

REPORT TO CITY COUNCIL

DATE: MAY 10, 2006

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: GREG RAMIREZ, CITY MANAGER

BY: KEN BERKMAN, CITY ENGINEER

**SUBJECT: SEWER EXTENSION REIMBURSEMENT AGREEMENT NO. 06-01
(MORRIS - CHESEBRO ROAD)**

In October 2005, property owners Susan and Kelly Morris of 5342 Chesebro Road completed an approximate 450-foot sewer main extension from Driver Avenue northerly. In accordance with the City's Municipal Code, the costs associated with this project may be reimbursed to them by property owners who hook up to the new sewer main in the future. Applicable costs included design, plan check review, permits, construction and inspection of the extended sewer line, which were reviewed and approved by the City Engineer.

The total cost of this project which is subject to this agreement is \$123,259.96, which excludes work performed on the Morris property.

Attached for Council's consideration is Sewer Extension Reimbursement Agreement No. 06-01, which will terminate after 15 years and provides for a 5% annual increase to the reimbursable construction costs.

The proposed reimbursement agreement has been reviewed by the City Attorney and approved as to form.

RECOMMENDATION

Staff respectfully recommends the City Council:

1. Approve Sewer Reimbursement Agreement No. 06-01; and
2. Authorize the Mayor to sign the Agreement and authorize the City Clerk to forward the executed agreement to the County Recorder for recordation.

Attachment: Agreement