SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors **AGENDA NO. V-A**

FROM: Steve Mack, General Manager

Meeting Date: March 7, 2013

SUBJECT: DISCUSSION/ACTION RE AGREEMENT WITH MONTE RIO REC AND PARK DISTRICT, MONTE RIO CHAMBER OF COMMERCE AND TORR FAMILY TO WAIVE CAPACITY AND FLAT CHARGES FOR "THE TRIANGLE" PROPERTY IN MONTE RIO

RECOMMENDED ACTION:

Consider a proposal from the Monte Rio Chamber of Commerce (Chamber) and the Monte Rio Recreation and Park District (MRRPD) to waive capacity charges and the annual assessment for a parcel in downtown Monte Rio known as the Triangle to facilitate the Chamber and MRRPD providing and maintaining landscaping at the site.

FISCAL IMPACT:

District would collect water use and base rate charges but would not collect the capacity charge (currently $4672.80) nor the annual assessment ($198).

DISCUSSION:

Members of the Monte Rio Chamber of Commerce and the Torr family presented a proposal to the Board at the February meeting to waive capacity charges at the Monte Rio Triangle (Hwy 116 and Bohemian Hwy in downtown Monte Rio) so that the Chamber and the Monte Rio Park and Recreation District could improve the landscaping at that site. There was considerable discussion on this topic at the meeting. The Board requested that the proponents work out more details for this proposal and come back to the March meeting for further discussion. The Board appointed Tim Lipinski as the Board liaison for possible meetings prior to the March Board meeting. Such a meeting did take place on February 20th and the proponents agreed to develop a proposal for inclusion into the Board packet. As of the writing of this report that proposal has not been received by District staff. When it arrives we will send it to Board members electronically.

Information from the February Agenda Report:

According to District Policy 3020.142 "no person or entity will make any new connection to the District's water system without first paying the capacity charge established herein, unless the District otherwise waives or defers this requirement pursuant to a

written agreement between the District and the applicant, approved by the District Board of Directors."

The District does not charge the capacity charge to public agencies nor does it collect the annual assessment (Flat Charge) from public agencies. This particular arrangement for the Triangle has been under discussion for many years. I believe this is the first formal request to the District. While the parcel would still be in private hands, the improvements to the Triangle would enhance the downtown Monte Rio area and would be a public service to the Monte Rio area.

The cost of physically connecting water service to the site should be minimal. Plumbing exists to the meter location; all that is needed is dropping in a meter and turning it on. The Chamber would pay for the cost providing service – Base Rate, Water Usage Rate and Capital Debt Reduction charges.