RESOLUTION 23-54

A RESOLUTION OF THE SOUTH WEBER CITY COUNCIL APPROVING WATER STORAGE AGREEMENT WITH THE UNITED STATES DEPARTMENT OF LABOR

WHEREAS, poor water samples resulted in an agreement with the United States Department of Labor on behalf of Weber Basin Job Corps Center to construct a joint waterline which was completed by December 31, 2020; and

WHEREAS, upon inspection of the waterline, the Division of Drinking Water discovered that there was no regulatory water storage; and

WHEREAS, Job Corps again reached out to South Weber requesting help with this deficiency; and

WHEREAS, South Weber City owns and operates a public water system that includes excess water storage capacity and is willing to designate a portion for Job Corps; and

WHEREAS, Job Corps will pay associated engineering fees, a one-time impact fee of \$64,480.87 and a monthly service fee for maintenance and operation of the storage tanks;

NOW THEREFORE BE IT RESOLVED by the Council of South Weber City, Davis County, State of Utah, as follows:

Section 1. Approval: The Water Storage Agreement with the United States Department of Labor on behalf of Weber Basin Job Corps Center is hereby approved as included in **Exhibit 1**.

Section 2: Repealer Clause: All ordinances or resolutions or parts thereof, which are in conflict herewith, are hereby repealed.

PASSED AND ADOPTED by the City Council of South Weber, Davis County, on the 28th day of November 2023.

Roll call vote is as follows:

Council Member Halverson
Council Member Petty
Council Member Soderquist
Council Member Alberts
Council Member Dills
FOR
AGAINST
FOR
AGAINST

CH WEBA

Rod Westbroek, Mayor

Attest: Lisa Smith, Recorder

EXHIBIT 1 WATER STORAGE AGREEMENT

WATER STORAGE AGREEMENT BETWEEN

SOUTH WEBER CITY, UTAH AND THE UNITED STATES DEPARTMENT OF LABOR

This WATER STORAGE AGREEMENT ("AGREEMENT") with a service fee and impact fee is entered into this 28th day of November 2023, between South Weber City, a municipal corporation of the State of Utah ("CITY"), and the United States Department of Labor, acting for and on behalf of the Weber Basin Job Corps Center ("JOB CORPS"), singularly "Party," collectively "Parties."

RECITALS

WHEREAS, CITY is a municipal corporation organized and acting under the provisions of the laws of the State of Utah and pursuant to its authority operates a public water system serving residential, commercial, and industrial water customers within its service area in Davis County, Utah;

WHEREAS, JOB CORPS is a public agency providing services to individuals and acting under the provisions of Federal Code Section 29 USC 3101, et seq.; and

WHEREAS, JOB CORPS owns and operates a public water system (PWS ID: UTAH06008) serving the Weber Basin Job Corps Center in Davis County, Utah ("JOB CORPS WATER SYSTEM"); and

WHEREAS, the JOB CORPS WATER SYSTEM contains no water storage capacity; and

WHEREAS, JOB CORPS has entered into a Corrective Action Plan ("CAP") with the Utah Department of Environmental Quality Division of Drinking Water ("DDW") to secure adequate water storage by November 4, 2023; and

WHEREAS, JOB CORPS WATER SYSTEM receives water from Weber Basin Water Conservancy District via CITY's water system; and

WHEREAS, CITY owns and operates a public water system (PWS ID: UTAH06010) that includes excess water storage capacity ("EXCESS STORAGE"), with water storage reservoirs located throughout CITY's water system; and

WHEREAS, CITY is capable of providing JOB CORPS with adequate water storage to meet the requirements of DDW; and

WHEREAS, Parties deem it mutually advantageous to both Parties to enter into this WATER STORAGE AGREEMENT in which CITY will provide water storage for JOB CORPS WATER SYSTEM;

NOW, THEREFORE, considering the foregoing, the Parties hereto agree as follows:

(I) GENERAL

General engineering services for CITY are provided by Jones & Associates Consulting Engineers ("CITY ENGINEER"). CITY ENGINEER has performed the studies and calculations necessary to determine the required water storage requirements for JOB CORPS WATER SYSTEM.

Representatives from the JOB CORPS are familiar with CITY ENGINEER's experience and qualifications, and consider the company qualified to perform the necessary studies and calculations.

(2) DUTIES AND RESPONSIBILITIES

As part of this AGREEMENT, JOB CORPS agrees to:

- 1. Coordinate with DDW regarding the Corrective Action Plan;
- 2. Pay CITY for all engineering work as defined in Section 1 above; and
- 3. Pay CITY as described in Section 4 below; and
- 4. Work in good faith with CITY to modify this AGREEMENT, from time to time, to account for operations and maintenance of water storage infrastructure.

As part of this AGREEMENT, CITY agrees to:

- 1. Perform or cause to be performed the studies as defined in Section 1 above; and
- Dedicate/reserve an amount of water storage as determined by CITY ENGINEER for JOB
 CORPS WATER SYSTEM [see Section (3) below] until such time as this AGREEMENT is voided
 by both parties or such time as JOB CORPS constructs adequate water storage on its water
 system.

(3) STUDY FINDINGS

(3a) BUY-IN FEE

CITY ENGINEER has determined that the JOB CORPS campus contains the equivalent of 55.86 Equivalent Residential Connections (ERCs). Per Utah Administrative Code R309-510-8 ("R309"), 400 gallons of water storage must be provided for each ERC. Therefore, 22,345 gallons of water storage is required for JOB CORPS WATER SYSTEM. See EXHIBIT 1 for detailed calculations.

Additionally, R309 requires fire storage for public water systems providing fire suppression. The South Weber Fire Marshal has determined that the fire flow requirement for JOB CORPS WATER SYSTEM is the same as for CITY's water system; therefore, no additional fire flow storage is needed. See EXHIBIT 2 for correspondence from Fire Marshal.

Based on the 2016 South Weber City Culinary Water Impact Fee Analysis, the impact fee attributable for excess capacity for water storage is \$1,154.33 per ERC (Table 13 of the Impact Fee Analysis). As the calculations in EXHIBIT 1 show, the storage-only impact fee for 55.86 ERCs is \$64,480.87 ("BUY-IN FEE"). (A copy of the Impact Fee Analysis is on file with the CITY and available for review.)

(3b) SERVICE FEE

Based on the information used to develop the 2017 Culinary Water Utility Rate Analysis (Zions Public Finance, Inc., February 2017), the estimated annual operating expense for CITY water system is \$961,343.77 in FY2023, excluding water distribution- and source-specific costs. Approximately 10% of this budget is used for water storage operation and maintenance. It was calculated that about \$2.84 per ERC per month is attributable to the operation and maintenance of the water storage facilities.

Therefore, JOB CORPS' 55.86 ERCs equate to an operation and maintenance fee of \$158.64 per month ("SERVICE FEE"). (A copy of the *Water Utility Rate Analysis* is on file with CITY and available for review.)

CITY has adopted a base monthly water rate per ERC of \$38.43¹. JOB CORPS' monthly service fee of \$158.64 is the equivalent of **4.13 base rates**. Therefore, in the future when CITY adjusts water rates, this proportion may be utilized.

See Exhibit 1 for more detailed calculations.

(4) PAYMENTS

JOB CORPS agrees to pay for all services performed by CITY or by CITY ENGINEER on behalf of CITY for the necessary studies and calculations associated with determining the required water storage requirements and fees for JOB CORPS WATER SYSTEM.

JOB CORPS agrees to pay to CITY a BUY-IN FEE as the initial payment for the reservation of 22,345 gallons of CITY's EXCESS STORAGE.

JOB CORPS agrees to pay to CITY a monthly SERVICE FEE for on-going operation and maintenance of water storage.

(4a) BILLING/INVOICING

Within 30 days of execution of this AGREEMENT, CITY agrees to invoice JOB CORPS for BUY-IN FEE.

Thereafter, CITY shall add SERVICE FEE to JOB CORPS' monthly utility bill from CITY.

(4b) JOB CORPS PAYMENTS TO CITY

JOB CORPS agrees to make prompt payment to CITY. Invoices shall be due within 30 days of the date of invoice. If full payment is not received by CITY within 30 days of the date of the invoice, a late fee may be assessed in the amount of 1% of the past due amount with a minimum charge of \$200. Such amounts not received by CITY within 30 days of the date of the invoice are subject to 1.5% annual percentage rate.

The CITY may terminate this agreement, with or without notice, if it does not receive payment of the SERVICE FEE for three (3) or more months. In such case, JOB CORPS WATER SYSTEM will become non-compliant with Division of Drinking Water standards. CITY may notify DDW of termination of this AGREEMENT.

(5) FUTURE RATE ADJUSTMENT

Parties acknowledge that water providers must evaluate and adjust water rates from time to time. In such case, CITY shall notify JOB CORPS in writing of any change in the SERVICE FEE ("ADJUSTED SERVICE FEE"). ADJUSTED SERVICE FEE shall be calculated using the proportion found in paragraph 3b. If JOB CORPS does not contest ADJUSTED SERVICE FEE, then ADJUSTED SERVICE FEE shall be enacted

¹ South Weber City Consolidated Fee Schedule, 06/22/2021

without further modification to this AGREEMENT. If JOB CORPS does contest ADJUSTED SERVICE FEE, a new agreement shall be negotiated in good faith between Parties.

(6) CHANGES TO BUILDINGS AND/OR USES

Parties acknowledge that modifications may be made to the JOB CORPS campus in the future. JOB CORPS agrees to notify CITY of changes to buildings (i.e. additions, demolitions, renovations) and changes to use of buildings. Any such changes may require re-evaluation of the required storage quantity and hence re-evaluation and possible adjustment of BUY-IN FEE and/or SERVICE FEE.

Any adjustment(s) as described in this Section shall be memorialized by way of an amendment to this AGREEMENT.

In no case shall the BUY-IN FEE amount as shown in paragraph 3a be reduced or refunded by CITY.

(7) TERM OF AGREEMENT

This agreement shall remain in full force and effect until such time as JOB CORPS WATER SYSTEM constructs dedicated water storage, both Parties agree in writing to terminate AGREEMENT, or AGREEMENT is terminated due to non-payment as described in paragraph 4b..

(8) AGREEMENT MODIFICATION

This AGREEMENT may be amended, modified, or supplemented, in whole or in part by mutual consent in a written document duly executed by each Party.

(9) REGULATORY AGENCIES

This AGREEMENT and the privileges and duties of each Party are subject to such rules, regulations, or laws as may be applicable to similar agreements in the State of Utah, and the Parties agree to work together to obtain such permits, certificates or the like, as may be required to comply therewith.

(10) FORCE MAJEURE

No Party shall be deemed in default of this Agreement for any delay or failure to fulfill any obligation (other than a payment obligation) herein so long as and to the extent to which any delay or failure in the fulfillment of such obligation is caused by or results from causes beyond the reasonable control of the affected party including but not limited to fire, floods, embargoes, war, acts of war (whether war be declared or not), acts of terrorism, insurrections, riots, civil commotions, strikes, lockouts or other labor disturbances, acts of God, or acts, omissions or delays in acting by any financial institution, governmental authority, or the other party. In the event of any such excused delay, the time for performance of such obligations (other than a payment obligation) shall be extended for a period equal to the time lost by reason of the delay. A Party claiming the benefit of this provision shall, as soon as reasonably practicable after the occurrence of any such event, (a) provide written notice to the other Parties of the nature and extent of any such Force Majeure condition; and (b) use commercially reasonable efforts to remove any such causes and resume performance under this Agreement as soon as reasonably practicable.

(11) SEVERABILITY

If any portion of this Agreement is held to be unenforceable, any enforceable portion thereof and the remaining provisions shall continue in full force and effect. No rule of strict construction shall be applied against any Party. Any Party's failure to enforce any provision of this Agreement shall not constitute a waiver of the right to enforce such provision.

(12) CONTACTS

Any writings, notices, and grievances to either party shall be sent to:

For CITY:	For JOB CORPS:	For JOB CORPS:
South Weber City	Department of Labor	Department of Labor
ATTN: David J. Larson	ATTN: Jennifer McCord	ATTN: Document Control
1600 E. South Weber Dr.	200 Constitution Ave., NW	2101 Wilson Blvd., Suite 200
South Weber, UT 84405	Room N-4643	Arlington, VA 22201
	Washington, DC 20210	

Any billings and payments to either party shall be sent to:

For CITY:	For JOB CORPS:	CC for JOB CORPS:
South Weber City	Department of Labor	Johannes Hoffman
ATTN: Mark McRae	ATTN: Jennifer McCord	Department of Labor
1600 E. South Weber Dr.	200 Constitution Ave., NW	ATTN: Document Control
South Weber, UT 84405	Room N-4643	2101 Wilson Blvd., Suite 200
	Washington, DC 20210	Arlington, VA 22201

Authorized representatives for this AGREEMENT are:

For CITY:	For JOB CORPS:
David Larson, City Manager	Jason Talbot, Center Director
South Weber City	Weber Basin Job Corps
1600 E. South Weber Dr.	7400 Cornia Dr.
South Weber, UT 84405	South Weber, UT 84405-9605

WITNESS the signature of the Parties on the day and year above written.

SOUTH WEBER CITY	DEPT. OF LABOR, OFFICE OF JOB CORPS
By: David J. Larson City Manager	By Maria J. Pizarro Its: Contracting Officer
Attest: Lisa Smith WOOD SING	Attest:
Approved as to Form: Jayme Blakesley City Attorney	<u>Qu</u>

EXHIBIT 1 WATER STORAGE AND FEE SUMMARY

Equivalent Residential Connection Calculation

Service Name	Water Meter Size	Quantity / Occupancy	Quantity per occupancy (gpd)	Average Day Demand (gpd)	ERC¹ (based on 400 gpd/ ERC)
Apache Dormitory	2"	64 boarders	75	4,800	12.00
Bridger Dormitory	2"	64 boarders	75	4,800	12.00
Custer Dormitory	2"	64 boarders	75	4,800	12.00
Donner Dormitory	2"	64 boarders	75	4,800	12.00
Laundry, South	2"	Included in boarders	-	-	-
Laundry, North	2"	Included in boarders	-	-	-
Kitchen/Dining Hall	2"	Included in boarders	-	-	-
Student Services Building	2"	4 employees	15	60	0.15
Administration	1.5"	5 employees	15	75	0.19
Infirmary/Dispensary	2"	20 patients	10	200	0.50
Counseling	2"	15 patients	10	150	0.38
		5 employees	15	75	0.19
Culinary Arts Building	2"	100 meals	10	1,000	2.50
		1 employee	15	15	0.04
Clerical Building	1.5"	3 employees	15	45	0.11
Welding Building	1.5"	2 employees	15	30	0.08
Education Building	2"	5 employees	15	75	0.19
Trades Building	2"	20 employees	15	300	0.75
Gym	2"	40 participants	25	1,000	2.50
Recreation/Maintenance	2"	4 employees	15	60	0.15
Heavy Equipment Shop	1.5"	1 employee	15	15	0.04
Future building	2"	3 employees	15	45	0.11
TOTAL				22,345	55.86
				gpd	ERCs

¹ ERC = Equivalent Residential Connection

Water Storage Calculation

	Number of ERCs	Unit Rate ² (gallons/ERC)	Total Required Storage (gallons)
Domestic storage	55.86	400	22,345
TOTAL REQUIRED STORAGE			22,345 gallons

² Per DDW, 400 gallons of culinary water storage required per ERC

Buy-In Fee Calculation

Impact Fee for Excess Capacity for Water Storage	\$1,154.33/ERC
Job Corps ERCs	55.86 ERCs
TOTAL BUY-IN FEE	\$64.480.87

Storage Only Operations and Maintenance Calculation

	Cost
Annual Water Operation and Maintenance Costs	\$961,343.77
Approximately 10% of O&M attributable to storage	\$96,134.38
Estimated total ERCs (FY 2023)	2,820
O&M Cost per ERC, annually	\$34.09
O&M Cost per ERC, monthly	\$2.84

Service Fee Calculation

O&M Cost attributable to storage, per ERC, monthly	\$2.84/ERC/month
Job Corps ERCs	55.86 ERCs
SERVICE FEE	\$158.64/month
Base Rate Proportion Calculation	
Job Corps Service Fee, monthly	\$158.64
City Water Utility Base Rate	\$38.43
JOB CORPS PROPORTION	4.13 x Base Rate