



CITY OF SACRAMENTO

DIVISION OF WATER AND SEWERS  
927 10TH STREET SACRAMENTO, CALIFORNIA 95814-2796  
SUITE #201 TELEPHONE (916) 449-5271

CITY MANAGER'S OFFICE  
**RECEIVED**  
AUG 5 1982

ROBERT C. BITTEN  
MANAGER  
ROBERT W. JOHNSTON  
ASSISTANT MANAGER

August 4, 1982

City Council  
Sacramento, CA

Honorable Members in Session:

SUBJECT: City Reimbursement Costs For Oversizing Water Main

SUMMARY

Attached is a report submitted to the Budget & Finance Committee and approved on August 3, 1982. It recommends that the City enter into a reimbursement agreement with Morrison Homes for \$70,266 for the oversizing of a City water main constructed outside of their immediate subdivision and to adopt an ordinance requiring future development in that area to reimburse the City for said cost.

Respectfully submitted,

*William T. Holland*  
for

Robert C. Bitten  
Manager

Recommendation approved:

*Walter J. Slipe*  
Walter J. Slipe  
City Manager

**APPROVED**  
BY THE CITY COUNCIL

AUG 10 1982

OFFICE OF THE  
CITY CLERK

WTH:c1  
attachments



Vertical text or stamp on the left side of the page.

Main vertical text or stamp on the left side of the page.

Vertical text or stamp in the upper middle section.

Vertical text or stamp in the middle section.

Vertical text or stamp in the lower middle section.

Vertical text or stamp in the lower middle section.

Vertical text or stamp in the lower middle section.

Vertical text or stamp in the lower middle section.

Vertical text or stamp in the lower middle section.

Vertical text or stamp in the lower middle section.



# CITY OF SACRAMENTO

28

## DIVISION OF WATER AND SEWERS

927 10TH STREET  
SUITE #201

SACRAMENTO, CALIFORNIA 95814-2796  
TELEPHONE (916) 449-5271

ROBERT C. BITTEN  
MANAGER

ROBERT W. JOHNSTON  
ASSISTANT MANAGER

July 20, 1982

Budget & Finance Committee  
Sacramento, California.

Honorable Members in Session:

SUBJECT: City Reimbursement Costs for Oversizing  
Water Main

### SUMMARY

It is recommended that the City enter into a reimbursement agreement with Morrison Homes for \$70,266 for the oversizing of a City water main constructed in an area outside of their immediate subdivision, and to adopt an ordinance requiring future development in that area to reimburse the City for said cost.

### BACKGROUND

As part of the development known as Natomas Oaks, a 12-inch diameter water main was constructed in West El Camino Avenue south on Gateway Oaks Drive to the Garden Highway and east to Interstate 5 (see attached map). A portion of that water main provides supplemental capacity and service for a 172.6 acre area north of the Natomas Oaks Subdivision.

On July 1, 1980 a meeting was held with the City, Morrison Homes, and their Consultant. It was concluded that the Natomas Oaks Subdivision was providing supplemental capacity for the land generally north of their development. It was also felt the cost of that portion of the water main should be shared with the City. It therefore was proposed that the City reimburse the developer, Morrison Homes, \$70,266 for their cost for oversizing the water main. In the past, the City has used this technique of reimbursement for supplemental capacity in similar type situations. This technique differs from formation of an assessment district in that assessment proceedings are long and time consuming. Also, when interest rates are high it is difficult to sell bonds to finance these districts. When these factors are not present, the assessment districts are the preferred approach. It was felt at the time of the Natomas Oaks Subdivision, that the reimbursement procedure was most applicable. It was further proposed to make a condition of any future map for development of that area to pay \$407.13 per acre to the City to recover their costs relating to over-sizing of the water main. The project is now completed and final costs have been computed.

Normally, a formal reimbursement agreement based on estimate costs prior to construction of the project would be submitted to Council for their review and prior approval. At

completion of the project an audit and accounting would be performed to determine final costs. However, in this situation, it was an oversight that this did not occur. In the future, proposed agreements will be submitted to the Council for their review and approved prior to construction.

A reimbursement agreement and an ordinance concerning the subject matter is attached.

FINANCIAL

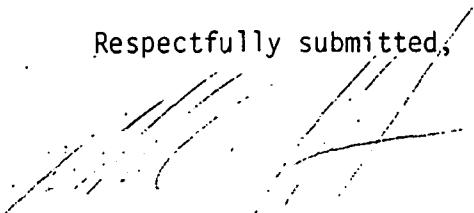
The engineer's estimate for the reimbursable work was \$76,534. The actual construction cost was \$70,266. The Water and Sewer Division personnel have reviewed construction cost records submitted by the Developer and have verified their accuracy. Funds to make the reimbursement are available in the Division's miscellaneous water main extension line Item 4-13-3030-1598-4820.

RECOMMENDATIONS

Staff recommends that:

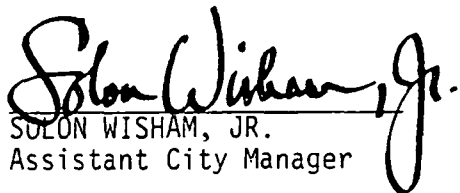
1. The Council accept the attached Reimbursement Agreement for \$70,266.
2. The Council adopt the attached ordinance providing for collection of fees to reimburse the City for cost-incurred to provide water service.
3. The Council authorize the City Manager and City Clerk to sign the Reimbursement Agreement on behalf of the City of Sacramento.

Respectfully submitted,



Robert C. Bitten  
Manager

Recommendation approved:

  
SOLON WISHAM, JR.  
Assistant City Manager

attachments

ORDINANCE NO. 82-064

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

AN ORDINANCE PROVIDING FOR COLLECTION OF FEES TO REIMBRUSE THE CITY FOR COSTS INCURRED TO PROVIDE WATER SERVICE

WHEREAS, Morrison Homes installed water service as part of the Natomas Oak Loop containing supplemental capacity for the benefit of property not within the Natomas Oaks Subdivision;

WHEREAS, City reimbursed Morrison Homes the sum of \$70,266.00 for installing the Natomas Oak Loop for the benefit of property not within the Natomas Oaks subdivision;

WHEREAS, the property benefitted by said supplemental capacity is:

County of Sacramento Assessor's Map Book 225, Page 23, Parcels #47 and #60;

WHEREAS, Government Code Section 66487 authorizes the City to collect a reasonable charge for the use of such supplemental capacity.

BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF SACRAMENTO:

SECTION 1 As a condition of any development of the property described in Section 2 there shall be collected the sum of \$407.13 per acre.

SECTION 2 The property referred to in Section 2 is described as follows:

County of Sacramento Assessor's Map Book 225, Page 23, Parcels #47 and #60.

APPROVED BY THE CITY COUNCIL

AUG 10 1982

OFFICE OF THE CITY CLERK

PASSED FOR PUBLICATION:

ENACTED:

EFFECTIVE:

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

RESOLUTION NO. 82-562

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

August 10, 1982

RESOLUTION AUTHORIZING EXECUTION OF A REIMBURSEMENT AGREEMENT WITH MORRISON HOMES FOR THE OVERSIZING OF A CITY WATER MAIN

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

That the City Manager and City Clerk are hereby authorized and directed to execute a reimbursement agreement with Morrison Homes for \$70,266 for the oversizing of a City water main outside of their immediate subdivision.

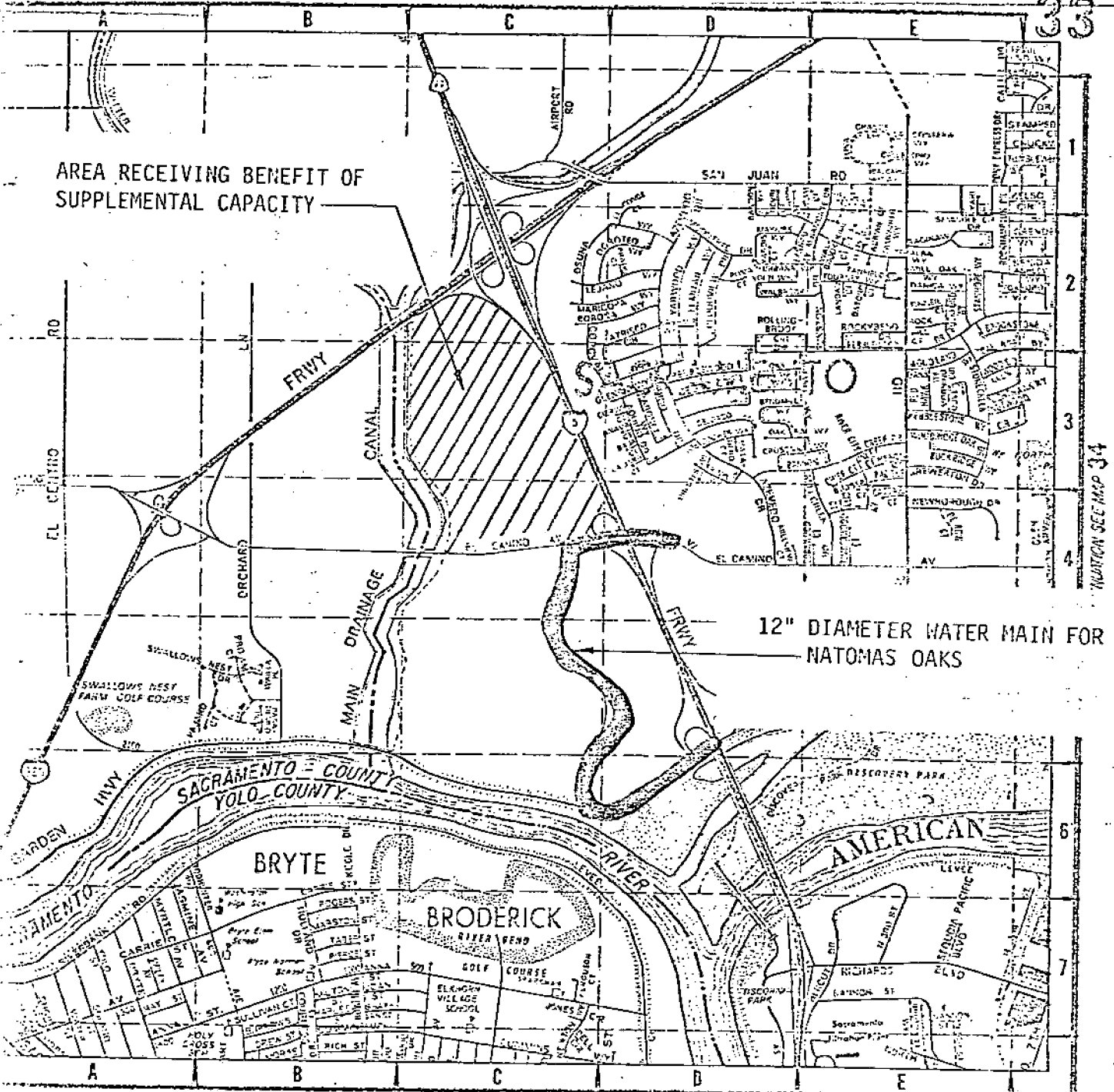
\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

# CITY REIMBURSEMENT COSTS FOR OVERSIZING WATER MAIN

FOR CONTINUATION SEE MAP 31



33

CONTINUED SEE MAP 34

2,133,000'

FOR CONTINUATION SEE MAP 51

2,136,000'

2,139,000'

2,142,000'

2,145,000'