

WEST BASIN MUNICIPAL WATER DISTRICT

DECEMBER 11, 2001 – Finance Committee  
Smith, Dear

DECEMBER 17, 2001 – Board Meeting

Prepared by: Sharon Koike

Submitted by: Sharon Koike

Approved by: Darryl G. Miller

ACTION CALENDAR

REQUEST FOR WAIVER OF CHEVRON LATE PENALTY

SUMMARY:

In late October 2001, the District received a request from Chevron to consider a waiver of a late penalty of \$3,322.42 that was assessed and billed to Chevron on their October 10, 2001 billing for their monthly fixed fee. This was the initial fixed meter fee payment due from Chevron for high quality boiler feed water sold to Chevron that was to be paid directly to West Basin. As Chevron was working through some pricing issues with the City of El Segundo related to this new classification of water, Chevron inadvertently held the meter fee billing for payment to the City until resolution of the price discrepancy issue was resolved. Chevron has paid the penalty; however, they are requesting consideration to have the penalty waived.

Historically, Chevron has consistently paid their billings in a timely manner. Because this was the initial payment due from Chevron to the West Basin for the fixed fee related to their contract for high quality boiler feed water, staff recommends that the Board consider waiving the \$3,322.42 penalty assessed to Chevron.

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

None.

COMMITTEE STATUS:

This item was reviewed by West Basin Finance Committee on December 11, 2001 and was recommended for approval at the December 17, 2001 Board meeting.

RECOMMENDED MOTION:

That the Board waive the penalty assessed to Chevron in the amount of \$3,322.42.

LIST OF EXHIBITS:

Exhibit "A" – Letter from Chevron requesting waiver of penalty assessed.