

City of Calistoga Staff Report

TO: Honorable Mayor and City Council
FROM: Dylan Feik, City Manager
DATE: June 20, 2017
SUBJECT: Consideration and Approval of an Agreement for Water and Wastewater Allocation and Connection Fee Payment between the City of Calistoga and Dan Farris (Dan Farris Construction)

APPROVAL FOR FORWARDING:



Dylan Feik, City Manager

- 1 **ISSUE:** Consideration and Approval of an Agreement for Water and Wastewater
 2 Allocation and Connection Fee Payment between the City of Calistoga and Dan Farris
 3 (Dan Farris Construction).
 4
- 5 **RECOMMENDATION:** Adopt the Resolution of an Agreement for Water and
 6 Wastewater Allocation and Connection Fee Payment between the City of Calistoga and
 7 Dan Farris (Dan Farris Construction).
 8
- 9 **BACKGROUND/DISCUSSION:** Dan Farris ("Property Owner") owns commercially-
 10 zoned real property commonly known as 713 A/B and 715 Washington Street, Calistoga
 11 and identified as Napa County Assessor's Parcel Number 011-234-012 ("**Property**").
 12 The current building improvements were constructed in 2007 and included one (1),
 13 three-bedroom apartment unit upstairs.
 14
- 15 The Property Owner acquired 0.204 acre-feet of water and 0.184 acre-feet of
 16 wastewater through a Payment Plan Agreement for Connections Fees recorded on

17 January 9, 2014 in the Official Records of the Office of the County of Napa Recorder.
18 An additional 0.0671 acre-feet of water and 0.0393 acre-feet of water was acquired on
19 July 31, 2014 through a one-time payment of the applicable connection fees. As such,
20 the Property's established annual baseline allocation, as defined by Chapter 13.16, is
21 0.2711 acre-feet of water and 0.2233 acre-feet of wastewater annually.

22
23 The Property Owner has a desire to initiate and complete a conversion of one (1), three-
24 bedroom apartment unit to two (2) apartment units to include one (1), one-bedroom and
25 one (1), two-bedroom unit ("**Converted Property**"). The Property Owner desires to
26 contribute appropriately to its fair share of any actual burden on the City utilities.

27
28 The connection fees for a new connection or expanded use of an existing connection
29 are one-time fees that are ordinarily calculated by multiplying the applicable connection
30 fee times the factor set forth in the City's Standardized Use Table, provided for in
31 Chapters 13.16 and 13.18. The Standardized Use Table projects the annual acre foot
32 of water usage and wastewater production of new development based upon the type of
33 land use involved. However, since the Property is commercially zoned, has an existing
34 commercial baseline and there is a reasonable record of historic water and wastewater
35 usage, the Standardized Use Table is not sufficiently applicable.

36
37 Given that the Property has existing, established uses and wishes to convert the
38 existing apartment unit into two (2) units which does not increase the baseline allocation
39 to the fullest extent of the City's Standardized Use Table, the Parties each agree the
40 projected water demand for the Property will not exceed 0.2711 acre-feet of water and
41 0.2233 acre-feet of wastewater.

42
43 Once the Converted Property is completed and occupied, the Property Owner is
44 committed to mitigating the additional usage/production, if any. Following conversation
45 of property, the City will conduct a two-year usage/production analysis and the Property
46 Owner has agreed to pay any additional connection fees that may be required if the
47 actual usage/production exceeds the Initial Water Allocation or the Initial Wastewater
48 Allocation.

49
50 At this juncture, the City and Property Owner have mutually agreed to the agreement.

51
52 **CONSISTENCY WITH CITY COUNCIL GOALS AND OBJECTIVES:** The
53 recommended action supports the following FY 2016-17 City Council Goals &
54 Objectives:

- 55 • Goal #1, Objective 1 – Encourage, manage and advance key private
56 development and renovation projects to stimulate economic vitality and avoid
57 stagnation
- 58
59 • Goal #3, Objective 1 - maintaining the high level of service and reliability of the
60 City's infrastructure systems and facilities

61

- 62 • Goal #7, Objective 2 – Expand housing opportunities, including workforce
63 housing

64
65 **FISCAL IMPACT:** There is no anticipated fiscal impact of this decision. The Property
66 Owner has previously paid water and wastewater connection fees and has established
67 a historic baseline of water and wastewater usage. By converting one apartment unit
68 into two separate units, both parties do not anticipate increased water or wastewater
69 usage. After historical data is collected and reviewed, the Property Owner will be
70 required to purchase additional water and/or wastewater capacity if actual
71 consumption/usage exceeds the baseline allocation.

72
73

74 **ATTACHMENTS:**

- 75 1. Draft Resolution
- 76 2. Water-Wastewater Connection Agreement between the City and Dan Farris

RESOLUTION NO. 2017-XXX

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALISTOGA, COUNTY OF NAPA, STATE OF CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH DAN FARRIS REGARDING WATER AND WASTEWATER ALLOCATION AND CONNECTION FEE PAYMENT

WHEREAS, the City of Calistoga provides municipal water and wastewater services to properties within its service area; and

WHEREAS, Dan Farris ("Property Owner") owns commercially-zoned real property commonly known as 713 A/B and 715 Washington Street, Calistoga and identified as Napa County Assessor's Parcel Number 011-234-012 ("Property"), upon which improvements were was constructed in 2007 which included one (1), three-bedroom apartment unit upstairs; and

WHEREAS, the Property Owner has a desire to initiate and complete a conversion of one (1), three-bedroom apartment unit to two (2) apartment units to include one (1), one-bedroom and one (1), two-bedroom unit ("Converted Property"); and

WHEREAS, the Property Owner and the City of Calistoga have determined projected water and wastewater usage required after the property is converted will not increase demand for water and wastewater; and

WHEREAS, as the City has historic information regarding usage, Property Owner has agreed to pay any additional connection fees that may be required if the actual usage/production exceeds the Initial Water Allocation or the Initial Wastewater Allocation; and

WHEREAS, the City of Calistoga and the Property Owner have mutually agreed to the Water-Wastewater Connection Agreement (Exhibit A).

NOW THEREFORE BE IT RESOLVED that the City Council of the City of Calistoga hereby authorizes the City Manager to execute an agreement, Exhibit A attached, in substantially the same form, subject to the review and approval by the City Attorney.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Calistoga at a regular meeting held this 20th day of June, 2017 by the following vote:

- AYES:
NOES:
ABSTAIN:
ABSENT:

CHRIS CANNING, Mayor

ATTEST:

KATHY FLAMSON, City Clerk