

RESOLUTION NO. 12-023

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES
ESTABLISHING AN ALTERNATE SCOPE OF WORK FOR REVIEW OF WASTEWATER
FACILITY CHARGES

WHEREAS, after adopting new wastewater facility charges (i.e., connection fees) on November 1, 2011, City Council requested a comprehensive reevaluation of facility charges by October 2013; and

WHEREAS, on December 6, 2011, City Council adopted Resolution No. 11-151, to approve a scope of work that includes a full examination and presentation of all wastewater asset valuation and facility charge calculation methods.

WHEREAS, the fee for this scope of work may exceed what City Council is willing to approve;

WHEREAS, an alternate scope of work that would cost less than that approved under Resolution No. 11-151 would include:

- a. Independently review Kennedy/Jenks' *Wastewater Facility Charge Final Report* and *Wastewater Rate and Revenue Analysis Final Report*;
- b. Interview the primary author of the Kennedy/Jenks reports to understand all underlying assumptions;
- c. Evaluate whether Kennedy/Jenks' asset valuation and facility charge calculation methods comply with all relevant regulatory requirements, including California Government Code Sections 66013, 66016, 66022, and 66023, and Proposition 218.
- d. Prepare a draft report. The report shall include a full discussion of alternative asset valuation methods (e.g., replacement cost new less depreciation vs. replacement cost new less developer contributed assets) and facility charge calculation methods (e.g., incremental approach vs. capacity buy-in approach). Present the findings and recommendations to the public at one City Council meeting; and
- e. Prepare a final report.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES DOES HEREBY RESOLVE AS FOLLOWS:

The City Council finds the alternate scope of work described above is true and correct, and directs staff to proceed with soliciting fee proposals for this scope of work and the scope of work approved under Resolution No. 11-151.

PASSED AND ADOPTED by the City Council of the City of El Paso de Robles this 21st day of February 2012.

AYES: Gilman, Hamon, Strong, Picanco
NOES: Steinbeck
ABSTAIN:
ABSENT:

Duane Picanco, Mayor

ATTEST:

Caryn Jackson, Deputy City Clerk

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