



Meeting Date: 09/21/2010

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: Anthony Emmert, Water Resources Manager Agenda Item No. I-6

Reviewed By: City Manager [Signature] City Attorney [Signature] Finance [Signature] Public Works [Signature]

DATE: September 10, 2010

TO: City Council

FROM: [Signature]
Rob Roshanian, Interim Public Works Director
Public Works

SUBJECT: Installation of Electrical Facilities by Southern California Edison for the Advanced Water Purification Facility (AWPF)

RECOMMENDATION

That City Council approve and authorize the Mayor to execute an agreement with Southern California Edison Company (SCE) based on an estimated cost of \$585,180.69 (final cost based on recorded costs) for the installation of electrical facilities necessary to provide high voltage electrical service to the AWPF project (A-7348).

DISCUSSION

In November 2004, the City Council certified the environmental impact report for the Groundwater Recovery Enhancement and Treatment (GREAT) Program. The GREAT Program is an innovative regional water resources project designed to improve the City's water system reliability and to meet its water supply needs through 2020. A major component of the GREAT Program is the AWPF that is currently being constructed at 5700 South Perkins Road next to the Oxnard Wastewater Treatment Plant. The construction of the AWPF is projected to be completed for operation by September, 2011.

The AWPF is designed to treat 7.81 million gallons per day of secondary effluent from the Oxnard Wastewater Treatment Plant that is now being discharged to the Pacific Ocean to produce 6.25 million gallons per day of highly purified recycled water. The use of recycled water for landscape irrigation and industrial processes will directly offset the use of potable water for existing and new water customers. The use of recycled water for agricultural irrigation and groundwater injection will produce groundwater credits, which the City will use to pump groundwater from areas not subject to seawater intrusion.

This Agreement facilitates the installation of SCE electrical facilities required to supply high voltage electricity to the AWPF. Staff recommends an Agreement with SCE based on an estimated cost of \$585,180.69 (final cost based on recorded costs) to provide and install electrical facilities including transformers, power cables and related equipment at the AWPF. The Agreement also provides for ongoing maintenance as well as equipment replacement for an ongoing monthly fee of \$2,046.35.

Installation of Electrical Facilities by Southern California Edison for the
Advanced Water Purification Facility (AWPF)
September 10, 2010
Page 2

FINANCIAL IMPACT

The total value of the agreement with SCE for providing and installing electrical facilities is estimated to be \$585,180.69 (final cost is based on the recorded costs). There are available appropriations in the GREAT – AWPF Project No. 066010 to provide sufficient funding for this agreement. The cost for monthly maintenance of \$2,046.35 will be included in the FY 2011-12 budget cycle.

Attachment No. 1 – Agreement No. A-7348

SOUTHERN CALIFORNIA EDISON COMPANY
 ADDED FACILITIES AGREEMENT
 APPLICANT FINANCED

City of Oxnard

("Applicant") and Southern California Edison Company ("SCE"), referred to collectively as "Parties" and individually as "Party", agree, as an accommodation to the Applicant, that SCE shall install the electric facilities described in Exhibit A, and hereinafter referred to as "Added Facilities", the cost of which shall be borne by the Applicant and which will be located at the service address as shown in Exhibit A. Added Facilities are defined in SCE's Rule 2.H as those which are in addition to, or in substitution for the standard facilities SCE would normally install to provide electric service. The Parties agree as follows:

1. Applicant shall pay to SCE in advance of construction by SCE for the Applicant-Financed Added Facilities, the estimated Total Installed Cost of said Added Facilities, as set forth in Exhibit A. If applicable, said cost shall include the estimated Income Tax Component of Contributions (ITCC), pursuant to SCE's Preliminary Statement as filed with the California Public Utilities Commission ("Commission") and the one-time cost to rearrange existing facilities and/or to provide facilities normally installed by the Applicant.
2. In addition to the payment required under Paragraph 1, the Applicant shall also pay a charge based on the Added Facilities investment in Applicant-Financed Added Facilities, pursuant to SCE's Rule 2.H as filed with the Commission and as changed from time to time by the Commission. The charge for Applicant-Financed Added Facilities is based upon the Added Facilities investment and the replacement coverage option selected by the Applicant, as follows:
 - (a) Replacement Coverage. The Added Facilities investment amount used as the basis for determining the charge Applicant pays SCE shall not be adjusted whenever Added Facilities are replaced as set forth in Paragraph 12(a). Under this option, Applicant shall pay to SCE, at SCE's sole option, either (SCE to select one):
 - (1) A Monthly Charge based upon .51% times the Added Facilities Investment as set forth in Exhibit A.
 - (2) A One-Time Payment representing the present worth of the Monthly Charge (_____ per month) for the Added Facilities in perpetuity as set forth in Exhibit A.
 - (b) Replacement Coverage with 20 year Term. The Added Facilities investment amount used as the basis for determining the charge Applicant pays SCE shall not be adjusted for a term of 20 years whenever Added Facilities are replaced as set forth in Paragraph 12(a). Under this option, Applicant shall pay to SCE a Monthly Charge based upon _____ times the Added Facilities investment as set forth in Exhibit A. At the end of the 20 year term, this Agreement terminates in accordance with the provisions of Paragraph 16. If Applicant wants to continue being served from the Added Facilities, Applicant must sign a new Added Facilities Agreement. The new Added Facilities investment amount will be determined on a reconstruction cost net less depreciation (RCNLD) basis.
 - (c) Without Replacement Coverage. The Added Facilities investment amount used in determining the charge Applicant pays SCE shall be adjusted whenever Added Facilities are replaced as set forth in Paragraph 12(b) and (c). Under this option, Applicant shall pay SCE a Monthly Charge based on _____ times the Added Facilities Investment as set forth in Exhibit A.
3. The costs and charges paid by Applicant pursuant to Paragraphs 1 and 2 will normally be based upon estimated costs. When the recorded book costs have been determined by SCE, the charges may be based upon such recorded costs and adjusted retroactively to the date when service was first rendered by means of such Added Facilities. Additional charges resulting from such adjustments will, unless other terms are mutually agreed upon, be payable within thirty (30) days from the date of presentation of a bill therefore. Any credits resulting from such adjustments will, unless other terms are mutually agreed upon, be refunded to Applicant.
4. When SCE elects to provide Added Facilities hereunder on a recorded book cost basis, SCE has the right to revise its estimated costs and bill Applicant using such revised estimated costs during the period preceding determination of the recorded book costs. SCE shall indicate such revisions on Exhibit A or a superseding Exhibit A and provide a copy to Applicant. SCE shall commence billing the charge paid by Applicant pursuant to Paragraph 2 above using such revised estimate not earlier than thirty (30) days from the date the revised estimate is provided to Applicant.

5. The Monthly Charge to be paid by Applicant pursuant to Paragraph 2 above, as determined in Exhibit A, shall automatically increase or decrease without formal amendment to this Agreement if the Commission subsequently authorizes a higher or lower percentage rate in the calculation of the costs of ownership for Added Facilities as stated in Rule 2.H, effective with the date of such authorization. Further, the revised costs of ownership shall also be used to determine the unamortized balance of the One-Time Payment due to termination of service, termination of this Agreement, or otherwise, as provided in Paragraph 16 (a).
6. Where it is necessary to install Added Facilities on Applicant's property, Applicant hereby grants to SCE (a) the right to make such installation on Applicant's property including installation of a line extension along the shortest practical route thereon and (b) the right of ingress to and egress from Applicant's property as determined by SCE in its sole discretion for any purpose connected with the operation and maintenance of the Added Facilities. Applicant shall provide rights-of-way or easements of sufficient space to provide legal clearance from all structures now or hereafter erected on Applicant's property for any facilities of SCE.
7. Where formal rights-of-way or easements are required in, on, under, or over Applicant's property or the property of others for the installation of the Added Facilities, SCE shall not be obligated to install the Added Facilities unless and until any necessary permanent rights-of-way or easements, satisfactory to SCE, are granted without cost to SCE. Upon termination of this Agreement in accordance with Paragraph 16, SCE will quitclaim all easements and rights of way in, on, under, and over Applicant's property which are, as determined by SCE in its sole discretion, no longer required by SCE due to the removal of its Added Facilities.
8. SCE shall not be responsible for any delay in completion of the installation of the Added Facilities resulting from shortage of labor or materials, strike, labor disturbances, war, riot, weather conditions, governmental rule, regulation or order, including orders or judgments of any court or commission, delay in obtaining necessary rights-of-way and easements, act of God, or any other cause or condition beyond control of SCE. SCE shall have the right in the event it is unable to obtain materials or labor for all of its construction requirements, to allocate materials and labor to construction projects which it deems, in its sole discretion, most important to serve the needs of its customers, and any delay in construction hereunder resulting from such allocation shall be deemed to be a cause beyond SCE's control.
9. Added Facilities provided hereunder shall at all times remain the property of SCE.
10. This Agreement supplements the appropriate application and contract(s) for electric service presently in effect between the Parties.
11. If it becomes necessary for SCE to alter or rearrange the Added Facilities including, but not limited to, the conversion of overhead facilities to underground, Applicant shall be notified of such necessity and shall be given the option to either terminate this Agreement in accordance with Paragraphs 13 and 16, or to pay to SCE additional charges consisting of:
 - (a) The cost to remove any portion of the Added Facilities which is no longer necessary because of alteration or rearrangement, such charge to be determined in the same manner as described in Paragraph 16; plus
 - (b) An additional payment, ITCC, and/or one-time cost, if any, for any new Added Facilities requested which shall be determined in the same manner as described in Paragraphs 1 and 2; plus
 - (c) A revised Paragraph 2 charge based on the total net additional installed cost of all new and remaining Added Facilities. Such revised charge shall be determined in the same manner as described in Paragraphs 1 and 2.
12. (a) Whenever Added Facilities are replaced due to damage (caused by other than the Applicant's intentional or negligent conduct) or equipment failure and Applicant has selected replacement coverage pursuant to Paragraph 2 (a) or Paragraph 2 (b), such replacement will be at SCE's expense with no change in the Added Facilities Investment amount.
 - (b) Whenever Added Facilities are replaced due to damage or equipment failure and Applicant has selected no replacement coverage pursuant to Paragraph 2 (c), such replacement will be made by SCE at the Applicant's expense, including any applicable ITCC. Charges will be payable by the Applicant to SCE within thirty (30) days from the date of presentation of a bill. If such replacement results in a change in the Added Facilities Investment, the Monthly Charge will be adjusted based on the revised added investment effective with the date the replaced Added Facilities are first available. Except that, where a replacement of Added Facilities is required for SCE's operating convenience or necessity or because of damage caused by the sole negligence or willful act of SCE, no increase will be made in the Added Facilities investment amount or the Monthly Charge.
 - (c) Whenever Added Facilities are replaced due to Applicant's increased load or damage caused by the Applicant's intentional or negligent conduct, such replacement will be made by SCE at the Applicant's expense including any applicable ITCC. Charges will be payable by the Applicant to SCE within thirty (30) days from the date of presentation of a bill. Additionally, the Applicant's Monthly Charge pursuant to Paragraph 2 will be adjusted based on the revised added investment resulting from such replacement and will be effective with the date the replaced Added Facilities are first available.

13. This Agreement shall remain in effect until terminated by either party on at least thirty (30) days' advance written notice. Applicant shall pay all costs incurred to the date of termination pursuant to Paragraph 16 including charges for any engineering, surveying, right-of-way and easement acquisition expenses and other associated expenses incurred by SCE for that portion of the Added Facilities not installed.
14. SCE has the right to charge Applicant under the terms and conditions of this Agreement commencing with the date SCE, in its sole opinion, is ready to serve or commencing with the ready to serve date requested by Applicant, whichever is later.
15. Construction of the Added Facilities shall not commence prior to receipt by SCE of appropriate rights of way and/or easements, and applicant's payment of all monies due as described in Paragraphs 1 and 2(a)(2).
16. Upon discontinuance of the use of any Added Facilities due to termination of service, termination of this Agreement, or otherwise:
 - (a) Applicant shall pay to SCE on demand (in addition to all other monies to which SCE may be legally entitled by virtue of such termination) a facility termination charge defined as the removal cost, less the salvage value for the Added Facilities to be removed. Commencing in the sixteenth (16) year after the date service is first rendered by means of Added Facilities, 20 percent of the termination charge shall be subtracted from that charge each year until the total charge is zero.
 - (b) SCE shall be entitled to remove and shall have a reasonable time in which to remove any portion of the Added Facilities located on the Applicant's property.
 - (c) SCE may, at its option, alter, rearrange, convey, or retain in place any portion of the Added Facilities located off Applicant's property. Where all or any portion of the Added Facilities located off Applicant's property are retained in place and used by SCE to provide permanent service to other customers, the facility termination charge described in Paragraph 16(a) shall be reduced by the installed cost of the retained facilities.
17. Applicant may assign this Agreement only with SCE's written consent. Such consent will not unreasonably be withheld. Furthermore, such assignment shall be deemed to include, unless otherwise specified therein, all of Applicant's rights to any refunds which might become due upon discontinuance of the use of any Added Facilities.
18. This Agreement shall, at all times be subject to changes or modifications as the Commission may, from time to time, direct in the exercise of its jurisdiction.
19. In witness whereof, the parties hereto have caused this Agreement to be signed by their duly authorized representatives/agents. This Agreement is effective as of the last date set forth below.

City of Oxnard
APPLICANT

SOUTHERN CALIFORNIA EDISON COMPANY

BY: _____

BY: _____

NAME: Dr. Thomsa E. Holden

NAME: Alicia Lopez

TITLE: Mayor

TITLE: Engineering Manager

DATE SIGNED: _____

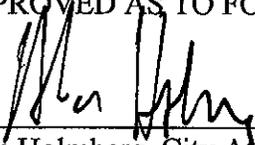
DATE SIGNED: _____

A.F. No. _____

ATTEST:

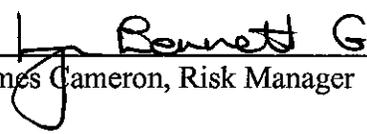
Daniel Martinez, City Clerk

APPROVED AS TO FORM:



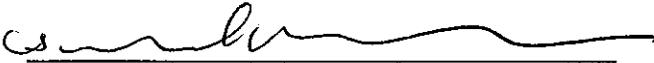
Alan Holmberg, City Attorney

APPROVED AS TO INSURANCE:



James Cameron, Risk Manager

APPROVED AS TO CONTENT:



Rob Roshanian, Interim Public Works Director



Anthony Emmert, Water Resources Manager

SOUTHERN CALIFORNIA EDISON COMPANY
EXHIBIT "A"
APPLICANT FINANCED ADDED FACILITIES

A. F. NO. _____

APPLICANT City of Oxnard , Wastewater Purification Plant

SERVICE ADDRESS 6001 Perkins Road , Oxnard , CA 93030

APPLICANT REQUESTED READY TO SERVE DATE January 2011

All Estimated Costs Shown In this Exhibit "A" (SCE to Select One):

- are not binding estimates (final billing based on recorded costs), or
 are binding estimates valid for Added Facilities completed on or before _____

DESCRIPTION OF ADDED FACILITIES

M5518436 - manhole X5518437 - splice box
P5518438 - 2500KVA transformer 16KV-277/480
P5518440 - fuse cabinet
P5518439 - PME 9 switch
P5518441 - 2500KVA transformer 16KV-277/480
P5518442 - 2500KVA transformer 16KV-277/480
P5518444 - future
500 ft 1-1/c 750 primary jacketed cable (+/-)
825 ft 3-1/c 1/0 primary jacketed cable (+/-)
3500 ft - 4-1/c 3-700 & 1-350 secondary service cable (+/-)

Original Estimated Demand 7500 kVA

W.O. No(s) 6439-8240-08200 (TD#417628)

DESCRIPTION OF ONE-TIME COSTS (Paragraph 1)

Civil Work- required for entry into energized SCE structures : \$ 43,500.00.

W.O. No(s) 6439-8240-08200 (TD#417628)

EXHIBIT "A"
APPLICANT FINANCED ADDED FACILITIES

SCE's Actual Ready to Serve Date _____

APPLICANT INITIALS & DATE _____
 (Original Estimate Only)

ORIGINAL ESTIMATE
 DATE 9/2/2010

AMENDMENT
 DATE _____

A) TOTAL INSTALLED ADDED FACILITIES COST
 (Paragraph 1)

\$401,244.95

B) ITCC (Paragraph 1) (A X 35 %)

\$140,435.74

(1)

C) ONE-TIME PAYMENT OPTION
 OWNERSHIP COST ONLY [Paragraph 2(a)(2)]

n/a

D) ONE TIME COSTS INCLUDING ITCC
 (Paragraph 1)

\$43,500.00

E) TOTAL CUSTOMER ADVANCE (A + B + C + D)

\$585,180.69

F) MONTHLY ADDED FACILITIES CHARGE
 (Paragraph 2) (A X .51 %)

\$2,046.35

AMENDMENT
 DATE _____

FINAL RECORDED COSTS
 DATE _____

A) TOTAL INSTALLED ADDED FACILITIES COST
 (Paragraph 1)

B) ITCC (Paragraph 1) (A X 35 %)

(1)

C) ONE-TIME PAYMENT OPTION
 OWNERSHIP ONLY [Paragraph 2(a)(2)]

D) ONE TIME COSTS INCLUDING ITCC
 (Paragraph 1)

E) TOTAL CUSTOMER ADVANCE (A + B + C + D)

F) MONTHLY ADDED FACILITIES CHARGE
 (Paragraph 2) (A X _____ %)
