



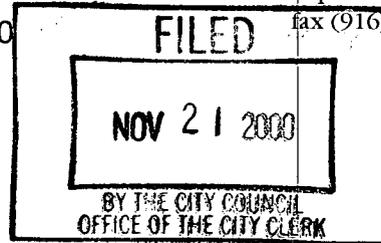
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Department of Utilities
Office of the Director

CITY OF SACRAMENTO
CALIFORNIA

1395 35th Avenue
Sacramento, CA 95822-2911
phone (916) 264-1400
fax (916) 264-1497/1498

November 11, 2000



City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: STATUS REPORT RE: DISCUSSIONS WITH THE EAST BAY MUNICIPAL UTILITY DISTRICT (EBMUD)

LOCATION AND COUNCIL DISTRICT: City-wide

RECOMMENDATION

There is no recommendation associated with this report as it is for information only.

CONTACT PERSONS: Jim Sequeira, Director of Utilities, 264-1407

FOR COUNCIL MEETING OF: November 21, 2000

SUMMARY

Representatives of the East Bay Municipal Utility District (EBMUD), the City, the County of Sacramento, the United States Bureau of Reclamation (USBR), and local environmental groups have met numerous times over the past five months to further discuss EBMUD's desire to obtain a supplemental water supply from the American River. At the insistence of the USBR and the Sacramento parties, EBMUD has added several more water diversion alternatives for consideration which include locations along the American River, Sacramento River and one in the Delta. EBMUD has most recently issued a "Recirculated Environmental Impact / Supplemental Environmental Impact Statement" for public review that includes these alternatives.

COMMITTEE/COMMISSION ACTION: None



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BACKGROUND INFORMATION

- For the past 4 years, the City has attempted unsuccessfully to facilitate a mutually beneficial water supply project for Sacramento concerns and EBMUD.
- In June of 1999, the City, the County of Sacramento, and the *Water Forum's* environmental caucus proposed a modified project (aka the *Modified Proposal*) that would involve only EBMUD. Elements of this proposal include:
 - No water diversions from Nimbus
 - A diversion facility on the American River near 23rd and C Street
 - Diversions only during wet years
 - No sales of water to parties other than those in Sacramento and San Joaquin Counties
 - Diversions limited to 100 million gallons per day
 - Passage of State legislation to prohibit Nimbus diversions
 - \$5 million for community enhancements and purchase of additional American River parkway property
- At their June 22, 1999 Board Meeting, EBMUD rejected the *Modified Proposal* offered by Sacramento parties.
- In late December 1999, the USBR asked for the assistance of the Sacramento parties in finding a satisfactory solution to EBMUD's need for an American River water supply.
- At Senator Feinstein's request, Mr. David Hayes, Deputy Secretary of the Department of Interior, has been involved in seeking resolution of the issue.
- Numerous meetings have been held to explore possible solutions. While EBMUD has expressed a strong desire to obtain high quality American River water, the Sacramento parties convinced EBMUD and the USBR to look at alternative diversion points on the Sacramento River and in the Delta.
- It was agreed that the following diversion alternatives would be analyzed in an EBMUD / USBR supplemental environmental impact analysis:
 - Delta diversion at Bixler
 - American River at 23rd St as proposed in the *Modified Project Proposal*
 - Sacramento River at Freeport and near the City's Sacramento River Water Treatment Plant (WTP)

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- The areas of emphasis for environmental review that were stressed by the Sacramento parties were:
 - water quality differences
 - EBMUD's real water needs
 - recent changes in California water policy and law
 - responses to comments on EBMUD's 1997 draft EIR/EIS
- EBMUD has requested that the City consider allowing the District to use its E.A. Fairbairn WTP intake as part of a solution. City staff has rejected that option.
- In early October, EBMUD and the USBR issued a *Draft Recirculated Environmental Impact Report / Supplemental Environmental Impact Statement* for public comment. This report does not recommend a preferred project.
- Staff has reviewed the above document and continues to find, as it did with the 1997 report, significant issues and concerns.
- EBMUD has indicated that it will select and certify a project before the end of the year. Which project it will pursue is unknown.

ENVIRONMENTAL DETERMINATION

This activity is exempt from the provisions of the California Environmental Quality Act (CEQA) as no actions are being requested of City Council nor is any project proposed.

FINANCIAL CONSIDERATIONS

There are no financial considerations associated with this report as it is for information only.

POLICY CONSIDERATIONS

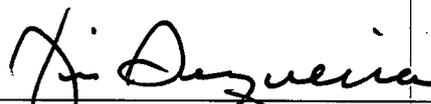
City Council has previously approved discussions with EBMUD and the Sacramento parties in an effort to develop an acceptable water supply project. The *Modified Proposal* was approved by City Council and the County Board of Supervisors on June 15, 1999.

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ESBD CONSIDERATIONS

As no services or supplies are being purchased there are no ESBE issues.

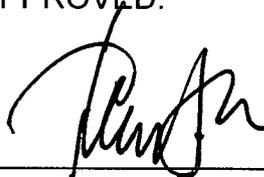
Respectfully submitted,



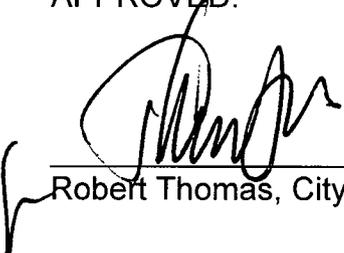
Jim Sequeira, Director of Utilities

APPROVED:

APPROVED:



Thomas Lee, Deputy City Manager



Robert Thomas, City Manager