

RESOLUTION NO. 2007-088

Adopted by the Sacramento City Council

February 13, 2007

FREEPORT REGIONAL WATER PROJECT NEIGHBORHOOD MITIGATION FUNDS

BACKGROUND

- A. The Freeport Regional Water Authority (FRWA), is a joint powers authority between the County of Sacramento and the East Bay Municipal Utility District.
- B. FRWA is constructing a water intake facility at the site of a decommissioned wastewater treatment plant, adjacent to the Sacramento River and the Freeport Reservoir. Authorization for FRWA's purchase of the property was granted by the City Council on October 11, 2005 in a resolution authorizing the City Manager to enter into a Sales and Purchase Agreement with the FRWA.
- C. Section 3.7 of the Sales and Purchase Agreement between the City, the Freeport Regional Water Authority (FRWA), the Sacramento County Water Agency and East Bay Municipal Utility District (City Agreement No. 2005-0147A) required FRWA to pay the City \$2 million for mitigation of neighborhood impacts due to the construction of the Freeport Regional Water Project intake structure and pipeline. Nearly all of the impacts resulting from the construction of the project will occur in Districts 7 and 8.
- D. The City of Sacramento received the \$2 million mitigation payment from FRWA in January 2007.
- E. The Pocket and Valley Hi-North Laguna Library projects will provide significant benefits to the residents of Districts 7 and 8, respectively. The benefits from using FRWA mitigation funds for these projects will offset the burden of FRWA's construction activities in these areas.
- F. On January 10, 2006 the City Council allocated Community Reinvestment Capital Improvement Program (CRCIP) bond funds for the construction of the Pocket and Valley Hi-North Laguna Libraries with the expectation that the FRWA mitigation funds would provide the necessary funding for the library projects.

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

- Section 1. The City Manager is authorized to recognize the FRWA mitigation payment of \$2 million as General Fund (Fund 101) revenues and allocate \$1.5 million to the Pocket Library (QA03) and \$500,000 to the Valley Hi-North Laguna Creek Library (QA36) project expenditure budgets.

Adopted by the City of Sacramento City Council on February 13, 2007 by the following vote:

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

Noes: None.

Abstain: Councilmember McCarty.

Absent: None.

Attest:



Shirley Concolino, City Clerk



Mayor, Heather Fargo