



# AGENDA REPORT

SAN CLEMENTE CITY COUNCIL MEETING  
Meeting Date: January 15, 2019

Agenda Item CON

**Approvals:**

City Manager [Signature]

Dept. Head [Signature]

Attorney [Signature]

Finance [Signature]

**Department:** Utilities  
**Prepared By:** Dave Rebensdorf, Utilities Director DR

**Subject:** *AUTHORIZE AN EXTENSION TO THE SHORT-TERM WASTEWATER SERVICES AGREEMENT WITH SANTA MARGARITA WATER DISTRICT (SMWD).*

**Fiscal Impact:** Yes. The City will continue to receive \$59,000 per month in revenue from SMWD for an additional 90 days.

**Summary:** Staff recommends the City Council approve a Fourth Amendment for an extension to the Short-Term Agreement with SMWD for the conveyance and treatment of Talega wastewater.

**Background:** For the past several years, SMWD and City staff informally discussed the potential for the City to treat SMWD's Talega wastewater due to several failures of their force main under a creek. Due to SMWD's concerns regarding their sewer conveyance system from Talega to their Chiquita Wastewater Plant and odor issues created by the long force main and at the wastewater plant, the City and SMWD entered into a Short-Term Agreement on December 5, 2017 for 60 days while a revised Short-Term Agreement was developed.

Due to the complexity of modifying the Short-Term Agreement to reflect language to be used in a Long-Term Agreement and to save staff time and legal fees, the Short-Term Agreement in its original form has been extended several times. In addition, the revenue being received as part of the Short-Term Agreement is commensurate with the anticipated future revenue currently under negotiation. The Long-Term Agreement has been drafted and is under review. Staff is recommending a fourth extension for an additional 90 days to allow sufficient time for staff and the City Attorney to review the proposed Long-Term Agreement.

**Recommended**

**Action:** STAFF RECOMMENDS THAT the City Council Approve and Authorize the City Manager to execute, Amendment No. 4 to Contract C17-55 by and between the City of San Clemente and the Santa Margarita Water District, to extend the contract to treat wastewater flows from Talega for 90 days.

**Attachments:** None, the Fourth Amendment is on file with the City Clerk's Office.

**Notification:** None.

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