



BOARD OF SUPERVISORS AGENDA ITEM REPORT CONTRACTS / AWARDS / GRANTS

Requested Board Meeting Date: 06/07/2016

or Procurement Director Award

Contractor/Vendor Name (DBA): Metropolitan Domestic Water Improvement District

Project Title/Description:

Water Consumption Data

Purpose:

To continue the sewer user billing and collection services by Metropolitan Domestic Water Improvement District on behalf of the county

Procurement Method:

Program Goals/Predicted Outcomes:

PCRWRD will continue to have the ability to utilize the IGA with Metropolitan Domestic Water Improvement District to provide water data information to facilitate accurate sewer billing and collection services on behalf of Pima County

Public Benefit:

Customers will continue to receive the water and sewer bill together

Metrics Available to Measure Performance:

Monthly invoices RE's/CR's

Retroactive:

Original Information

Document Type: _____ Department Code: _____ Contract Number (i.e., 15-123): _____

Effective Date: _____ Termination Date: _____ Prior Contract Number (Synergen/CMS): _____

Expense Amount: \$ _____ Revenue Amount: \$ _____

Funding Source(s): _____

Cost to Pima County General Fund: _____

Contract is fully or partially funded with Federal Funds? Yes No Not Applicable to Grant Awards

Were insurance or indemnity clauses modified? Yes No Not Applicable to Grant Awards

Vendor is using a Social Security Number? Yes No Not Applicable to Grant Awards

If Yes, attach the required form per Administrative Procedure 22-73.

Amendment Information

Document Type: CT Department Code: WW Contract Number (i.e., 15-123): 15-0021

Amendment No.: One AMS Version No.: 5

Effective Date: 07/01/2016 New Termination Date: 06/30/2017

Expense Revenue Increase Decrease Amount This Amendment: \$ 375,000

Funding Source(s): RWRD Enterprise Fund

Cost to Pima County General Fund: _____

To: COB 5.28.16 (2)
Pgs. 1-3

Contact: Melody Burton

Department: Pima County Finance

Telephone: 520-724-6617

Department Director Signature/Date:

Deputy County Administrator Signature/Date:

County Administrator Signature/Date:
(Required for Board Agenda/Addendum Items)

John Burton 5/20/16
John Burton 5/20/16
C. Burley 5/23/16



March 17, 2016

Pima County Regional Wastewater Reclamation Department
Attn: Jackson Jenkins
201 N Stone Avenue, 8th Floor
Tucson, AZ 85701

Re: Intergovernmental Agreement between Pima County and the Metropolitan Domestic Water Improvement District for the provision of Wastewater Billing and Collection Services

Dear Jackson:

As discussed at our meeting today, we are writing to officially provide notification of our request to move toward covering the full-cost of providing sewer-billing services. Enclosed is a cost breakdown of the cost of the services currently being provided.

The fee is currently \$1.14 per customer per month for the collection of the sewer fees. We are requesting to move toward full-cost coverage and are requesting an increase of eleven cents per month for a monthly fee of \$1.25 per customer per month.

The current IGA is renewable and we are agreeing to an additional year with only a change in the fee to \$1.25 per month.

Please let me know if you need any additional information to proceed with the IGA amendment.

Regards,

A handwritten signature in blue ink that reads "Diane Bracken".

Diane Bracken, Chief Financial Officer
Metropolitan Domestic Water Improvement District
P.O. Box 36870
Tucson, AZ 85740
dbracken@metrowater.com
(520) 209-2852

CC Joseph Olsen, P.E., General Manager Metro Water District
Melody Burton, Administrative Service Manager, Regional Wastewater Reclamation Department



3/17/2016

**METRO WATER DISTRICT
COSTS ASSOCIATED WITH SEWER FEE COLLECTION
FOR FISCAL YEAR 2016**

ALLOCATED PERCENTAGE (Based on Revenue)	100.0%	59.6%	40.4%
Total Revenue as of 06/30/2015	\$ 25,455,590.50	\$ 15,178,868.64	\$ 10,276,721.86

	Total Cost	METRO Portion	RWRD Portion
<u>Direct Costs/Customer Service</u>			
InfoSend Statement Printing and Mailing	\$ 108,912.00	\$ 64,942.94	\$ 43,969.06
WW Inserts at .01 each 12 times per year	\$ 2,163.72	\$ -	\$ 2,163.72
Software/Meter Reading Handhelds-Maint Costs and Fixed Network	\$ 15,568.00	\$ 9,283.01	\$ 6,284.99
Customer Service Labor Costs (3 full-time 1 part-time emp's) (Current rates)	\$ 490,037.72	\$ 292,203.72	\$ 197,834.00
Meter Reader Labor Costs (3 emp's) Labor & Overhead (current rates)	\$ 347,747.00	\$ 207,357.44	\$ 140,389.56
Finance Labor 30 hours for Winter Average with Overhead (current rates)	\$ 2,796.30	\$ -	\$ 2,796.30
Setting up the system with rate changes (2 hours w/OH) once per year (current rate)	\$ 209.05	\$ -	\$ 209.05
Meter Reader Vehicle Lease	\$ 12,600.00	\$ 7,513.23	\$ 5,086.77
Fuel for Vehicles	\$ 13,440.00	\$ 8,014.11	\$ 5,425.89
Maintenance of vehicles	\$ 1,480.00	\$ 882.51	\$ 597.49
Meter Replacements	\$ 185,000.00	\$ 110,313.32	\$ 74,686.68
Meter Repairs and Testing	\$ 20,000.00	\$ 11,925.76	\$ 8,074.24
Credit card fees, Xpress Bill Pay, Return Check Fees	\$ 98,479.35	\$ 58,722.08	\$ 39,757.27
Debt Service on Fixed Network \$400,970.01@3.031%	\$ 26,440.92	\$ 15,766.41	\$ 10,674.51
Two Computers dedicated to RWRD (3 Year life \$500 per year)	\$ 500.00	\$ -	\$ 500.00
IT support 1/2 per month 6 hr per year with overhead (Current rate)	\$ 574.81	\$ -	\$ 574.81
Insert Management Labor and OH 1/2 hours per Insert, 12 per year	\$ 287.95	\$ -	\$ 287.95
Caselle Software 2 Licenses for RWRD (less Material Management module)	\$ 1,433.95	\$ -	\$ 1,433.95
TOTALS	\$1,327,671	\$786,925	\$540,746

Per December 2015 data:

Sewer accounts billed = 18,031 (85.87% receive both water/sewer)	18,031
Total accounts billed = 20,998	

WWM Share of Cost Per Account Billed (Annual) Total /Number of accounts	\$29.99
---	---------

WWM Fee Per Account Billed (Monthly Rate)	\$2.50
---	--------

Remaining sewer balance uncollected since 2004	\$ 70,887.00	
Total Sewer collected since 2005	\$ 75,202,192.63	0.094%
		99.91% collection rate

<p>PIMA COUNTY REGIONAL WASTEWATER RECLAMATION DEPARTMENT</p> <p>PROJECT: Wastewater Billing and Collection Services</p> <p>CONTRACTOR: Metropolitan Domestic Water Improvement District</p> <p>CONTRACT NO.: CT-WW-150000000000000000021 CONTRACT AMENDMENT NO.: One (#01)</p>	<p>CONTRACT</p> <p>NO. <u>CT-WW-15-021</u> AMENDMENT NO. <u>01</u></p> <p>This number must appear on all invoices, correspondence and documents pertaining to this contract.</p>
--	---

ORIG. CONTRACT TERM: 07/01/2014 - 06/30/2016
TERMINATION DATE PRIOR AMENDMENT: N/A
TERMINATION THIS AMENDMENT: 04/30/17

ORIG. CONTRACT AMOUNT: \$ 684,000.00
PRIOR AMENDMENTS: N/A
AMOUNT THIS AMENDMENT: \$ 375,000.00
REVISED CONTRACT AMOUNT: \$1,059,000.00

CONTRACT AMENDMENT

THIS INTERGOVERNMENTAL AGREEMENT AMENDMENT ("Amendment") is entered into by and between Pima County, a body politic and corporate of the State of Arizona ("County") and the Metropolitan Domestic Water Improvement District ("District").

WHEREAS, County and District entered into a Wastewater Billing and Collection Services Agreement, Agreement Number CT-WW-1500000 00000 00000 021 (the "Agreement"); and

WHEREAS, the Agreement allows the Parties to extend the term of the Agreement by up to four additional one-year periods; and

WHEREAS, the Parties have determined that it in their best interests to extend the Agreement term by the first of the four one-year periods; and

WHEREAS, the Parties have agreed to increase the monthly administration and billing fee from \$1.14 per account to \$1.25 per account

WHEREAS County and Town wish to amend the Agreement to revise the per-account fee and to extend the term.

NOW, THEREFORE, it is agreed as follows:

CHANGE: Paragraph C(1):

From: In consideration for the services specified in this Agreement, the County agrees to pay and the District agrees to offset against amounts owed by the District to the County, a monthly administrative and billing fee of \$1.00 per account per month in July and August and \$1.14 per account per month effective September 1, 2014. Such fees will reimburse the District in for the cost of billing and collection services based upon a maximum of 25,000 accounts. Total payment for this contract shall not exceed \$342,000.00 annually.

To: In consideration for the services specified in this Agreement, the County agrees to pay and the District agrees to offset against amounts owed by the District to the County, a monthly administrative and billing fee of \$1.25 per account per month. Such fees will reimburse the

District in for the cost of billing and collection services based upon a maximum of 25,000 accounts. Total payment for this contract shall not exceed \$375,000.00 annually.

CHANGE: Paragraph D(1):

From: This Agreement shall commence on July 1, 2014 and shall terminate on June 30, 2016 unless sooner terminated or further extended pursuant to the provisions of this Agreement. The parties may renew this Agreement for up to four (4) additional one year periods or any portion thereof.

To: This Agreement shall commence on July 1, 2016 and shall terminate on June 30, 2017 unless sooner terminated or further extended pursuant to the provisions of this Agreement. The parties may renew this Agreement for up to three (3) additional one year periods or any portion thereof.

The effective date of this Amendment shall be July 1, 2016.

(THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK)

All other provisions of the Contract, not specifically changed by this Amendment, shall remain in effect and be binding upon the parties.

IN WITNESS THEREOF, the parties have affixed their signatures to this Amendment on the dates written below.

APPROVED:

Chair, Board of Supervisors

Date

CONTRACTOR:

Signature

Name and Title (Please Print)

Date

ATTEST

Clerk of Board

Date

APPROVED AS TO FORM:

Deputy County Attorney

CHARLES WESTBROOK

5-13-16

Date

APPROVED AS TO CONTENT

[Signature]

Department Head

5/20/16

Date

(if required by County Department or delete)