

Meeting Date: 2/11/2014

Report Type: Public Hearing

Report ID: 2014-00035



Title: Fairbairn Water Treatment Plant & Men's League Ball Fields: Agreement to Provide Sewer Service and Annexation to the Sacramento Area Sewer District (Published 01/28/2014)

Location: 7501 College Town Drive, District 6

Issue: The City property where the Fairbairn Water Treatment Plant and Men's Baseball League facility are located currently is receiving wastewater services from the Sacramento Area Sewer District (SASD) and needs to be annexed into the SASD territory. In addition, approval is needed for a sewer service agreement and payment of associated fees.

Recommendation: Conduct a public hearing, and upon conclusion pass 1) a Motion authorizing the City Manager or his designee to a) sign an Agreement to Provide Sewer Service with Sacramento Regional County Sanitation District (Regional San), and b) pay Regional San and the Sacramento Area Sewer District (SASD) back-billed sewer charges for the Fairbairn Water Treatment Plant, and sewer impact fees for the City property where the Plant and baseball facility are located, totaling \$37,497.93 and \$207,542.52, respectively; and 2) a Resolution initiating annexation of 56.65 acres into the SASD.

Contact: Scot Mende, Principal Planner, (916) 808-4756, Community Development Department; Dan Sherry, Supervising Engineer, (916) 808-1419, Department of Utilities

Presenter: Scot Mende, Principal Planner, (916) 808-4756, Community Development Department; Dan Sherry, Supervising Engineer, (916) 808-1419, Department of Utilities

Department: Community Development Dept / Dept. of Utilities

Division: Long Range Planning

Dept ID: 21001222

Attachments:

- 1-Description/Analysis
- 2-Background
- 3-Resolution Annex & CEQA
- 4-EAFWTP Project Area
- 5-Agreement SRCSD

City Attorney Review

Approved as to Form
Joe Robinson
2/5/2014 2:41:30 PM

City Treasurer Review

Reviewed for Impact on Cash and Debt
Russell Fehr
1/27/2014 9:47:18 AM

Approvals/Acknowledgements

Department Director or Designee: Max Fernandez - 2/3/2014 11:03:10 AM

Description/Analysis

Issue: The City property where the Fairbairn Water Treatment Plant (FWTP) and Sacramento Men's Baseball League facility are located currently is receiving wastewater collection and conveyance services from the Sacramento Area Sewer District (SASD), and needs to be annexed into the SASD territory. In addition, approval is needed for a sewer service agreement with the Sacramento Regional County Sanitation District (Regional San) and payment of associated fees.

Policy Considerations: Approximately 56.65 acres of City of Sacramento property currently benefitting from SASD sewer service needs to be annexed into the SASD to continue receiving service.

Economic Impacts: None.

Committee/Commission Action: None. Upon approval from the City Council, the City will apply to the Sacramento Local Agency Formation Commission (LAFCo) for annexation to the SASD.

Environmental Considerations:

California Environmental Quality Act (CEQA): The proposed annexation would not increase effluent discharges and would not affect operations at the facility. The annexation is considered a minor change in land use limitations, and is exempt from the provisions of CEQA pursuant to CEQA Guidelines section 15305, and the common sense rule that when it can be seen with certainty that an action would have no significant effect on the environment, then it is not subject to CEQA review. (CEQA Guidelines section 15061(b)(3)).

Sustainability Considerations: The annexation and sewer service agreement with Regional San will facilitate continuation of sewer services.

Rationale for Recommendation: Annexation to the SASD will remedy a technical oversight and facilitate service billing. The SASD has been providing service for at least 10 years and has the capacity of public facilities and services to support the proposed annexation into SASD, without adversely impacting existing rate payer service delivery and capacity as will be demonstrated in the required Plan For Services (to be included with the application to LAFCo). The sewer service agreement with Regional San will allow the City to discharge FWTP waste water discharges that exceed the available SASD capacity directly to Regional San's Arden Sanitary Sewer Force Main.

Financial Considerations: The City is required to pay back charges of \$37,497.93 for sewer service for the FWTP, and \$201,474.44 and \$6,068.08 (for a total of

\$207,542.52) in one-time impact fees for sewer service to the City property where the FWTP and ball fields are located. The impact fee payment will be made in three equal installments over three fiscal years. Payments will be made from the following funds as shown below:

Parcels	FWTP (APN: 005-0010-011 & 012)	Ball Fields (APN: 079-0200-001 & 046)	Total
Regional Sanitation	\$142,874.44	\$5,086.00	\$147,960.44
SASD	\$58,500.00	\$922.00	\$59,422.00
IT Recovery Fee	\$100.00	\$60.08	\$160.08
Total	\$201,474.44	\$6,068.08	\$207,542.52
Back Charges	\$37,497.93		
1/3 of Total Impact Fees	\$69,180.84		
Total for FY2013/14	\$106,678.77		

Sufficient funding for the FY2013/14 payment is available in the FY2013/14 Utilities Department operating budget (Fund 6005, Water Fund).

The remaining two future fiscal year payments of \$69,180.84 each will be budgeted in the Utilities Department operating budget providing that sufficient funding is available and approved for the applicable fiscal year(s).

Local Business Enterprise (LBE): Not applicable to this report.

**BACKGROUND – FAIRBAIRN WATER TREATMENT PLANT & MEN’S LEAGUE
BALL FIELDS ANNEXATION TO THE SACRAMENTO AREA SEWER DISTRICT
AND APPROVAL OF AGREEMENT TO PROVIDE SEWER SERVICE**

Fairbairn Water Treatment Plant – History

The E.A. Fairbairn Water Treatment Plant (EAFWTP) on the American River was constructed in 1964, as a 32 mgd (million gallons per day) facility. In 1989, treatment capacity at EAFWTP was increased to 100 mgd. In 2005, total sustainable treatment capacity was further increased to 160 mgd with a peak hydraulic flow of 200 mgd.

EAFWTP discharges wastewater into an onsite collection system that collects waste from the Water Quality Laboratory, Operations and Operations Laboratory, and Maintenance Building. The onsite collection system flows south along East Fairbairn Dr. and discharges into the Sacramento Area Sewer District (SASD) collection system at College Town Dr. and East Fairbairn Dr.

The plant’s construction preceded the formation of the Sacramento Regional County Sanitation District (1973 - LAFC#35-73,) and SASD (1978 - LAFC# 57-77). Wastewater collection, conveyance, and treatment were originally provided via City of Sacramento services. Upon formation of the Sacramento Regional County Sanitation District (Regional San), in 1973, the Plant and related properties were included in the Regional San service area. The respective service areas of the two districts are largely, but not completely, coterminous. This SASD boundary oversight may be attributable to the general city service model of wastewater collection and conveyance into the Regional San system for treatment, as occurs elsewhere in the general vicinity. The affected territory is located within the SASD Sphere of Influence.

Ball Fields – History

The Men’s League Ball Fields located immediately south of the EAFWTP were constructed on City property without payment of sewer impact fees (for sewer service from snack bar, restrooms, sinks, shower, etc.), but the Sacramento Men’s Senior Baseball League has been paying monthly wastewater service charges to the City.

Need for Annexation to SASD

The lack of inclusion in the SASD service area was a technical oversight. With improvements in GIS mapping, and utility billing technology services, this “disconnect” was identified in 2013. Upon notification from the SASD, the City has acted in a timely manner, and has responsively filed this request for annexation.

As required by the SASD Ordinance and the Master Interagency Agreement, the District requests that approximately 57 acres of City of Sacramento property be annexed into

the Sacramento Area Sewer District. SASD is already providing wastewater collection and conveyance service; the annexation will facilitate resource tracking allocation and billing.

Proposed Annexation

This annexation is being initiated pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Section 56000 et seq.).

A map of the boundaries of the affected territory to be annexed is attached to the Resolution as Exhibit A. The annexation includes approximately 56.65 acres:

Assessor Parcel Numbers (APN):	Area (in acres):
005-0010-011 (Treatment Plant)	33.22
005-0010-012 (Treatment Plant)	11.97
079-0200-001 (Ball Fields)	9.29
079-0200-046 (Parking for Ball Fields)	2.17
TOTAL AREA:	56.65

In January 2014, representatives from the City and the Sacramento Area Sewer District met and conferred regarding this proposed annexation and have reached agreement on the proposed boundaries and related matters, as required under the Act.

Agreement for Sewer Service with Regional San

- The existing SASD connection does not have long-term gravity sewer service capacity for plant discharges exceeding a rate of 200gpm. With the addition of the solid handling facilities currently under construction, the 200gpm rate will be exceeded during operation. Also, during plant outage conditions the 200gpm rate will be exceeded. The most cost-effective option is routing these plant waste water discharges directly to the Regional San's Arden Sanitary Sewer Force Main (FM) adjacent to the plant.
- City and SRCSD staff have negotiated an Agreement for Sewer Service to utilize the FM for this purpose, which will become part of the City's FWTP Regional San Wastewater Discharge Permit WTP-017. This agreement was approved by the Regional San Board on January 22, 2014 (SRCSD Contract No. 50000060).
- Under the Agreement, City will construct, own, operate, and maintain, at the City's cost, all sewer piping and appurtenances necessary to connect and discharge to the Arden Force Main from the Fairbairn plant's new solids handling

facility. The discharge is air gapped, air released, and valved to prevent backflow from the FM into the plant solids handling facility area of the plant. Also, the Filter Wash Water Lagoons will be piped to this solids handling facility discharge. The lagoons will only normally discharge to the FM during plant outages.

- Regional San will accept wastewater discharged from Fairbairn, and will bill the City for wastewater service, in accordance with the provisions of the Agreement and the plant's discharge permit.

Financial Information

The City has been discharging into the SASD system for some time. The Regional San Ordinance authorizes back billing for up to 3 years for industries that are incorrectly classified or for unaccounted connections and discharges (this is consistent with the City's own back billing policy). The existence of the EAFWTP connection was discovered on November 11, 2011. The plant received its first official sanitary sewer Permit from Regional San in March 2013, which became effective in April 2013. The City has been paying monthly sanitary sewer bills since April 2013. Therefore, back charges apply from November 2008 (3 years before the sewer connection was discovered) through March 2013, which amounts to \$37,497.93.

Regional San has calculated the sewer impact fees for the treatment plant. The City owes \$142,874.44 to Regional San and \$58,500.00 to SASD, and \$100.00 for an "IT Recovery Fee," for a total due of \$201,474.44.

For the ball fields, the City initially entered into a ground lease with the Sacramento Men's Baseball League (Lessee) in November 1993 (City Agreement 93-148) for the property immediately south of the Water Treatment Plant. The Lessee has installed and maintained the existing improvements on the leased premises at no cost to the City. The lease was extended by City Manager Agreement 2000-221 and is due to expire December 31, 2015. Under the lease, the Lessee is responsible for the payment of monthly utility charges, including sewer charges; the Lessee made these payments to the City, even though sewer service is provided by SASD, and not the City. City staff will work with SASD staff to determine whether any reimbursement is due to SASD for back charges associated with the ball fields. In addition, the City as the property owner is required to pay sewer impact fees for this property, in the amount of \$6,068.08. The sewer capacity associated with this payment will remain available to the property following expiration of the current lease.

The Agreement for Sewer Service allows the City to split the impact fees owed by the City into three equal payments made during Fiscal Year (FY) 2013-14, FY 2014-15, and the first half of FY 2015-16 (ending December 31, 2015).

RESOLUTION NO.

Adopted by the Sacramento City Council

INITIATING FAIRBAIRN WATER TREATMENT PLANT & MEN'S LEAGUE BALL FIELDS ANNEXATION TO THE SACRAMENTO AREA SEWER DISTRICT

BACKGROUND

- A. The E.A. Fairbairn Water Treatment Plan (EAFWTP) on the American River was constructed in 1964, as a 32 million gallons per day (mgd) facility. In 1989, treatment capacity at EAFWTP was increased to 100 mgd. In 2005, total sustainable treatment capacity was further increased to 160 mgd with a peak hydraulic flow of 200 mgd.
- B. The EAFWTP discharges wastewater into an onsite collection system that collects waste from the Water Quality Laboratory, Operations and Operations Laboratory, and Maintenance Building. The onsite collection system flows south along East Fairbairn Drive and discharges into the Sacramento Area Sewer District (SASD) collection system at College Town Drive and East Fairbairn Drive.
- C. The plant's construction preceded the formation of the Sacramento Regional County Sanitation District (1973 - LAFC#35-73,) and SASD (1978 - LAFC# 57-77). Wastewater collection, conveyance, and treatment were originally provided via City of Sacramento services. Upon formation of the Sacramento Regional County Sanitation District (Regional San), in 1973, the Plant and related properties were included in the Regional San service area. The respective service areas of the two districts are largely, but not completely, coterminous. This SASD boundary oversight may be attributable to the general City service model of wastewater collection and conveyance into the Regional San system for treatment, as occurs elsewhere in the general vicinity. The affected territory is located within the SASD Sphere of Influence.
- D. Additionally, facilities constructed at the Men's League Ball Fields located on the City-owned property immediately south of the EAFWTP (snack bar, restrooms, sinks, showers, etc.) discharge into the SASD collector system.
- E. The lack of inclusion of these City properties in the SASD service area was a technical oversight. With improvements in GIS mapping, and utility billing technology services, this "disconnect" was identified in 2011. The

SASD has requested that approximately 57 acres of City of Sacramento property be annexed into the SASD. Upon notification from the SASD, the City has acted in a timely manner, and has responsively filed this request for annexation.

- F. SASD is already providing wastewater collection and conveyance service for this property; the annexation will facilitate resource tracking allocation and billing.
- G. The change in the service provider (to align with the actual current provider) would not result in any physical change in the environment.
- H. This annexation is being initiated pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Section 56000 et seq.), hereafter referred to as the “Act”.
- I. This annexation is exempt from the provisions of the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines section 15305 and section 15061(b)(3), in that the project constitutes a minor alteration in land use limitations and because it can be seen with certainty that the action would not have a significant effect on the environment.
- J. A map of the boundaries of the affected territory to be annexed is attached as Exhibit A and incorporated herein by reference. The annexation as depicted on Exhibit A includes approximately 56.65 acres:

Assessor Parcel Numbers (APN):	Area (in acres):
005-0010-011 (Treatment Plant)	33.22
005-0010-012 (Treatment Plant)	11.97
079-0200-001 (Ball Fields)	9.29
079-0200-046 (Parking for Ball Fields)	2.17
TOTAL AREA:	56.65

- K. In December 2013, representatives from the City and the Sacramento Area Sewer District met and conferred regarding this proposed annexation and have reached agreement on the proposed boundaries and related matters, as required under the Act.
- L. The reasons for the proposed annexation are as follows:
 - 1. The SASD already has been providing service and has the means and capacity of public facilities and services to support the proposed annexation into the District, without adversely impacting

existing service delivery and capacity, as will be demonstrated in the required Plan For Services (to be included with the application to the Sacramento Local Agency Formation Commission).

2. The boundary adjustment (annexation) will facilitate resource allocation and service billing.

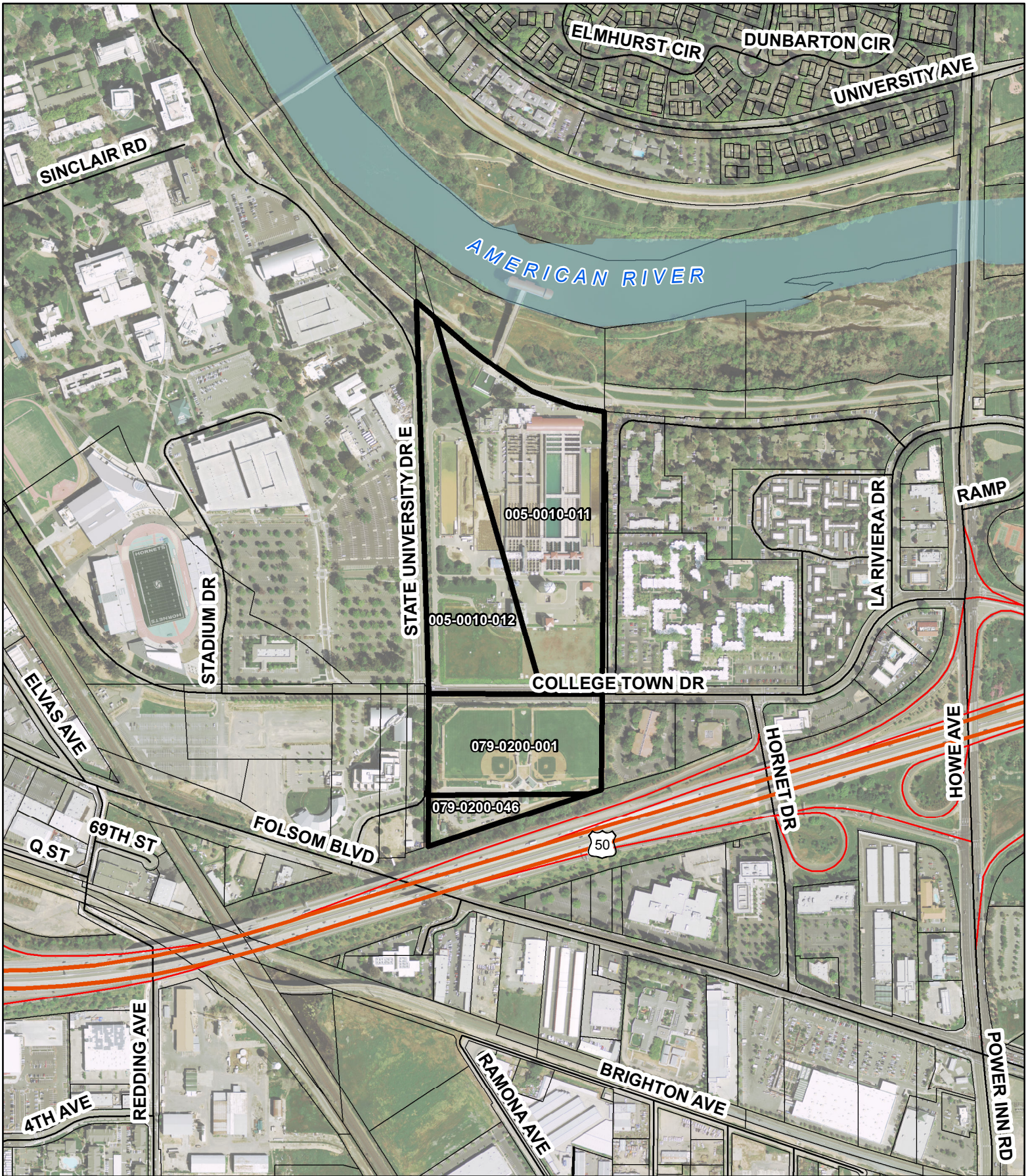
BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

The City Council of the City of Sacramento hereby initiates the annexation to the Sacramento Area Sewer District for the affected territory -- shown and described in the attached Exhibit A -- by directing staff to forward this Resolution initiating proceedings with the Sacramento Local Agency Formation Commission (LAFCo) for the annexation pursuant to the Act.

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Exhibit A: Area Proposed for Annexation to SASD

EXHIBIT A
Annexation Area
Fairbairn Water Treatment Plan & Men's League Ball Fields



**SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT
AND
CITY OF SACRAMENTO
AGREEMENT TO PROVIDE SEWER SERVICE
FOR THE E. A. FAIRBAIRN WATER TREATMENT PLANT AT
7501 COLLEGE TOWN DRIVE, SACRAMENTO, CALIFORNIA**

This Agreement is made and entered into this 30th day of January, 2014, by and between the Sacramento Regional County Sanitation District, a sanitation district formed pursuant to and operating under the authority of the County Sanitation District Act commencing at Health and Safety Code section 4700, hereinafter referred to as "Regional San", and the City of Sacramento, a municipal corporation, hereinafter referred to as "CITY".

RECITALS

WHEREAS, the CITY is the owner of that certain real property (the "Fairbairn Property") containing the CITY's E. A. Fairbairn Water Treatment Plant ("Fairbairn"); and

WHEREAS, the Fairbairn Property is located at 7501 College Town Drive, Sacramento, California, 95826, being further described as Assessor Parcel Numbers: 005-0010-011 and 005-0010-012, all of which is more particularly described and shown in Figure 1, attached hereto and incorporated herein by this reference; and

WHEREAS, Fairbairn is owned and operated by the CITY and uses a series of grit basins, flocculation tanks, sedimentation basins, and filters to treat water from the American River to provide potable water to CITY customers; and

WHEREAS, Fairbairn currently discharges wastewater into the Sacramento Area Sewer District (SASD)-owned pump station S079 which discharges to the Regional San Central Interceptor; and

WHEREAS, the CITY is changing its residual solids handling process from solar residual solids drying lagoons and temporary mechanical dewatering to permanent mechanical dewatering centrifuge equipment and facility, and this process change will result in ongoing discharge of wastewater and dewatering

decant that exceeds the capacity of SASD pump station S079 without extensive upgrades; and

WHEREAS, Regional San owns and operates the Arden Force Main, a pressurized interceptor sewer pipeline located adjacent to Fairbairn that conveys wastewater from the Arden Sewer Pump Station N19 to the Sacramento Regional Wastewater Treatment Plant; and

WHEREAS, Regional San has determined that the Arden Force Main has available capacity to accommodate the proposed additional wastewater flow from Fairbairn; and

WHEREAS, SASD has given the CITY a temporary maximum flow allowance of 350gpm for temporary dewatering (conditioned upon dry weather days when capacity is available) while the permanent dewatering facility described above is constructed. Once the permanent dewatering facility is constructed, SASD has indicated that the maximum sustainable flow allowance to the SASD collection system will be 200gpm; and

WHEREAS, the CITY understands the flow limitations of the existing SASD sewer collection system and intends to comply with the SASD flow limitations by changing the discharge locations of several of the Fairbairn processes, including its Filter Washwater (FWW) Decant /WWD Pump discharge, to the Arden Force Main, as provided herein; and

WHEREAS, Regional San is willing to allow a connection to the Arden Force Main to serve the Fairbairn with the conditions set forth herein.

NOW, THEREFORE, Regional San and CITY mutually agree as follows:

1. Sewer Pipe Installation, Maintenance and Operation

The CITY shall construct, own, operate, and maintain all piping and appurtenances (hereinafter the "City Sewer Line") necessary to discharge to the Arden Force Main. The City Sewer Line from Fairbairn shall be routed to the point of connection on Regional San's Arden Force Main as shown in Figure 1. The design of the City Sewer Line, including the point of connection on the Arden Force Main, shall be reviewed and approved by Regional San prior to construction, which approval shall not be unreasonably withheld. The CITY shall be fully responsible for the design

and construction of the City Sewer Line including the point of connection on the Arden Force Main. The CITY is advised that the Arden Force Main will always be pressurized. All maintenance and operation of the City Sewer Line shall anticipate the Arden Force Main is fully pressurized and in service. The CITY shall be responsible for insuring the discharge limitations are not exceeded as specified in the discharge permit issued to CITY by Regional San. The CITY shall also be solely responsible for the maintenance, repair and replacement of any Regional San's facilities which may be disturbed, altered or removed in order to construct and maintain the City Sewer Line. Regional San shall have no responsibility for the maintenance, repair and replacement of landscaping, and other improvements which may be disturbed, altered or removed in order to construct and maintain the City Sewer Line. Upon completion of the City Sewer Line and issuance of the Regional San discharge permit, Regional San shall accept wastewater discharged from Fairbairn through the City Sewer Line, in accordance with the provisions of this Agreement and the discharge permit.

2. Sanitary Sewer Overflows

The CITY shall construct, operate and maintain the City Sewer Line and associated Fairbairn facilities as necessary to prevent a sanitary sewer overflow (SSO). The CITY shall be solely responsible for all SSOs from the City Sewer Line. The City is responsible for all measures required to respond to SSO's from the City Sewer Line irrespective of the operations of the Arden Force Main. The CITY shall have no responsibility for SSOs from the Arden Force Main which are not a direct result of the construction, operation and maintenance of the City Sewer Line. SSO's from the Arden Force Main that are not a direct result of the construction, operation or maintenance of the City Sewer Line shall be the sole responsibility of Regional San.

3. Costs

The CITY shall be responsible for any and all costs associated with the City Sewer Line; including but not limited to the construction, maintenance, repair and operation of the City Sewer Line and all SSO-related costs for which the CITY is responsible pursuant to Section 2 above. Regional San shall be responsible for any and all costs associated with the Arden Force Main; including but not limited to the construction, maintenance, repair and

operation of the Arden Force Main Sewer Line and all SSO- related costs for which Regional San is responsible pursuant to Section 2 above.

4. Sewer Impact Fees

All sewer impact fees due to Regional San shall be paid by the CITY to Regional San in accordance with the standard policies of the Regional San Consolidated Ordinance at the time the fees are due, provided that the CITY shall be allowed to split the fee payment into three equal payments made during Fiscal Year (FY) 2013-14, FY 2014-15, and the first half of FY 2015-16 (ending December 31, 2015), respectively. Nothing in this Agreement shall prevent the CITY from securing and/or utilizing Economic Development Treatment Capacity Bank Credits, as appropriate, in lieu of, or to offset, impact fees.

5. Monthly Service Charge

Regional San shall bill and collect a monthly service charge from the CITY for the sewer service in accordance with the standard policies of the Regional San Consolidated Ordinance that are in effect at the time of the billing.

6. Ordinances and Laws

The CITY shall be bound by all federal, state, and local statutes, laws, rules and regulations, inclusive of those established by Regional San, regulating the construction and use of public sewers and the discharge of waters and wastes into the sewer system with regard to the sewer pipe and services herein contemplated.

7. Discontinuance of Sanitary Sewer Service

Regional San retains the right and has the authority to discontinue sanitary sewer service from the City Sewer Line for cause arising from the CITY's breach of this Agreement. Regional San shall provide to the CITY a written Notice of Discontinuance For Cause at least ninety (90) days prior to discontinuing service to permit the CITY time to cure any breach in which case there shall be no discontinuance, or establish an alternative means of sewerage disposal. Regional San also retains the right and has the authority to provide the CITY with a written notice if the CITY is not in

breach of this Agreement but sanitary sewer service from the City Sewer Line causes significant adverse impacts to the Regional San's operation and maintenance of the Arden Force Main. Upon CITY's receipt of such notice, CITY and Regional San shall cooperate in good faith to identify and implement measures to substantially mitigate such impacts. If such impacts cannot be substantially mitigated, Regional San may provide the CITY a written Notice of Discontinuance For Cause at least ninety (90) days prior to discontinuing service due to the occurrence of such impacts.

8. No Change to Land Use

The CITY agrees not to change land use of the Fairbairn Property from the use associated with the facility in existence at the time this Agreement is executed by the parties.

9. Notice of Transfer of Title by CITY

CITY shall notify Regional San a minimum of 90 days prior to any transfer of title to the Fairbairn Property.

10. Successors and Assigns

This Agreement shall bind the successors of Regional San and CITY in the same manner as if they were expressly named. Any assignment of this Agreement by either party in whole or in part, is not valid without the prior written consent of the non-assigning party, which shall not be unreasonably withheld.

11. Recording

This Agreement shall be recorded in the Office of the Recorder of Sacramento County, California, and shall constitute notice to all successors of title to the Fairbairn Property of the obligations herein set forth.

12. Disputes

In the event of any dispute arising out of or relating to this Agreement, the parties shall attempt, in good faith, to promptly resolve the dispute mutually between them. Pending resolution of any such dispute, each party shall continue without delay to carry out all its responsibilities under this

Agreement unless the Agreement is otherwise terminated in accordance with the Termination provisions herein. If the dispute cannot be resolved within 15 calendar days of initiating such negotiations or such other time period as may be mutually agreed to by the parties in writing, either party may pursue its available legal and equitable remedies, pursuant to the laws of the State of California. Nothing in this Agreement or provision shall constitute a waiver of any of the government claim filing requirements set forth in Title 1, Division 3.6, of the California Government Code or as otherwise set forth in local, state and federal law, if applicable.

13. Time

Time is of the essence of this Agreement.

14. Amendment and Waiver

Except as provided herein, no alteration, amendment, variation, or waiver of the terms of this Agreement shall be valid unless made in writing and signed by both parties. Waiver by either party of any default, breach or condition precedent shall not be construed as a waiver of any other default, breach or condition precedent, or any other right hereunder. No interpretation of any provision of this Agreement shall be binding upon Regional San unless agreed in writing by the District Engineer and counsel for Regional San.

15. Term

This Agreement shall be effective and commence as of the date first written above and shall remain in effect until terminated in accordance with the provisions of this Agreement or by operation of law.

16. Notice

Any notice, demand, request, consent, or approval that either party hereto is required to give the other pursuant to this Agreement shall be in writing and shall be either personally delivered or sent by mail, addressed as follows:

To District:
Regional San
8521 Laguna Station Road
Elk Grove, California 95758

To City:
City of Sacramento
Sacramento River Water
Treatment Plant
301 Water St.
Sacramento, California 95814

Attn: Ruben Robles
Phone: 916-876-6119
Email: RoblesR@sacsewer.com

Attn: Dave Phillips
Phone: (916) 808-5652
Email: dphillips@cityofsacramento.org

Either party may change the address to which subsequent notice and/or other communications can be sent by giving written notice designating a change of address to the other party, which shall be effective upon receipt.

17. Release of Claims

The CITY hereby acknowledges, understands and agrees that, in the absence of this Agreement, the Regional San is not required to provide sanitary sewer service to the Fairbairn Property via direct connection to the Arden Force Main. The CITY hereby acknowledges and agrees that Regional San may discontinue sewer service to the Fairbairn Property under this Agreement in accordance with the provisions of Article 7 above.

18. Insurance

Each party, at its sole cost and expense, shall carry insurance –or self-insure - its activities in connection with this Agreement, and obtain, keep in force and maintain, insurance or equivalent programs of self-insurance, for general liability, workers compensation, and business automobile liability adequate to cover its potential liabilities hereunder. Each party agrees to provide the other thirty (30) days' advance written notice of any cancellation, termination or lapse of any of the insurance or self-insurance coverage.

19. Indemnification

- A. CITY shall defend, indemnify and hold harmless Regional San, its Board of Directors, officers, directors, agents, employees and volunteers from and against any and all demands, claims, actions, liabilities, penalties, losses, damages, and costs, including reasonable attorneys' fees, arising out of or resulting from the performance of this Agreement, caused in whole or in part by the negligent or intentional acts or omissions of the CITY's officers, directors, agents, employees, or contractors.
- B. Regional San shall defend, indemnify, and hold harmless the CITY, its officers, directors, agents, employees, and contractors from and

against any and all demands, claims, actions, liabilities, penalties, losses, damages, and costs, including reasonable attorneys' fees, arising out of or resulting from the performance of this Agreement, caused in whole or in part by the negligent or intentional acts or omissions of Regional San's Board of Directors, officers, directors, agents, employees, or volunteers.

- C. It is the intention of Regional San and the CITY that the provisions of this paragraph be interpreted to impose on each party responsibility to the other for the acts and omissions of their respective officers, directors, agents, employees, volunteers, governing body, and CITY's contractors. It is also the intention of Regional San and the CITY that, where comparative fault is determined to have been contributory, principles of comparative fault will be followed and each party shall bear the proportionate cost of any damage attributable to the fault of that party, its officers, directors, agents, employees, volunteers, governing body, and CITY's contractors.

The provisions of this indemnity shall survive the expiration or termination of the Agreement.

20. Governing Laws and Jurisdiction

This Agreement shall be deemed to have been executed and to be performed within the State of California and shall be construed and governed by the internal laws of the State of California. Any legal proceedings arising out of or relating to this Agreement shall be brought in Sacramento County, California.

21. Interpretation

This Agreement shall be deemed to have been prepared equally by both of the parties, and the Agreement and its individual provisions shall not be construed or interpreted more favorably for one party on the basis that the other party prepared it.

22. District Engineer

As used in this Agreement, "District Engineer" shall mean the District Engineer of Sacramento Regional County Sanitation District, or their designee.

23. Prior Agreements

This Agreement constitutes the entire contract between Regional San and CITY regarding the subject matter of this Agreement. Any prior agreements, whether oral or written, between Regional San and CITY regarding the subject matter of this Agreement are hereby terminated effective immediately upon full execution of this Agreement.

24. Severability

If any term or condition of this Agreement or the application thereof to any person(s) or circumstance is held invalid or unenforceable, such invalidity or unenforceability shall not affect other terms, conditions, or applications which can be given effect without the invalid term, condition, or application; to this end the terms and conditions of this Agreement are declared severable.

25. Events Beyond Reasonable Control

Neither CITY nor Regional San shall be liable or responsible for delays or failures in performance resulting from events beyond the reasonable control of such party and without fault or negligence of such party. Such events shall include but not be limited to acts of God, strikes, lockouts, riots, acts of war, epidemics, acts of government, fire, power failures, nuclear accidents, earthquakes, unusually severe weather, acts of terrorism, or other disasters, whether or not similar to the foregoing, and acts or omissions or failure to cooperate of the other party or third parties (except as otherwise specifically provided herein).

26. Survival of Terms

The terms and conditions contained in this Agreement that by their sense and context are intended to survive the completion of the performance, cancellation or termination of this Agreement shall so survive.

27. Duplicate Counterparts

This Agreement may be executed in duplicate counterparts. The Agreement shall be deemed executed when it has been signed by both parties.

28. Authority to Execute

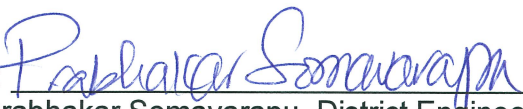
Each person executing this Agreement represents and warrants that he or she is duly authorized and has legal authority to execute and deliver this Agreement for or on behalf of the party he or she is executing this Agreement for. Each party represents and warrants to the other that the execution and delivery of the Agreement and the performance of such party's obligations hereunder have been duly authorized.

Signature page follows

IN WITNESS THEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first written above.

**SACRAMENTO REGIONAL COUNTY
SANITATION DISTRICT**, a county
sanitation district pursuant to and operating
under the authority of the County Sanitation
District Act, commencing at Health and
Safety Code section 4700

CITY OF SACRAMENTO, a municipal
corporation

By: 
Prabhakar Somavarapu, District Engineer

By: _____

Name: _____

Title: _____

Date: _____

Date: 1/22/2014

APPROVED AS TO FORM:

Agreement Approved by the Board of
Directors with Authority Delegated to the
District Engineer to execute the Agreement
on behalf of District.

By: _____
City Attorney

ATTEST:

Agenda Date: January 22, 2014

Item Number: 6

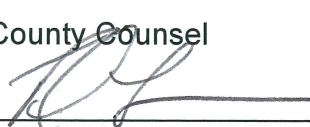
By: _____
City Clerk

Resolution No.: _____

REVIEWED AND APPROVED:

SEE ATTACHED COUNTERPART(S)

By: _____
Lisa A Travis
Supervising Deputy County Counsel

Prepared by: 
Paul Concannon, District Purchasing Manager
Internal Services Department
Sanitation Districts Agency
Phone: (916) 875-9064

IN WITNESS THEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first written above.

**SACRAMENTO REGIONAL COUNTY
SANITATION DISTRICT**, a county
sanitation district pursuant to and operating
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CITY OF SACRAMENTO, a municipal
corporation

By: _____
Prabhakar Somavarapu, District Engineer

By: _____

Name: _____

Title: _____

Date: _____

Date: _____

Agreement Approved by the Board of
Directors with Authority Delegated to the
District Engineer to execute the Agreement
on behalf of District.

APPROVED AS TO FORM:

By: _____
City Attorney

ATTEST:

Agenda Date: January 22, 2011

Item Number: 6

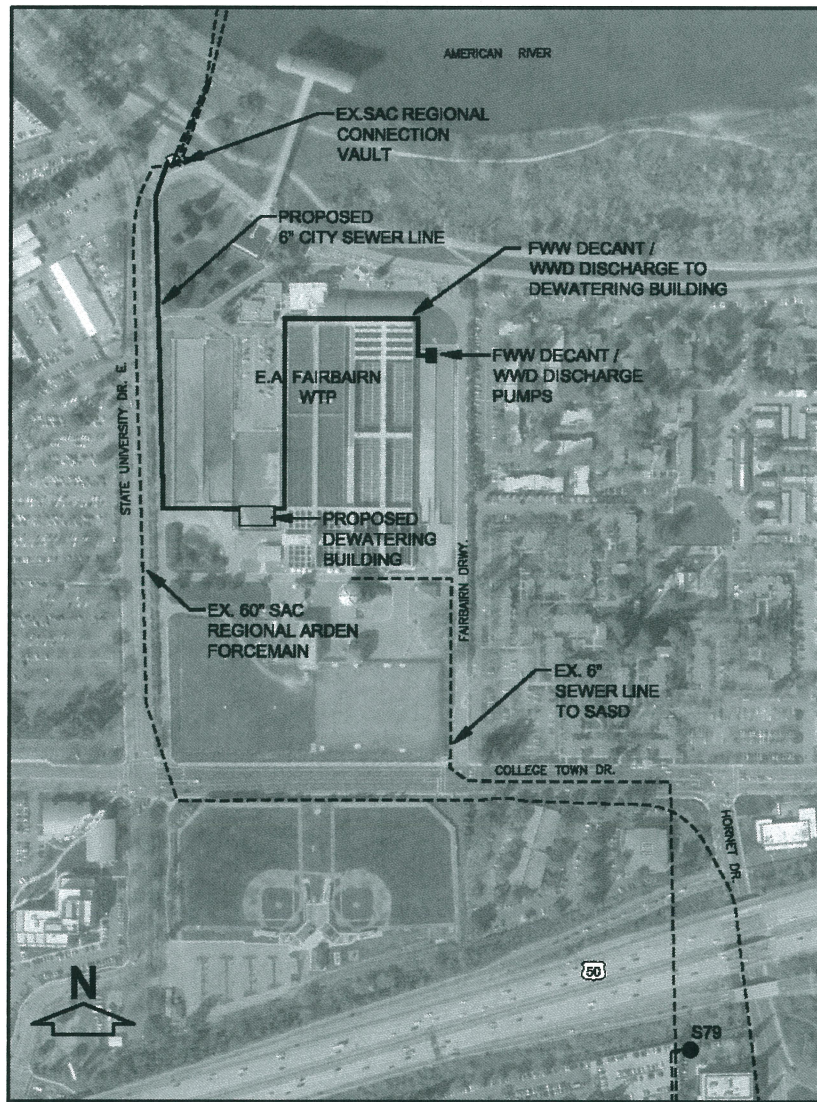
By: _____
City Clerk

Resolution No.: _____

REVIEWED AND APPROVED:

By:  _____
Lisa A Travis
Supervising Deputy County Counsel

LOCATION MAP
FIGURE 1
FAIRBAIRN CONNECTION TO ARDEN FORCE MAIN



FWTP-SRCSD-lac.dwg