

STAFF REPORT

DATE: April 19, 2011

TO: Utilities Commission

FROM: Cari Dale, Water Utilities Director

SUBJECT: **RECOMMEND APPROVAL OF A PROFESSIONAL SERVICES AGREEMENT WITH INFRASTRUCTURE ENGINEERING CORPORATION OF OCEANSIDE FOR THE PREPARATION OF THE 511 PUMP STATION TECHNICAL SPECIFICATIONS AND 30% DESIGN PLANS FOR THE MISSION BASIN DESALTING FACILITY EXPANSION PROJECT**

SYNOPSIS

Staff recommends that the Utilities Commission recommend that the City Council approve a professional services agreement in an amount not to exceed \$119,790 with Infrastructure Engineering Corporation of Oceanside for the preparation of the 511 Pump Station Technical Specifications and 30% Design Plans for the Mission Basin Desalting Facility Expansion project; and authorize the City Manager to execute the agreement.

BACKGROUND

In order to maintain distribution flows from the 320 pressure zone to the 511 pressure zone and insure potable water quality for current and future demands, the City of Oceanside needs to increase its water flow from the 320 zone to the 511 zone with a new 4.5 million gallon per day water pump station. The location for the pump station is at the Mission Basin Desalting Facility at 215 Fireside Drive.

Due to the timing requirements of a Bureau of Reclamation (BOR) Grant, the project must be under construction before the end of the current Federal FY, which is September 30, 2011. Using the traditional design-bid-build method of project delivery would not allow the project construction to begin prior to the BOR stipulated start date since completing a separate 100% design, advertising and receiving bids, awarding the construction contract, and starting construction would not be completed prior to the BOR mandated start date. Using the design-build method of project delivery, will allow

the final plans to be generated by the design-builder (contractor) while construction on the project is taking place. In this manner, the project construction can be started as required by the BOR Grant prior to the end of the current Federal FY.

The industry standard for prescriptive design-build documents is to include technical specifications and 30% design plans prepared prior to requesting proposals from design-build proposers. In this way, the City can be very clear on their design preferences in the technical specifications while allowing the design-build proposer to include the cost and time of a professional design firm to develop the remaining majority of the design plans. For example, having the 30% design plans will allow the contractor to procure readily available materials—such as pipe material and appurtenances—and start construction with those materials while still proceeding with final design and procurement of the electrical and instrumentation long lead-time items. In this example, procuring the pipeline material and starting construction before September 30th will accommodate the aggressive construction start date mandated by the BOR.

ANALYSIS

On March 16, 2011, a Request for Proposal was sent to six consultant engineering firms, including the five Oceanside firms, to prepare the 511 Pump Station Technical Specifications and 30% Design Plans (Exhibit B) for the design-build method of project delivery.

On March 25, 2011, the Water Utilities Department received one proposal from the six consulting firms. Staff reviewed and evaluated the proposal and determined that Infrastructure Engineering Corporation was qualified to provide the 511 Pump Station Technical Specifications and 30% Design Plans (Exhibit C).

FISCAL IMPACT

The Mission Basin Desalting Facility Expansion project (908742500715) has a current available balance of \$1,170,915 in FY 2010-2011. Therefore, budgeted funds are available.

CITY ATTORNEY'S ANALYSIS

The referenced 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 approved staff's recommendation at its regularly scheduled meeting on April 12, 2011.

RECOMMENDATION

Staff recommends that the Utilities Commission recommend that the City Council approve a professional services agreement in an amount not to exceed \$119,790 with Infrastructure Engineering Corporation of Oceanside for the preparation of the 511 Pump Station Technical Specifications and 30% Design Plans for the Mission Basin Desalting Facility Expansion project; and authorize the City Manager to execute the agreement (Exhibit A).

PREPARED BY:

Greg Blakely
Administration Manager

Exhibit A – Site Plan
Exhibit B – Request for Proposal Mailing List
Exhibit B – Professional Services Agreement

STAFF REPORT

DATE: April 19, 2011
TO: Utilities Commission
FROM: Cari Dale, Water Utilities Director
SUBJECT: **RECOMMEND APPROVAL OF THE CITY OF OCEANSIDE WATER CONSERVATION MASTER PLAN**

SYNOPSIS

Staff recommends that the Utilities Commission recommend that the City Council approve the City of Oceanside Water Conservation Master Plan (Exhibit A) and direct staff to implement the elements of the Plan beginning in fiscal year 2011-12.

BACKGROUND

In June of 2008, the City Council directed staff to prepare a Water Conservation Master Plan in response to the existing drought and court-ordered mandatory water restrictions. On December 10, 2008, the City Council approved a professional services agreement with Maddaus Water Management to prepare the Water Conservation Master Plan (Plan). Staff worked with the consultants to develop a comprehensive conservation program for the City however, the reduction of 20 percent per capita water use by the year 2020 was passed by legislation in November 2009 (SB x 7_7), necessitating incorporation of the gallons per capita per day (gpcd) calculation into the proposed plan. The legislative change also required that the department specify additional conservation measures that would need to be implemented to meet the mandated reduction goal.

On February 14, 2011, the additional measures were presented to the Utilities Commission at a public workshop. The Commissioners and members of the public reviewed the programs and chose to recommend a set of conservation measures that will achieve the goals set by the state. Presently, the City of Oceanside's gpcd is 167; the target reduction for the year 2020 is 142 gpcd, a reduction of 25 gpcd.

ANALYSIS

The purpose of the Water Conservation Master Plan is to evaluate water conservation demand management alternatives and to evaluate them in terms of their water savings, costs, and cost-effectiveness from various perspectives including their acceptability and their ability to be implemented.

The process used a model which evaluated measures directed at existing accounts as well as new development measures to make new residential and business customers

more water efficient. Several programs were developed to evaluate the net effect of running multiple measures together over time.

The February 14, 2011 workshop was facilitated by Tamayo and Associates with the goal to provide participants with an overview of the conservation options, to provide discussion and input on the various options that would be recommended and to reach consensus on the best way to move forward. The Utilities Commissioners, staff, several members of the public and Maddaus Water Management participated in the workshop. The themes presented by participants were:

- To implement the program that is comprised of aggressive water conservation, smart meters (AMI) and further implementation of the Recycled Water Master Plan (Phase II), and
- Phase in additional elements up to the level of activity and measures of the other program as appropriate or needed over time, and
- Partner, engage and build relationships with high water users to get their full participation, and
- Use tools including new development offsets to compel participation where possible.

The work group went on to highlight the major benefits of this approach:

- It complies with State SBx7-7 law (and per capita use targets), and
- It is cost-effective and less expensive than buying additional purchased water from SDCWA and MWD, and
- The approach gives the City control over its future water supply availability.

A follow-up recommendation was made to form a 20 x 2020 working group to monitor progress and consider modifications to the plan over time to meet the 2015 and 2020 per capita use targets cost-effectively.

The recommended measures are in the table below. Detailed descriptions of each measure are included in the recommended program. There are also measure-by-measure implementation suggestions included in the Plan.

General Measures	Residential Measures (Indoor)	Commercial Measures (Indoor)	Irrigation Measures (Outdoor)
Public Education	High Efficiency Toilet Rebates	High Efficiency Toilet Rebates	Financial Incentives for Irrigation Upgrades
School Retrofit by 2035	Clothes Washer Rebates	High Efficiency Urinal Rebates	Landscape Requirements New Accounts except SF
Automated Meter Infrastructure (AMI)	Water Use Efficiency Surveys (Audits)	Clothes Washer Rebates	Large Landscape Water Budgets + Audits
Recycled Water (Phase 1 & 2)	Hot Water Systems	Water Efficiency Surveys (Audits)	Weather Adjusting Controller Requirement New Dev start in 2020

Senate Bill 407 Fixture Replacement	Zero Footprint for New Development	Kitchen Pre Rinse Spray Nozzles	Landscape Classes for Residential customers
Require WaterSense on all new homes (EPA)		Inefficient Equipment Replacement Rebates	

Successful implementation of the Plan will require a significant increase in level of effort on the part of the City. Many new conservation measures will be employed and high participation rates are needed to achieve Plan goals. Recommendations to assist with implementation include the following next steps:

- Prioritize measures for implementation with those that contribute the most to meeting the per capita use targets;
- Consider working with the largest 100 water-using customers to try to reduce water use as described in section 3;
- Develop an annual work plan for the first plan year as soon as the budget is adopted (or in concert with the budget planning process);
- Form partnerships and apply for grants where appropriate;
- Outsource if needed to gain enough staff support to administer the new program;
- Set up a 20 x 2020 Working Group to guide the implementation;
- Develop analytical tools to track water use by customer class and overall per capita water use, adjusted for the weather and external factors;
- Set up a database to store and manage measure participation, cost and other data to gauge successes and failures;
- Use the tools annually to help decide on priorities for the next plan year;
- Use the Model to annually update the plan including actual measure participation, projected water savings and expected per capita water use reductions to ensure plan is on track to meet 2020 targets;
- Use the input from the 20 x 2020 Working Group and annual work planning process as the forum to amend the plan, budgets, staffing, outsourcing, schedule etc. to stay on track.

FISCAL IMPACT

The total estimated cost of the program until 2020 is \$20,610,000 which is an estimated annual cost of \$2,290,000. The cost increase for FY12 is \$388,000, the bulk of which includes increased residential public education, washer rebates, replacement of inefficient equipment at commercial/industrial facilities and residential and commercial high efficiency toilet rebates. The rate increases taking effect in February 2011 and July 2011 already account for the FY12 increased Department costs associated with this program.

The largest cost component over the next nine years is the Phase II recycled water project at \$8.5M which is planned to commence during FY13. It is anticipated that the project will be paid for from Developer Fees and Fixed Asset Replacement Funds. The other larger cost component is for Automated Meter Infrastructure (AMI) at an added cost of \$300,000/year, starting in FY15. For future years, the costs to implement the Plan will be paid for by a combination of operating and capital funds.

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 approve the City of Oceanside Water Conservation Master Plan (Exhibit A) and direct staff to implement the elements of the Plan beginning in fiscal year 2011-12.

PREPARED BY:

Greg Blakely
Administration Manager

Exhibit A: Final Draft City of Oceanside Water Conservation Master Plan