



## **COUNTY OF SAN MATEO**

Inter-Departmental Correspondence  
Public Works



**Date:** August 2, 2016  
**Board Meeting Date:** September 6, 2016  
**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors, Acting as the Governing Board of the Oak Knoll Sewer Maintenance District

**From:** James C. Porter, Director of Public Works

**Subject:** Offer of Dedication of a Sewer Main Extension and Agreement for Construction and Use of Sewer Facilities in the Oak Knoll Sewer Maintenance District – Redwood City (Oak Knoll) Area

### **RECOMMENDATION:**

Acting as the Governing Board of the Oak Knoll Sewer Maintenance District, adopt resolutions:

- A) Accepting an Offer of Dedication of a Sewer Main Extension constructed by Michael and Judith Cocco and Anthony J. and Carol A. Egan to the Oak Knoll Sewer Maintenance District; and
- B) Authorizing the execution of an agreement with Michael and Judith Cocco and Anthony J. and Carol A. Egan for Construction and Use of Sewer Facilities and reimbursement of certain engineering and construction costs incurred by the Coccos and Egans in connection with the installation of sanitary sewer facilities accepted for maintenance by the Oak Knoll Sewer Maintenance District.

### **BACKGROUND:**

Your Board adopted Resolution No. 073528 on December 9, 2014 and Resolution Nos. 073894 and 073893 on July 7, 2015, approving the annexation of 764 Hillcrest Drive (Lands of Cocco), 785 Hillcrest Drive (formerly Parcel 2 of 787 Hillcrest Drive – Lands of Cocco) and 789 Hillcrest Drive (formerly Parcel 1 of 787 Hillcrest Drive – Lands of Egan), respectively, to the Oak Knoll Sewer Maintenance District (District).

### **DISCUSSION:**

The Coccos and Egans paid the costs associated with the engineering and construction of approximately 568 linear feet of sewer main on Hillcrest Drive within the District. The work was completed in accordance with plans reviewed and approved by the Department and has been inspected and approved by the District. The Coccos and Egans have executed an Offer of Dedication of Sewer Main Extension for operation and

maintenance of the sewer facilities, which can reasonably be expected to serve additional properties within the District that convert from on-site wastewater systems to sewers.

The cost of operation and maintenance of the dedicated facilities will be a District expense and will be funded by the sewer service charges levied on properties receiving sewer service from the District. The Coccos and Egans have also requested that an Agreement for Construction and Use of Sewer Facilities (Cocco-Egan Buy-back Agreement) be executed once the District has accepted the sewer facilities for operation and maintenance.

Section 20793 of the California Public Contract Code authorizes the District to contract for the joint construction or use of sewer facilities, and for the repayment of the proportionate part of the cost of the acquisition, construction or maintenance of such sewers.

The proposed Cocco-Egan Buy-back Agreement provides for the reimbursement of a proportionate share of the costs as additional properties connect to the sewer facilities the Coccos and Egans have constructed. It also ensures that all users will share in the cost of construction during the term of the Cocco-Egan Buy-back Agreement according to a formula that depends on how many properties eventually connect to the sewer line the Coccos and Egans have installed. The term of the Cocco-Egan Buy-back Agreement is ten years (until September 5, 2026).

County Counsel has reviewed and approved the resolutions, Offer of Dedication of Sewer Main Extension, and Cocco-Egan Buy-back Agreement as to form.

Approval of this action contributes to the Shared Vision 2025 outcome of a Healthy Community as it can result in the District providing sewage transport to parcels in a suburban area that have, or that may, in the future, have failing “on-site” wastewater systems which could impact neighboring properties.

**FISCAL IMPACT:**

The cost of operation and maintenance of the facilities being offered for dedication will be a District expense and will be funded through the annual sewer service charges levied on properties receiving sewer service from the District. Currently the sewer service charge is \$1,050 per year per residential unit equivalent.

The District will collect a fee, during the term of the Cocco-Egan Buy-back agreement for new sewer connections to the sewer main installed by the Coccos and Egans. The fee shall be indexed annually to the construction cost index and distributed in accordance with the Cocco-Egan Buy-back Agreement. These charges shall be in addition to the annual sewer service charges for property owners connected to the sewer facilities.

There is no impact on the General Fund.