



# CITY OF LODI COUNCIL COMMUNICATION

TM

**AGENDA TITLE:** Adopt Resolution Authorizing City Manager to Enter into a Fee Payment Agreement for Sewer Capacity Fees for a Groundwater Cleanup Project Located at Flame Mini Mart, 1301 West Kettleman Lane

**MEETING DATE:** July 18, 2007

**PREPARED BY:** Public Works Director

**RECOMMENDED ACTION:** Adopt a resolution authorizing the City Manager to enter into a fee payment agreement for sewer capacity fees for a groundwater cleanup project located at Flame Mini Mart, 1301 West Kettleman Lane.

**BACKGROUND INFORMATION:** The property at 1301 West Kettleman Lane is required by the State and County to perform a clean-up of underground leaked gasoline product. The cleanup accepted by the regulators involves the pumping of the shallow groundwater, removing contaminants by granular activated carbon and then discharging the cleaned water. The property owners, William Graffigna, Sr., and Eva Graffigna, etal, approached the City regarding discharging the cleaned groundwater to the City's wastewater system. Based on economic and logistical considerations, the proposal is to discharge to the City's domestic wastewater system. Staff has recommended that this discharge of cleaned groundwater to the domestic wastewater system be allowed under the following conditions: 1) the discharge water is free of organic contaminants, 2) the discharge be done under a wastewater discharge permit, 3) appropriate monthly wastewater fees be paid, and 4) appropriate sewer capacity fees be paid.

The estimated capacity fees total \$172,994 based on the demand predicted for the clean-up system. Since this is a temporary demand, the property is fully developed and the duration needed for the clean-up is uncertain, the final amount paid may be different. The property will only be credited for sewer capacity as it is paid for, and since the fee is indexed, interest would not be charged separately. However, an annual administrative fee (\$250 per year) will be charged.

The property owners have requested that the capacity fee be paid over a seven-year period. Staff feels this is a reasonable request in order to expedite the clean-up. The form of the agreement will be similar to past fee payment agreements and will be reviewed by the City Attorney prior to execution by the City Manager.

**FISCAL IMPACT:** There would be no significant fiscal impact.

**FUNDING AVAILABLE:** Not applicable.

\_\_\_\_\_  
Richard C. Prima, Jr.  
Public Works Director

Prepared by Frank Beeler, Water/Wastewater Superintendent  
RCP/FB/dsg  
Cc Charles E. Swimley, Water Services Manager  
Frank Beeler, Water/Wastewater Superintendent

**APPROVED:** \_\_\_\_\_  
Blair King, City Manager

RESOLUTION NO. 2007-\_\_\_\_\_

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING THE CITY MANAGER TO ENTER INTO A FEE PAYMENT AGREEMENT FOR SEWER CAPACITY FEES FOR A GROUNDWATER CLEANUP PROJECT LOCATED AT FLAME MINI MART, 1301 WEST KETTLEMAN LANE

=====

WHEREAS, the Flame Mini Mart property at 1301 West Kettleman Lane is required to perform a groundwater cleanup; and

WHEREAS, the cleanup activities will require disposal of clean-up water at a rate of approximately ten gallons per minute; and

WHEREAS, the property owners have requested that the City allow the discharging of the cleaned groundwater to the City's wastewater system; and

WHEREAS, staff recommends approval of this temporary discharge to the domestic sewer under the following conditions:

- 1) the discharge water is free of organic contaminants; and
- 2) the discharge be done under a wastewater discharge permit; and
- 3) the appropriate monthly wastewater fees be paid; and
- 4) that the appropriate sewer capacity fees be paid; and

WHEREAS, staff recommends that the City Council authorize the City Manager to execute a Fee Payment Agreement for Sewer Capacity Fees for the Flame Mini Mart, 1301 West Kettleman Lane groundwater cleanup project on behalf of the City of Lodi.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby authorizes the City Manager to enter into a Fee Payment Agreement for sewer capacity fees for a groundwater cleanup project located at Flame Mini Mart, 1301 West Kettleman Lane, Assessor's Parcel Number 031-040-30.

Dated: July 18, 2007

=====

I hereby certify that Resolution No. 2007-\_\_\_\_\_ was passed and adopted by the City Council of the City of Lodi in a regular meeting held July 18, 2007, by the following vote:

- AYES: COUNCIL MEMBERS –
- NOES: COUNCIL MEMBERS –
- ABSENT: COUNCIL MEMBERS –
- ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL  
City Clerk