



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
May 17, 2022

TOPIC: Agreements for Water Interconnection Study

AGENDA TITLE

Approve an Appropriation Adjustment, Interagency Agreement with the Orange County Water District and Moulton Niguel Water District to Evaluate a Potential Emergency Interconnection, and Approve an Agreement with Stantec Consulting Services, Inc. in an Amount Not to Exceed \$200,000 for a Three-year Term to Conduct a Preliminary Design Study and Environmental Analysis for an Emergency Water Distribution Interconnection (Non-General Fund)

RECOMMENDED ACTION

1. Authorize the City Manager to execute an agreement with Orange County Water District and Moulton Niguel Water District for a three-year term beginning on May 17, 2022 and ending on May 16, 2025 to conduct a preliminary design study and environmental analysis for an emergency water distribution interconnection, subject to non-substantive changes approved by the City Manager and City Attorney.
2. Approve an appropriation adjustment to recognize \$200,000 in reimbursement obligation funds from MNWD into the Water, Public Works Water Revenue, Expense Reimbursement revenue account and appropriate the same amount into the Water, Water Admin/Engineering, Contract Services – Professional expenditure account. *(Requires five affirmative votes)*
3. Authorize the City Manager to execute an agreement with Stantec Consulting Services, Inc., for a three-year term beginning on May 17, 2022, and ending on May 16, 2025, to evaluate a water interconnection with Moulton Niguel Water District, in an amount not to exceed \$200,000, subject to non-substantive changes approved by the City Manager and City Attorney.

DISCUSSION

The City's Water Resources Division oversees and maintains the daily operations of the City's water distribution system, which serves more than 45,000 customer connections. The water system is composed of approximately 480 miles of water main, 21 groundwater wells, seven pump stations, 10 reservoirs with a storage capacity of 49 million gallons,

four pressure regulating stations, and seven connection points to Metropolitan Water District of Southern California (MET) water supplies.

The City pumps approximately 75 percent of its potable water from the Orange County Groundwater Basin, which is managed by Orange County Water District (OCWD). While the remainder of the City's potable water needs come from imported water sources via the seven MET connections located within the City.

It is important to note that as a result of the City's investment in water supply capacity, the City's 2017 Water Master Plan identified that the City's water system has adequate capacity to supply the City's maximum daily demands for existing, near-term, and buildout scenarios using only groundwater wells.

Moulton Niguel Water District (MNWD), which serves more than 170,000 customers in Laguna Niguel, Aliso Viejo, Mission Viejo, Laguna Hills, Dana Point, and San Juan Capistrano, relies solely on imported MET water to meet its customers' potable water needs. MNWD is not able to draw from the Orange County Groundwater Basin, as the City of Santa Ana does, because the groundwater basin is only accessible to agencies in northern Orange County, which fall within its boundaries. Due to MNWD's sole reliance on imported water, the district is more vulnerable to natural disasters or infrastructure failure that cause outages in the MET system.

As a result, OCWD and MNWD approached the City to conduct a preliminary design study and environmental analysis (Exhibit 1) to identify the needed environmental mitigations and the necessary infrastructure modifications to Santa Ana's water facilities and distribution system to enable Santa Ana to convey water from the Orange County Groundwater Basin to the water transmission pipeline that supplies south Orange County water agencies. This information will be used by OCWD and MNWD to develop estimated construction costs and scope of work for a potential program to convey groundwater to MNWD in the event an emergency renders the MET's water delivery infrastructure incapable of making deliveries. Stantec Consulting Services, Inc. has been selected to assist in the development and review of the preliminary design study (Exhibit 2) due to their familiarity with the City of Santa Ana's water system. MNWD will fund all work conducted as a result of this agreement on a reimbursement basis.

The final design and construction of any facilities recommended as a result of the study and environmental analysis will first require approval by the governing boards of all parties and the development of a subsequent agreement for the construction, operation, and funding of the proposed interconnection. The City, MNWD and OCWD reserve the right not to enter into any subsequent agreement after the completion of the study and analysis.

ENVIRONMENTAL IMPACT

There is no environmental impact associated with the action.

FISCAL IMPACT

As part of the agreement, MNWD agrees to provide all funding required to perform the scope of work and related RFPs identified as part of the agreement, including reasonable City staff time, consultant fees, and legal counsel review of the scope of work deliverables and related RFPs. MNWD will pay the City, on a reimbursement basis, the actual and necessary costs to complete the proposed preliminary design study conducted under the agreement with Stantec. Approval of the requested Appropriation Adjustment will recognize \$200,000 in reimbursement obligation funds from MNWD, as outlined in the Interagency Agreement, into the Water, Public Works Water Revenue, Expense Reimbursement revenue account (06017002-57000) and appropriate the same amount into the Water, Water Admin/Engineering, Contract Services – Professional expenditure account (06017645-62300). Project number 22-6475 has been issued to track expenditures for reimbursement purposes.

Funds are budgeted and available as shown in the table below.

Fiscal Year	Accounting Unit - Account #	Fund Description	Accounting Unit, Account Description	Amount
Contract (3-Year Term)				
2021-22 (May-June)	06017645-62300 (22-6475)	Water	Water Admin/Engineering, Contract Services - Professional	\$25,000
2022-23 (July-June)	06017645-62300 (22-6475)	Water	Water Admin/Engineering, Contract Services - Professional	\$130,000
2023-24 (July-June)	06017645-62300 (22-6475)	Water	Water Admin/Engineering, Contract Services - Professional	\$35,000
2024-25 (July-May)	06017645-62300 (22-6475)	Water	Water Admin/Engineering, Contract Services - Professional	\$10,000
TOTAL				\$200,000

EXHIBIT(S)

1. Interagency Agreement with Orange County Water District and Moulton Niguel Water District
2. Agreement with Stantec Consulting Services, Inc.

Submitted By: Nabil Saba, P.E., Executive Director – Public Works Agency

Approved By: Kristine Ridge, City Manager