

DATE: June 28, 2005

TO: Mayor and City Council Members

FROM: Utilities Director

SUBJECT: **RESOLUTION NO. 7604 – A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH THE CITY OF SACRAMENTO (ON BEHALF OF THE CITY-COUNTY OFFICE OF METROPOLITAN WATER PLANNING AND THE WATER FORUM SUCCESSOR EFFORT) AND THE SACRAMENTO COUNTY WATER AGENCY, CITY OF ROSEVILLE, PLACER COUNTY WATER AGENCY AND SAN JUAN WATER DISTRICT FOR THE WATER FORUM SUCCESSOR EFFORT PROGRAM**

**BACKGROUND / ISSUE**

In January of 2000, the Water Forum was formed to provide a safe, reliable water supply and preserve the value of the Lower American River. Through a collaborative effort of 21 water purveyors, the Sacramento County Farm Bureau, environmental interest groups, citizens organizational groups and business groups, the Water Forum Agreement was signed to endorse and, where appropriate, participate in each of the seven complementary actions:

1. Increase Surface Water Diversions
2. Implement actions to meet customer needs while reducing diversion impacts in the drier years
3. Support an improved pattern of fishery flow releases from Folsom Reservoir
4. Support Lower American River Habitat Management Element
5. Support the Water Conservation Element
6. Support Groundwater Management Element
7. Support the Water Forum Successor Effort

Under item seven, all signatories agreed to participate in the Water Forum Successor Effort (WFSE) in the best interest of water consumers and to the region as a whole. The WFSE focuses on collaborative participation to oversee, monitor and report on the implementation of the Water Forum agreement. This includes participating with other signatories in carrying out procedural agreements as identified in the Water Forum Agreement. Signatories agree to work in good faith to identify ways to ensure that the coequal goals of the Water Forum will continue to be met.

Under this effort, signatories have participated and supported negotiations of the City's Folsom Reservoir water diversions renewal agreement with the United States Bureau of Reclamation, participated in regional public education efforts, endorsed water conservation and water supply efforts, supported or not opposed necessary rate and fee adjustments necessary to support water

conservation and water supply management activities, continued negotiations to endorse *Improved Pattern of Fishery Releases from Folsom Reservoir* and other environmental issues that have allowed Folsom to continue with necessary capital projects and water management activities necessary to sustain planned growth and continue reliable water service.

This resolution authorizes the City Manager to execute an agreement to continue, through FY2005-06, with the Water Forum Successor Effort.

### **POLICY / RULE**

In accordance with Chapter 2.36 of the Folsom Municipal Code, execution of agreements in an amount greater than \$41,750 shall be authorized by the City Council.

### **ANALYSIS**

The Water Forum successor Effort (WFSE) for 2005-2006 is proposed to continue negotiations of various environmental activities to protect the Lower American River, support the renewal of the water diversion agreements of the signatories, and assist with other necessary regional water management activities to meet Water Forum Successor Effort goals. Continued participation and compliance with the Water Forum Agreement will allow Folsom to secure a reliable dry-year water supply and continue with planned capital improvements necessary to sustain growth and reliable water service. Our historic success in this program has positioned both Folsom and the region to be eligible for funding opportunities through collaborative efforts to meet our Water Forum commitments. This WFSE has placed Folsom and the other signatories ahead of other major California urban centers who are lagging behind water efficiency and water management activities.

### **FINANCIAL IMPACT**

Folsom's share of the costs to participate in the Water Forum Successor Effort is \$35,261 and covers the period from July 2005 through June 2006. Although this amount is under the limits established by Chapter 2.36 of the Folsom Municipal Code, the cumulative costs for participating in the WFSE has exceeded limits and it is appropriate that this item be considered for approval by the City Council. The cost-sharing partners, as detailed below, have agreed to pay a pro-rata share of the total costs of funding the Water Forum Successor Effort (WFSE) for FY2005-06, which is \$824,337. The cost sharing is based on the total number of connections as of December 31, 2004, or negotiated amount. Funds have been budgeted in the Water Enterprise (520) and Water Capital (521) funds.

#### **Cost-Sharing Partners**

Sacramento County Water Agency	\$415,971
City of Sacramento	\$252,597
City of Roseville	\$ 66,522
City of Folsom	\$ 35,261
Placer County Water Agency	\$ 19,706
San Juan Water District	\$ 13,212
Sacramento Municipal Utility District (contracted through City of Sacramento)	\$ 12,889
<u>El Dorado County Water Agency (contracted through City of Sacramento)</u>	<u>\$ 8,179</u>
<b>TOTAL</b>	<b>\$824,337</b>

**ENVIRONMENTAL REVIEW**

Execution of this agreement is not considered a project and therefore not subject to CEQA requirements.

**ATTACHMENT**

Resolution No. 7604 - A Resolution Authorizing the City Manager to Execute an Agreement with the City of Sacramento (On Behalf of the City-County Office of Metropolitan Water Planning and the Water Forum Successor Effort) and the Sacramento County Water Agency, City of Roseville, Placer County Water Agency and San Juan Water District for the Water Forum Successor Effort Program

**CITY COUNCIL ACTION/ RECOMMENDATION**

The Utilities Department recommends that the City Council pass and adopt Resolution No.7604 - A Resolution Authorizing the City Manager to Execute an Agreement with the City of Sacramento (On Behalf of the City-County Office of Metropolitan Water Planning and the Water Forum Successor Effort) and the Sacramento County Water Agency, City of Roseville, Placer County Water Agency and San Juan Water District for the Water Forum Successor Effort Program.

Submitted,

  
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Kenneth V. Payne, UTILITIES DIRECTOR

**RESOLUTION NO. 7604**

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH THE CITY OF SACRAMENTO (ON BEHALF OF THE CITY-COUNTY OFFICE OF METROPOLITAN WATER PLANNING AND THE WATER FORUM SUCCESSOR EFFORT) AND THE SACRAMENTO COUNTY WATER AGENCY, CITY OF ROSEVILLE, PLACER COUNTY WATER AGENCY AND SAN JUAN WATER DISTRICT FOR THE WATER FORUM SUCCESSOR EFFORT**

**WHEREAS**, the City of Folsom signed, in January 2000, the Water Forum Agreement; and,

**WHEREAS**, the City of Folsom, through the Water Forum Agreement, has agreed to participate in the Water Forum Successor Effort (WFSE); and,

**WHEREAS**, the WFSE has been instrumental in supporting the City of Folsom in numerous water management activities that has allowed Folsom to proceed with necessary capital projects; and,

**WHEREAS**, the WFSE will continue to participate in negotiations with the Bureau of Reclamation for environmental issues necessary to sustain planned growth and continue a reliable and safe water supply; and,

**WHEREAS**, sufficient funds have been budgeted for this purpose in the Water Enterprise (520) and Water Capital (521) funds:

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Folsom authorizes the City Manager to execute an agreement, in a form approved by the City Attorney, with the City of Sacramento (On Behalf of the City-County Office of Metropolitan Water Planning and the Water Forum Successor Effort) and the Sacramento County Water Agency, City of Roseville, Placer County Water Agency and San Juan Water District for the Water Forum Successor Effort Program.

**PASSED AND ADOPTED** on this 28<sup>th</sup> day of June 2005, by the following roll-call vote:

AYES: Council Member(s)

NOES: Council Member(s)

ABSENT: Council Member(s)

ABSTAIN: Council Member(s)

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Stephen E. Miklos, MAYOR

ATTEST:

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Christa Schmidt, CITY CLERK