

DATE ISSUED: April 21, 2004

REPORT NO. 04-076

ATTENTION: Honorable Mayor and City Council
Docket of April 26, 2004

SUBJECT: Participation Agreement for the Design and Construction of a portion of the East Point Loma Trunk Sewer traversing the Navy affordable housing at Corner of Rosecrans St and Nimitz Blvd.

OWNER: United States Navy (Owner of the land)
City of San Diego (Owner of the trunk sewer)

SUMMARY

Issue(s) –Should the City Council approve the Participation Agreement for the Replacement of the portion of East Point Loma Trunk Sewer that traverses the Navy Affordable Housing Site?

Manager's Recommendation(s) – Authorize the City Manager to enter into a Participation Agreement with San Diego Family Housing, LLC on behalf of the Federal Government to provide planning, design and construction for the East Point Loma Trunk Sewer at the Navy Affordable Housing site near Rosecrans St. and Nimitz Blvd.

Fiscal Impact – The total cost of this agreement with San Diego Family Housing is \$2,080,843.00. (CIP is funding this Project). This project is a portion of the East Point Loma Trunk Sewer (TS#12) Replacement (City's Capital Improvement Project) that is scheduled to start on Fiscal year 2006. As a result of this agreement the Metropolitan Wastewater Department of the City of San Diego will save approximately \$705,000.00.

BACKGROUND

San Diego Family Housing is seeking reimbursement for the construction of a portion of the East Point Loma trunk sewer that was replaced and relocated in conjunction with a Navy housing project.

As identified in the Wastewater Collection Division (WWCD) monitoring program, the status of the East Point Loma Trunk Sewer (TS#12) is classified as Semi-Critical.

Due to existing and future capacity deficiencies, as well as main condition, the existing trunk sewer facilities were programmed for replacement in the City's Capital Improvement Plan (EXHIBIT "B").

The East Point Loma Trunk Sewer (TS#12) Replacement is scheduled to start construction in FY2006.

DISCUSSION

The Federal Government proposed military housing, on the southerly portion of NTC. The Development includes removal of substandard and dilapidated structures and construction of a new Navy affordable housing subdivision (EXHIBIT "A"). The housing is the first in a series of projects the Navy has programmed to improve its housing stock, and was needed expeditiously in order to house displaced families for subsequent phases.

Since the Federal Government is not obligated to submit projects for discretionary action staff identified project conflicts with the future CIP trunk sewer project at a time near the proposed construction start date. The Federal Government was willing to cooperate with the City of San Diego in providing a revised design and public improvement plans to relocate the trunk sewer prior to construction of the housing project. This improvement to the public wastewater system included the installation of approximately 1900 linear feet of 36" concrete pipe with T-RIB (PVC) liner, or equivalent approved by the City, and the abandonment of an existing sewer main.

The old alignment of the sewer was located in a narrow easement. The Navy project proposed building foundations right up to the edge of the sewer easement. If MWWD had waited to reconstruct this portion of the CIP project as originally programmed, an additional approximately \$705,000 would have been needed to perform the work within the narrow easement. The estimated increase in cost includes loss of productivity and special shoring techniques. In order to support nearby foundations in this area that has very soft and sandy flowable soils, shoring such as continuous driven piles would have been required. The trunk sewer replacement was placed in a new public street constructed with the Development. This location provides a superior alignment for future maintenance of the trunk sewer. By coordinating the project streets concurrently with the sewer CIP project, relocation of the trunk realignment became possible.

If the projects had not been coordinated, the impacts would have included delaying surface improvements within the easement, or paying to demolish the new improvements

and reconstruct them with the CIP project for the sewer replacement. This would have impacted landscaping, the children's tot lot, a park, and picnic areas, in addition to sections of new City streets.

The Navy housing project did not increase the density for this site and no additional sewer capacity was needed to serve this particular project.

Because the City did not see the project until the final plan phase in order to identify the conflict, and because the sewer work needed to be done as a first item of work, there was insufficient time within the schedule of this important project to wait for the agreement to be negotiated, processed, and approved. The City is under no obligation to approve the subject Participation Agreement. The Federal Government understood the risk of proceeding prior to the City Council authorization. They moved forward with the construction in good faith considering the substantial mutual benefit between the agencies.

The trunk sewer improvements constructed with the Development were planned to be constructed with an upcoming CIP project and are for the general benefit of the City. If approved, the City shall pay the costs of the public wastewater system improvement, and the federal government shall pay all costs for design, engineering, permitting, and administration.

The work has been completed to the satisfaction of the City Engineer and Metropolitan Wastewater Department and staff recommends reimbursement of the construction cost.

Respectfully submitted,

Tina P. Christiansen, A.I.A.
Development Services Director

Approved: P. Lamont Ewell
Assistant City Manager

CHRISTIANSEN / hrb

Note: The attachments are not available in electronic format. A copy is available for review in the Office of the City Clerk.

Attachment(s): 1. EXHIBIT "A"/ Development Site Plan
 2. EXHIBIT "B"/MWWD East Point Loma TS Drawing