

RESOLUTION NO. 09-05

RESOLUTION OF THE UKIAH VALLEY SANITATION DISTRICT AGREEING TO THE USE OF LABOR METRICS CONSISTING OF HOURS EXPENDED BY THE WATER/SEWER MAINTENANCE CREW FROM A PREVIOUS FISCAL YEAR FOR ESTABLISHING LABOR PERCENTAGES TO BE ASSIGNED TO THE SEWER AND WATER FUNDS IN THE SUBSEQUENT FISCAL YEAR

WHEREAS, the Participation Agreement between the City of Ukiah (City) and the Ukiah Valley Sanitation District (District) dated July 19, 1995 (the Agreement), requires the City to maintain complete records and accounts relating to costs and expenditures made pursuant to or in connection with the Agreement; and

WHEREAS, the City utilizes an in-house field maintenance crew that is responsible for performing maintenance and repair on the City's water distribution system and the combined City and District sewer collection system (the combined maintenance crew); and

WHEREAS, the water distribution system and the combined sewer system are components of separate enterprise funds; and

WHEREAS, the combined maintenance crew is funded by the two enterprise funds making it necessary to track and segregate the time the combined maintenance crew expends on the two enterprise fund systems; and

WHEREAS, given the limitations of the City's accounting system, it is necessary to assign budget percentages which will govern how the expense for the combined maintenance crew will be assigned to the Water and Sewer Funds for each Fiscal Year; and

WHEREAS, the City's Public Works Director now maintains a manual time log system for the combined maintenance crew and the time expended by the crew on each enterprise fund system is now segregated; and

WHEREAS, the City has maintained that it may not be feasible to reconcile the expense of the combined maintenance crew between the two enterprise funds at the close of the fiscal year because one enterprise fund may not have sufficient revenues to offset labor charges that were not budgeted for; and

WHEREAS, the City Council has requested the District Board to agree on the use of the combined maintenance crew labor statistics from the closing fiscal year for determining the labor percentages which will be assigned to the Sewer and Water Enterprise Funds for the subsequent fiscal year (labor metrics) with the belief that over time the accumulated percentages will nearly represent actual labor expenses for each fund.

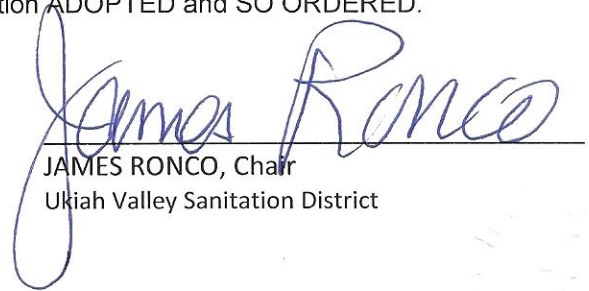
NOW, THEREFORE, BE IT RESOLVED, that the District Board agrees to the use of the combined maintenance crew labor statistics from the closing fiscal year for determining the labor percentages which will be assigned to the Sewer and Water Enterprise Funds for the subsequent fiscal year with the belief that over time the accumulated percentages will nearly represent actual labor expenses for each fund. The Board's agreement is predicated on the understanding that the labor percentages to be used for the combined crew excluding the water sewer service attendant and the maintenance mechanic will be determined by dividing the sum of hours worked for the water and sewer

enterprise fund by the total of hours worked by the crew less hours for vacation, sick leave, other personal leave, time expended on general non enterprise fund duties, and time expended on other general or enterprise funds. Time expended on certification shall be assigned to the appropriate enterprise fund. The Board reserves the right to rescind its agreement to the use of the labor metrics so described herein should the City fail to properly or accurately maintain the manual time log. The Board's agreement is rescinded once the City initiates a work order system allowing for the expense of labor charges as they are incurred.

The foregoing Resolution was introduced by Chair Ronco followed by a motion to adopt the Resolution from Director Pallesen and seconded by Director Paulin; motion carried this 17th day of December, 2009, by the following roll call vote:

AYES: Directors Porter, Pallesen, Paulin, and Ronco
NOES: None
ABSTAIN: None
ABSENT: Director McNerlin

WHEREUPON, the Chair declared said Resolution ADOPTED and SO ORDERED.



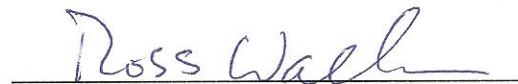
JAMES RONCO, Chair
Ukiah Valley Sanitation District

ATTEST:
RICK KENNEDY
Clerk of the Board



Rick Kennedy

APPROVED AS TO FORM:
ROSS WALKER
District Legal Counsel



Ross Walker