

RESOLUTION NO. \_\_\_\_\_

RESOLUTION OF THE BOARD OF PUBLIC UTILITIES APPROVING THE REIMBURSEMENT AGREEMENT BETWEEN THE CITY OF SANTA ROSA AND THE SOUTH PARK COUNTY SANITATION DISTRICT FOR SEWER ASSET REPLACEMENTS FOR THE MCMINN AVE AND HUGHES AVE SEWER, WATER, AND STORM DRAIN IMPROVEMENTS PROJECT AND DELEGATING AUTHORITY TO THE DIRECTOR OF SANTA ROSA WATER TO EXECUTE FUTURE REIMBURSEMENT AGREEMENTS FOR CAPITAL IMPROVEMENT PROJECTS NECESSARY UNDER THE TRANSFER AGREEMENT

WHEREAS, the South Park County Sanitation District (“District”) was formed in 1956 and responsibility for the District was transferred to the Sonoma County Water Agency in 1994 via state legislation; and

WHEREAS, the District and the City entered into the "Agreement for Dissolution of the District and Transfer to the City of Santa Rosa" in February 1996; and

WHEREAS, on June 26, 2012, the District and the City entered into the "Amended and Restated Agreement Regarding District Operations and Transfer to the City of Santa Rosa" (“Transfer Agreement”) to address the eventual dissolution of the District, provide for ongoing maintenance operations by the City, address current and any future debt payment obligations, define required infrastructure improvements, and set forth District’s obligations under Clean Up and Abatement Order No. R1- 2007- 0040; and

WHEREAS, on October 24, 2017, City and District entered into the First Amendment to the Transfer Agreement; and

WHEREAS, Section 5 of the Transfer Agreement defines the responsibility of the District for future improvements before dissolution, including, upon agreement between City and District, reimbursement for City performed work within the District; and

WHEREAS, the City has identified a needed capital improvement project: McMinn Ave and Hughes Ave Sewer, Water, and Storm Drain Improvements (“Project”), which includes sewer infrastructure owned by the City and the District. The sewer mains within the Project extents are deteriorated and, in some cases, do not meet City design and construction standards. The City has concluded that it is in the best interest of both parties to replace District sewer mains, manholes, and sewer service laterals (“District Assets”) as part of the Project; and

WHEREAS, District Assets to be replaced by the project include 3 sewer mains, 3 sewer manholes, and sewer service laterals associated with the sewer mains. The total length of sewer mains being replaced by the Project is 2,533 feet, of which the City owns 1,393 feet (55.0%) and the District owns 1,140 feet (45.0%). The complete reimbursable project delivery includes design, construction, contingency, construction management, and City administration of the Project; and

WHEREAS, to be reimbursed by the District for costs in the amount of \$979,000, the City must execute the Agreement Between the City and the District for Sewer Asset Replacements for the McMinn Ave and Hughes Ave Sewer, Water, and Storm Drain

Improvements Project (“Reimbursement Agreement”); and

WHEREAS, when additional sewer asset capital improvement projects have been identified, reimbursement agreements will be required for both the City and the District to reimburse one another for costs associated with replacement of assets under their respective ownership in accordance with the Transfer Agreement.

NOW, THEREFORE, BE IT RESOLVED that the Board of Public Utilities approves the Reimbursement Agreement between the City of Santa Rosa and the South Park County Sanitation District for Sewer Asset Replacements for the McMinn Ave and Hughes Ave Sewer, Water, and Storm Drain Improvement Project substantially in the form attached hereto as Exhibit A, subject to approval by the City Attorney, and made part of this resolution.

BE IT FURTHER RESOLVED that the Board of Public Utilities delegates authority to the Director of Santa Rosa Water to execute on behalf of the City of Santa Rosa future Reimbursement Agreements for capital improvement projects necessary under the Transfer Agreement, and related documents, subject to the approval of the City Attorney.

DULY AND REGULARLY ADOPTED by the City of Santa Rosa Board of Public Utilities this 7<sup>th</sup> day of May, 2026.

AYES:

NOES:

ABSENT:

ABSTAIN:

RECUSE:

APPROVED: \_\_\_\_\_

Daniel J. Galvin III, Chair

ATTEST: \_\_\_\_\_

Michelle Montoya, Recording Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
David Hobstetter, Assistant City Attorney

Exhibit A – Agreement between the City of Santa Rosa and the South Park County Sanitation District for Sewer Asset Replacements for the McMinn Ave and Hughes Ave Sewer, Water, and Storm Drain Improvement Project