

BUDGET CHANGE FORM

Type of Change	From		To	
	Account	Amount	Account	Amount
Check one: <input checked="" type="checkbox"/> Budget Appropriation <input type="checkbox"/> Budget Transfer	400-2940	\$ 47,276	400-423-4237	\$ 47,276

Explain the reason for the budget change:

Background: Pursuant to State Public Contracting Law and Council Resolution No. 7779, the Director of Public Works must report all emergency public works repairs to the City Council. On July 14, 2014, the State Water Resources Control Board adopted a resolution requiring water retailers to implement their Water Shortage Contingency Plan. On August 19, 2014, the Milpitas City Council adopted an Urgency Ordinance and implemented Stage 2 of the Milpitas Water Shortage Contingency Plan. The ordinance was effective upon adoption and included several provisions, including prohibition of potable water for construction activities such as dust control, compaction, and pad treatment.

The City is experiencing an increase in construction activity and issued approximately 35 construction water meters for use at construction sites. On August 20th, staff required construction meters, used for dust control and compaction, to be removed from fire hydrants and returned to the City. An alternate water supply, suitable for construction activities, was necessary to avoid delays in construction and adhere to the ordinance. Therefore, staff evaluated the use of recycled water, Hidden Lakes detention pond, and Pinewood Well as alternative water supplies. Staff determined that there was not enough time to install the infrastructure required at Hidden Lakes and Pinewood Well, but continued to explore possible pump repair for Hidden Lakes. Staff determined that installation of five recycled water fill stations was feasible by the August 20th deadline, and proceeded with construction. In parallel, staff developed a recycled water permit system to allow recycled water use for construction activities. This emergency work included evaluation of the three alternative water supplies by Water Solutions Inc., installation of five recycled water fill stations by Preston Pipelines, conversion of 20 construction meters for recycled water use by MVP, and pump inspection by Xylem Water Solutions. The total cost of this work is \$47,275.71.

Fiscal Impact: A budget appropriation to the Public Works – Utility Maintenance’s operating budget from the Water Fund in the amount of \$47,276.

Recommendation:

1. Receive report of emergency response to water supply reduction, including installation of recycled water fill stations for construction,
2. Approve a Budget Appropriation from the Water Fund, and authorize staff to pay invoices totaling \$47,276.

Check if City Council Approval required.

Meeting Date: October 7, 2014

Requested by:	Department Head: Jeff Moneda, PW Director/City Engineer	Date: September 22, 2014
Reviewed by:	Finance Director: 	Date: 9/23/14
Approved by:	City Manager:	Date:
Date approved by City Council, if required:		Confirmed by: