

Central Services
Joan Araujo, Director

Engineering Services
Anastasia Seims, Director

Roads & Transportation
Anitha Balan, Director

Water & Sanitation
Vacant, Director

Watershed Protection
Jeff Palmer, Director

October 29, 2024

Board of Ventura County Waterworks District No. 1
800 South Victoria Avenue
Ventura, CA 93009

Subject: **Authorization for the Public Works Agency Director (Director) to Execute an Agreement to Install Water and Sewer Improvements with KB Home Greater Los Angeles, Inc. for the Beltramo Ranch Residential Development in the City of Moorpark Subject to the Developer Providing Necessary Easements; Authorization for the Director to Extend the Term and Make Limited Amendments to the Agreement; Waterworks District No. 1 (Moorpark); Supervisorial District No. 4.**

Recommendations:

1. Authorization for the Public Works Agency (PWA) Director or designee to execute an Agreement to Install Water and Sewer Improvements (Agreement) with KB Home Greater Los Angeles, Inc. (Developer) related to the Beltramo Ranch Residential Development Project but only if the Developer provides Ventura County Waterworks District No. 1 (District) easements necessary for the District's operation and maintenance of all water and sewer improvements that serve the Project (including grants of easements for those improvements located outside the boundaries of the subdivision map for the Project). (Exhibit 3)
2. Authorize the PWA Director or designee to extend the term of the Agreement as provided therein so long as any such extension is consistent with the scope, terms, and conditions of the Agreement and is reviewed and approved as to form by County Counsel.
3. Authorize the PWA Director or designee to approve non-substantive or clarifying amendments and modifications to the Agreement provided that any such amendments or modifications are consistent with the original purpose of the Agreement, do not result in additional costs to the County, and are reviewed and approved as to form by County Counsel.

Fiscal/Mandates Impact:



Mandatory: No
Source of Funding: Developer Fees
Funding Match Required: None
Impact on Other Department(s): None

Summary of Revenue and Total Costs:

		<u>FY 2024-25</u>		<u>FY 2025-26</u>
Revenue:	\$	125,000	\$	0
Costs:				
Direct	\$	93,125	\$	0
Indirect – Agency/Dept.		29,875		
Indirect – County CAP		<u>2,000</u>		<u>0</u>
Total Costs	\$	<u>125,000</u>	\$	<u>0</u>
Net Costs	\$	0	\$	0
Recovered Indirect Costs	\$	31,875	\$	0

Current Fiscal Year Budget Projections:

Current FY 2024-25 Budget Projection for Ventura County Waterworks District No. 1 - Fund E100				
	Adopted Budget	Adjusted Budget	Projected Budget	Estimated Savings/(Deficit)
Appropriations	\$ 33,260,690	\$ 33,753,137	\$ 33,753,137	\$ 0
Revenue	\$ 34,979,300	\$ 34,979,300	\$ 34,979,300,	\$ 0
Net Operating Gain/(Loss)	\$1,718,610	\$1,226,163	\$1,226,163	\$ 0

Sufficient appropriations and revenue are included in the FY 2024-25 Adopted budget.

Discussion:

The Beltramo Ranch Residential Development (Project) is located within the City of Moorpark and is within the boundaries of Ventura County Waterworks District No. 1 (District). Vicinity and location maps are attached. (Exhibits 1 and 2)

The Project developer, KB Home Greater Los Angeles Inc., a California corporation (Developer), has filed a conditional subdivision map for development of residential community; the subdivision map contains several conditions of approval. One condition



requires the developer, prior to recordation of a final subdivision map, to obtain a "Will Serve Letter" from the District that shows the District will provide water and sewer services to the Project once completed. To obtain this letter, the Ventura County Waterworks Manual requires the Developer to enter into a binding agreement with the District to complete the necessary water and sewer improvements to meet minimum state and county standards.

Exhibit 3 is an "Agreement to Install Water and Sewer Improvements" between the District and Developer for the construction of water and sewer improvements for the Project (Agreement). The Developer has agreed to enter into the Agreement and has already obtained the required performance and payment surety bond for the total estimated cost to construct the improvements. (Exhibit 4)

The plan check and inspection fee schedule adopted by your Board requires the Developer to pay actual District costs, including overhead. The Developer has deposited \$125,000 for plan check engineering, construction inspection, and related services. On September 23, 2024, the District collected \$287,741 for water capital improvement charges and \$279,697 for sewer connection fees associated with the Project, and \$47,971 for the District to develop new sources of water to offset the Project's landscape irrigation water use.

District rules and regulations require that all easements be dedicated to the District and the "Certificate of Adequacy of Water Supply System" (if required) be signed by the Developer before the plans are approved and signed by the District. Normally, these easements are included in subdivision maps and effectuated once the map is made final. However, if easements are needed for the installation of water and sewer improvements outside the boundaries of the applicable subdivision map, then these easements are granted to the District by deeds of conveyance on a form as approved by the District.

The Project includes water and sewer improvements located both within and outside the boundaries of the subdivision map for the Project. The tentative subdivision map includes the requisite dedications of easement to the District for the improvements located within the boundaries of the subdivision map for the Project. But the Developer will need to obtain and provide to the District deeds or grants for the easements required for the improvements located outside the subdivision map for the Project. Currently, the Developer is working with the City of Moorpark (City) for the dedication of easements to the District for the improvements that will be located outside the applicable subdivision map (Exhibit 5). The easement is required to connect those improvements within the subdivision to the District's existing water and sewer systems located within Elderberry Avenue. The easement would be over a portion of and running through the City's Glenwood Park. Glenwood Park is located between the Project's boundary and Elderberry Avenue. District staff have reviewed the easement legal exhibits and found



them acceptable. Staff from the City have also reviewed the easement exhibits and have taken no exception to granting the required easement to the District through a fee agreement between the City and the Developer. Approval of the easements is tentatively scheduled to go before the Moorpark City Council on November 6, 2024. Under the District rules and regulations, until this deed has been signed by the City and provided to the District for recordation, the District is not able to enter into the Agreement with the Developer, nor grant approval of the final subdivision map, nor sign the improvements plans, nor issue a will Serve Letter for the Project.

Accordingly, the District recommends your Board authorize the PWA Director or designee to execute the Agreement but only if the Developer provides the District with the easements necessary for the District's operation and maintenance of all water and sewer improvements that serve the Project (including grants of easements for those improvements to be located outside the boundaries of the subdivision map for the Project). (Exhibits 3) If the Developer fails to obtain and provide the grants of easement necessary for the District to operate and maintain the improvements that will provide the Project with water and sewer services, the PWA Director or designee will not execute the Agreement on behalf of the District.

In addition, the District recommends that your Board authorize the PWA Director or designee to extend the term of the Agreement as provided therein so long as any such extension is consistent with the scope, terms, and conditions of the Agreement and is reviewed and approved as to form by County Counsel. Finally, the District recommends that your Board authorize the PWA Director or designee to approve non-substantive or clarifying amendments and modifications to the Agreement provided that any such amendments or modifications are consistent with the original purpose of the Agreement, do not result in additional costs to the County, and are reviewed and approved as to form by County Counsel.

Included in this submittal are the following items:

1. Agreement to Install Improvements
2. Security

Type	Amount	Surety Co.	Bond No.
Surety Bond Performance and Payment	\$1,125,650	The Continental Insurance Company	30212965

Strategic Plan:

This item contributes to the Board of Supervisors (Board's) 2024-2027 strategic priority to provide:




- II. Fiscal responsibility and economic vitality through
 - 2. Fostering a thriving business ecosystem to create jobs, increase wages, and strengthen the local economy.
- III. Reliable infrastructure and sustainability through
 - 3. Investing in sustainable infrastructure, renewable energy, and preservation of our natural resources.

This item has been reviewed by the County Executive Office, the Auditor-Controller's Office, and County Counsel.

If you have any questions concerning this item, please contact the undersigned at (805) 654-2373.

Sincerely,



David Fleisch, P.E.
Assistant Director

Attachments:

- Exhibit 1 – Vicinity Map
- Exhibit 2 – Location Map
- Exhibit 3 – Agreement To Install Water and Sewer Improvements
- Exhibit 4 – Surety Bond: Performance and Payment
- Exhibit 5 – Glenwood Park Water and Sewer Easement Exhibits

