

DEPARTMENT: PLANNING

BY: Sarah Williams

PHONE: 966-5151

RECOMMENDED ACTION AND JUSTIFICATION: (Policy Item: Yes No X)

Action #1 - Resolution accepting the Final Coulterville Water and Wastewater Facilities Cost Analysis/Rate Study in accordance with contract requirements, pending changes to Page 16 of Report (typographical errors only).

Recommended action is based upon provisions of contract executed between RCAC and County of Mariposa. It is staff's determination that the final study complies with the requirements of the contract. Upon receipt of ten (10) copies of the final study per Paragraph F.2.b of contract, second portion and final payment of original contract amount will be made to consultant (\$4,500).

Action #2 - Authorize payment of additional \$350 to RCAC from the Water Agency budget (Professional Services Line Item) for additional meeting attended by the consultant. Attendance at meeting was requested by Board. Cost for meeting is in accordance with Paragraph F.3 of contract.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

See attached memorandum to Board of Supervisors for background and history of Board actions.

LIST ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

Alternatives:

1. Direct further modifications to study.
2. Do not accept study and terminate contract (Negative Action).

Either alternative actions would have to be based upon specific findings that document does not comply with contract requirements. Action could be disputed.

COSTS: () Not Applicable

A. Budgeted current FY \$ _____

B. Total anticipated costs \$ 350.00

C. Required additional funding \$ _____

D. Internal transfers \$ _____

SOURCE: () 4/5ths Vote Required

A. Unanticipated revenues \$ _____

B. Reserve for contingencies \$ _____

C. Source description: Acct. 054 0901 0851 0478

Balance in Reserve for Contingencies, if approved: \$ _____

SPECIAL INSTRUCTIONS:
List the attachments and number the pages consecutively:

Memo to Board including Attachments

1. Final Coulterville Water and Wastewater Facilities Cost Analysis/Rate Study (pg. 6)
2. Contract for Professional Services in Preparation of Cost Analysis/Rate Study (pg. 112)
3. Minutes of Coulterville Water and Sewer Advisory Board August 16, 1995 meeting (pg. 125)

CLERK'S USE ONLY: *B/S Res. 95-443*

Res. No.: *WPA Res 95-4* Ord. No. _____

Vote - Ayes: _____ Noes: _____

 Absent: _____ Abstained: _____

 Approved: _____ () Denied _____

() Minute Order Attached () No Action Necessary

The foregoing instrument is a correct copy of the original on file in this office.

Date: _____

ATTEST: MARGIE WILLIAMS, Clerk of the Board
County of Mariposa, State of California

By: _____
Deputy

ADMINISTRATIVE OFFICER'S RECOMMENDATION:
This item on agenda as:

Recommended

Not Recommended

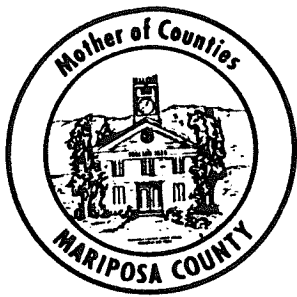
For Policy Determination

Submitted with Comment

Returned for Further Action

Comment: _____

A.O. Initials: *mw*



Mariposa County Planning and Building Department

EDWARD J. JOHNSON
Director

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MEMORANDUM

September 29, 1995

TO: Mariposa County Board of Supervisors

FROM: Sarah Williams, Senior Planner *SW*
Ed Johnson, Planning Director *EJ*

RE: Final Report of the Coulterville Water and Wastewater Facilities Cost Analysis/Rate Study (Rural Community Assistance Corporation)

RECOMMENDATION

Adopt a resolution accepting the Final Coulterville Water and Wastewater Facilities Cost Analysis/Rate Study in accordance with contract requirements, pending changes to Page 16 of Report (typographical errors only).

Recommended action is based upon provisions of contract executed between RCAC and County of Mariposa. It is staff's determination that the final study complies with the requirements of the contract. Upon receipt of ten (10) copies of the final study per Paragraph F.2.b of contract, second portion and final payment of original contract amount will be made to consultant (\$4,500).

Authorize payment of \$350 from the Water Agency budget (Professional Services Line Item) to cover the cost of the consultant attending the May 24, 1995 Water and Sewer Advisory Board meeting. This claim is consistent with the original contract which states that under Paragraph F(3):

Compensation for additional meetings beyond the meeting identified in Paragraph A(3) [March 14, 1995 Public Hearing to present Draft Study] shall be at the rate of \$350.00 per public meeting attended. CONSULTANT will be compensated only for those meetings at which CONSULTANT'S attendance is specifically requested by the Planning Director [May 17, letter from Planning Department requesting an additional meeting].

PURPOSE OF STUDY

When the Board of Supervisors considered the reorganization of the County Service Area 1-M (the Coulterville Sewer and Water Service Area) as an alternative to providing special district services in the

community of Coulterville, the Board determined that it was necessary to analyze and compare the costs of providing special district services in Coulterville under several district organization alternatives. This determination was based upon the premise that understanding the cost, rates, and fees for providing services under these various alternatives is critical to the selection of the most efficient and economical alternative for providing services to the community. The Board determined that it was in the best interests of the County to obtain the services of an independent consultant to prepare the cost analysis and rate study to ensure that the study represented the professional opinions and recommendations of non-biased entity.

The executed Contract for Professional Services for the Preparation of the Cost Analysis/Rate Study (included as Attachment 2 of this memorandum) contains typical contract provisions including a "Scope of Services" and a specific list of information to be furnished to the consultant by the Planning Department. The "Scope of Services" establishes three special district organization alternative to be analyzed in the document.

DISCUSSION OF RECOMMENDED ACTION

Staff's recommendations are based upon provisions in the contract executed between RCAC and the County and changes made to the draft document considered by the Board in March, 1995. Although the Coulterville Community Sewer and Water Advisory Board felt that the Final report "was not much better than the previous report", it is staff's determination that the consultant has complied with all contractual obligations.

The action to be taken by the Board of Supervisors at this meeting to is only to consider acceptance of the study in accordance with contractual requirements. The Board will not be taking action to pursue a reorganization alternative at this meeting.

Staff's recommendation is also based upon acknowledgment that the alternative for rate structures proposed in the document represent the recommendation of RCAC only. These rate structures are not the only rates which may be appropriate for the community - only the professional recommendations of the consultant. The consultant has prepared various rate structure alternatives which will ensure that the district, under any of the alternatives, will have adequate funds from revenues to cover necessary costs for the long term administration, operation, and maintenance of the facilities. The rate structures also include contributions to a contingency fund, to ensure that the district will have funds for future equipment replacement and/or unforeseen emergency costs. Ultimately, the Board is not obligated to pursue any of the specific alternative presented in the study and the Board may choose to modify the rate structure established for any of the alternative. The rate structures may be used as a tool to ensure that future management of the district is conducted in such a way that revenues from the district cover expenditures.

DISCUSSION OF COULTERVILLE SEWER AND WATER ADVISORY BOARD RECOMMENDATION

The Sewer and Water Board recommended at their August 24, 1995 meeting that the Board not accept the final study. The Sewer and Water Board's recommendation is based upon their view that the study does not address the specific needs of Coulterville and that the study is poorly written and difficult to follow. Additionally, the committee was discouraged by the length of time it took to complete the process.

Staff Analysis - Staff concurs with the Sewer and Water Board's frustration relative to the length of time it took to complete the study. In hindsight, relative to the specific needs of Coulterville, the study process should have heavily involved the community (and Advisory Board) early on. Additionally, it is apparent that lack of accurate and complete County information in regards to specific costs of operation and maintenance has been problematic throughout the study process. In spite of these matters however, the County has contractual obligations to the consultant. The scope of services contained within the contract is specific as to the tasks the consultant is to complete, and it is staff's determination that the consultant has fulfilled his obligations in accordance with specific contract requirements. As emphasized earlier, the rate study is just that -- a study of alternative rate structures for the sewer and water facilities. The document represents the professional conclusions of RCAC only, and the Board is not obligated to pursue any specific alternative presented in the study. The rate structures studied may be used as a tool to ensure that future management of the district, under any alternative deemed appropriate, is conducted in such a way that revenues cover expenditures, and that a contingency is maintained to cover future emergency needs.

BACKGROUND/HISTORY OF BOARD ACTIONS

August 16, 1995 - Coulterville Sewer and Water Advisory Board meeting to review the Final Cost Analysis/Rate Study. Advisory Board makes a motion to recommends the Board of Supervisors not accept the study based upon the fact that the study does not fit the community character of Coulterville.

June 22, 1995 - Final Cost Analysis/Rate Study distributed to Board of Supervisors and Coulterville Sewer and Water Advisory Board.

June 19, 1995 - Planning Department received Final Report from RCAC. Report to contain changes based upon recommendations made by the Coulterville Water and Sewer Advisory Board meeting of May 24, 1995.

May 24, 1995 - Joint meeting held with the Coulterville Water and Sewer Advisory Board and the Coulterville Planning Advisory Committee.

March 14, 1995 - Board of Supervisors public meeting for Draft Coulterville Water and Wastewater Facilities Cost Analysis/Rate Study presentation by RCAC. Board rejects draft and directs consultant to meet with community advisory committees, and to address specific issues raised at meeting.

March 13, 1995 - Coulterville Sewer and Water Advisory Board meeting to review the Revised Draft Cost Analysis/Rate Study and formulate comments. Board recommends rejection of study.

March 1, 1995 - Revised Draft Cost Analysis/Rate Study distributed to Board of Supervisors and Coulterville Sewer and Water Advisory Board.

January 5, 1995 - Staff requested additional revisions be made to Draft Cost Analysis/Rate Study document to reflect current conditions. Staff also requested that consultant reconsider recommended base and usage rates for the three alternatives to ensure that there be some consistency between the rates for Alternative #1 and #2, and that there be clear justification for the rates established for Alternative #1 and #2, and that there be clear justification for the rates established for Alternative #3.

October 7, 1994 - Draft Cost Analysis/Rate Study received by Planning Department. Draft included revisions requested by County in August. Draft distributed to Board of Supervisors and Coulterville Sewer and Water Advisory Board.

August 10, 1994 - County pays consultant first payment of \$5,000 in accordance with contract provisions.

August 8, 1994 - County's comments on Administrative Draft Cost Analysis/Rate Study forwarded to RCAC.

July 19, 1994 - Administrative Draft Cost Analysis/Rate Study submitted to County for review.

April 6, 1994 - RCAC submits revised schedule for Cost Analysis/Rate Study preparation.

March 23, 1994 - Planning Department forwards Final Plan of Services/Facilities Plan to RCAC. All information necessary for RCAC to complete Cost Analysis/Rate Study now provided.

March 22, 1994 - Final Plan of Services/Facilities Plan presented to Board. Board accepts plan in accordance with contract provisions.

December 16, 1993 - Public Works forward comments to consultant on Draft Plan of Service/Facilities Plan.

May 24, 1993 - Draft Plan of Services/Facilities Plan submitted to County.

April 6, 1993 - Board executed contract with Rural Community Assistance Corporation (RCAC) for preparation of Cost Analysis/Rate Study. Total amount of contract \$9,500.

March 29, 1993 - Department of Public Works executes contract with Nolte and Associates for preparation for Plan of Services/Facilities Plan.

February 9, 1993 - Board approves work program for Cost Analysis/Rate Study.

January 19, 1993 - Board authorizes Public Works to execute a contract for the Plan of Services/Facilities Plan, as necessary for the Coulterville Reorganization Study.

September 21, 1992 - Board funds \$25,000 for reorganization studies. Planning to coordinate Cost Analysis/Rate study. Department of Public Works to coordinate Plan of Services/Facilities Plan.

July 21, 1992 - Staff presents information to Board regarding cost and time estimates for special district reorganization studies. Board defers action to proceed with necessary studies until final budget hearings.

February 11, 1992 - Board considers request from Coulterville Service Area No. 1 (Coulterville Sewer and Water) Advisory Board to initiate the process to dissolve County Service Area No. 1-M for Coulterville and establish a community services district (CSD) with an independent Board of Directors comprised of residents from Coulterville to take over the administration, operation and maintenance, operation and maintenance of the community's sewer and water services. Board directs staff to provide further information and options for contracting with a consultant for preparation of a detailed estimate of costs for reorganization alternatives.