



Item No. _____

Meeting Date: 06/26/13

AGENDA SUMMARY REPORT

To: Honorable Mayor and Council Members

From: H. James Lance, City Attorney; Joanne Cavallari, Finance Director

Agenda Title: RESOLUTION APPROVING THE FISCAL YEAR 2013/2014 ALLOCATION OF SEWER PLANT OPERATIONAL EXPENSES BETWEEN THE CITY OF WILLITS AND THE BROOKTRAILS TOWNSHIP

Type: Presentation Consent Regular Agenda Public Hearing Urgent Time: 20 min

Summary of Request: In 2005, due to problems with the meters at the sewer plant, the City made an agreement with Brooktrails Township to use an estimated operations percentage of 23.62% to calculate the District's share of operations expenses at the sewer treatment plant, until such time as the treatment plant improvement project was complete and the meters were functioning properly.

The project is now complete, and we have accurate readings that can be used to determine the District's share according to the agreement. Based on the first 11 months of Fiscal Year 2012/13, the District's flow ratio is 24.28% of the total flow entering the plant. This is the percentage that will be used to determine their estimated operations payments for Fiscal Year 13/14.

On June 13, 2013, a letter transmitting the estimated payments based on the above flow ratio, and the pages of the 2013/14 Sewer Enterprise Fund budget, were hand delivered to the Brooktrails' General Manager. The letter invited comments on the data and percentage, but as of the writing of this agenda summary, no response has been received from the District.

The meters will be read again on July 1, 2013, giving us the total flows for the 2012/13 Fiscal Year. The resulting percentage will be used to calculate the District's actual liability for operations for Fiscal Year 2012/13.

Recommended Action: Adopt the attached resolution, approving the Fiscal Year 2013/14 allocation of sewer plant operations expenses between the City of Willits and the Brooktrails Township.

Alternative(s): None recommended

Fiscal Impact: The estimated monthly payment for operations is \$20,428 per month, or \$14.31 per month per sewer connection, based on 1,428 connections in Brooktrails.

Personnel Impact: Minimal.

Reviewed by: City Manager City Attorney Finance Director Human Resources Risk

Council Action: Approved Denied Other: _____

Records: Agreement Resolution # _____ Ordinance # _____ Other _____

RESOLUTION NO. 2013-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WILLITS APPORTIONING THE FISCAL YEAR 2013-2014 SEWER PLANT OPERATIONAL COSTS BETWEEN THE CITY AND THE BROOKTAILS TOWNSHIP ACCORDING TO THE RATIO OF FLOW OF THE DISTRICT TO THE TOTAL FLOW ENTERING THE TREATMENT PLANT

WHEREAS, the City Council for the City of Willits ("City") hereby finds as follows:

On September 11, 1967 the City of Willits entered into an agreement with the Brooktrails Resort Improvement District, now the Brooktrails Township Community Services District, agreeing to dispose of the District's sanitary sewage; and

The agreement was amended on April 17, 1970 (First Amendment), November 21, 1975 (Second Amendment) and September 8, 1982 (Third Amendment) and July 24, 2007 (Fourth Amendment); and

By the terms of the Second Amendment, Paragraph 16, all costs of administration, maintenance, operations and repair shall be apportioned annually according to the ratio of flow of the District to the total flow entering the treatment plant; and

Annually, pursuant to Paragraph 16, the City shall file with the District's Manager a copy of the part of its budget that concerns the plant, and a statement of the estimated costs of administration, maintenance, operation and repair for the forthcoming fiscal year; and

For the purpose of estimating such costs, the flow ratio established for the preceding fiscal year is used to calculate the estimated operations charge for the forthcoming fiscal year; and

In 2005, due to problems with the metering devices measuring flow into the treatment plant, the City and District agreed to use 23.62%, the average flow for the years 1999/2000, 2000/2001 and 2001/2002, as the flow ratio for the purpose of the District operations allocation percentage until such time as the Sewer Treatment Plant Project was complete and accurate readings could be obtained; and

On March 13, 2013 the City Council adopted a resolution authorizing the filing of a notice of completion of the Waste Water Treatment Plant project; and

Meter readings received to date for the Fiscal Year 2012/2013 indicate that 24.28% of the total flow entering the treatment plant comes from the Brooktrails Township.

NOW, THEREFORE, BE IT RESOLVED that:

1. The percentage of flow from the Brooktrails Township entering the treatment plant during the preceding fiscal year is hereby established to be 24.28%; and

2. Pursuant to Paragraph 16 of the Second Amendment of the parties' agreement, 24.28% is therefore established to be the allocation percentage to be used for the Brooktrails Township Community Services District's 2013/2014 estimated operations payments for administration, maintenance, operations and repairs at the Willits Wastewater Treatment Plant; and

3. The City Council of the City of Willits approves an adjustment to the balance due from Brooktrails Township Community Services District for the Fiscal Year 2012/2013 to the actual flow ratio entering the treatment plant during the period of July 1, 2012 to June 30, 2013.

The above and foregoing Resolution was introduced by Councilmember seconded by Councilmember , and passed and adopted at a regular meeting of the City Council of the City of Willits, held on the 26th day of June, 2013, by the following vote:

AYES:

NOES:

ABSENT:

HOLLY MADRIGAL, Mayor
City Council of the City of Willits

ATTEST:

CATHY SANDERS,
Deputy City Clerk