



City of Chula Vista

Legislation Details (With Text)

File #: 16-0115 **Name:** Agreement with Otay Water District - Sewer Billing and Water Consumption Data

Type: Consent Item **Status:** Passed

In control: City Council

On agenda: 4/5/2016 **Final action:** 4/5/2016

Title: RESOLUTION NO. 2016-054 OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING AN AGREEMENT FOR WATER CONSUMPTION DATA AND SEWER BILLING SERVICES BETWEEN THE CITY AND THE OTAY WATER DISTRICT

Sponsors:

Indexes:

Code sections:

Attachments: 1. Item 2 - Resolution, 2. Item 2 - Chula Vista Sewer Billing Agreement, 3. Item 2 - Exhibit A Chula Vista Sewer Summary

Date	Ver.	Action By	Action	Result
4/5/2016	1	City Council	approve	Pass

RESOLUTION NO. 2016-054 OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING AN AGREEMENT FOR WATER CONSUMPTION DATA AND SEWER BILLING SERVICES BETWEEN THE CITY AND THE OTAY WATER DISTRICT

RECOMMENDED ACTION

Council adopt the resolution.

SUMMARY

The City of Chula Vista has historically contracted with the Otay Water District for customer water consumption data and sewer billing services for Chula Vista residents and businesses in the Otay Water District's service area. The agreement before Council will continue this service for a five year period with the option to extend by mutual agreement for five additional one-year terms.

ENVIRONMENTAL REVIEW

Environmental Notice

The activity is not a "Project" as defined under Section 15378 of the California Environmental Quality Act State Guidelines; therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required.

Environmental Determination

The Director of Development Services has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a "Project" as defined under Section 15378 of the State CEQA Guidelines because it will not result in a physical change in the environment; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA. Thus, no environmental review is required.

BOARD/COMMISSION RECOMMENDATION

Not applicable.

DISCUSSION

The City of Chula Vista has historically contracted with the Otay Water District for the provision of customer water consumption data and sewer billing services for Otay Water District consumers that are receiving sewer services from the City of Chula Vista. The most recent agreement expired on December 5, 2015 and was extended through a letter of agreement until June 30, 2016 or upon execution of a more formal agreement. Before Council tonight is the formal agreement with the Otay Water District.

The agreement reflects the following:

- Services - Otay will provide the following for all properties served by the Otay Water District within the jurisdictional boundaries of the City
 - On an annual basis, water consumption data
 - On a monthly basis, Otay will perform billing and collection of sewer fees
- Term - the new agreement will be in effect until June 30, 2021 with the option to extend the agreement for five additional one-year terms by mutual agreement.
- Payment - Otay will deduct a per account service fee from each remittance of collected sewer fees it makes to the City. The current service fee is \$1.05 per account per month. The service fee may be adjusted on July 1 of each year in accordance with any changes in the San Diego Consumer Price Index.

The attached resolution would approve the agreement, direct and authorize the Mayor to sign the agreement, and authorize City Manager to exercise the five, one-year options to extend. Staff recommends that the City Council adopt the resolution in order to continuation of these billing services.

DECISION-MAKER CONFLICT

Staff has reviewed the decision contemplated by this action and has determined that it is not site-specific and consequently, the 500-foot rule found in California Code of Regulations Title 2, section 18702.2(a)(11), is not applicable to this decision for purposes of determining a disqualifying real property-related financial conflict of interest under the Political Reform Act (Cal. Gov't Code § 87100, et seq.).

Staff is not independently aware, and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision maker conflict of interest in this matter.

LINK TO STRATEGIC GOALS

The City's Strategic Plan has five major goals: Operational Excellence, Economic Vitality, Healthy Community, Strong and Secure Neighborhoods and a Connected Community. This agreement supports Strong and Secure Neighborhoods as it facilitates the collection of sewer service revenues.

CURRENT YEAR FISCAL IMPACT

Approval of the agreement results in no net fiscal impact in the current fiscal year. The current agreement set the service fee at \$1.05 per account per month. The new agreement allows for the service fee to be updated on an annual basis as of July 1.

ONGOING FISCAL IMPACT

Otay Water District currently provides water consumption and sewer billing services for approximately 30,487 customers (varies by month) on behalf of the City of Chula Vista. Based on a service fee of \$1.05, the City will pay Otay Water District approximately \$384,000 on an annual basis. The service fee may be adjusted on July 1 of each year to reflect any changes in the San Diego Consumer Price Index.

ATTACHMENTS

- Agreement with Otay Water District

Staff Contact: Angelica Aguilar, Finance Department