



Meeting Date: 06/24/08

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: Mike Muro *M Muro* Agenda Item No. I-14
 Reviewed By: City Manager *YLB* City Attorney *Y* Finance *JLC* Public Works *WJF*

DATE: June 12, 2008

TO: City Council

FROM: Lou Balderrama, Civil Engineer *LB*
Public Works Department

SUBJECT: Ocean View Water System Metering and Water Service Lines Project

RECOMMENDATION

That City Council:

1. Approve Project Specification No. PW08-03 for the Ocean View Water System Metering and Water Service Lines Project.
2. Approve a special budget appropriation of \$978,050 from available Water Operating Fund balance for the Ocean View Water System Metering and Water Service Lines Project.

DISCUSSION

For over 50 years, the Ocean View Municipal Water District (OVMWD) served both irrigation water and potable water to agricultural irrigators, commercial businesses, and a very few residences in the Hueneme Road area, south and east of the City of Oxnard. The majority of water served by OVMWD was for irrigation. For approximately the last 40 years, the City has owned the physical assets of the OVMWD, including its distribution pipelines, service lines, and meters. OVMWD received potable-quality water from the City through a single master meter. The City purchased the water it sold to OVMWD from the United Water Conservation District (UWCD), which produced and delivered the water from its Oxnard-Hueneme Pipeline System (O-H System), pursuant to the Oxnard-Hueneme Water Supply Agreement (Agreement). Over the past two decades, OVMWD's total customer water use declined significantly, due to the increasing cost of the potable-quality water. A significant number of the agricultural irrigators within the OVMWD service area constructed private irrigation wells and either cut back or eliminated their purchases of the more expensive OVMWD water. Ultimately, the increased cost of water and the loss of its customer base made it financially impossible for OVMWD to continue to operate.

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In June 2007, the OVMWD Board resolved to dissolve the district. In September 2007, the City Council resolved to assume the operating responsibility for the Ocean View Water System. After a lengthy review process, the Local Agency Formation Commission (LAFCO) approved the dissolution and held an appeal hearing at its March 2008 meeting, and ultimately recorded the dissolution in late April 2008. The City has established utility accounts for all of the Ocean View Water System's customers, and City staff is working with OVMWD's legal counsel and accountancy firm to review and receive all pertinent OVMWD record documents.

Staff has conducted an inspection of the Ocean View Water System and has determined that the connections are in need of replacement to bring them up to current City Standard. The Ocean View Water System Metering and Water Service Lines Project (Specification No. PW08-03) will install properly sized meters for all customers, abandon unused service lines, and repair or realign several service lines. The Project includes upgrading of approximately 50 water services with meters ranging in size from 1" to 10".

The Ocean View Water System Metering and Water Service Lines Project will not require the construction of any additional facilities, and therefore will have no potential impact on the environment, and is therefore exempt from California Environmental Quality Act review.

FINANCIAL IMPACT

The Ocean View Water System Metering and Water Service Lines Project budget is \$978,050. Sufficient funds exist in the Water Operating Fund 601 to cover the project budget. Sufficient undesignated fund balance is available to meet existing bond covenants and requirements of this project.

LB:MM

Attachment #1 – PW08-03 Ocean View Water System Metering and Water Service Lines
Project Estimate

#2 – Special Budget Appropriation

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**CITY OF OXNARD
CAPITAL IMPROVEMENT PROJECT ESTIMATE**

Project Title: Ocean View Water Sys Metering & Water Services Lines Proj Specification No: PW 08-03

Account No: 601-6581-821-8605 Project No: 086504 Project Manager: Mike Muro

	Original Estimate Amount	Revised Estimate Amount	Actual Cost
I. EXTERNAL SERVICES			
A. Architectural/ Engineering (8201)			
1. Preliminary Feasibility			
2. Design or Construction			
3. Specification/Cost Estimate			
B. Planning/EIR Services (8206)			
C. Real Estate Services (8207)			
D. Construction Services (8208)			
1. Surveys			
2. Soils Analysis			
3. Inspection			
4. Testing			
5. Atlas Fees			
6. Plans and Records			
7. Misc. (postage, reproductions, etc.)			
<i>Total External Services</i>			
II. INTERNAL SERVICES			
A. Design Engineering (8451)	8,470		
B. Inspection (8451)	25,410		
C. Survey (8451)	8,470		
D. Contract Administration (8451)	25,410		
E. Contract Procurement (8451)*	4,000		
<i>Total Internal Services</i>	\$ 71,760		
III. CONSTRUCTION/ACQUISITION			
<i>Funding for items in this section must be in place before contract is awarded</i>			
A. Land, Easements and Rights-of-Way (8601)			
B. Buildings:			
8602-New			
8603-Major Repair			
C. Improvements other than Buildings	847,000		
8604-New			
8605-Major Repair			
D. Machinery/Equipment (8606/8607)			
<i>Total Construction/Acquisition</i>	\$ 847,000		
IV. OTHER PROJECT COSTS:			
A. Project Contingencies (8802)	42,350		
B. CIP Indirect Cost (2.23% of total construction costs)	16,940		
<i>Total Other Costs</i>	\$ 59,290		
Project Total	\$ 978,050		

Total Appropriation			
Less: Encumbrances & Expenditures			
Balance Available			

***NOTICE**

Approval of this estimate authorizes the transfer of the amount shown in item II-E from the project listed above to Contract Procurement Account No. **101-4501-553-7337** when bid solicitation services begin.

Prepared by: M. Muro
 Date: June 12, 2008

Approved by: [Signature]
 Date: 6/17/08

CITY OF OXNARD
REQUEST FOR SPECIAL BUDGET APPROPRIATION

To the City Manager:

June 24, 2008

Request is hereby made for an appropriation of total \$ 978,050

Reason for appropriation: Appropriate funds from the Water Operating Fund Balance for the Ocean View Water System Metering Project.

<u>FUND</u>	<u>DESCRIPTION/ACCOUNT</u>	<u>AMOUNT</u>
Water (601)	Ocean View Water System Metering	
	601-6578- (086504)	
	821-8451 - Services from Other Programs	71,760
	821-8604 - Improvement Other than Bldg - New	847,000
	821-8802 - Contingenices - Other	42,350
	821-8452 - indirect Costs	<u>16,940</u>
	Net Estimated Change to Water Fund Balance	<u>(978,050)</u>



 Manager

REQUIRES CITY COUNCIL APPROVAL

CHIEF FINANCIAL OFFICER



Disposition	Approved _____
	Rejected _____
Transfer by Journal Voucher _____	_____ City Manager