

**MEMORANDUM
CITY OF LANCASTER, CA**

TO: Mayor Parris and City Council Members

FROM: Councilmember Ken Mann

DATE: August 13, 2013

SUBJECT: **Report on the Activities of the Board of Directors for District No. 14 of the County Sanitation Districts of Los Angeles County**

Recommendation:

Receive a report of the proceedings and issues discussed at the July 18, 2013, District No. 14 Board of Directors meeting of the County Sanitation Districts of Los Angeles County.

Background:

District No. 14 of the County Sanitation Districts of Los Angeles County is organized to receive through their trunk sewers the wastewater from all of the City of Lancaster, a small region of the westerly portion of the City of Palmdale, and a smaller region of the unincorporated County of Los Angeles. A Board of Directors comprised of a representative from each city and the County generally meets monthly to review and decide upon the business of the District.

The Board of Directors considered the following agenda items at the July 18, 2013, meeting:

- Approved minutes of meeting held June 20, 2013.
- Approved warrants in the amount of \$640,972.77. The warrants issued by the District are for costs incurred for operation and maintenance, such as electricity, water, telephone, and chemicals, and for relatively small capital projects. Expenditures are made in accordance with the guidelines established by the budget procedure and the purchasing policy that has been adopted by the Board.
- Approved a departmental invoice in the amount of \$1,179,810.10. The invoice is an internal document that transfers each District's proportionate share of expenditures made by District No. 2, the administrative District, on behalf of the participating Districts in accordance with the authority granted through the approved annual budget and applicable joint powers agreement.

- Adopted an ordinance prescribing fees, tolls rates, rentals, or other charges for services and facilities furnished by or through County Sanitation District No. 14 of Los Angeles County and providing for the collection of such charges and find that adoption of said ordinance is exempt from California Environmental Quality Act (CEQA) under Section 15273 of State Guidelines for Implementation of CEQA. The ordinance which establishes the basis on which the service charge is to be imposed and how the charge is to be calculated, was introduced on June 20, 2013.

- The Board took the following action regarding Contract No. 4328 with Taisei – T&K Joint Venture for Construction of the Lancaster Water Reclamation Plant Stage Five Plant Expansion – Phase I:
 - (a) The Chief Engineer and General Manager, District Counsel, and Board met in closed session to discuss existing litigation – Taisei – Joint Venture v. County Sanitation District No. 14 of Los Angeles County, LASC Case No. BC509159.
 - (b) Rejected claims for extra work in the amounts of \$880,305.26, \$184,943.99, \$103,566.45, and \$16,590.00. District Counsel reviewed the claims for extra work and recommended that they be rejected.
 - (c) Approved Change Order No. 64 for payment of \$240,424.88. The contractor was directed to modify the grading and paving to improve drainage.
 - (d) Accepted the Contract and ordered Final Payment, resulting in a Total Contract Amount of \$143,867,431.82, less \$3,249,000.00 Liquidated Damages due to late completion, plus Change Order No. 64.