



Meeting Date: 12.11.2007

ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input checked="" type="checkbox"/> Info Consent
<input type="checkbox"/> Ord. No(s). _____	<input type="checkbox"/> Report
<input type="checkbox"/> Res. No(s). _____	<input type="checkbox"/> Public Hearing (Info consent)
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____

Prepared By: Anthony Emmert, Water Resources Manager Agenda Item No. I-5

Reviewed By: City Manager, City Attorney, Finance, SW Public Works

**DATE:** November 30, 2007

**TO:** City Council

**FROM:** Mark Norris, Assistant Public Works Director  
Public Works Department, Utilities Services Branch

**SUBJECT:** **Appropriation of Funds and Interest Earnings Revenue for the Construction of the Wastewater Treatment Plant Headworks Project**

**RECOMMENDATION**

That City Council approve the appropriation of \$2,203,800 of fund balance from the Wastewater Treatment Connection Fee Fund, and \$2,296,200 of interest earnings from the Wastewater Revenue Bonds 2004 Series A and B and the Wastewater Revenue Bonds Series 2006, for a total of \$4,500,000 to the Wastewater Treatment Plant Headworks Project budget.

**DISCUSSION**

The Council-approved Wastewater Treatment Plant Headworks Project consists of the construction of a new headworks facility and new influent pump station at the existing City of Oxnard Wastewater Treatment Plant, located at 6001 Perkins Road. The Project is replacing existing aging plant infrastructure, will increase operational efficiency and reliability, and will be able to meet expected future flows. The Headworks Project has been under construction for the past two years. Staff expects the Headworks and Influent Pump Station to be completed and in service in early 2008.

Due to a claim by the City's general contractor, ARB, and a subsequent negotiation and settlement, staff expects the project to exceed its budget. The City is funding the Wastewater Treatment Plant Headworks Project with proceeds from the Wastewater Revenue Bonds 2004 Series A and B, and the Wastewater Revenue Bonds 2006. Interest earned on these bonds is appropriate to use to fund the Project. Staff recommends a special budget appropriation of fund balance from the Wastewater Treatment Connection Fee Fund, and interest earnings from the Wastewater Revenue Bonds 2004 Series A and B and the Wastewater Revenue Bonds 2006 to the project fund to cover the overage.

**Appropriation of Funds and Interest Earnings Revenue for the Construction of the Wastewater Treatment Plant Headworks Project**

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**FINANCIAL IMPACT**

The estimated funding needed to complete the Wastewater Treatment Plant Headworks Project is \$4,500,000. The proposed Special Budget Appropriation will recognize interest revenue from the bonds and appropriate those funds to the Project budget. The balance of the funding will be appropriated from the Wastewater Treatment Connection Fee fund balance.

Wastewater Revenue Bonds 2004 Series A Interest	450,000
Wastewater Revenue Bonds 2004 Series B Interest	1,400,000
Wastewater Revenue Bonds 2006 Interest	446,200
<u>Wastewater Treatment Connection Fee Fund Balance</u>	<u>2,203,800</u>
Headworks Project #046201	4,500,000

JH/AAE

Attachment #1 – Special Budget Appropriation

**000038**

# CITY OF OXNARD

## REQUEST FOR SPECIAL BUDGET APPROPRIATION

To the City Manager:

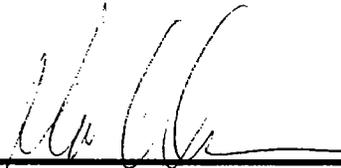
December 11, 2007

Request is hereby made for an appropriation of total . . . . .

\$ 4,500,000

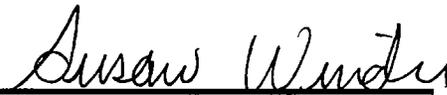
Reason for appropriation: Appropriation of Wastewater Treatment Connection Fee Fund Balance, Revenue Bonds Series 2004 Series A and B and 2006 interest earnings for the construction of the Headworks facility.

<u>FUND</u>	<u>DESCRIPTION/ACCOUNT</u>	<u>AMOUNT</u>
Wastewater Operating (621)	Debt Service 621-6206- 691-7482 - Interest Income	(2,296,200)
	WWTP - Headworks 621-6733 (046201) 822-8605 - Improvement Not Bldg - Major Repair	<u>2,296,200</u>
	<b>Net Estimated Change to Wastewater Fund Balance</b>	<u><u>-0-</u></u>
Wastewater Connection Fee (623)	WWTP - Headworks 623-6733 (046201) 822-8605 - Improvement Not Bldg - Major Repair	<u>2,203,800</u>
	<b>Net Estimated Change to Wastewater Connection Fee Fund Balance</b>	<u><u>(2,203,800)</u></u>

  
\_\_\_\_\_  
Manager

REQUIRES CITY COUNCIL APPROVAL

DIRECTOR OF FINANCE

  
\_\_\_\_\_  
Susan Winder

Disposition

Transfer by Journal Voucher \_\_\_\_\_

Approved \_\_\_\_\_

Rejected \_\_\_\_\_

\_\_\_\_\_  
City Manager

000039

ATTACHMENT NO. \_\_\_\_\_

PAGE \_\_\_\_\_ OF \_\_\_\_\_