

Amador Regional Sanitation Authority

"Servicing Amador City, Martell, & Sutter Creek"

STAFF REPORT

TO: ARSA BOARD
MEETING DATE: AUGUST 15, 2024
FROM: TOM DUBOIS, GENERAL MANAGER
SUBJECT: AGREEMENT LETTER to RESOLVE PAST INVOICES WITH IONE
TYPE: ACTION

RECOMMENDATION:

Approve the attached Letter agreeing to pay Ione for past invoices up through July 1, 2024 and the invoicing process going forward.

DISCUSSION:

After several discussions on handling past invoices during the recent litigation including how to handle minimal treatment of ARSA water during 2022, a meeting was held on July 17th that included ARSA board members Gunselman and Swift and Ione council members Atlan and Wratten. Different scenarios and interpretations were discussed, ranging from \$0 to \$300,000. The parties agreed to resolve the outstanding invoices for \$88,000. While this amount is greater than what would be owed under the established billing practice, this was a compromise to put the issue behind us. The parties also agree to now follow the 2017 Agreement for future billing and credits when Ione does not take ARSA's 300 AF.

The agreement was agreed to by the people present in the meeting. It was written up as shown in the attached letter, reviewed by attorneys and finalized by City Manager George Lee and me. However, the City of Ione City Council decided to change the letter in their council meeting, striking the next to last paragraph which clarifies when ARSA will be given credit, if Ione does not take 300 AF in a season.

I am recommending the board approve the original agreement.