county of ventura

March 12, 2019

Subject:

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

Hall of Administration L #1600 800 S. Victoria Avenue, Ventura, CA 93009 • (805) 654-2018 • FAX (805) 654-3952 • www.VCPublicWorks.org



Jeff Pratt Agency Director

Central Services Joan Araujo, Director

Engineering Services Christopher Cooper, Director

> Transportation David Fleisch, Director

Water & Sanitation Michaela Brown, Director

Watershed Protection Glenn Shephard, Director

Proposed Settlement Agreement and Release of **Claims with Pardee Homes for Sewer Improvements at** Tracts 5045-3 & 5045-4; Ventura County Waterworks District No. 1, Moorpark; Supervisorial District No. 4.

No

Recommendations:

Approve the attached proposed Settlement Agreement and Release of Claims (Agreement) with Pardee Homes for installation of smart monitoring equipment and payment of \$47,600 to Ventura County Waterworks District No. 1 and authorize the Chair to sign three copies of the Agreement.

Approval of and Authorization for the Chair to Sign

Fiscal/Mandates Impact:

Mandatory:

Funding	of Funding: Match Required: on Other Department(s):	Pardee Home No None	S				
Summary of Revenues and Total Costs:		FY 2018-19		FY 2019-20 through <u>FY 2039-40</u>			
Revenu Costs:	ies:		\$	47,600	\$	0	
	Direct Costs		\$	0	\$	47,600	
	Indirect – Agency/Dept.		\$	0	\$	-	
	Indirect – CAP		\$	0	\$ <u> </u>	-	
	Total Costs		\$	0	\$	47,600	
	Net County Cost, Incluc	ling Indirects	\$	(47,600)	\$	47,600	
	Recovered Indirect Cos	st	\$	-	\$	-	





Current FY 2018-19 Budget Projection for Ventura County Waterworks District No. 1 – Unit 4300 and 4305								
	Adopted	Adjusted	Projected	Estimated				
	Budget	Budget	Budget	Saving/(Deficit)				
Appropriations	\$40,266,400	\$41,097,941	\$41,097,941	\$0				
Revenues	\$25,762,000	\$25,762,000	\$25,762,000	\$0				
Net Cost	\$14,504,400	\$15,335,941	\$15,335,941	\$0				

Sufficient revenue and appropriations are available in the FY 2018-19 Waterworks District No.1 Adjusted Budget.

Discussion:

The Ventura County Waterworks District No. 1 (District) has a Contract to Install with Pardee Homes (Pardee) for certain water and sewer improvements at Tracts 5045-3 & 5045-4 in Moorpark.

Following completion of the sewer improvements by Pardee, the District experienced sewage backup and overflow problems related to an 8-inch sewer main in Timber Hollow Lane between manholes at Station 4+66 and Station 7+68. The District investigated the problem by conducting video inspection of the sewer lines and concluded that Pardee's construction of the sewer was defective. It left the system with an unacceptable sag that results in debris buildup and flow backups that require cleaning and maintenance two to three times per year instead of the regular once every three years. Pardee denies defective construction.

The District has negotiated an agreement whereby Pardee will pay for certain remediation steps regarding the sewer system defects in exchange for a full and final release of the District's Claims against Pardee regarding these defects. The key provisions follow. Pardee will:

 Purchase a web-based electronic flow measuring, monitoring, and communication system, the SmartFLOE System from SmartCover Systems, that will detect debris build-up and sewer flow backup in the sewer and alert the District staff of high flow level and potential sewer spill condition. Pardee will pay for the installation charges, initial system setup fee, and all items required for a complete monitoring system.





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- Arrange for a technician from SmartCover Systems to install the SmartFLOE at the manhole upstream of the sewer sag and replace the existing sewer manhole cover with a hinged manhole cover.
- Arrange for SmartCover Systems to initialize service and commence training District staff on operating the system. The SmartCover alarm system shall be set up to text alarm messages to the mobile phone of the District's sanitation system standby operator. The service package shall include one year of Active Site Management (ASM), a one-year warranty on parts, a two-year warranty on power, a one-year warranty on labor, and a three-year service agreement.
- Pay to the District the sum of \$47,600 for the District's estimated additional sewer maintenance resulting from the foregoing increased site management costs and sewer clean-out costs over the next twenty (20) years.

District staff believe that this is a fair, and good, resolution to this sewer flow problem. This letter has been reviewed by the County Executive Office, the Auditor-Controller's Office, and County Counsel.

If you have any questions regarding this item, please call me at 654-2075 or 378-3005.

Michaela Brown Director, Water and Sanitation Department

Attachment: Exhibit 1- [Proposed] Settlement Agreement and Release of Claims

