



Meeting Date: 09/28/10

| 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 City Attorney SMF Finance JC Public Works w.n.

DATE: September 16, 2010
TO: City Council
FROM: Rob Roshanian, Interim Public Works Director
 Public Works Department

SUBJECT: Recycled Water Backbone System Phase I – Encroachment Permit

RECOMMENDATION

That City Council:

1. Approve and authorize the Interim Public Works Director to execute an Encroachment Permit No. EP 10-064 in the amount of \$877,177 that grants the City of Oxnard the right to construct the Recycled Water Backbone System that lies within the jurisdiction of the City of Port Hueneme, and
2. Approve and authorize the Interim Public Works Director to place the property use fee portion of the encroachment fee (\$298,125) into an escrow account pursuant to an agreement with the City of Port Hueneme.

DISCUSSION

The Recycled Water Backbone System (RWBS) is a planned and essential component of the Groundwater Recovery Enhancement and Treatment (GREAT) Program. The RWBS consists of approximately ten miles of transmission pipeline that will move recycled water from the Advanced Water Purification Facility (AWPF), located on Perkins Road, to recycled water customers within the City of Oxnard (City). The RWBS Phase I consists of the construction of pipelines on Hueneme Road, from Perkins Road to Ventura Road, and on Ventura Road, from Hueneme Road to Gonzales Road. Construction methodologies will involve slip lining, pipe bursting, microtunneling and conventional open-trench. Work will be performed and completed pursuant to the provisions set forth in Specification No. PW07-05 that was approved by City Council on March 3, 2010. The City has awarded the construction contract to J. Fletcher Creamer & Son/Spiniello Companies. The work must be completed and in service by September 2011 to meet the terms of the grant from the U.S. Bureau of Reclamation. A significant portion of this work is within the City of Port Hueneme (Port Hueneme).

Port Hueneme requires an encroachment permit to construct the RWBS within its jurisdiction. The encroachment permit's total value is \$877,177, made up of the following:

| | |
|---------------------------|------------------|
| Permit Fee | \$ 8,260 |
| Plan Check Fee | \$ 4,500 |
| Property Use Fee | \$298,125 |
| Street Rehabilitation Fee | \$546,292 |
| Security Deposit | \$ 20,000 |
| Total | \$877,177 |

Until such time as the value of the pipeline easement can be appraised, the estimated Property Use Fee of \$298,125 will be placed in a third-party escrow account. The actual Property Use Fee will be adjusted up or down depending upon the appraisal results. The City will pay the \$546,292 Street Rehabilitation Fee to Port Hueneme, which will be responsible for paving its streets following construction. As the City's contractor will no longer be responsible for the street paving within Port Hueneme, the City will receive a partial offset by a credit on its construction contract with J. Fletcher Creamer & Son/Spiniello Companies in the amount of \$375,100.

Once the pipeline is constructed and put into service, the City will obtain an annual blanket encroachment permit to operate and maintain the pipeline within Port Hueneme jurisdiction.

FINANCIAL IMPACT

The cost of the encroachment permit is funded by the Recycled Water Backbone System Phase I Project No. 096002 in the amount of \$657,883 from Account No. 609-6556-821-8604 and \$219,294 from Account No. 276-6556-821-8604 for a total amount of \$877,177.

AAE:GD