

# STAFF REPORT

DATE: July 20, 2010

TO: Utilities Commission

FROM: Cari Dale, Water Utilities Director

SUBJECT: **RECOMMEND APPROVAL OF A PROFESSIONAL SERVICES AGREEMENT WITH AFFINIS ENVIRONMENTAL SERVICES FOR ARCHEOLOGICAL INVESTIGATION SERVICES FOR THE HAYMAR SEWER SEGMENT REPLACEMENT PROJECT.**

## **SYNOPSIS**

Staff recommends that the Utilities Commission recommend that the City Council approve a professional services agreement in an amount not to exceed \$68,600 with Affinis Environmental Services of El Cajon, California for archeological investigation services for the Haymar Sewer Segment Replacement Project; and authorization for the City Manager to execute the agreement (Exhibit A).

## **BACKGROUND**

The City of Oceanside has identified a portion of the Haymar sewer for immediate replacement. The existing 15" VCP was installed in 1961 and is listed on the City's Integrated Water Utilities Master Plan as a future scheduled replacement project. This project consists of the relocation of approximately 400 linear feet of 15" gravity sewer pipe.

A Mitigated Negative Declaration (MND) was issued on August 29, 2008, which outlines the steps necessary to complete the project in compliance with CEQA. The archeological investigation requirements include the excavation of 10 each 1x1 meter units to collect and document the existing artifacts located in the project area; analyze and compare these results to the previous work performed by Gallegos and Associates (2002); and to provide a Data Recovery Plan that will be used during construction of the project.

## **ANALYSIS**

On June 8, 2010, a Request for Proposal (RFP) for archeological investigation services to perform the necessary archeological requirements outlined in the MND, in preparation for construction, was sent to four qualified firms that were listed on the Water & Wastewater Consultant List provided by the Public Works—Engineering Division (Exhibit B).

On June 30, 2010, the Water Utilities Department received proposals from one of the four consulting firms; staff performed a review of the proposal for accuracy and completeness. Staff has determined that the proposal includes the required items as outlined in the RFP.

**FISCAL IMPACT**

The Haymar Interceptor Sewer Project account (909557700726) has an available carry-forward amount of \$1,292,907. Therefore, adequate funds are available for the project.

**CITY ATTORNEY'S ANALYSIS**

The documents are being reviewed by the City Attorney.

**INSURANCE REQUIREMENTS**

The City's standard insurance requirements will be met.

**COMMISSION OR COMMITTEE REPORT**

The Water/Sewer Committee was unable to review staff's recommendation at its regularly scheduled meeting on July 12, 2010, due to the lack of a quorum.

**RECOMMENDATIONS**

Staff recommends that the Utilities Commission recommend that the City Council approve a professional services agreement in an amount not to exceed \$68,600 with Affinis Environmental Services of El Cajon, California for archeological investigation services for the Haymar Sewer Segment Replacement Project; and authorization for the City Manager to execute the agreement (Exhibit A).

PREPARED BY:

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Greg Blakely  
Administration Manager

Exhibit A – Professional Services Agreement  
Exhibit B – RFP Mailing List

## STAFF REPORT

DATE: July 20, 2010  
TO: Utilities Commission  
FROM: Cari Dale, Water Utilities Director  
SUBJECT: **NEW WATER METER AND UTILITY SERVICE FEE INCREASES**

### SYNOPSIS

Staff recommends that the Utilities Commission recommend that the City Council adopt a resolution (Exhibit A) to adjust fees for new meters and their installation and for utility services related to damaged City property, construction meters, door tags, after hours service calls, reinstatement fees, and broken locks.

### BACKGROUND

The costs charged by the City of Oceanside for new meters and installation have not changed since 1983 and since that time, the purchase costs of meters and the labor to set them has risen significantly. Other fees related to utility services, were last updated by City Council in November of 2008.

Proposed fees would recover the actual cost to provide the service, would be charged to only those customers receiving the service and would reflect current staff, vehicle and part expenses for the utility. A public hearing has been scheduled for August 18, 2010 for the City Council to consider the fee changes and to receive public input.

### ANALYSIS

The costs for new meters and installation, providing utility-related services and replacing equipment have increased over time. Current rates do not adequately recover the cost of providing the services and if left unchanged, will result in an estimated net annual revenue loss of approximately \$200,000. The personnel services, equipment and supplies involved with each of these items have been reviewed with close attention to the amount of time required to provide or replace items such that the proposed fees do not exceed the City's expense.

Below is the current and proposed fee schedule for new meters and installation:

<b>Meter Size</b>	<b>Current Fee</b>	<b>Proposed Fee</b>
5/8-inch	\$100	\$338
3/4-inch (for fire services only)	\$100	\$353
1-inch	\$170	\$437
1½-inch	\$320	\$972
2-inch Irrigation	\$430	\$1,608
2-inch	\$430	\$2,572
3-inch Irrigation	\$880	\$1,926
3-inch Commercial & Multi-family	\$880	\$3,081
4-inch Irrigation	\$1,730	\$2,619
4-inch Commercial & Multi-family	\$1,730	\$4,114
6-inch Irrigation	\$2,560	\$3,913
6-inch Commercial & Multi-family	\$2,560	\$5,998
6-inch Compact Fireline	\$2,560	\$12,249
8-inch	\$9,930	\$16,090
10-inch	Estimated	\$20,397

\*Fees last updated in 1983.

The fees charged for utility services include those for customer requested services or those services involved with delinquent accounts. The proposed adjustment to the utility services fees would recover the current cost of labor and equipment. Adjustments also include a decrease in the proposed fee for a construction meter. Below are the current and proposed fees for utility services:

<b>Utility Service</b>	<b>Current Fee</b>	<b>Proposed Fee</b>
Broken Angle Stop	\$190	\$206
Reinstatement	\$40	\$56
After Hours Service Call	\$110	\$134
Service Transfer/Set Up	\$35	\$52
Door Tag	\$10	\$20
Lock Check	\$10	\$19
Broken Lock	\$20	\$45
Spacer	\$91	\$91
Construction Meter	\$95	\$67
Construction Meter Move	\$50	\$57
Construction Meter Refundable Deposit	\$825	\$1,015

\*Fees last updated in November 2008.

## **FISCAL IMPACT**

The proposed new meter and installation fees would recover the actual costs of providing the services. The table below shows an annual increase in revenue of \$19,177, based on FY10 meter installation statistics.

<b>Meter Size</b>	<b>Current Fee</b>	<b>Proposed Fee</b>	<b>Present Revenue Loss</b>	<b>Meters Sold (estimate based on FY10 activity)</b>	<b>Annual Revenue with Proposed Adjustment</b>	<b>Revenue at Current Rate</b>	<b>Annual Increase in Revenue</b>
5/8"	\$100	\$338	\$238	72	\$17,136	\$7,200	\$9,936
3/4"	\$100	\$353	\$253	11	\$2,783	\$1,100	\$1,683
1"	\$170	\$437	\$267	9	\$2,403	\$1,530	\$873
1.5" Comm/Irrigation	\$320	\$972	\$652	11	\$7,172	\$3,520	\$3,652
2" Commercial	\$430	\$2,572	\$2,142	1	\$2,142	\$430	\$1,712
3" Commercial	\$880	\$3,081	\$2,201	1	\$2,201	\$880	\$1,321
<b>Total Annual Increase in Revenue (estimated)</b>				105	\$33,837	\$14,660	<b>\$19,177</b>

The proposed annual utility service fee adjustments would recover the actual costs of providing the services. The table below shows an annual increase in revenue of \$181,224 based on FY10 utility service statistics.

<b>Utility Service</b>	<b>Current Fee</b>	<b>Proposed Fee</b>	<b>Present Revenue Loss</b>	<b>Average annual # of services provided</b>	<b>Annual Revenue with Proposed Adjustment</b>	<b>Revenue at Current Rate</b>	<b>Annual Increase in Revenue</b>
Broken Angle Stop	\$190	\$206	\$16	2	\$412	\$380	\$32
Reinstatement	\$40	\$56	\$16	785	\$43,960	\$31,400	\$12,560
After Hours Service Call	\$110	\$134	\$24	106	\$14,204	\$11,660	\$2,544
Service Transfer/Set Up	\$35	\$52	\$17	2,541	\$132,132	\$88,935	\$43,197
Door Tag	\$10	\$20	\$10	11,028	\$220,560	\$110,280	\$110,280
Lock Check	\$10	\$19	\$9	225	\$4,275	\$2,250	\$2,025
Broken Lock	\$20	\$45	\$5	16	\$720	\$320	\$400
Spacer	\$91	\$91	\$0	65	\$5,915	\$5,915	0
Construction Meter	\$95	\$67	(\$28)	63	\$4,221	\$5,985	(\$1,764)
Construction Meter Move	\$50	\$57	\$7	0	\$0	\$0	\$0
Construction Meter Refundable Deposit	\$825	\$1,015	\$190	63	\$63,945	\$51,975	\$11,970
<b>Total Annual Increase in Revenue (estimated)</b>					\$484,109	\$309,100	<b>\$181,224</b>

## **COMMISSION OR COMMITTEE REPORT**

The Water/Sewer Committee was unable to review staff's recommendation at its regularly scheduled meeting on July 12, 2010, due to the lack of a quorum.

## **CITY ATTORNEY'S ANALYSIS**

The referenced documents are being reviewed by the City Attorney.

## **RECOMMENDATIONS**

Staff recommends that the Utilities Commission recommend that the City Council adopt a resolution (Exhibit A) to adjust fees for new meters and their installation and for utility services related to damaged City property, construction meters, door tags, after hours service calls, reinstatement fees, and broken locks.

PREPARED BY:

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Greg Blakely  
Water Utilities Administration Manager

Attachment: Exhibit A: Resolution

## STAFF REPORT

DATE: July 20, 2010  
TO: Utilities Commission  
FROM: Cari Dale, Water Utilities Director  
SUBJECT: **DRAFT WATER CONSERVATION MASTER PLAN MEASURES  
EVALUATION**

### **SYNOPSIS**

Staff recommends that the Utilities Commission accept staff's report on the water conservation demand management alternatives, conservation programs, and other water efficiency measures for the draft Water Conservation Master Plan.

### **BACKGROUND**

At a June 2008 Council Workshop on the Integrated Water Utilities Master Plan (IWUMP), Council directed staff to develop a water conservation plan in response to the existing drought and pending mandatory water restrictions. Since completion of the IWUMP, California's water industry has faced rapid changes such as; court-ordered pumping restrictions on the Bay-Delta, environmental constraints with continued limitations to local supply, and unprecedented dry conditions. The water supply analysis in the IWUMP, which detailed Oceanside's current and proposed future water conservation measures, did not anticipate these changes.

A request for proposal to prepare a Water Conservation Master Plan was sent out in September 2008 and two proposals were received. An evaluation panel recommended selection of the proposal submitted by Maddaus Water Management (MWM). MWM has prepared several water conservation plans for cities and water agencies in California and other states. MWM was also the sub-contractor that prepared the water conservation section in the City's IWUMP. City Council approved the professional services agreement with MWM on December 10, 2008.

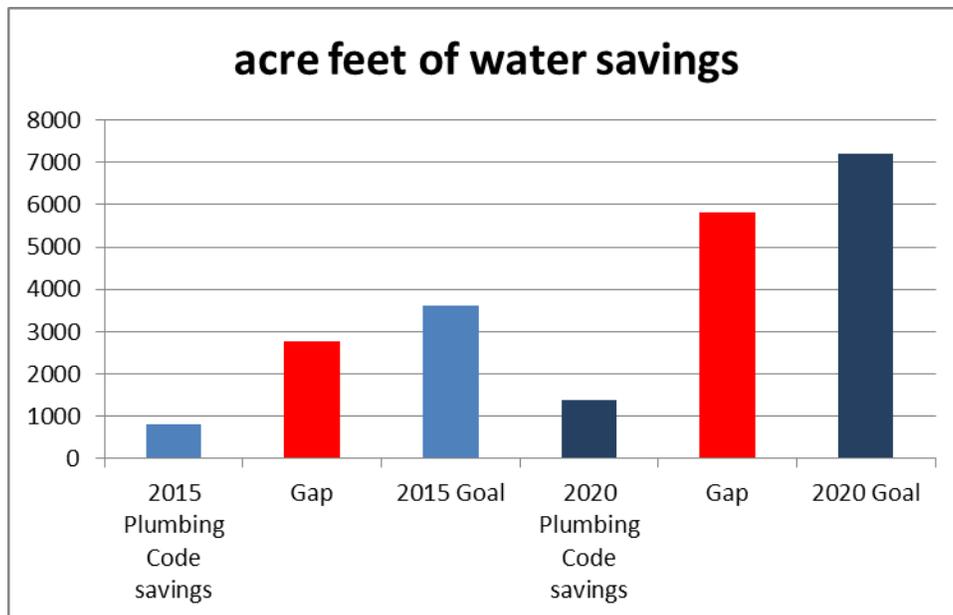
The Water Conservation Master Plan will be a planning document and will contain a long-term plan, with annual milestones, to meet water conservation savings targets for 2015 and 2020. Many different strategies will need to be used to reach these water conservation goals. Water savings and cost effectiveness will be key considerations in assessing various programs. The Plan will also provide a framework for evaluating and monitoring the various programs while remaining flexible enough to adapt to changing conditions and community needs.

## **ANALYSIS**

The timeline for reducing existing water use is earlier than anticipated due to the November 2009 adoption of California's conservation plan called the 20x2020 plan. Introduced by Governor Schwarzenegger as a plan to achieve a 20% reduction in per capita water use by the year 2020, the plan calls for each water utility to establish a baseline daily per capita water use, or GPCD (gallons per capita per day), and the water use targets necessary to meet these reduction goals. Due July 1, 2011 for retail water agencies, the Urban Water Management Plan (UWMP) must incorporate the GPCD target and demonstrate the approach to meeting it. Agencies who do not meet their reduction goals will not be eligible for state loans or grants and will jeopardize the approval of their UWMP. The State has given agencies from 2009 through 2015 to comply with demand management measures and from 2016 through 2020 to comply with targets in legislation. Failure to meet this last deadline could result in violation of law as early as January 1, 2021.

For Oceanside, a 20% reduction in per capita use by 2020 translates to approximately 33 GPCD, or roughly 7,200 acre feet (1 acre-foot = 325,851 gallons). Half of that target, 3,600 acre feet, must be achieved by 2015.

The City can meet 20% of its 2015 goal and reduce approximately 817 acre feet of water demand by implementing no-cost ordinance amendments for new plumbing code regulations. The savings achieved due to plumbing code implementation increase to approximately 1,388 acre feet of water demand reduction by 2020.



A significant gap exists between the 2015 and the 2020 mandated goals and the savings that can be achieved from the plumbing code changes. Options to close the gap and achieve targeted reductions include investing resources in various water reduction programs as well as expansion of the recycled water system.

Maddaus Water Management and Water Utilities staff evaluated over 100 various water reduction programs. Options were ranked according to the amount of water saved per dollar spent. Programs currently being offered were designated as A Programs. Programs with the highest amount of water savings per dollar of cost were ranked as high priority programs and were designated as B Programs. Programs with increasingly lower water savings per dollar of cost were designated as C, D, and E Programs with E Programs saving the least amount of water per dollar of cost. Individual water conservation measures contained within each program are listed in Attachment A.

### **FISCAL IMPACT**

The costs of each program and their impact on water rates will be presented for evaluation at a future City Council workshop.

### **COMMISSION OR COMMITTEE REPORT**

The Water/Sewer Committee was unable to review staff's recommendations at its regularly scheduled meeting on July 12, 2010, due to the lack of a quorum.

### **CITY ATTORNEY'S ANALYSIS**

Does not apply.

### **RECOMMENDATION**

Staff recommends that the Utilities Commission accept staff's report on the water conservation demand management alternatives, conservation programs, and other water efficiency measures for the draft Water Conservation Master Plan.

PREPARED BY:

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Greg Blakely  
Administration Manager

Attachment A: Outline of individual measures contained within the A through E Programs.