

## RESOLUTION NO. 2010-241

Adopted by the Sacramento City Council

May 11, 2010

### APPROVING THE AGREEMENT FOR CONSENT TO GROUNDWATER SUBSTITUTION TRANSFER WITH SACRAMENTO SUBURBAN WATER DISTRICT

#### BACKGROUND

- A. In 2010, the Department of Water Resources and the U.S. Bureau of Reclamation are not operating a Drought Water Bank, as was the case in 2009. However, the possibility of continuing drought and low reservoir storage levels are likely to require some areas in California to supplement their water supplies with transfers from willing sellers. The purpose of the 2010 Water Transfer Program is to facilitate the transfer of water throughout the State between willing sellers and buyers that are at risk of experiencing water shortages in 2010.
- B. Sacramento Suburban Water District (SSWD) is participating in the 2010 Water Transfer program and has negotiated an agreement with members of the State Water Contractors to sell up to 4,377 acre feet of surface water by pumping additional groundwater. SSWD is proposing to sell surface water that SSWD otherwise is entitled to receive from the City on a wholesale basis under a 2004 Wholesale Water Supply Agreement with the City. SSWD would be forgoing the receipt of this water (which is only available to SSWD during periods when lower American River flows exceed the Hodge flow criteria), by pumping additional groundwater.
- C. City and SSWD staff have negotiated an Agreement that provides the City's consent and cooperation in seeking necessary approvals for SSWD's transfer and sale of this water. The Agreement also provides that SSWD will pay the City \$54 per acre-foot of forgone surface water to offset lost wholesale revenue, with a minimum payment of \$7,000 required to cover the City's administrative costs associated with the agreement and transfer approval process. The maximum revenue to the City for participating is \$236,338.

#### BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The City Manager is authorized to execute an Agreement between the City of Sacramento and SSWD for Consent to Groundwater Substitution Transfer.
- Section 2. The petition previously filed with the State Water Resources Control Board for temporary transfer of surface water is ratified, and the City Manager and the City

Manager's designees are authorized to take such other administrative actions as may be necessary to effectuate the transfer and sale of this water.

Section 3. The City Manager is authorized to accept the revenue from the sale of the water into the water fund (6005) and to adjust the revenue and expenditure budgets for the water fund (6005), in an amount up to \$236,338.

Section 4. Exhibit A is part of this Resolution.

**Table of Contents:**

Exhibit A – Agreement for Consent to Groundwater Substitution Transfer

Adopted by the City of Sacramento City Council on May 11, 2010 by the following vote:

Ayes: Councilmembers Cohn, Fong, Hammond, McCarty, Pannell, Sheedy, Tretheway, Waters, and Mayor Johnson.

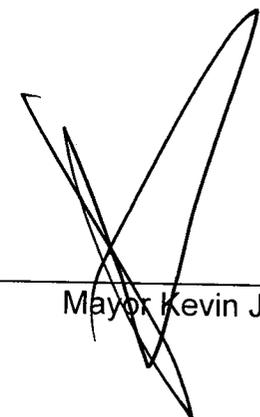
Noes: None.

Abstain: None.

Absent: None.

Attest:

  
Shirley Concolino, City Clerk

  
\_\_\_\_\_  
Mayor Kevin Johnson