

**CITY OF TEMECULA
AGENDA REPORT**

TO: City Manager/City Council

FROM: Patrick Thomas, Director of Public Works/City Engineer

DATE: January 28, 2020

SUBJECT: Approve the Appropriation of Fund Balance from Service Level C Landscape Maintenance Zones 516, 518 and 520 and Transfer Funds to CIP Project Budget for Expanded Recycled Water Conversion Project, PW17-29

PREPARED BY: Julie Tarrant, Principal Management Analyst

RECOMMENDATION: That the City Council approve the appropriation of Fund Balance for Service Level C Landscape Maintenance Zones 516, 518 and 520 for a total amount of \$118,441, and transfer funds to the CIP project budget for the Expanded Recycled Water Conversion Project, PW17-29.

BACKGROUND: On October 22, 2019, the City Council approved the plans and specifications and authorized the Department of Public Works to solicit construction bids for the Expanded Recycled Water Conversion Project. On December 17, 2019, three bids were received on the City's online bidding service Planet Bids. The lowest responsive bidder, Marina Landscape, Inc., was awarded the construction contract by City Council on January 14, 2020.

The Expanded Recycled Water Conversion Project is partially funded by Proposition 84 grant funds, awarded by the Department of Water Resources (DWR) to Rancho California Water District (RCWD) for the joint project application submitted by RCWD and the City of Temecula, in the amount of \$426,028.99. Per the grant agreement, a local match is required as needed to complete the project to include an in-kind contribution and city funds.

The project will convert a total of six sites within the City of Temecula from existing potable water irrigation systems to efficient systems approved for distributing recycled water. The scope of work includes new recycled water service laterals, installation of purple pipe equipment and correction of system inefficiencies.

Three of the subject sites are located in Service Level C Landscape Maintenance Zones. Since the project will provide improvements that directly benefit these zones, project costs can be drawn from the available fund balance for each zone. Staff therefore recommends the appropriation of Service Level C Landscape Maintenance Zones fund balance as follows:

Zone 516	Tradewinds	\$46,000
Zone 518	Temeku Hills	\$41,638
Zone 520	Crowne Hill	\$30,803

This project will reduce the use of potable water, increase overall water savings and enhance energy efficiencies and potentially reduce greenhouse gas emissions.

FISCAL IMPACT: The Expanded Recycled Water Conversion Project is identified in the City's Capital Improvement Program (CIP) budget for Fiscal Years 2019-2024 and is funded with Measure "S" and Department of Water Resources (DWR) Proposition 84 Grant. The total estimated project cost is \$641,000. Upon the appropriation of funds from Service Level C Landscape Maintenance Zones fund balance and transfer to the CIP budget for this project, adequate funds will be available in the project account.

ATTACHMENTS: CIP Budget Sheet