



## UTILITIES TASK FORCE REGULAR MEETING MINUTES Thursday, June 21, 2012

- A. Roll Call. Chair Thomas Holden called the meeting to order at approximately 11:40 a.m.

Task Force Members Present.

Thomas Holden, Chair, Mayor, City of Oxnard

Task Force Members Absent.

Bryan MacDonald, Task Force Member; Councilman, City of Oxnard

Others Present.

Martin Erickson, Legislative Analyst, City of Oxnard  
Christina Aerenlund, Public Information Officer, City of Oxnard  
Alan Holmberg, City Attorney, City of Oxnard  
Rob Roshanian, Interim Public Works Director, City of Oxnard  
Jim Cameron, Chief Financial Officer, City of Oxnard  
Eden Alomeri, Assistant City Treasurer, City of Oxnard  
Lou Balderrama, City Engineer, City of Oxnard  
Anthony Emmert, Water Resources Manager, City of Oxnard  
Michelle Johnson, Interim Environmental Resources Manager, City of Oxnard  
Jeffrey Miller, Wastewater Maintenance Manager, City of Oxnard  
Daniel Rydberg, Capital Projects Manager, City of Oxnard  
Terry Kirsch, Project Coordinator, City of Oxnard  
Grant Dunne, Management Analyst III, City of Oxnard  
Jeanine Hutton, Management Analyst II, City of Oxnard  
Barbara Wulf, Recycling Specialist, City of Oxnard  
Bill Terry, Saviers Road Design Team  
Shirley Godwin, Saviers Road Design Team  
Larry Godwin, Saviers Road Design Team  
Doris O'Connell, Saviers Road Design Team  
Gloria Roman, Saviers Road Design Team  
Gretchen Wenner, Ventura County Star  
Bruce Dandy, United Water Conservation District  
Steve Nash  
Larry Stein  
John Mathews, Pleasant Valley County Water District  
Stephen Macintosh, Republic Services

- B. Approval of Minutes. Due to lack of a quorum, the Task Force did not approve the minutes from the May 10, 2012 Special Utilities Task Force regular meeting.

- C. Public Comments. None.

- D. Managers Reports.

1. Groundwater Recovery Enhancement and Treatment (GREAT) Program Recycled Water Projects Update.
  - a. Advanced Water Purification Facility Construction Update. Anthony Emmert, Water Resources Manager, provided a status report on the construction of the Advanced Water Purification Facility. He reported that the construction is approximately 95% complete,

and that the contractor has completed functional testing of the treatment equipment. Mr. Emmert reported that the original project construction bid amount was \$52,572,000, and that \$3,142,630 in change orders had been approved, bringing the total construction cost to \$55,714,630, still within the original construction budget. He stated that the U.S. Bureau of Reclamation had approved a schedule extension to December 31, 2012. Mr. Emmert stated that design of the related Secondary Effluent and Reverse Osmosis Concentrate Blending and Sampling Facility is nearly complete, and will be put out to bid in the near future.

- b. **Recycled Water Distribution Projects Update.** Mr. Emmert provided a status report on the construction of the Recycled Water Backbone and Ventura Road Projects. He reported that both projects are completed. Mr. Emmert stated that the original construction bid amount was \$13,193,225, and that minus \$518,826 in change orders had been approved, bringing the total construction cost to \$12,674,399. He stated that the City had also avoided an approximately \$800,000 fees expenditure to the City of Port Hueneme by rerouting the pipeline out of that city's roadways. Mr. Emmert stated that the section of recycled water distribution piping on Hueneme Road, between Perkins Road and Olds Road, is out to bid. He stated that construction is scheduled commence in August 2012
- c. **Recycled Water Retrofits Project Design Update.** Mr. Emmert provided a status report on the Recycled Water Retrofits Project. He stated that coordination with recycled water users was ongoing, including evaluating their usage and sites for potential retrofits, negotiating user agreements, and designing on-site retrofits. He stated that the first phase of retrofits should be completed by early 2013.
- d. **Recycled Water Agreements Update.** Mr. Emmert reported that good progress is being made in negotiations with potential agricultural irrigation recycled water customers outside the City, including Pleasant Valley County Water District, Houweling Nurseries, and several other irrigators along Hueneme Road and Wood Road. He stated that there is a good chance the AWPf Phase 1's 6.25 million gallons per day will be fully subscribed in the near future.

#### E. New Business

- 1. **GREAT Program Engineer's Cost Estimates.** Mr. Emmert provided a review of the GREAT Program's components and benefits, including the potable water components that provide increased water supply reliability, improved water quality, sustainability, regulatory compliance and reduced dependence on imported water from Northern California; and recycled water components that produce a new water source for non-potable water uses for existing water users and generates groundwater pumping credits by deliveries to agricultural pumpers. Mr. Emmert explained that the initial output of the AWPf was sized to meet the groundwater deficit for existing City water customers, and that use of the groundwater credits to pump a greater percentage of groundwater would help to stabilize overall water rates, as it would reduce the need for imported water purchases, projected to double over the next ten years. Daniel Rydberg, Capital Projects Manager, GREAT Program Manager, provided an update on the actual costs of GREAT Program facilities completed to date; an overview of facilities still needing to be designed and constructed, cost projections for those facilities, and a comparison of options using a payback methodology. He discussed the complexity of the analysis and provided an overview of assumptions made. Mr. Rydberg reported that the payback for the Recycled Water System plus Supporting Projects was 23 years. Mr. Rydberg and Mr. Emmert provided a preview on the upcoming GREAT Program projects, including AWPf Reliability Improvements, AWPf expansion, Concentrate (Brine) and Stormwater Treatment Wetlands, Desalter, Groundwater Wells, and Concentrate Collection Line.

Bruce Dandy, United Water Conservation District, asked whether recycled water service in the Pleasant Valley County Water District service area caused violations of California Regulatory Code with respect to Local Agency Formation Commission (LAFCO) requirements. Mr. Emmert stated that Pleasant Valley County Water District's board would

need to approve any recycled water service agreements, and stated that only potable water deliveries are subject to LAFCO regulations not recycled water.

Bill Terry, Saviers Road Design Team, asked whether the planned pipeline extensions in East Hueneme Road into County unincorporated area would cause LAFCO problems or easement problems. Mr. Emmert responded that LAFCO was supportive of the extension of recycled water to this area. Mr. Rydberg responded that the City was working to obtain easements just outside of the road rights-of-ways, in order to reduce traffic problems and to reduce construction costs.

Steve Nash asked whether the City will proceed with design and construction of a seawater intrusion barrier if there continues to be no regional financial participation from other stakeholders. Mr. Rydberg responded that the City is not currently pursuing the seawater intrusion barrier, due to the current lack of regional financial support, but is exploring aquifer storage and recovery wells at other locations. He explained that the wells will be used to recharge aquifers during rainy periods when demand for recycled water is low. Mayor Holden cautioned that the injection wells need to be carefully sited, in order to avoid potential conflicts with potable water wells. Mr. Rydberg stated that City staff has been working closely with United Water Conservation District and other water purveyors to make sure that aquifer storage wells are sited properly.

Shirley Godwin asked whether the recycled water pipeline on East Hueneme Road will have a branch that extends north on Olds Road to serve recycled water to Oxnard College and College Park. Lou Balderrama, Design & Construction Services Manager, responded that a future branch pipeline north from Hueneme Road on Rose Avenue is planned, and that Oxnard College, College Park, and Channel Islands High School will be able to be served from it. He stated that the Rose Avenue branch will not be constructed at this time.

Shirley Godwin asked whether recycled water can be used for fire hydrants. Mr. Balderrama responded that recycled water can be used for fire suppression; however, the recycled water system, with only one branch line, no looping, and limited storage is not currently as reliable as the water system, and will not be used for fire suppression in the near future.

Larry Stein asked about the unit price of recycled water delivered to agricultural customers. Mr. Emmert responded that the City's intent is to recover the full cost of both capital and operating costs for recycled water. He stated that the City Council established a recycled water unit cost 15% less than the unit cost for potable water, in order to encourage its use. Mr. Rydberg explained that the unit price of recycled water to agricultural customers who need priority pressure on demand recycled water will pay approximately the same unit price as recycled water customers within the City. He explained that the agricultural price structure offers discounts off the full price for providing groundwater credits that the City can use for its potable groundwater wells, private on-site storage for recycled water, or for low-priority interruptible recycled water service.

Mr. Stein asked whether the GREAT Program cost estimates include projections of United Water Conservation District projected rate increases? Mr. Rydberg responded that the cost model includes a weighted average unit cost for groundwater, and includes both groundwater purchased from United Water Conservation District and groundwater produced by City wells, and assumes a common inflation factor, for simplification. He stated that the cost model does include Calleguas Municipal Water District's recent unit price projection, for the next ten years.

Mr. Stein asked whether the City will be able to use recycled water to blend directly with potable water, as it is such high quality. Mr. Emmert responded that, although the chemistry may indicate the City's full advanced treated recycled water is superior to many drinking waters, the California Code of Regulations does not currently allow it to be used for drinking water. He stated that the state legislature has directed the California Department of Public Health to prepare a report on the feasibility of using recycled water for drinking water by the end of 2016. Mr. Rydberg stated that current regulations allow indirect potable reuse of fully advanced treated recycled water to be injected into groundwater aquifers upstream of potable

groundwater wells, as long as stringent requirements are met Mr. Emmert stated that this is being done extensively in Orange County.

F. Old Business. None

G. Adjournment Chair Holden adjourned the meeting at approximately 12.46 p.m.