

RESOLUTION NO. 16-132

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, AUTHORIZING COMMERCE WATER SYSTEM CIP IMPROVEMENTS FOR STATION 5, PACIFIC DRIVE WATER MAIN AND WELL 3E DESTRUCTION AND RESOLUTION AUTHORIZING IMPROVEMENTS AND A SUPPLEMENTAL APPROPRIATION.

WHEREAS, on December 15, 2015, staff presented to the Commerce City Council a newly developed Capital Improvement Program (CIP) for the Commerce Water System with updates to be presented to Council annually as part of the budget process for future project authorization and funding; and

WHEREAS, as reported previously, the Commerce Water System historically has not operated under an established CIP and scheduled maintenance program; and

WHEREAS, only the most necessary repairs were made as needed which, if completed due to an emergency resulted in higher costs; and

WHEREAS, as a result, the system is in dire need of a complete overhaul in order to continue providing water service to its users and meet water quality standards; and

WHEREAS, as a result of the aforementioned prior presentation, Council approved Cal Water do the following:

1. Develop a proposal to design and permit a new well to replace Station 4's well. An award of a new well agreement is forthcoming. Installation not funded;
2. Replace two pumps and motors at Station 4 and 7; and
3. Replace up to 2% or 1,000 linear feet of distribution pipe every two years; and a
4. \$450,000 in funding for design and permitting of a new well (\$300,000) and the two pumps and motors (\$150,000) from the Water Utility Fund Reserves in FY 2015/16 with pipe replacement and well installation to be funded at a future time; and

WHEREAS, staff planned on returning to Council with funding option details for year two costs and beyond during the next budget process, there are three items that need Council consideration at this time. They are:

1. Emergency short term repair at a cost not to exceed \$10,000 and long term replacement of a panel board at an estimated cost of \$300,000 at Station 5 by California Water Company;
2. Replacement of the commercial water main line on Pacific Drive between Watcher Street and Gage Avenue due to an excessive number of emergency repairs at an estimated cost of \$361,000;
3. Water Board ordered destruction of inactive Well 3E due to contamination at an estimated cost of \$104,000; and

WHEREAS, as part of the Fiscal Year 2016/17 budget process the City Council approved a \$1,000,000 allocation from RDA loan repayment funds to the Water Utility Fund.

NOW, THEREFORE, THE CITY COUNCIL DOES HEREBY RESOLVE, DECLARE AND DETERMINE AS FOLLOWS:

Section 1. California Water Company is authorized to complete (pursuant to its Lease Agreement with the City) the emergency short term repair and replace Station 5's panel board, replace Pacific Drive's water main line between Watcher Street and Gage Avenue, and destroy Well 3E.

Section 2. A supplemental appropriation of \$765,000 in Fiscal Year 2016/17 from the Water Utility Fund RDA loan repayment funds, is hereby approved.

PASSED, APPROVED AND ADOPTED this 18th day of October, 2016.

Ivan Altamirano, Mayor

ATTEST:

Lena Shumway
City Clerk