens when we are not onsite will not be observed.

Construction Management Services

We understand for purposes of this proposal and budgetary constraints that the District will be performing the construction management services in-house for this project. We anticipate that the following services are necessary for the CM and will be performed by in-house staff.

Pre-Construction Services:

- **Submittal Review** – Receive, review and/or distribute Contractor submittals prior to the project for materials submittals, shop drawings, schedules, environmental permit compliance, Caltrans double permit compliance, and any other required documentation necessary prior to project kick-off.
- **Pre-Construction Conference** – Coordinate and chair the Pre-construction Conference. Schedule meeting and provide notices to project participants prior to the start of any field activities. Prepare and distribute minutes of the conference.
- **Document Control** – Establish document control procedures and Construction Management procedures to ensure organized, complete, and effective construction management and documentation at the onset and throughout the project duration.

Construction Phase Services:

- **On-Site Management & Construction Phase Communication** - Establish and implement coordination and communication procedures among MSD, County, Caltrans, other permitting agencies, property owners, Filippin Engineering, Design Professional, and Contractors.
- **Construction Administration Procedures** –utilize the established document control procedures for reviewing and processing request for clarifications and interpretations of the Contract Documents; shop drawings, samples and other submittals; contract schedule adjustments; change order proposals; written proposals for substitutions; payment applications; and the maintenance of logs.
- **Review of Requests for Information, Shop Drawings, & Other Submittals** - Review the Contractors' requests for information, shop drawings, and other submittals to determine the anticipated effect on compliance with the Project requirements, the Project and Construction Budget, and the Baseline Schedule
- **Change Order Preparation, Negotiation and Processing** - Establish, implement and coordinate systems for processing all contract change orders. Negotiate all contract change orders with the Contractor. Prepare contract change order document for execution by Contractor and District.
- **Jobsite Progress Meetings** – Conduct weekly progress meetings to review progress and quality, notify the attendees of any contractor deficiencies, determine availability of labor, material, and equipment for upcoming work, coordinate utility outages and site disruptions, and address coordination matters. Additional special meetings may be required to address special issues and conditions and to address special coordination conditions. The CM will chair these meetings, conduct each meeting according to published agenda, and have minutes prepared and promptly distributed. Minutes will detail action items, the discussions that ensued, and announce the time and date of the next meeting.
- **Contractor's Construction Schedule** - review each Contractor's Construction Schedule and verify that the schedule is prepared in accordance with the requirements of the Contract Documents and that it establishes completion dates that comply with the requirements of the approved Baseline Schedule. Track conformance with the project schedule, requiring submission of a make-up schedule if necessary to keep the project on track for completion within the time deadlines.
- **Progress Payments** - Review the payment applications submitted by each Contractor and determine whether the amount requested reflects the progress of the Contractor's work. Filippin Engineering shall make appropriate adjustments to each payment application and shall prepare and forward to Flood Control a Progress Payment Report. The Report shall state the total contract price, payments to date, current payment requested, retainage and actual amounts owed for the current period.
- **WSOWD Reports** - Prepare weekly statements of working days.
- **Labor Compliance** – Perform labor compliance checks as recommended by the Caltrans Construction Manual and the Caltrans Local Assistance Procedures Manual, including labor compliance interviews for the prime contractor and subcontractors, review of certified payrolls, checking contractor postings for all specified posters, notices and wage determinations at the project site (Equal Employment Opportunity posters), and notifications of any observed labor non-compliances so that sanctions can be imposed per Caltrans policy (Construction Manual Chapter 8 “Labor Compliance”).

CONSTRUCTION SUPPORT COSTS

It is our understanding that the contract allows for 40 working days for completion.

Based on the time frame, budget constraints, and anticipated half time, we offer the following options for District consideration for potential services.

Option 1 – Part Time Inspection

For this option, we have made the following assumptions for the fee schedule provided below:

- Estimated approximately 200 hours of inspection used as needed during construction – this is estimated for this scenario at 40 working days at 5 hours per day.

- 24 hours of preconstruction and postconstruction services, for preparation and closeout.

Scope:	Inspection @ 5 hrs/day	
Working Days:	40 working days	
Task	Senior Construction Inspector	Estimated Fee
	\$ 155.00	
Pre-Construction Phase	8	\$1,240
Construction Phase	200	\$31,000
Post-Construction Phase	16	\$2,480
TOTAL	224	\$34,720

Option 2 – Full Time Inspection: it is normally standard to use an inspector full time for an assignment, and should the project occur at a time other than concurrent with the Lilac project, the District may get value out of a full time inspector as they can perform some of the management tasks on the project. Should the District choose this option, the following assumptions will apply:

- Estimated approximately 320 hours of inspection used as needed during construction – this is estimated for this scenario at 40 working days at 8 hours per day.
- 24 hours of preconstruction and postconstruction services, for preparation and closeout.

Scope:	Inspection @ 8 hrs/day	
Working Days:	40 working days	
Task	Senior Construction Inspector	Estimated Fee
	\$ 150.00	
Pre-Construction Phase	8	\$1,240
Construction Phase	320	\$49,600
Post-Construction Phase	16	\$2,480
TOTAL	344	\$53,320

The time required is directly correlated to scope of services desired and the contractor performance and schedule. If the Contractor’s schedule is more or less, we can revise our estimate at that time. In addition, it is expected that the Contractor could encounter rock in the excavation, as has been the case on other projects. If you need our inspector to be onsite to quantify force account work, we can work with you during that time on what is necessary and appropriate.

For cost estimating purposes, we’ve assumed overtime will not be required. Should extended hours be required, overtime rates (1.3 times the normal billing rate) will apply, and we will notify the District of the projected costs based when overtime is expected.

Our proposed services will be performed on a time and materials basis and shall be billed monthly at the rates then in effect. Charges for "time" include professional, technical, and clerical support services provided by FE. "Materials" include reimbursable expenses, such as outside consultant fees.

We have estimated the cost of our services based on our understanding at this time of the scope in the three scenarios above. However, because our services will be performed on a time and materials basis it is possible that our actual charges could exceed or be less than the amount we have estimated. During the performance of our services, the need for additional or expanded services will be monitored and communicated by the Project Manager.

We look forward to working with you on this project. If you have any questions or would like to discuss our proposal further, please don't hesitate to call me at (805) 448-5619.

Sincerely,
FILIPPIN ENGINEERING

A handwritten signature in cursive script that reads "Kelly R. Wheeler". The signature is written in black ink and is positioned above the printed name and title.

Kelly R. Wheeler, P.E.
Principal Engineer

Amendment to Exhibit A

Additional Scope

Enhanced Recycled Water Feasibility Analysis (PROJECT)

06/07/2022

The CONSULTANT will perform the following additional work that is in addition to the original Scope of Work (SOW), dated 9/8/2021. The listed task numbers are from the original SOW.

2.3.4 – MBR

CONSULTANT will complete a comparative analysis of greenfield and retrofit MBR options, supplementing the original SOW for one approach only. CONSULTANT will document AACE Class 5 (order of magnitude) capital cost, as well as operation and maintenance costs for the two options.

Deliverable: Update to existing TM on MBR

2.5.1 – Non-Potable Water Reuse

CONSULTANT will develop a third NPR treatment train at the MSD WRP, supplementing the two membrane based treatment trains in the original SOW. The new NPR treatment train will be cloth filtration followed by UV disinfection and chloramination (for residual).

Deliverable: Update to existing TM on water reuse

Project Assumptions:

- *Standard of Care.* The Consultant shall perform the services required hereunder in accordance with the prevailing standard of care by exercising the skill and ability ordinarily required of consultants performing the same or similar services, under the same or similar circumstances, in the State of California.
- *District-Provided Information and Services.* The Districts shall furnish the Consultant available studies, reports and other data pertinent to the Consultant's services; obtain or authorize the Consultant to obtain or provide additional reports and data as required; furnish to the Consultant services of others required for the performance of the Consultant's services hereunder, and the Consultant shall be entitled to use and reasonably rely upon all such information and services provided by the Districts or others in performing the Consultant's services hereunder.
- *Estimates and Projections.* In providing opinions of cost, financial analyses, economic feasibility projections, and schedules for potential projects, the Consultant has no control over cost or price of labor and material; unknown or latent conditions of existing equipment or structures that may affect operation and maintenance costs; competitive bidding procedures and market conditions; time or quality of performance of third parties; quality, type, management, or direction of operating personnel; and other economic and operational factors that may materially affect the ultimate project cost or schedule. Therefore, the Consultant makes no warranty that the District's actual project costs, financial aspects, economic feasibility, or schedules will not vary from the Consultant's opinions, analyses, projections, or estimates.

- *Third Parties.* The services to be performed by the Consultant are intended solely for the benefit of the District. No person or entity not a signatory hereto shall be entitled to rely on the Consultant's performance of its services hereunder, and no right to assert a claim against the Consultant by assignment of indemnity rights or otherwise shall accrue to a third party as a result of the performance of the Consultant's services hereunder."

Fee Estimate

The project fee for this additional work is \$24,692. The breakdown of this cost based upon the various tasks is presented in the table below.



**Montecito Water District and Montecito Sanitary District
Enhanced Recycled Water Feasibility Analysis
Amendment 1 Fee Estimate**

Task Description	ESTIMATED ENGINEERING LABOR HOURS										SUBCONSULTANT	TOTAL COSTS			
	Senior Professional	Lead Project Professional	Project Professional	Professional	Assistant Professional	Senior Technician (CAD/Estimating)	Technician (CAD)	Document Processing	Total Hours (incl sub hours)	Water Systems Consulting		Labor Cost	Project Equipment Communication Expense	Other Direct Costs	Total Costs
Employee Hourly Rate	\$281	\$258	\$239	\$203	\$161	\$177	\$136	\$115				\$13.00			
Task 2 - Wastewater Treatment Plant Alternatives Analysis															
2.1 MSD Flow and NPDES Permit Analysis & TM									0		\$0	\$0	\$0	\$0	
2.2 CSD and Santa Barbara WRP Capacity & TM									0		\$0	\$0	\$0	\$0	
2.3 Evaluation of Existing MSD WWTP															
2.3.1 Condition Assessment & TM									0		\$0	\$0	\$0	\$0	
2.3.2 Evaluation of Performance and Capacity & TM									0		\$0	\$0	\$0	\$0	
2.3.3 Cost for Rehabilitation and 30-Year Operations & TM									0		\$0	\$0	\$0	\$0	
2.3.4 Cost for MBR Construction and 30-Year Operations & TM	4		8	0	40			4	56		\$9,942	\$728	\$0	\$10,670	
2.4 O&G Treatment at MSD & TM									0		\$0	\$0	\$0	\$0	
2.5 Recycled Water Treatment Options at MSD & TM	4	8	8	40					60		\$13,241	\$780	\$0	\$14,021	
Sub-total - Task 2	8	8	16	40	40	0	0	4	116	\$0	\$23,183	\$1,508	\$0	\$24,691	
TOTAL	8	8	16	40	40	0	0	4	116	\$0	\$23,183	\$1,508	\$1	\$24,692	