

**CITY OF WOODLAND
300 FIRST STREET
WOODLAND, CALIFORNIA**

**CITY COUNCIL
SPECIAL MEETING AGENDA**

JULY 16, 2012

6:30 P.M.

- A. CALL TO ORDER
- B. ROLL CALL
- C. PLEDGE OF ALLEGIANCE
- D. COMMUNICATIONS—COUNCIL/STAFF STATEMENTS AND REQUESTS

This is an opportunity for the Council Members and Staff to make comments and announcements, to express concerns, or to request Council's consideration of any items a Council Member would like to have discussed at a future Council meeting.

E. CLOSED SESSION

- E.1 Conference with Legal Counsel – Anticipated Litigation, Significant Exposure to litigation, Pursuant to subdivision (b) of Section 54956.9: (1 case)
- E.2 Conference with Legal Counsel – Anticipated Litigation, Initiation of litigation, Pursuant to subdivision (c) of Section 54956.9: (1 case)
- E.3 Conference with Labor Negotiators, Pursuant to Section 54957.6
Agency Designated Representatives: Paul Navazio, Amy Buck
Kimberly McKinney and Dania Torre Wong
Employee Organization(s): Professional Police Employees' Association, Police Supervisors Association, Police Mid-Management Employees, Professional Firefighters' Association, Fire Mid-Management Employees, Woodland City Employees' Association, Mid-Management Association and Confidential Employees

F. REPORTS OF THE CITY MANAGER

1. Discussion of Surface Water Project
2. Report on Labor Negotiations

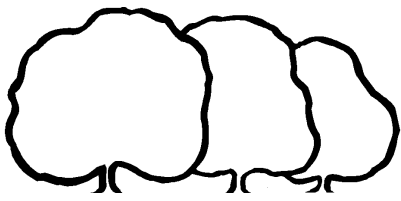
G. ADJOURN

I declare under penalty of perjury that the foregoing Agenda for the City Council Special meeting of the City of Woodland scheduled for Monday, July 16, 2012 was posted on July 13, 2012 in the outside display case at City Hall, 300 First Street, Woodland, CA, and was available to the public during normal business hours.

Ana B. Gonzalez, City Clerk

Upon request, agendas and documents in the agenda packet will be made available in appropriate alternative formats to persons with a disability, as required by law. Any such request must be made in writing to the Office of the City Clerk of the City of Woodland. Requests will be valid for the calendar year in which the request is received, and must be renewed prior to January 1st.

Persons needing disability-related modifications or accommodations in order to participate in public meetings, including persons requiring auxiliary aids or services, may request such modifications or accommodations by calling the Office of the City Clerk (530-661-5806) at least 48 hours prior to the meeting.



City of Woodland

REPORT TO MAYOR AND CITY COUNCIL

AGENDA ITEM

TO: THE HONORABLE MAYOR
AND CITY COUNCIL

DATE: July 16, 2012

SUBJECT: Update on Critical Path Schedule for the Surface Water Project

Report in Brief

This report has been prepared for the City Council to assess implications of the City of Davis' request for additional time to consider its long-term commitment to the joint Surface Water Project being developed through the Woodland-Davis Clean Water Agency JPA. The Surface Water Project has been developed to provide a long-term, reliable, high-quality source of water for the two communities by 2016.

At its meeting of July 17, 2012, the Davis City Council is scheduled to consider a number of items that could impact the overall project schedule and, potentially, project costs. A Special Meeting of the Woodland City Council has been called to consider the implications of the alternative actions that the Davis City Council may choose to pursue so that the City of Woodland can best communicate to its Davis counterparts any issues or concerns.

At the conclusion of the meeting, staff is recommending that the City Council provide direction as to what correspondence, if any, be forwarded to the Davis City Council on behalf of the City of Woodland.

Background

Inception of JPA for purposes of advancing Joint Surface Water Project

- In September 2009, the City of Woodland and City of Davis formed a Joint Powers Authority (JPA), known as the Woodland-Davis Clean Water Agency (WDCWA) for the purpose of developing a regional water supply project.
- The JPA is governed by a Board that includes two voting members each from the cities of Woodland and Davis, as well as two non-voting members, one representing the University of California – Davis, and one represent Yolo County.
- The JPA is charged with development of the project, to include completion of all environmental, permitting, water rights, land acquisition and easements, and preliminary

design and procurement of the Surface Water Project through a Design-Build-Operate procurement process.

- Funding for the JPA comes from the two member cities, supported by each city's respective water utility revenues. The University of California, Davis has until 2015 to determine its level of participation, and – at such time as they choose to be a full participant – would reimburse the JPA for their proportionate share of costs incurred to-date on the project.
- The original project cost estimate for the regional surface water project was an estimated \$325 million, with Woodland's share estimated at \$157 million and Davis' share estimated at \$151 million – based on projections of ultimate share of total project capacity, and assuming participation by UCD.
- The most current cost estimate for the regional surface water project has been reduced to an estimated \$292.7 million, with Woodland's share estimated to be 152.9 million and Davis' share estimated at \$139.9 million, and UCD assumed not to be participating.

Description of Surface Water Project

- The overall project consists of construction of the following regional facilities:
 - *Sacramento River Intake Facility* – currently proposed as a joint intake facility with Reclamation District 2035; the JPA requirement would be for roughly 20% of the capacity of the joint intake facility, with RD2035's share to be funded through securing Federal and State grants.
 - *Raw Water Pipeline* – to convey Sacramento River water from the intake facility to a Water Treatment facility (WTF)
 - *Regional Water Treatment Facility* – constructed to treat surface water for distribution to Woodland and Davis
 - *Treated Water Pipeline* – to convey treated surface water from the WTF to connection points to both the City of Woodland and City of Davis municipal water systems.
 - *Local Facilities* – in addition to the infrastructure being developed by the JPA in support of the regional water project, both Woodland and Davis will also need to invest in new and upgraded "local" infrastructure in order to effectively integrate the new treated surface water into their respective municipal water utilities. The costs for each city's local facilities are generally outside the project costs associated with the regional facilities being provided via the JPA.
 - *Water Rights* - A critical component of the regional surface water project is the acquisition of permanent water rights needed to meet the current and future water

demands of the project partners. To date, this effort has resulted in two major milestones:

- Securing the rights to 40,000 acre-feet of Sacramento River water through the State Water Resources Control Board; included the combining of rights originally applied for by the cities of Woodland and Davis as well as the University of California –Davis. This water permit was secured in 2011.
- Summer Water Rights – in order to meet summer peak-demand requirements, the JPA successfully secured permanent rights to an additional 10,000 acre-feet of “summer” water through an agreement with the Conway Preservation Group (CPG). The agreement for the purchase of summer water rights from CPG is separate from other agreements reached with CPG related to the Joint Intake Facility and easements for the raw water pipelines.

Original Project Timeline

- The project schedule has, from inception, provided for completion of the regional water supply project by the first quarter of (calendar year) 2016.
- In order to meet this schedule, the JPA envisioned issuance of an RFP for Design-Build-Operation (DBO) by February of 2012, with contracts awarded so to allow construction to begin in early 2013.

Revised “Critical Path” Timeline

- In late 2011 / early 2012, a revised project timeline was approved by the JPA Board in order to allow the City of Davis to a) reset its water rate setting process and b) place a measure before the Davis voters at the November 2012 election.
- The JPA’s project schedule was modified to provide the additional time requested by the City of Davis allow the City of that resulted in postponing the issuance of the DBO RFP to November.

Discussion

Upcoming Critical Path Milestones

- Site Fill- August 2012
- RFP- December 2012

City of Davis Recommendations for Additional Time to Consider Project Commitment (See attached July 17, 2012 Staff Report)

1. Modify the timeline for the Water Advisory Committee (WAC) to reflect a March 5,

2013 ballot; and

2. Adopt resolution authorizing the City of Davis to pay for its pro rata share of the additional cost to place fill necessary to raise the Regional Water Treatment Facility (RWTF) site out of the floodplain; and

3. Adopt resolution authorizing the City of Davis to direct funds to the Woodland Davis Clean Water Agency (WDCWA) that will cover the cost of preparation of an additional proposal alternative for a Woodland only project.

Concerns Raised by Davis' Desire for Extended Timeline

- Can Davis remain on the critical path timeline
- Will Davis be able to final a decision by March to meet the critical path timeline

Position of the City of Woodland with Respect to Davis' Interest in Revised Timetable

Fiscal Impact

Depending on site fill bid results, a decision will be made by City Manager to either construct a Woodland Only project site or a joint Surface Water Supply Project site. An exact amount will not be known until bid opening. The estimated additional cost for a Joint Surface Water Supply Project site fill is approximately \$500,000.

The estimated cost for an RFP that includes a Woodland Only project and a DWWSP project is being explored and any additional cost for this alternative RFP is unknown at this time.

Recommendation for Action

Staff is recommending that the City Council provide direction as to what correspondence, if any, be forwarded to the Davis City Council on behalf of the City of Woodland.

Prepared by: Name
Title

Reviewed by: Name
Title

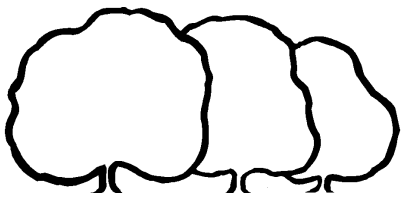
SUBJECT:

PAGE: 5

ITEM:

Paul Navazio
City Manager

Enclosure, exhibits & attachments required to support the report



City of Woodland

REPORT TO MAYOR AND CITY COUNCIL

AGENDA ITEM

TO: THE HONORABLE MAYOR
AND CITY COUNCIL

DATE July 16, 2012

SUBJECT: FY2012/13 Budget – Restoring Eliminated Positions

Report in Brief

On June 19, 2012, the City Council adopted the fiscal year 2012/13 operating budget, which included a balancing plan to close a projected budgetary gap in FY2013/14. The balancing plan approved with the budget included a Council authorization to issue layoff notices to ten employees. Subsequent to approval of that budget, the three police employee associations (Woodland Professional Police Employees' Association, Woodland Police Supervisors Association, and Woodland Police Mid Management) have agreed to make concessions on their current contract that results in sufficient savings to eliminate the need for implementation of six of the layoffs contemplated in the balancing plan.

Staff recommends that the City Council rescind the layoff notices for five sworn and one non-sworn employee in the Police Department whose positions were scheduled to be eliminated in January 2013.

Background

On June 19, 2012, the City Council approved a FY2012/13 operations and maintenance budget that included reductions, primarily in the General Fund, to achieve a balanced budget without employing any one-time cost saving measures. Additionally, the assumptions used in the budget for employee compensation were based upon all employee contracts as they were negotiated; no concessions had been assumed.

Beginning in June, in response to a request by the City, employee groups with closed contracts began meeting with City staff to discuss the possibility of making changes to negotiated contracts to aid the City in its effort to balance the budget and long term forecast.

Discussion

The three police labor groups met several times with the City staff and reached an agreement on concessions that would be made to the existing contracts. These concessions generate savings in excess of the amount of money that is saved from elimination of the six police positions authorized for elimination on January 1, 2013.

As a result of these savings, the Council can still balance the FY2012/13 General Fund budget without laying off these six positions. Since they have been approved by Council already, staff is seeking Council direction on how to proceed.

Fiscal Impact

The budget savings associated with the elimination of the five sworn and one non-sworn positions, as outlined in the budget balancing plan, was \$224,750 in FY2012/13 (for half of one year) and \$449,500 for ongoing annual savings in the General Fund. The FY2012/13 savings from the concessions agreed to by the police units totals \$350,000, and \$516,300 in FY13/14. The savings from these concessions are in excess of the savings needed for eliminated positions.

Public Contact

Posting of the City Council agenda.

Alternative Courses of Action

1. Rescind the layoff notices five sworn and one non-sworn employee in the Police Department whose positions were scheduled to be eliminated in January 2013.
2. Continue with the layoffs, as authorized on June 19, 2012.

Recommendation for Action

Staff recommends that the City Council approve Alternative 1.

Prepared by: Kim McKinney
Finance Officer

Paul Navazio
City Manager