



Meeting Date: 6/15/2010

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: Cynthia Daniels *Cynthia Daniels* Agenda Item No. I-5
 Reviewed By: City Manager *MMR* City Attorney *SMF* Finance *JK* Other None

DATE: June 3, 2010

TO: City Council

FROM: Cynthia Daniels, Project Manager *Cynthia Daniels*
Development Services Department

SUBJECT: Utility Agreement with Southern California Gas Co. at Rice Avenue/Santa Clara Avenue Interchange Improvements at Highway 101

RECOMMENDATION

That City Council approve and authorize the Mayor to execute an agreement with Southern California Gas Co. (SCG) in the amount of \$252,781.50 to relocate natural gas utility facilities at the Rice Avenue/Santa Clara Avenue interchange improvements at U.S. Highway 101 (Agreement No. A-6897).

DISCUSSION

SCG has several underground gas lines affected by the reconstruction of the Rice Avenue/Santa Clara Avenue interchange at U.S. Highway 101. The lines cannot remain in place because of the construction. The City issued a notice to SCG to relocate the gas lines in February 2009. SCG and the City disagree on who is responsible for the cost of the relocation.

As a compromise, City staff negotiated an agreement to pay 50 percent of the cost of the relocation, with the possibility that some or all of the money will be returned with interest by SCG. The gas lines traverse three jurisdictions: the City, California Department of Transportation (Caltrans), and County of Ventura. Each agency has either a franchise agreement or a contract with SCG for use of its right of way.

The City's franchise is described in City Ordinance No. 1299 effective September 4, 1970. The City's proposed agreement describes a process for the City to be reimbursed either as a negotiated settlement, along with attorneys' fees, interest, and expenses, or through a judicial or regulatory determination.

The estimated expense of the gas line relocations is separated into several components. The cost of the SCG work is \$530,263 and the City's portion provided by its construction contractor is \$24,700, for a total of \$554,963. The City's share of the work is \$252,781.50 paid as a deposit, which represents 50 percent of the SCG work and a credit of \$12,350 for 50 percent of the City's construction contractor's

So. Cal. Gas Utility Agreement A-6897
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work.

FINANCIAL IMPACT

The total estimated cost of the recommendation is \$554,963, of which the City's share is \$252,781.50. Funds are available through federal and State grants. There are sufficient funds in Account Nos. 210-9718-826-8604, and 265-9718-826-8262, Project No. 873114 to fund this request.

CD

Attachment #1 - Agreement No. A-6897

#2 - Southern California Gas Co. Estimate for Owner's Work, Block Work

Note: Attachment #1 has been provided to City Council under separate cover. Copies for review are available at the Help Desk in the Library after 6:00 p.m. on Thursday prior to the Council meeting and in the City Clerk's Office after 8:00 a.m. on Monday prior to the Council meeting.

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Southern California Gas Co. Estimate to Relocate 8" High Pressure Gas Into Bridge

Total Company Labor	Total Materials	Total Contract Labor & Equipment	Total Paving Permit & Other	Total Estimate	Total Estimate - Less 50%
\$6,457	\$143,331	\$304,959	\$23,334	\$478,081	\$239,041

Tie -Over (2) Gas Mains On Friedrich @ Almond & Orange to Support Pressure in the District

Total Company Labor	Total Materials	Total Contract Labor & Equipment	Total Paving Permit & Other	Total Estimate	Total Estimate - Less 50%
\$26,886	\$1,844	\$403	\$6,888	\$36,021	\$18,011

Abandon Gas Mains Along Santa Clara & Ventura

Total Company Labor	Total Materials	Total Contract Labor & Equipment	Total Paving Permit & Other	Total Estimate	Total Estimate - Less 50%
\$9,021	\$1,766	\$78	\$5,296	\$16,161	\$8,081

City of Oxnard Estimated Cost @ 50%	Total Estimated Cost of Casing Blocks & Hardware	Gas Company Estimated Cost For Casing Blocks & Hardware @ 50%	Total Estimated 50% Cost for the City of Oxnard minus \$12,500
\$265,132	\$25,000	\$12,500	\$252,632
	Actual Cost	Revised Share	Revised Total
	\$24,700	\$12,350.0	\$252,781.50