Tim Flynn Mayor

Office of the Mayor

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June 23, 2015



The Honorable Donald D. Coleman Presiding Judge, Superior Court of California County of Ventura 800 South Victoria Avenue Ventura, CA 93009

Foreperson, Ventura County Grand Jury 800 S. Victoria Avenue Ventura, CA 93009

Re Response to Grand Jury; City of Oxnard and its Adjoining Agricultural and Business Water Resources, Final Report Dated April 1, 2015

Honorable Judge Coleman and Foreperson:

Enclosed is the City of Oxnard's (City) response to the above referenced Grand Jury report. The City offers its response jointly, on behalf of the City Council, the City Manager and the Utilities Department Interim Director.

If you have any questions or require additional information, please contact me at 385-7430 or Daniel Rydberg at 385-8055. On behalf of the City of Oxnard, we appreciate the Grand Jury's efforts and the opportunity to respond to the report.

Sincerely,

Tim Flynn Tim Flynn

Mayor

Enclosure

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VENTURA COUNTY GRAND JURY

Response to Grand Jury Report Form

Report Title: Final Report: City of Oxnard and its Adjoining Agricultural and Business Water

Resources

Report Date: April 1, 2015

Response By: June 30, 2015 Title: Combined Responses from City of Oxnard, City Council,

City Manager, and Utilities Department Interim Director

FINDINGS

• The City agrees with findings numbered FI-01 through FI-05.

• The City agrees with findings numbered FI-06, 07, and 10, and provides additional comments below.

• The City partially disagrees with the findings numbered FI-08 and 09, as explained below.

FI-06. The City will attain further economies of scale as the Advanced Water Purification Facility (AWPF) capacity is expanded. The City has connected the River Ridge Golf Course and soon plans to connect River Park Development which has a number of parks, schools, and Home Owner Association (HOAs) medians and roundabouts. Next comes connection to the Pleasant Valley farmers and other local city irrigation uses, as well as the New Indy Paper Company next to the AWPF. Also planned is a Recycled Water Aquifer Storage and Recovery (ASR) Demonstration Well at Campus Park which will be eventually converted to a production well for Indirect Potable Reuse (IPR) as soon as all permitting is accomplished. This well project also received a construction grant of approximately \$1 million.

FI-07. Water policy issues are best managed on a basin specific basis as water resource availability and constraints are geographic specific. Water supply and water quality issues vary regionally even within Ventura County. For example, water resource management issues in the Ojai Valley are different than those for the City within the Oxnard Plain area. Also, the Port Hueneme Water Agency, the Channel Islands Beach Services District, and the Naval Base VC are only a few who have also expressed water supply and water quality issues due to the drought. These agencies, along with others, have expressed an interest in participating in the City's GREAT Program.

FI-08. The Watershed Coalition of Ventura County (WCVC) is not a regulatory agency in the sense that its members look to the WCVC to establish policy or manage water issues of its coalition members. Rather, the WCVC's primary function is as a forum for Ventura County agencies to organize themselves in competing for grant funds and prioritizing competitive projects sponsored by the WCVC members. For example, the WCVC plays a vital role in compiling the Integrated Regional Water Management Plan (IRWM Plan) that is essential for entitlement to grant funds. Without the organizational efforts of the WCVC, Ventura County entities would likely be less successful in competing for statewide grant funds. As noted in the comment above on FI-07, it is not an appropriate expectation to look to one regulatory entity to set comprehensive water policy for the entire County.

FI-09. It is accurate that the City, similar to the cities of Ventura and Port Hueneme, is located physically on the coastal edge of the County. However, because of certain water management programs, infrastructure and water distribution agreements and policies, the City is not "last-in-line" to physically receive or have legal entitlement to regional water supplies.

FI-10. The Fox Canyon Groundwater Management Agency (FCGMA) has and will play a vital role in groundwater management policy within its jurisdiction. The City also expects to continue to be an active contributing member of the FCGMA in developing and implementing groundwater policy.

RECOMMENDATIONS

Recommendations numbered R-01 and R-02 have been implemented.

R-01. The City is aggressively pursuing funding grants and low-interest loans for all aspects of the GREAT Program. The \$7.545 billion water bond approved by California voters in November 2014 is expected to provide a significant infusion of funding for water projects and programs. Guidelines for the new grant programs are being developed in 2015, and applications will be due later this year and continuing into FY 2017-18. The City has retained consultant assistance to participate in development of guidelines for all relevant grant programs and apply for grants. In April 2015, the City initiated an application for a Proposition 1 Recycled Water Construction grant and Clean Water State Revolving Fund low-interest loan. The application process will take about 9 months and the maximum grant available is \$15 million. The City continues to work through the application process. The City's Integrated Water Resources Master Plan shows the interrelatedness of all of the City's water management activities. In this way, grants for stormwater management, wastewater treatment plant improvements, and wetland restoration also support the GREAT Program, and the City will pursue these types of grants as they become available. Oxnard has been successful in securing several recent grants for the GREAT Program including: a \$220,000 USEPA Environmental Workforce Development grant to facilitate training for City Corps workers to assist at the AWPF; a \$1.1 million Prop 84 IRWM Drought Grant for the ASR Well at Campus Park; a \$250,000 research grant from the State Department of Water Resources, and over \$200,000 in research funding from the U.S. Bureau of Reclamation for studies at the AWPF Treatment Wetlands. In 2009, the City negotiated a funding agreement with Metropolitan Water District whereby MWD will reimburse \$195 per acrefoot of recycled water delivered to eligible project types, up to \$14.4 million over a 20 year period. In 2015, the City activated this Local Resources Program agreement and beginning July 1, 2015 Oxnard's recycled water deliveries are eligible for reimbursement. Additional Local Resources Program agreements can and will be negotiated in the near future to ensure that all recycled water activities that meet criteria for this program receive funding.

In the area of partnerships, in 2014 the City led development of a grant proposal to the US Department of Agriculture, which included multiple farmers, the City of Oxnard and the Resource Conservation District. The purpose of this partnership proposal was to support extension of recycled water pipelines and on-farm water deliveries and storage projects. While the grant proposal was unsuccessful, it established a good process for working together on future applications and efforts.

R-02. The City has been an active participal implementation since its inception. As note more aggressively implement policies that a generated from City facilities.	ant in the FCGMA policy development and above, the City is encouraging the FCGMA to will enable the regional use of recycled water
Date: 6/29/15	Tim Flynn, Mayor
ATTEST:	Greg Nyhoff, Oity Manager
Daniel Martinez, City Clerk	Daniel Rydberg, P.E., Interim Utilities Director
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