



September 14, 2016

TO: LOCSD Utilities Advisory Committee
FROM: Peter J. Kampa, Interim General Manager
SUBJECT: **Agenda Items 2A- 2F – 09/14/2016 UAC Meeting**
Utility Update Reports

RECOMMENDED MOTION:

For discussion only

BACKGROUND:

District staff will be providing verbal update reports on the following:

Item 2A: Barnett Cox & Associates. There is no existing contract with this firm. They have completed the initial Water Conservation Campaign that began in July 2014. Part of that campaign included a Splash Page & Facebook Page. Staff is providing them with monthly production numbers and they are maintaining the Facebook Page & Splash Page on a 6-month purchase order for professional services. Not to exceed \$4,950 in 6 months. This contract was entered into when it was determined that utility staff did not have adequate work time to maintain the conservation program outreach. Public concern has been raised regarding the scope and quality of work being performed by Barnett Cox. Staff seeks committee input on the ongoing effectiveness of this program and concepts for improvement.

Item 2B: Status of recycled water contract with schools. This Item is being covered as item 9D on the Board of Director's (BOD) Agenda for 9/15/16. In summary, the District is now negotiating a recycled water contract with the county to provide irrigation water to the schools in the LOCSD and Golden State Water service areas.

Item 2C: Status of 8th Street Upper Aquifer Well – Award of the construction contract for Phase 1 (drilling) is included as Item 11G on BOD Agenda for 9/15/16

Item 2D: Status of 3rd Street Well – This well is currently OUT OF SERVICE as water treatment system installation is estimated to cost over \$300,000 with an annual increase in O&M cost of nearly \$100,000.

Item 2E: Update on Bayridge Estates and Vista de Oro Easements – On 9/15/16 BOD agenda, Closed Session – Legal Counsel is seeking direction on the desired terms and conditions of an easement for the county sewer system.

Item 2F: Utility Department Finances – Staff will provide a brief report on the following utility financial reports (attached):

1. 2015-16 Fiscal Year end budget to actual report for each utility service
2. Water consumption graph showing trends from 2013 through current
3. Actual and budgeted water service revenue VS 2014 Financial Plan
4. Fund Balance Recap showing the amount of cash available in each utility service
5. Reserve Statement showing the amount of funds restricted for specific expenditures

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