RECOMMENDED ACTION AND JUSTIFICATION:
Authorize the Auditor to make a payment to the Lake Don Pedro Community Services District (LDPCSD) in the amount of $40,489.28 from the Don Pedro Wastewater Treatment Plant fund for the connection fee of the Lake Don Pedro WWTP and the Don Pedro Sewer fund for the under-billing of water charges; Approve budget action transferring funds between the Don Pedro Sewer Utility Capital Fund and the Don Pedro WWTP fund ($35,000), and reducing Contingency in the Don Pedro Sewer fund. ($5,490)

Please see the attached memorandum for additional information.

BACKGROUND AND HISTORY OF BOARD ACTIONS
The Board authorized the formation of the Lake Don Pedro Sewer assessment district and approved the construction of the wastewater treatment plant.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:
Do not approve the payment. If payment is not made the Lake Don Pedro WWTP will have received water service without completely reimbursing the LDPCSD. It is likely that the LPDCSD would take further action in an attempt to collect.

Financial Impact? (X) Yes ( ) No Current FY Cost: $
Budgeted In Current FY? (X) Yes ( ) No ( ) Partially Funded
Amount in Budget: $0-$
Additional Funding Needed: $40,490
Source:
Internal Transfer
Unanticipated Revenue 4/5’s vote
Transfer Between Funds 4/5’s vote
Contingency 4/5’s vote
( ) General (X) Other

CLERK’S USE ONLY:
Res. No.: 269 Ord. No. 
Vote – Ayes: 5 Noes: 
Absent: 
Abstained: 
Approved
( ) 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

Revised August 2011
January 23, 2012

TO: Board of Supervisors

FROM: Rick Benson, County Administrative Officer

SUBJECT: Payment to the Lake Don Pedro Community Services District

When the Lake Don Pedro Wastewater Treatment Plant was constructed it was connected to the water system operated by the Lake Don Pedro Community Services District (LDPCSD). The County was recently notified by the LDPCSD that they had failed to charge a connection fee at the time of construction. The LDPCSD has also discovered that the water meter serving the plant has been improperly read and that significantly more water is being used in the wastewater treatment operation than was billed.

LDPCSD presented an invoice in the amount of $45,489.28. Of this amount, $40,000 is for the connection fee and $5,489.28 represents the under billing of water used by the plant. Staff has reviewed our records to assure that no payments were made previously for the connection fee. The misreading of the water meter has also been explained satisfactorily.

One adjustment has been made to the charges. The initial connection fee was calculated at a higher tier since the plant had not been included in the area of the LDPCSD subject to availability charges. The LDPCSD has agreed to reduce the connection fee to the lower level in recognition that the plant serves a public purpose.

Given the significant amount of time that has passed since the wastewater treatment plant went online there is some question as to whether or not the County has a legal obligation to pay the connection fee. However, there is no question that had the fee been charged in a timely manner the County would have been obligated to pay.

Funds are available within the Utility Capital Fund for the Lake Don Pedro assessment district for the connection fee. The water usage charges will require that payment come from the contingencies within the Don Pedro sewer fund. No General Fund dollars will be used.

Therefore, it is recommended that your Board (1) Authorize payment to the LDPCSD in the amount of $40,489.28 for meter installation and water charges from the Lake Don Pedro Wastewater Treatment Plant fund and Don Pedro sewer fund; and (2) Approve budget actions transferring funding from the Utility Capital Fund to the Lake Don Pedro Wastewater Treatment Plant fund to pay for the connection fee and reducing the Don Pedro Sewer fund contingency to pay for the underbilling of charges.
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<th>DESCRIPTION</th>
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**TOTALS**

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**TRANSFER BETWEEN FUNDS**

**TOTALS**

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**ACTION REQUESTED:**

- [X] Budget appropriation by Board of Supervisors (4/5ths Vote Required): Amending the total amount available in the county budget, or in any one fund of the budget, or appropriating Reserve for Contingencies.

- [ ] Transfer by Board of Supervisors (3/5ths Vote Required): Moving existing appropriations from one budget to another, or between categories within a budget unit.

**JUSTIFICATION:**

Transfer funding from the Utility Capital Fund - Lake Don Pedro to the Lake Don Pedro WWTP Fund to pay for the connection fee; Reduce contingency in the Don Pedro Sewer to pay for underbilled water charges.

**DEPT HEAD SIGNATURE**

**APPROVED BY RES NO.**

**CLERK**

**DATE**

| 1-23-12 | 2-21-12 |

**LAKE DON PEDRO WWTP FUND/UTILITY CAPITAL DON PEDRO SEWER**

**AUDITOR’S USE ONLY**

BA #

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Budget Revision Form Revised 11/95