



Legislation Details (With Text)

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Title: City Council and Corona Utility Authority consideration to authorize an appropriation of \$425,255 from the Water Reclamation Utility Fund, authorize a transfer of \$312,067 within the Water Utility Fund from the Capital Improvement Project titled "Temescal Valley Water District Service Area Boundary Adjustment", and authorize an appropriation of \$12,678 from the Water Utility Fund to the Prado Basin Corps of Engineers Levy Capital Improvement Project, CIP 64480.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A - Agreement D06-023_Appropriation for Prado Basin Corps of Eng Levy CIP 64480.pdf, 2. Exhibit B - Corona Housing and Sewage Dikes General Maps_Appropriation for Prado Basin Corps of Eng Levy CIP 64480.pdf, 3. Exhibit C - OCPW Corona Sewage Treat Plant Invoice PW180434_Appropriation for Prado Basin Corps of Eng Levy CIP 64480.pdf, 4. Exhibit D - Corona Housing and Sewage Dikes Final Cost Supporting Docs_Appropriation for Prado Basin Corps of Eng Levy CIP 64480.pdf

Date	Ver.	Action By	Action	Result
3/7/2018	1	City Council	approved	

AGENDA REPORT REQUEST FOR CITY COUNCIL AND CORONA UTILITY AUTHORITY ACTION

DATE: 3/7/2018

TO: Honorable Mayor and City Council Members
Honorable President and Board Members

FROM: Public Works Department
Department of Water and Power

SUBJECT:
City Council and Corona Utility Authority consideration to authorize an appropriation of \$425,255 from the Water Reclamation Utility Fund, authorize a transfer of \$312,067 within the Water Utility Fund from the Capital Improvement Project titled "Temescal Valley Water District Service Area Boundary Adjustment", and authorize an appropriation of \$12,678 from the Water Utility Fund to the Prado Basin Corps of Engineers Levy Capital Improvement Project, CIP 64480.

RECOMMENDED ACTION:

That the:

1. City Council authorize an appropriation of \$425,255 from the Water Reclamation Utility Fund to the Capital Improvement Project titled "Prado Basin Corps of Engineers Levy", CIP 64480.
2. City Council authorize a transfer of \$312,067 within the Water Utility Fund from the Capital Improvement Project titled "Temescal Valley Water District Service Area Boundary Adjustment" to the Capital Improvement Project titled "Prado Basin Corps of Engineers Levy", CIP 64480.
3. City Council authorize an appropriation of \$12,678 from the Water Utility Fund to the Capital Improvement Project titled "Prado Basin Corps of Engineers Levy", CIP 64480.
4. Corona Utility Authority (CUA) review, ratify, and to the extent necessary, direct that the City Council take the above action.

ANALYSIS:

Pursuant to the Water Resources Development Act of 1985, PL 99-662, the U.S. Army Corps of Engineers (CORPS), with Orange County Flood Control District (DISTRICT) as the local agency sponsor, constructed two flood control dikes (PROJECT) during the period 2007 to 2009 in support of the CORPS project to raise the height of Prado Dam.

One of the improvements to the Prado Basin included construction of an earth dike to protect the National Housing Development, referred to as the Corona National Housing Dike Project within lands predominantly owned by DISTRICT. The second improvement included construction of an earth dike to protect the City Water Reclamation Facility #1 within lands owned by the Federal Government and leased to the City of Corona, Lease No. DACW09-1-67-51, referred to as the Corona Sewage Treatment Plant Dike Project.

The CITY has various utility easements and infrastructure located within the footprint of the PROJECT, necessitating their protection and/or relocation prior to commencement of the dike earthwork.

Several CITY utilities located within the limits of the Corona National Housing Dike Project on DISTRICT property existed prior to DISTRICT's acquisition of the underlying fee title to property, requiring the cost of protection and relocation efforts within DISTRICT's property to be borne by the DISTRICT.

Pursuant to Lease No. DACW09-1-67-51, all rights and privileges granted to the CITY for use of the lands under the lease is subordinate to the use of the Federal Government in the operation and maintenance of Prado Basin, requiring the cost of protection and relocation efforts within FEDERAL property to be borne by the CITY.

The Reimbursement Agreement dated October 31, 2006 between the DISTRICT and the CITY, provided as Exhibit "A", established the party's responsibilities for utility protection and/or relocation at each dike.

DISTRICT is responsible for protecting and/or relocating, or reimbursing the CITY for protection and/or relocation of CITY utilities on DISTRICT property. The Corona National Housing Dike Project is located primarily on DISTRICT property with smaller portions located on private property and FEDERAL property.

CITY is responsible for protecting and/or relocating, or reimbursing the DISTRICT for protection and/or relocation of CITY utilities on FEDERAL property, primarily at the Corona Sewage Treatment Plant Dike Project, but including a portion of the Corona National Housing Dike Project.

The agreement included a provision to enable the CORPS through the DISTRICT to perform some or all of the design and/or construction of utility protection and/or relocation efforts within FEDERAL property. The agreement stipulated that neither the DISTRICT nor the CITY were obligated to reimburse costs in excess of \$750,000.

The dikes project required utility relocation and/or protection work to be completed by May 2007 prior to the CORPS contractor commencing construction of the dikes. Exhibit "B" shows the general location maps, list of utilities, and utility locations. The City of Corona relocated and/or protected six utilities (Schedules A through F) at the Corona Sewage Treatment Plant Dike using in-house forces at a cost of \$201,200.28 under CIP 64480474. According to CORPS records, the CITY was unable to complete plans and construction of the following four utilities within the schedule established by the CORPS. Two of the utilities are the CITY's responsibility and the remaining two utilities are the DISTRICT's responsibility:

- Schedule G: 42-inch treated sewer discharge pipe on FEDERAL property at the Corona Sewage Treatment Plant (CITY responsibility)
- Schedule H: 12-inch potable waterline on DISTRICT property at the Corona National Housing Dike (DISTRICT responsibility)
- Schedule I: 18-inch sewer on DISTRICT property at the Corona National Housing Dike (DISTRICT responsibility)
- Schedule J: 12-inch potable waterline on FEDERAL property at the Corona National Housing Dike (CITY responsibility)

Orange County Public Works (OCPW) submitted an invoice dated 12/14/2017 in the amount of \$750,000 for utility relocation work performed during 2006-2008 (Exhibit C). OCPW also provided a summarized cost table with backup information from the CORPS identifying costs incurred by the CORPS to relocate and/or protect the four utilities listed above with general and overhead costs split on a pro-rated basis between the CITY and DISTRICT funded utilities (Exhibit D).

The cost attributed to Schedule G - 42-inch treated sewer discharge pipe is \$425,255.

The cost attributed to Schedule J - 12-inch potable waterline is \$324,745

A financial records search indicates no previous payment has been made by the City for the utility relocation cost invoiced by OCPW.

COMMITTEE ACTION:

Not applicable.

STRATEGIC PLAN:

Not applicable.

FISCAL IMPACT:

The recommended action will result in an appropriation of \$425,255 from the Water Reclamation Utility fund to the Prado Basin Corps of Engineers Levy Capital Improvement Project (CIP 64480).

The recommended action will result in a budget transfer of \$312,067, within the Water Utility Fund, from the Capital Improvement Project titled "Temescal Valley Water District Service Area Boundary Adjustment" (CIP 65630) to the Prado Basin Corps of Engineers Levy Capital Improvement Project (CIP 64480).

The recommended action will result in an appropriation of \$12,678 from the Water Utility Fund to the Prado Basin Corps of Engineers Levy Capital Improvement Project (CIP 64480) for a total appropriation of \$324,745 from the Water Utility Fund.

The recommended actions will provide funding to pay the invoice received from Orange County Public Works for utility relocation and protection work performed in support of the Prado Basin Corps of Engineers Levy Project, including the Corona National Housing Dike and the Corona Sewage Treatment Plant Dike Projects.

Funding for the Prado Basin Corps of Engineers Levy Project was not requested in the current fiscal year budget because notification from OCPW of the agreement from the Prado Basin Corps of Engineers Levy Project was not provided until August 2017 and the invoice was not submitted until December 2017.

Design of the Temescal Valley Water District Service Area Boundary Adjustment Project is currently on hold. Funding for the project can be re-allocated during the Fiscal Year 2018-19 budget process without impacting the project.

With approval of the recommended actions, funding will be available in the Fiscal Year 2017-18 Capital Improvement Budget as follows:

Account Name	Fund	Account	Amount
Water Reclamation Utility Fund	572	64480	\$425,255
Water Utility Fund	570	64480	\$324,745
Total:			\$750,000

Fund	07/01/17 Est. Working Capital	Budgeted Revenues/ Sources	Budgeted Expenditures/ Uses	Working Capital Impacts	06/30/18 Est. Working Capital
Water Reclamation Utility Fund 572 *	\$23,823,252	\$35,674,800	(\$31,761,712)	Appropriation (\$425,255)	\$27,311,085
Water Utility Fund 570 *	\$15,308,755	\$52,966,456	(\$67,548,194)	Appropriation (\$12,678) \$312,067 transferring between projects - no change to working capital	\$714,339

**Note: Includes additional appropriation items on the March 7, 2018 City Council agenda.*

ENVIRONMENTAL ANALYSIS:

The U.S. Army Corps of Engineers was the lead agency with responsibility for completing CEQA and NEPA requirements for the project. Construction was completed in 2009.

PREPARED BY: VERNON R. WEISMAN, P.E., DISTRICT ENGINEER

REVIEWED BY: TOM KOPER, P.E., ASSISTANT PUBLIC WORKS DIRECTOR

REVIEWED BY: NELSON D. NELSON, P.E., PUBLIC WORKS DIRECTOR

REVIEWED BY: TOM MOODY, GENERAL MANAGER

REVIEWED BY: KIM SITTON, FINANCE MANAGER

REVIEWED BY: PATRICIA SONG, FINANCE MANAGER

REVIEWED BY: KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

SUBMITTED BY: DARRELL TALBERT, CITY MANAGER & EXECUTIVE DIRECTOR

Exhibits: “A” - Reimbursement Agreement No. D06-023
 “B” - Prado Dam Utility Relocation General Maps
 “C” - Orange County Public Works Invoice dated 12/14/2017
 “D” - Summarized cost table with backup information