Written materials relating to an item on this agenda that are distributed to the legislative bodies within 72 hours before the item is to be considered at its regularly scheduled meeting will be made available for public inspection at the Library, 251 South "A" Street and the City Clerk's Office, 305 West Third Street during customary business hours. Any materials to be presented at this meeting will be made available electronically 24 hours prior to the meeting, at the end of this agenda. The agenda reports are on the City of Oxnard web site at www.ci.oxnard.ca.us.

CITY OF OXNARD CALIFORNIA

AGENDA
OXNARD CITY COUNCIL
OXNARD COMMUNITY DEVELOPMENT COMMISSION SUCCESSOR AGENCY
OXNARD FINANCING AUTHORITY
OXNARD HOUSING AUTHORITY

Regular Meeting
305 West Third Street, Oxnard
April 26, 2016
6:00 PM

A. ROLL CALL/POSTING OF AGENDA

THE FOLLOWING LEGISLATIVE BODIES ARE MEETING: OXNARD CITY COUNCIL

B. PUBLIC COMMENTS ON CLOSED SESSION ITEMS

C. CLOSED SESSION

D. OPENING CEREMONIES

Pledge of allegiance to the flag of the United States

E. CEREMONIAL CALENDAR

F. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

At this time, the legislative body will consider public comments for a maximum of thirty minutes. A person may address the legislative body only on matters not appearing on the agenda and within the subject matter jurisdiction of the legislative body. A person not able to address the legislative body at this time because the thirty minutes expires may do so just prior to adjournment of the meeting. The legislative body cannot enter into a detailed discussion or take any action on any items presented during public comments at this time. Such items may only be referred to the City Manager/ Executive Director/Secretary for administrative action or scheduled on a subsequent agenda for discussion. Persons wishing to speak on public hearing items should do so at the time of the hearing. The presiding officer shall limit public comments to three minutes.

G. REVIEW OF INFORMATION/CONSENT AGENDA

The members of the legislative body will consider whether to remove Information/Consent Agenda items for discussion later during the meeting.

H. PUBLIC COMMENTS ON INFORMATION/CONSENT AGENDA

At this time, a person may address the legislative body only on matters appearing on the information/consent agenda. The presiding officer shall limit public comments to three minutes.

In compliance with the Americans with Disabilities Act, if you require special assistance to participate in a meeting, please contact the City Clerk's Office at 385-7803. Notice at least 72 hours prior to the meeting will enable the City to reasonably arrange for your accessibility to the meeting.

City of Oxnard internet address: www.ci.oxnard.ca.us.

I. INFORMATION CONSENT AGENDA

City Manager Department

1. SUBJECT: Agreements for City Council Review
RECOMMENDATION: That City Council, pursuant to Ordinance 2835, and Resolution No. 13,932, approve and authorize the City Manager to execute the agreements/contracts and change orders/amendments in amounts more than $25,000 but no more than $250,000, which are described on the attached list.
Legislative Body: CC Contact: Greg Nyhoff Phone: 385-7430

Public Works Department

2. SUBJECT: Approve Plans and Specifications for UD14-02 Alley Reconstruction at Various Locations - Phase II
RECOMMENDATION: That City Council: 1) Approve project plans and specifications and authorize staff to solicit bids for Specification UD14-02 Alley Reconstruction at Various Locations – Phase II and 2) Approve a budget appropriation from Fund 285 – CDBG Entitlement in the amount of $577,886 to Capital Improvements Project 153102, Alleyways Reconstruction, Phase II.
Legislative Body: CC Contact: Daniel Rydberg Phone: 385-8055

J. PUBLIC HEARINGS

K. APPPOINTMENT ITEMS

L. REPORTS

Finance Department

1. SUBJECT: Utilities Financial Review (15/45)
RECOMMENDATION: That City Council receive a mid-year budget update report on Utilities.
Legislative Body: CC Contact: Maria A. Hurtado Phone: 385-7430

Public Works Department

2. SUBJECT: Receive a Report on the Public Works Integrated Master Plans (15/30)
RECOMMENDATION: That City Council approve the Final Draft Public Works Integrated Master Plan.
Legislative Body: CC Contact: Daniel Rydberg Phone: 385-8055

M. REPORT OF CITY MANAGER/EXECUTIVE DIRECTOR/SECRETARY

The City Manager/Executive Director/Secretary shall report on items of interest to the legislative body occurring since the last meeting. The legislative body cannot enter into detailed discussion or take action on any item presented during this report. Such items may only be referred to the City Manager/Executive Director/Secretary for administrative action or scheduled on a subsequent agenda for discussion.

N. CITY COUNCIL/HOUSING AUTHORITY/SUCCESSOR AGENCY/FINANCING AUTHORITY BUSINESS/COMMITTEE REPORTS

O. PUBLIC COMMENTS ON REPORTS

At this time, a person may address the legislative body only on matters appearing on the reports. The presiding officer shall permit a person to address the legislative body after the staff presentation on the report and before the consideration of the report by the legislative body. The presiding officer shall limit public comments to three minutes.

P. PUBLIC COMMENTS ON STUDY SESSION

At this time, a person may address the legislative body only on matters appearing on the study session agenda. The presiding officer shall permit a person to address the legislative body after the staff presentation on the item and before the consideration of the item by the legislative body. The presiding officer shall limit public comments to three minutes.

Q. STUDY SESSION

R. ADJOURNMENT

CITY OF OXNARD CALIFORNIA	**CITY COUNCIL** **AGENDA REPORT**	**TYPE OF ITEM: Info/Consent** **AGENDA ITEM NO.: 1**

DATE: April 26, 2016

TO: City Council

THROUGH: Greg Nyhoff, City Manager
Office of the City Manager

FROM: Greg Nyhoff, City Manager

SUBJECT: Agreements for City Council Review

CONTACT: Greg Nyhoff, City Manager
Greg.Nyhoff@oxnard.org, 385-7430

RECOMMENDATION

That City Council, pursuant to Ordinance 2835, and Resolution No. 13,932, approve and authorize the City Manager to execute the agreements/contracts and change orders/amendments in amounts more than $25,000 but no more than $250,000, which are described on the attached list.

BACKGROUND

On November 16, 2010, the City Council approved changes to the City's Purchasing Procedures reducing the threshold for City agreements/contracts and change orders/amendments requiring City Council approval to $25,000. The agreements/contract and change orders/amendments described on the attached list involve amounts above $25,000 and up to $250,000.

FINANCIAL IMPACT

Funding information is included on the attached list.

Attachment A - List of Agreements/Contracts and/or Change Orders/Amendments

NOTE: Copies of the agreement/contracts and change orders/amendments on the list are available in the City Clerk's Office prior to the Council meeting.

City Manager Contract List for 04/26/2016

Contracts from $25,000 to $250,000

A Agreement with Sintra Group to provide background investigations for new hires

Vendor:	Sintra Group	**Amount to be Approved:**	$50,000
Type:	Original Agreement	**Current FY Amount:**	$5,000
Agreement No.:	7391-16-FI	**Total Contract Amount:**	$50,000
Amendment No.:	N/A	**Funding Source:**	General Fund
Purchase Order No.:	2614	**Vendor Selection Process:**	Request for Proposals (RFP)
Begin Date:	04/01/2016	**# of Bids/Proposals/Quotes:**	7
End Date:	03/31/2017	**Project Manager:**	Darwin Base
Term:	14 months	**Department:**	Fire
		Telephone:	805-385-7708
		Email:	darwin.base@oxnard.org

Purpose:

Staff is requesting authorization to enter into an agreement with Sintra Group to provide background investigations to the Fire Department on prospective employees. All firefighters must successfully complete a background investigation prior to employment with the City of Oxnard.

Staff issued a Request for Proposals (RFP) for background investigation. The bid process concluded on April 3, 2014 with 7 vendors having submitted proposals. Proposals were reviewed and Sintra Group was one of two vendors able to provide the required services for the same cost. With price and ability to complete the work equal between the two vendors, Sintra Group has been selected as the preferred vendor due to the quality and reliability of their work provided to Fire Department during past recruitments. This agreement is for the remainder of the term envisioned by the RFP.

B Wastewater Collection System Lift Station No. 28 Submersible Pump

Vendor:	Flo-Systems, Inc.	**Amount to be Approved:**	$37,398
Type:	Purchase Order	**Current FY Amount:**	$37,398
Agreement No.:	N/A	**Total Contract Amount:**	$37,398
Amendment No.:	N/A	**Funding Source:**	Wastewater Collection Operating Funds
Purchase Order No.:	5807	**Vendor Selection Process:**	Sole Source
Begin Date:		**# of Bids/Proposals/Quotes:**	N/A
End Date:		**Project Manager:**	Thien Ng
Term:		**Department:**	Public Works/Wastewater
		Telephone:	432-3575
		Email:	thien.ng@oxnard.org

Purpose:

Staff is requesting authorization to purchase a submersible pump for Lift Station No. 28. Lift Station No. 28 consists of a wet well, two submersible pumps, electrical and instrumentation panels, and a standby generator. The pumps are configured as one duty pump and one standby pump. As part of the Wastewater Lift Station Maintenance Program, one new pump will be purchased and the remaining two pumps will be rebuilt, stored and made available as back-up pumps. During construction of Lift Station 28, Wemco pump was selected as the lowest responsible pump manufacturer. Purchasing non-Wemco pumps from other manufacturers would require re-designing pump controls, manifolds, and electrical panels as well as self cleaning pre-rotation basins. Therefore, the purchase of this pump is a sole-source purchase from Flo-Systems, Inc. Flo-Systems, Inc. is the only approved Wemco representative in southern California.

	CITY COUNCIL AGENDA REPORT	TYPE OF ITEM: Info/Consent AGENDA ITEM NO.: 2

DATE: April 26, 2016

TO: City Council

THROUGH: Greg Nyhoff, City Manager
Office of the City Manager

FROM: Daniel Rydberg, Public Works Director

SUBJECT: Approve Plans and Specifications for UD14-02 Alley Reconstruction at Various Locations - Phase II

CONTACT: Robert Hearne, Public Works
Robert.Hearne@oxnard.org, 385-8265

RECOMMENDATION

That City Council: 1) Approve project plans and specifications and authorize staff to solicit bids for Specification UD14-02 Alley Reconstruction at Various Locations – Phase II and 2) Approve a budget appropriation from Fund 285 – CDBG Entitlement in the amount of $577,886 to Capital Improvements Project 153102, Alleyways Reconstruction, Phase II.

BACKGROUND

On September 22, 2015, the City Council approved the Consolidated Annual Performance Report (CAPR) for Fiscal Year 2014-2015. In the report, Community Development Block Grants (CDBG) funding was requested for reconstruction of three alleys that are eligible. To be eligible, a project must serve a community where over 51% of the households meet low-moderate income eligibility criteria. The three alleys selected were the most deteriorated of the more than 10 alleys eligible.

This alley reconstruction project consists of removing the existing asphalt alleys in 3 locations and reconstructing them with concrete. The first two are the alley west of Dallas Drive from Berkshire Street to Billings Street, and the alley west of Hamilton Avenue from Terrace Avenue to Yale Street in the Terrace Estates neighborhood. Terrace Estates is in the low-moderate income area meeting CDBG eligibility with a low-moderate income (LMI) percentage of

71.68%. The third alley in the project is the alley east of Norma Street, from Azalea Street to Carmen Way in the Windsor North River Ridge neighborhood. This alley is located within the low-moderate income area meeting CDBG eligibility with a LMI percentage of 57.63%.

The work includes mobilization/demobilization; traffic control; storm water pollution prevention plan; removal and disposal of asphalt concrete, subgrade, weeds, root & debris; compaction of subgrade and base; installation of 6” concrete pavement over 6” aggregate base; and adjustment of manholes, water valves, and water meter covers to finished grade. It also includes all incidental and appurtenant improvements and restorations specified on the Plans and Specifications.

FINANCIAL IMPACT

The CDBG funding has been approved in the amount of $577,886 pursuant to an Inter-departmental Agreement for Use of CDBG Funds, Agreement No. 7155-15-HO. A Budget Adjustment would transfer existing appropriation in the amount of $544,574 from Alleyway East of “A” Street Project 153103 and $33,312 from Alleyway East of Del Oro Project 153104 to Alleyway Reconstruction Phase II Project 153102.

ATTACHMENTS

A. Budget Appropriation
B. UD14-02 Alley Reconstruction at Various Locations – Phase II Site Map

Note: Plans and specifications for UD14-02 Alley Reconstruction at Various Locations – Phase II Project will be available for review at the City of Oxnard Purchasing Division, 300 West Third Street, Suite 202, Oxnard, CA 93030, after 8:00 a.m. on Thursday prior to the City Council Meeting.

REQUEST FOR BUDGET ADJUSTMENT

Department: Public Works **Date:** April 26, 2016

Project/Program Manager: Robert Hearne **Phone:** 385-7832

Reason for Appropriation:

Pursuant to Inter-departmental Agreement 7155-15-HO, CDBG funding previously appropriated to Alleyway East of A Project 153103 & Alley East of Del Oro Project 153104 to be transferred to fund Alleyways Reconstruction Phase II

Accounts and Descriptions		**AMOUNT**
Fund: 285 CDBG Entitlement		
Expenditures/Transfers Out		
PROJECT 153102 - Alleyways Reconstruction Phase II		
285-3130-826.86-05	IMPROV NOT BUILD-MAJOR RE	577,886
PROJECT 153103 - Alleyway East of "A" Street		
285-3130-826.86-05	IMPROV NOT BUILD-MAJOR RE	(544,574)
PROJECT 153104 - Alleyway East of Del Oro		
285-3130-826.86-05	IMPROV NOT BUILD-MAJOR RE	(33,312)
	Sub-total Expenditures	0
	Net Change to Fund Balance	**0**

Approvals

Department Director ____________________

Chief Financial Officer ____________________

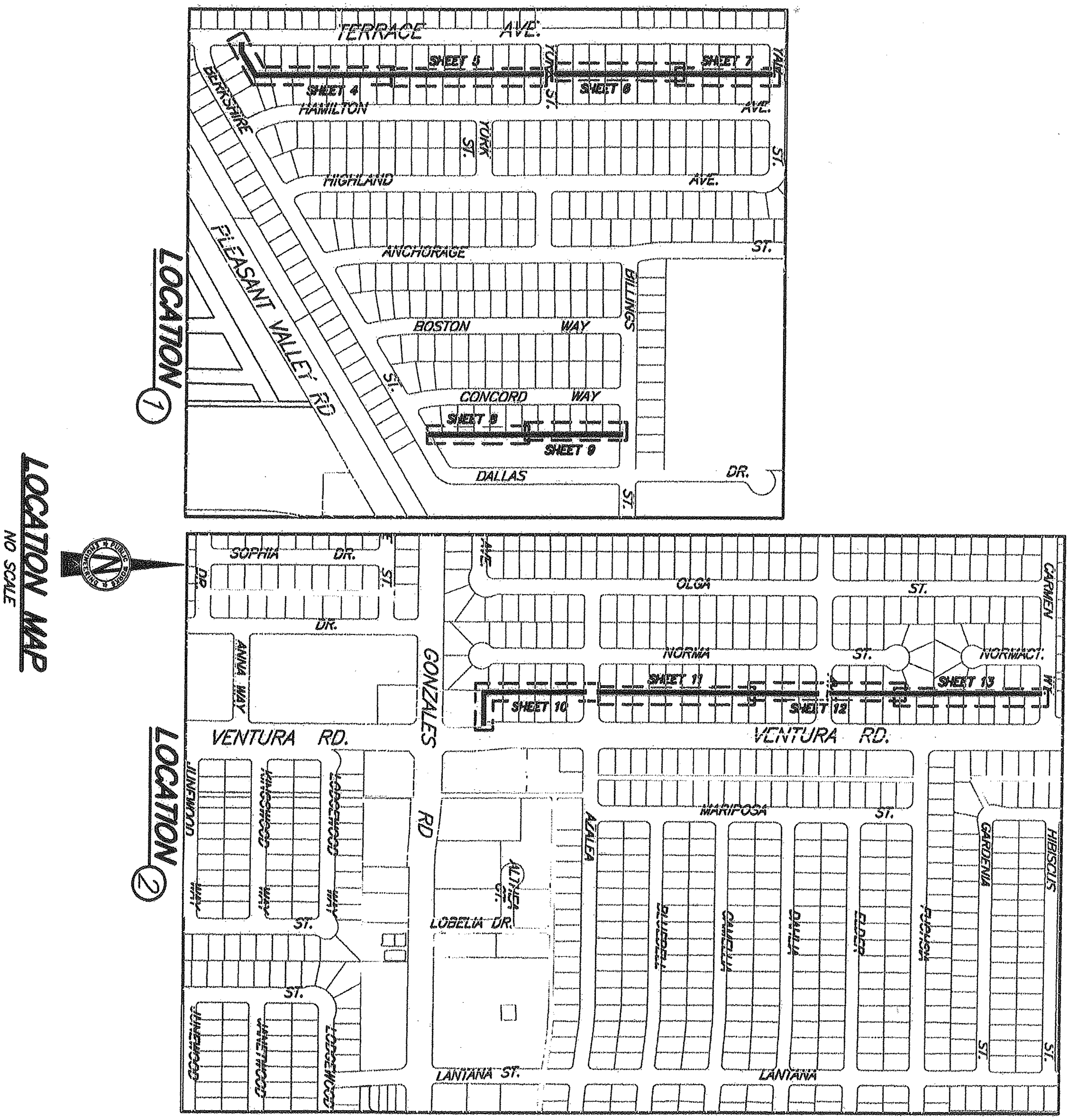
City Manager ____________________

BA# (Finance Use Only)________________

BA DOC.# (Finance)_

DOES NOT REQUIRES CITY COUNCIL AUTHORIZATION

Revi


LOCATION MAP
NO SCALE
LOCATION 1
TERRACE AVE.
SHEET 5
SHEET 7
SHEET 4
SHEET 6
YORK ST.
YALE
HAMILTON AVE.
BERKSHIRE
YORK ST.
HIGHLAND AVE.
ANCHORAGE ST.
PLEASANT VALLEY RD
BILLINGS
BOSTON WAY
CONCORD WAY
SHEET 8
SHEET 9
DALLAS DR.
ST.
LOCATION 2
SOPHIA DR.
ST.
DR.
ANNA WAY
VENTURA RD.
GONZALES RD
OLGA ST.
CARMEN
NORMA ST.
NORMA CT.
SHEET 10
SHEET 11
SHEET 12
SHEET 13
VENTURA RD.
MARIPOSA ST.
AZALEA
GARDENIA
HIBISCUS
ALTHEA CT.
LOBELIA DR.
LANTANA ST.
LANTANA

	CITY COUNCIL AGENDA REPORT	TYPE OF ITEM: Report AGENDA ITEM NO.: 1

DATE: April 26, 2016

TO: City Council

THROUGH: Greg Nyhoff, City Manager
Office of the City Manager

FROM: Maria Hurtado, Assistant City Manager

SUBJECT: Utilities Financial Review (15/45)

CONTACT: Maria Hurtado, City Manager
Maria.Hurtado@oxnard.org, 385-7430

RECOMMENDATION

That City Council receive a mid-year budget update report on Utilities.

SUMMARY:

This review of Oxnard Utility financial results for Fiscal Year 2015-2016 focuses on projected sources and uses of cash. During the course of the year, Oxnard residents and businesses were extremely effective at reducing water use in response to the statewide drought emergency. Wastewater and water revenue dropped faster than costs, increasing the size of operating losses. Reductions were so large that new wastewater rate increases that took effect on March 1 will not offset the revenue loss from conservation. If operating losses continue at the forecast level, the Wastewater Fund could run out of cash next year and the Water Fund could run out of cash in two years. The City is not anticipating a full rebound of usage levels prior to the drought, and is forecasting a measure of continued conservation through the five-year forecast.

Integrated waste services in the Environmental Resources Fund produced cash from operations.

DISCUSSION:

The following table summarizes the expected impacts on cash balances in the Utilities Funds in Fiscal 2015-2016:

Utilites Budget Status Through February 29, 2016	
Fund Type	FY 2015/16 Projected Actual
Water Funds	
Beginning Unrestricted Cash Balance (Unaudited)	$36,186,727
Revenues	$45,935,609
Expenditures	$63,257,924
Year End Change	($17,322,315)
Ending Cash Balance	$18,864,412
Wastewater Funds	
Beginning Unrestricted Cash Balance (Unaudited)	$8,712,980
Revenues	$23,525,878
Expenditures	$29,493,391
Year End Change	($5,967,513)
Ending Cash Balance	$2,745,467
Solid Waste	
Beginning Unrestricted Cash Balance (Unaudited)	$8,250,782
Revenues	$40,516,995
Expenditures	$38,290,968
Year End Change	$2,226,027
Ending Cash Balance	$10,476,809

The budget adopted by the City Council anticipated operating losses and did not include spending that would be financed by new rate revenue. However, the City's rate structure is highly dependent on water consumption based charges.

Though wastewater rate increases will add $2.7 million in revenue this year, conservation related revenue reductions, estimated at $3 million, more than offsets the increase. Delayed implementation of new water rates will postpone revenue relief in the Water Fund until Fiscal 2016-2017. The amount produced by new rates will depend on the effective date of those rates. ER rate increase delays will postpone modernization of the collection fleet and improvements in recyclables recovery.

Use of rate increase revenue

If all of the proposed increases were approved, from FY 2015/16 - FY 2019/20, 90% of rate increase revenue annually would be used for debt service and covenants, 4% for direct infrastructure investment and 6% to increase reserves.

Attachment A shows the expected uses of revenue increases associated with new rates in each utility. The impact of drought related revenue reductions will affect actual results. It is expected that utility customers will not return to prior water use levels and that baseline consumption based rates will produce less revenue than expected in previous models. As a result, more of the rate increase revenue will be necessary to cover operational and debt service costs that would have been funded by the former baseline revenue levels.

The uncertainty associated with consumption based revenues and drought "rebound" choices by customers requires constant monitoring to anticipate the impact on rates and reserves. Rate stability, an important objective of the City Council's policies depends on maintaining adequate reserves. Rate changes are subject to a long analytical and procedural process. Rapid changes, like those associated with drought conservation must be offset by accumulated reserves during that process.

Risk areas

At this point in time, rate increase delays, limited staffing and weak operating results prevent the City from implementing any of the City Council policies for utilities adopted on 01/19/2016 (see attachment B). In addition, rapidly declining cash reserves limit the City's options for rate stabilization and access to debt financing. For instance, on March 1 bond call premiums expired for two debt issues the 2006 wastewater bonds and the 2006 water bonds. Expiration of the bond call protection allows refunding of debt with net present value savings estimated at approximately $10 million, ($1.5 million for the Wastewater and $8.5 million for Water).

A plan to address these issues will be essential to achieve refunding savings, replace the MUFG Union Bank letters of credit and assure access to capital markets to fund the important infrastructure investments essential to the City's utilities.

Staff will be returning with a proposed plan after completion of the annual audit, as directed by the City Council.

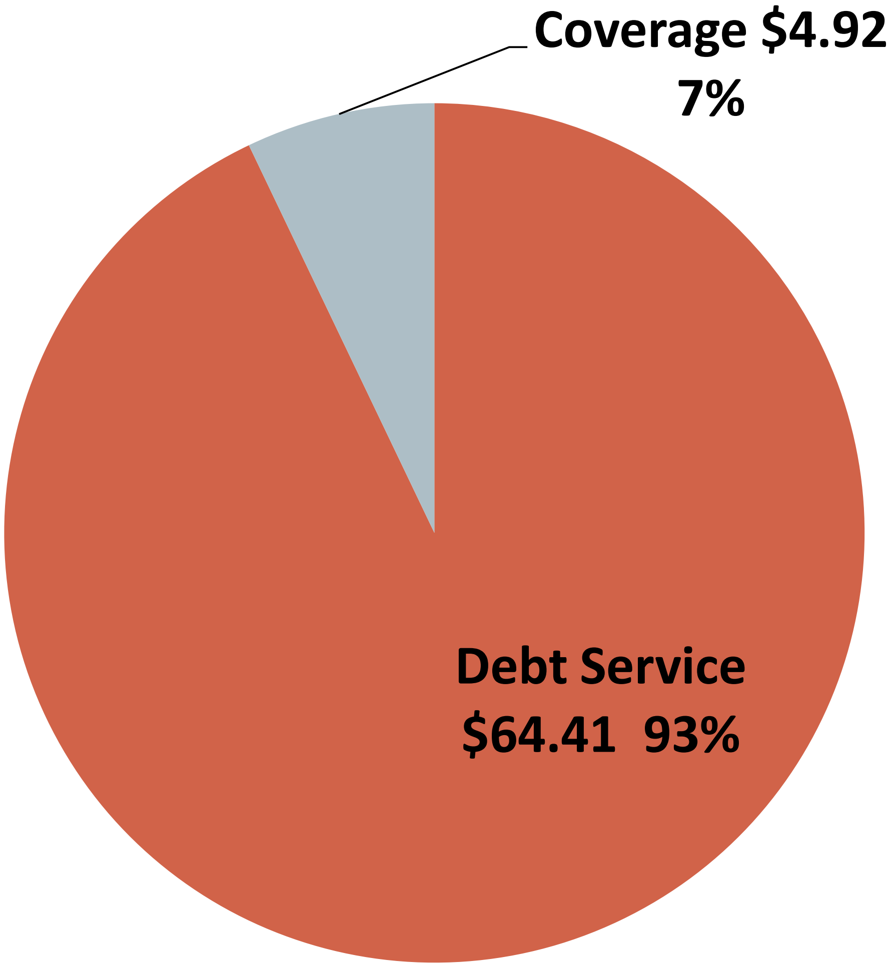
FINANCIAL IMPACT

There is no financial impact associated with receiving this report.

ATTACHMENTS

Attachment A: Rate Increase Revenue Charts
Attachment B: City Council Utility Financial Policies
Attachment C: Listing of CIP Projects

Water Rate Increase Drivers- Five Year Cumulative

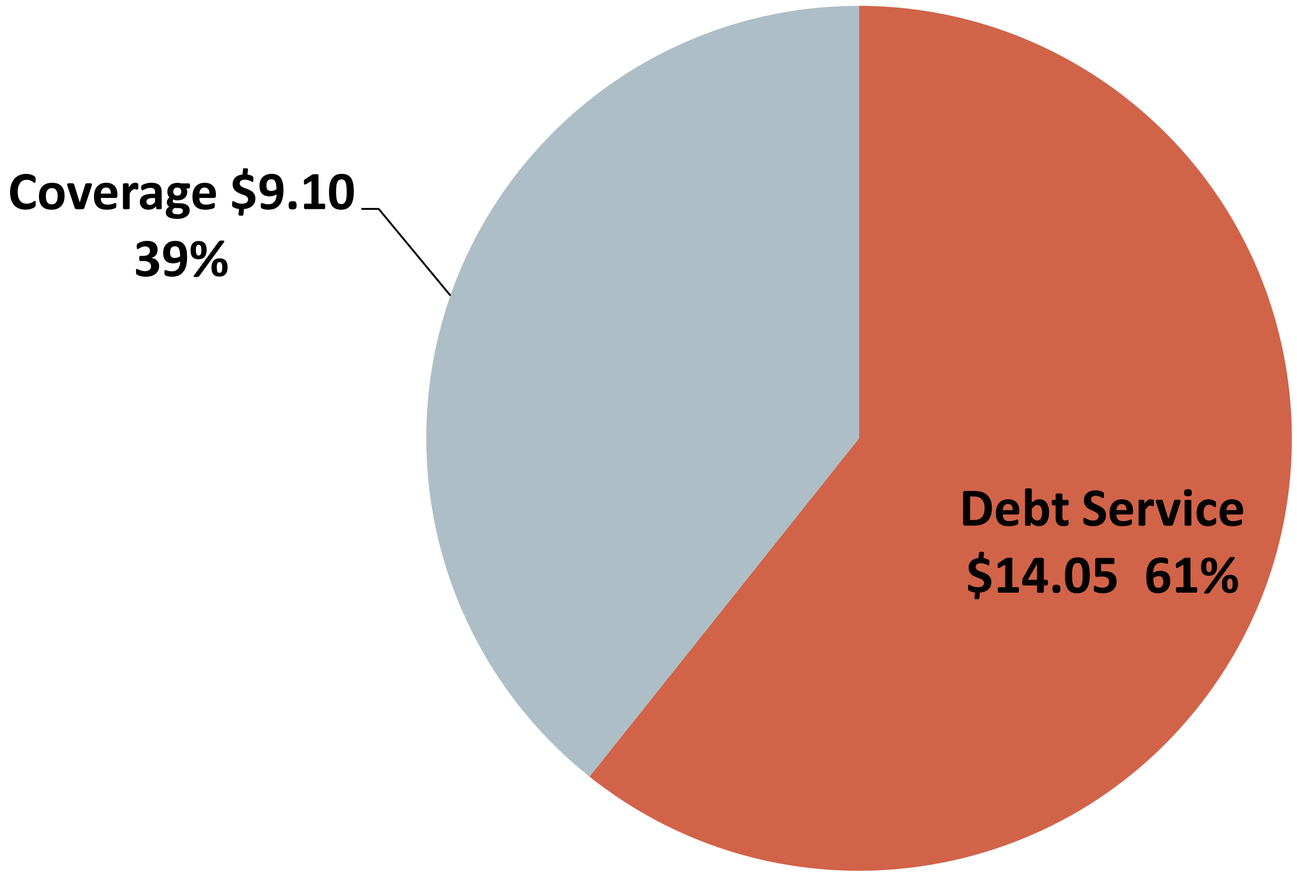


Attachment A

Wastewater Increase Drivers-
Five Year Cumulative

Attachment A

Solid Waste Increase Drivers- Five Year Cumulative



CITY COUNCIL OF THE CITY OF OXNARD
RESOLUTION NO. __________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD APPROVING A FINANCIAL POLICY FOR CITY UTILITY ENTERPRISE FUNDS

WHEREAS, the City of Oxnard (City) provides water, wastewater, and solid waste services to residents and businesses within the community; and

WHEREAS, clean water and good sanitation are essential to public health and safety and greatly improve quality of life of residents; and

WHEREAS, each of the three utility services – Water, Wastewater and Environmental Resources (solid waste) – operate as independent financial enterprise funds separate and distinct from the City General Fund; and

WHEREAS, utility revenue can only be used for the service for which it is collected; and

WHEREAS, utility charges must not exceed the estimated cost service; and

WHEREAS, utility rates must only be charged to the users benefiting from the service for which they are charged; and

WHEREAS, the rates and charges imposed on City customers and other users for these public utility services must be established, periodically re-evaluated and revised based on sound fiscal practices, and consistent with applicable legal restrictions, so that each enterprise fund is capable of providing consistent, reliable, and safe utility services at a reasonable cost for current and future generations within the City; and

WHEREAS, revisions to utility rates and charges must also be re-evaluated and revised so they keep pace with the cost to appropriately operate, maintain, repair and replace utility facilities; and

WHEREAS, each utility enterprise regularly updates its master plan and capital improvement program (CIP) and the estimated costs associated with each CIP project; and

WHEREAS, by maintaining a favorable bond rating, the City is able to lower borrowing rates for CIP projects which lowers the overall cost of the projects; and

WHEREAS, utility enterprise bond ratings are in part dependent on revenues generated by utility rates. Utility rates must be sufficient to meet bond debt obligations to finance CIP's at optimal financing rates, while also supporting ongoing utility operation, maintenance, repair and staffing needs; and

WHEREAS, each City utility periodically prepares budgets, CIP's and related long-term planning documents and cost of services studies to assess the needed rates and charges for each utility. For example, the City recently completed a comprehensive Cost of Services Study (December 2105; "2015 COS Study"), which assesses in detail the needed utilities rates for all of the aforementioned purposes and needs; and

WHEREAS, the 2015 COS Study balances risk, reliability and health and safety with cost to meet environmental regulations and the expectations of residents; and

WHEREAS, the cost of providing utility services rises on a regular basis due to increases in energy, chemical, equipment and labor costs; and

WHEREAS, the 2015 COS Study recommends increases to rates and charges for each of the three utilities, as well as adjustments to the fixed and variable rate components of utility rates and charges; and

WHEREAS, utility financial metrics such as bond coverage ratio and reserve balance vary over time based on planned and unplanned circumstances; and

WHEREAS, there is a shortage of staff in the environmental fields, especially wastewater operations, which has increased the difficulty and cost of adequately staffing utility operations;

WHEREAS, increases in utility rates may impose a larger hardship on certain segments of ratepayers and the City is actively exploring policies to assist these ratepayers, consistent with all legal requirements; and

WHEREAS, the City is also continuously pursuing opportunities to supplement revenues derived from utilities rates with outside funding sources such as grants; and

WHEREAS, internal service fees must be periodically reviewed and revised to ensure the City is properly reimbursed for the services it provides and to meet requirements for grant reimbursement.

NOW THEREFORE, the City Council of the City of Oxnard resolves to adopt this Utility Enterprise Financial Policy set forth herein as official policy to which current and future utilities budgets and rate setting processes and procedures will apply.

1. General Policy. Utility rates will objectively and transparently meet all applicable legal requirements. To the extent this policy imposes new "best practices" that require extraordinary utility rate increases, the City will make every attempt to achieve these

policies and objectives over a reasonable period of time to ameliorate the financial impacts of rate increases on utility customers to the extent practicable.

2. Utility Best Practices. Utility operations will adhere to published industry best practices, as they may be adjusted from time to time. The primary goal of this best practices policy is to ensure that the physical and financial integrity and stability of each utility is maintained consistently with industry best practices so that City residents and businesses receive reliable, safe, stable and cost effective utility services. Staffing levels, compensation, maintenance, and CIP funding will be reviewed in the budget process to ensure that they are adequate to provide utility service reliability consistent with industry best practices. Internal service fees and infrastructure use fees will also be reviewed during the budget process.

3. Annual utility rate review. Utility rates will be reviewed annually to ensure that revenues are sufficient to meet the long-term operation, maintenance, repair and replacement requirements for each utility, consistent with the relevant budgets, master plans, CIP's and cost of service studies for each utility. This review will also ensure that the rates and charges for each utility are otherwise consistent with applicable legal requirements, including the criteria that rates are to be limited to the cost to provide the applicable utility service. Each budget will include an assessment of the adequacy of funding for each utility enterprise fund, and whether the current rates are adequate to meet each utility enterprise fund budget requirements and are consistent with the policies provided in this resolution.

4. Revenue Enhancement. Each utility will maximize its use of grants, optimize the use of low interest loans, and leverage partnerships with other public and private agencies to reduce utility enterprise costs and impacts to customer rates.

5. Debt Coverage Ratio. Each utility enterprise will strive to maintain a minimum debt coverage ratio of 1.25 or such other applicable ratio as may be imposed or established from time to time, to optimize bonding capacity and interest rates. To the extent achieving this debt coverage policy requires extraordinary utility rate increases, the City will use it best efforts to meet this policy objective over time while also mitigating the consequences of extraordinary rate increases on utility customers.

6. Debt Term. Each utility shall strive to limit its use of debt funding for large value CIP's such that the term of any debt shall be limited to no longer than 75% of the anticipated useful life of the CIP facilities being funded.

7. Reserves. Each utility enterprise fund shall strive to establish and maintain total on-hand cash reserves of at least 90 days of operations and maintenance expenditures, one year of the depreciation value of capital assets, and 180 days of debt service obligation.

8. Use of Debt Financing. Each utility enterprise fund shall also strive to establish and maintain on-hand cash reserves sufficient to cash fund CIP's consistent with the following principles: a) 100% cash funding of assets with useful life less than 15 years, and b) 50% cash funding of CIP's that include assets with useful life over 15 years. Consistent with this policy on debt financing, the blend of cash and debt funding of each significant CIP will be determined on a case by case basis, given the then existing enterprise fund financial conditions.

9. General Utility Rate Policies. Each utility enterprise fund shall establish and maintain rates consistent with the following policies:

a. Maintain rates as stable as reasonably practical, given due consideration to the policies set forth in this resolution, the general economic conditions in the community, the rate of inflation and costs incurred by the utilities from third parties, and the essential requirement to maintain the long-term integrity and reliability of each utility service.

b. The rates and charges for each utility shall include appropriate fixed and variable charges to generate the revenues required to cover the respective fixed and variable costs regularly incurred by that utility.

c. Each utility enterprise fund rates and charges approval shall include authorization of appropriate pass-through of regular third-party cost increases, commodity inflation adjustments, and rate stabilization based on mandatory drought restrictions, so that utility revenue is sufficient to meet, but not exceed, required expenses.

10. Rate Assistance Program. Every reasonable effort shall be made to fund and implement a program that offers utility rate financial assistance to qualified ratepayers, to assist them in paying their monthly utility bills. This program shall be consistent with applicable law and may provide temporary or longer term assistance depending upon funding, the number of qualified ratepayers, and other applicable criteria, as the program is implemented.

11. Effective Date. This resolution shall be effective on the first day new utility rates for the Water, Wastewater, and Environmental Resources enterprises are made effective for Fiscal Year 2015-2016 and each Fiscal Year thereafter.

PASSED AND ADOPTED this 19th day of January, 2016 by the following vote:
AYES: NOES:

[See signatures on next page]

ABSENT:

Tim Flynn, Mayor

ATTEST:

Daniel Martinez, City Clerk

APPROVED AS TO FORM:

Stephen M. Fischer, Interim City Attorney

Wastewater CIP Projects FY15/16 to FY19/20		Current Dollars
Wastewater Treatment Plant		
Stop Gap-Immediate repair needs. Repairs will last 10 to 15 years until replacement facilites are built.		
Preliminary Treatment	Headworks Odor Control with Screen Walls, Concrete Repair, and RPF Cover Replacement, Headworks Below Cover Coating Repairs	$ 5,941,560
Primary Sedimentation	Replace Primary Clarifier Equipment	$ 5,245,827
Secondary Treatment	Demolish Biotowers, Add Baffle Walls in ASTs	$ 2,184,602
Final Effluent Pumping	Replace/Modify Interstage and Effluent Pump Station Pumps, Water Quality Early Warning System	$ 3,617,811
Sludge Handling	Clean Digesters #1 and #3, add Dystor Cover to #2, Rebuild/Rehab the Gravity Thickeners, Replace the Belt Filter Presses,	$ 9,072,358
Cogen	Rebuild Cogen Units	$ 2,184,602
General	Replace Standby Generators, Replace Plant MCCs, Site Electrical, Utilities, Paving, SCADA System Replacement	$ 7,889,610
	SUBTOTAL STOP GAP	**$ 36,136,367**
Immediate repair and rehabilitation needs- Rehabilitated facilites will last up to 30 years.		
Secondary Treatment	AST blower and diffuser replacement, Secondary small equipment replacement, SST replace skimmers, collectors, drives and RAS pumps	$ 8,666,666
General	CMMS, Additional civil/site work/inter-process piping needed with new plant CEQA/Permitting, Land Acquisition	$ 11,907,827
	SUBTOTAL REPAIR & REHABILITATION	**$ 20,574,493**
Replacement Facilities		
Primary and Secondary	Conceptual layout of replacement facilities	$ 1,000,000
	SUBTOTAL REPLACEMENT	**$ 1,000,000**
	TOTAL WASTEWATER TREATMENT PLANT	**$ 57,710,860**
Wastewater Collection Facilites		
Sewer Line	Rice Ave Sewer replacement, Asbestos Cement Pipe (ACP) replacement, Central trunk condition assessment, capacity related replacements, annual sewer line R&R, headworks vortex structures and meter vault recoating	$ 6,733,000
Manholes	Central Trunk, Harbor Blvd, Redwood Tributary	$ 2,350,000
Lift Station	Casden Village, Lift station 23, Lift Station 6, Lift Station 4	$ 3,000,000
Chemical Addition	Magnesium hydroxide addition	$ 4,400,000
	TOTAL WASTEWATER COLLECTION	**$ 16,483,000**
	GRAND TOTAL WASTEWATER	**$ 74,193,860**

	CITY COUNCIL AGENDA REPORT	TYPE OF ITEM: Report AGENDA ITEM NO.: 2

DATE: April 26, 2016

TO: City Council

THROUGH: Greg Nyhoff, City Manager
Office of the City Manager

FROM: Daniel Rydberg, Public Works Director

SUBJECT: Receive a Report on the Public Works Integrated Master Plans (15/30)

CONTACT: Thien Ng, Public Works
thien.ng@oxnard.org, 432-3575

RECOMMENDATION

That City Council approve the Final Draft Public Works Integrated Master Plan.

BACKGROUND

On June 26, 2012, City Council approved updating the Public Works Master Plans for conformance with the 2030 General Plan. The master plans to be updated included Water, Wastewater, Recycled Water, Urban Water Management Plan, Storm Water, and Streets. The updates addressed the many challenges in managing public works infrastructure now and in the future, including:

- Immediate drought conditions and long-term needs for clean water.
- Safe and efficient wastewater treatment and reuse.
- Control of storm water and flooding.
- On-going street repair and coordination with utility repair projects.
- Improving materials and resource recovery from solid waste.
- Addressing energy efficiency, global climate change and sustainability.
- Improving Public Works information systems and decision-making.
- Improving efficiencies in operations, maintenance, procurement, and support functions.
- Improving the performance of the Public Works Department through self-assessment and benchmarking.

Due to staff limitations, the City was not able to complete the master plans. In order to ensure that the updates were completed in a reasonable time, consultant services were solicited. On May 20, 2014, the City Council approved Agreement No. A-7668 with Carollo Engineers, Inc. The scope of services for Phase 1 included: data collection and analysis, flow projections, computer modeling, water quality analysis, arc flash assessment, treatment plant performance evaluation, and facility condition assessments.

The Phase 1 condition assessment indicated that the water and wastewater cathodic protection (anti-corrosion) systems needed further evaluation and a number of structures at the Wastewater Treatment Plant required further seismic evaluation. On November 25, 2014 Council approved the First Amendment to the Agreement No. A-7668 which included these services as well as Phase 2 services including: utility cost of services study, connection fee study, and streets master plan.

Final Phase 3 of the project will include an effluent dilution study for the wastewater treatment plant, a Salt and Nutrient Management Plan (SNMP), for the recycled water program and a programmatic Environmental Impact Report (EIR). An amendment will be brought back to Council when this work is ready to begin.

Staff recommends that Council approve the Final Draft Public Works Integrated Master Plan at this time. The Final Draft Report is complete but will not be finalized until the EIR is complete. Approving the Final Draft Water, Wastewater and Storm Water components of the master plan will complete three of the 128 tasks in the Organizational Assessment Plan. When the EIR is complete, staff will return to Council for final approval of the Public Works Integrated Master Plan.

FINANCIAL IMPACT

The report itself does not have a financial impact. However, when projects are constructed there will be a corresponding financial impact to respective funds.

ATTACHMENTS

A Draft Public Works Integrated Master Plan Summary Report – January 2016

Note: Attachment A has been provided to the Council under separate cover. Copies for review are available in the City Clerk's Office after 3:00 p.m. on Monday prior to the Council Meeting. In addition, a copy is on the City's Website at http://publicworks.cityofoxnard.org/ Scroll down on the right to Public Works Integrated Master Plan, click there, then click on the Summary Report.