



Sacramento City Council

CITY HALL
915 I STREET
SACRAMENTO, CALIFORNIA 95814
PHONE (916) 449-5409

April 16, 1981

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: Requested Change in City Water Policy

On April 15, 1981 the Planning and Community Development Committee reviewed the attached report and heard testimony from interested parties.

The Southgate Recreation and Park District sought a modification of the City's Water Policy which would allow the City to either retail water in the unincorporated area or wholesale water to private, for profit, water companies as a means to take advantage of City water development without annexing the territory to the City.

No information was presented to indicate that such a policy amendment would be advantageous or desirable to the City. The current policy allows the people in the area to secure City water either through annexation or formation of a public, non-profit, agency. Therefore, there is no need to change policy and it should be continued in its present form.

- The City will retail no treated water in the unincorporated area.
- The City will wholesale water only to public, non-profit purveyors.

APPROVED
BY THE CITY COUNCIL

APR 28 1981

OFFICE OF THE
CITY CLERK

4/21/81

City Council
April 16, 1981
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It is the unanimous recommendation that the Sacramento City Water Policy be maintained in its current form.

Respectfully submitted,

A handwritten signature in cursive script that reads "Anne Rudin".

Anne Rudin, Chairman
Planning & Community Development Committee



SOUTHGATE RECREATION & PARK DISTRICT

DISTRICT HEADQUARTERS / TRAILHEAD PARK / POST OFFICE BOX 9635
6000 ORANGE AVENUE / SACRAMENTO 95823 / (916) 428-1171

BOARD OF DIRECTORS

Robert D. Cochran
Kathryn J. Donohue
Jack N. Sheldon
Edwin A. Smith
Howard P. Tillotson

CITY MANAGER'S OFFICE
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APR 15 1981

GENERAL MANAGER

Patrick O'Brien

April 15, 1981

MEMO TO: Planning and Community Development Committee of the City
Council of Sacramento

Anne Rudin
Blaine Fisher
Lynn Robie
John Roberts

FROM: Patrick J. O'Brien, General Manager
Southgate Recreation and Park District

SUBJECT: City Water Policy

As your committee is aware, the Board of Directors of the Southgate Recreation and Park District has spent considerable time and effort in exploring water delivery alternatives in the unincorporated South Sacramento Community Planning Area. We appreciate your committee's review of the City's Water Policy and your Council's efforts to date in addressing our Board's correspondence.

Herein, will be presented a summary of our agency's perspectives concerning water delivery in the unincorporated South Sacramento area.

1: Water purveyance has and will continue to become an issue critical to the unincorporated area of Sacramento County.

The quantity of ground water is being depleted rapidly and the available ground water is becoming less satisfactory with time. To reverse this trend and to build a reserve for drought conditions, it is necessary that surface water from nearby rivers be delivered to as many areas of unincorporated Sacramento County as is economically feasible.

The Southgate Recreation and Park District has experienced the fact that water can determine the growth patterns of communities and can be responsible for detachments from its boundaries.

Memo to Planning & Community Development Committee of the City Council of Sacramento (Anne Rudin, Blaine Fisher, Lynn Robie, John Roberts), re: City Water Policy

April 15, 1981

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Currently, the City is studying its ultimate Sphere of Influence and recommending that its sphere boundaries be congruent with its Water Rights Application Area. This recommendation underscores the City's realization of the importance of water and the City's ultimate intent to perfect its water rights area.

2. The City of Sacramento must become the lead agency for providing surface water in both purified and raw forms to allow effective and efficient delivery of water.

The majority of the unincorporated South Sacramento area is currently provided ground water by Citizens Utilities, a private, Public Utilities Commission Sanctioned Corporation. Ultimately, the Sacramento Local Agency Formation Commission and the City of Sacramento envision that the area will be served by the City and that service will include the provision of surface water.

From a realistic perspective, it would economically be unfeasible for the City of Sacramento "to buy out" Citizens Utilities water transmission system given its present size and horrendous cost.

Therefore, from a pragmatic viewpoint, it will be economically necessary for the City of Sacramento to utilize the water transmission lines developed by Citizens Utilities for delivering surface water once the annexation of the unincorporated area of South Sacramento to the City of Sacramento has occurred.

Generally, the premise for stating that the City of Sacramento should be the lead agency for providing both purified and raw surface water is based upon two circumstances which are:

---The City's requirement to "perfect" its water service delivery within its Water Rights Application Area as mandated by the State Water Resources Control Board which issues the permits by which the City diverts surface water from the American and Sacramento rivers.

---The City's Sphere of Influence which the City has proposed, be congruent with its Water Rights Application Area.

3. The City should as a first step consider selling raw water to Citizens Utilities; but more importantly the City should examine the efficiencies and long range possibilities created by retailing purified water to Citizens Utilities and governmental entities responsible for water delivery.

At the outset it is important to emphasize that the Board of Directors of the Southgate Recreation & Park District, and for the most part, the citizenry of the unincorporated area of South Sacramento realize that the provision of surface water to the area will require some substantial costs. Should the City decide to sell raw water to Citizens Utilities, the need for new transmission

Memo to Planning & Community Development Committee of the City Council of Sacramento (Anne Rudin, Blaine Fisher, Lynn Robie, John Roberts), re: City Water Policy

April 15, 1981

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lines and filtration plants for the conversion of raw surface water to purified water would be required.

Essentially, the transmission lines would stretch from the American River Treatment Plant to somewhere in the South Sacramento area, and then somewhere in that same area, a filtration plant to convert the raw water to purified water would be required.

In examining this as an alternative, it would seem that this alternative is more expensive and prohibitive than increasing the filtration capacity of the American River Water Treatment Plant in order to be able to deliver purified surface water to the South Sacramento area.

It is impossible for the park district with its staffing to be able to compare the benefits of either systems, but from a practical and political standpoint, it would seem more realistic and politically viable for the City to begin developing a system which would be owned by the City of Sacramento and would provide surface water to an area which is envisioned to be a part of the City of Sacramento (sometime in the future) rather than to develop a system which would not be owned by the City and would be economically unfeasible for the City to acquire once annexation was to occur.

In either case, it would seem that the City has a responsibility under its current permits to plan for the delivery of surface water to the area and that the most effective system for delivering such surface water would be one wherein the City is enhancing its treatment plant capabilities at its American River Plant to be able to provide purified water to the unincorporated South Sacramento area.

With the City becoming the lead agency in terms of providing purified water, the potential for developing a system which will be practical in the short-run as well as the long-run, is greatly increased.

Essentially, the City has not previously begun to plan for the delivery of purified surface water possibly because the City may have been unaware of its potential ability to sell raw and purified water to private and public water purveyors. Since the City is aware that the annexation of the unincorporated area of South Sacramento to the City would not occur in the short-run, it is essential that they begin to earnestly explore the possibilities of providing either raw or purified water to private and public purveyors of water.

4. In the event that the City is unwilling to consider a change in policy which would allow for the retailing of raw water and possibly purified water, it may be necessary for one of the local public agencies to begin the process of identifying a public agency capable of purchasing raw water from the City of Sacramento and developing plans for its eventual disbursement throughout the unincorporated South Sacramento area.

Memo to Planning & Community Development Committee of the City Council of Sacramento (Anne Rudin, Blaine Fisher, Lynn Robie, John Roberts), re: City Water Policy

April 15, 1981

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Ultimately, the actual delivery of purified surface water to residents within the Unincorporated South Sacramento Community Planning Area will, for economic reasons, be accomplished through water transmission lines owned by the Citizen's Utilities Company. This will necessitate that either the City of Sacramento or some public agency who becomes responsible for purveying surface water in the area, negotiate contracts with Citizen's Utilities for delivery of water or possibly the selling of water to Citizen's Utilities.

In the event the City does not choose to provide raw or purified water directly to Citizen's Utilities, the question must be asked whether or not an intermediary public agency could purchase raw or purified water from the City and in turn sell the water to Citizen's Utilities for delivery to consumers within the area. Should such an alternative be necessary, a special district with the latent powers in the community planning area could accomplish this goal.

Another alternative would be the possibility of creating a new independent water district within the area or having the County water agency become involved in attempting to effect this option.

5. *The City through its permits with the State Water Resources Control Board has a responsibility to perfect its water delivery systems throughout its Water Rights Application Area with "due diligence".*

Since the State Water Resources Control Board has authority to issue and revoke permits for diverting water from river sources throughout California the possibility of approaching the State Water Resources Control Board to emphasize the importance of the City proceeding with due diligence in perfecting its water delivery systems may become an option worth consideration.

Since the City is unable to annex the unincorporated South Sacramento area within any short period of time, it is necessary that the City explore its responsibilities for delivering water to this area through different alternatives.

It is the opinion of the Board of Directors of the Southgate Recreation and Park District that the City should explore its alternatives for purveying surface raw and purified water with due diligence.

POB:JPF:dt



CITY OF SACRAMENTO
CALIFORNIA

OFFICE OF THE
CITY MANAGER

April 7, 1981

CITY HALL
915 I STREET - 95814
(916) 449-5704

Planning and Community Development Committee
Sacramento, California

Honorable Members in Session:

SUBJECT: City Water Policy

SUMMARY

Correspondence and reports concerning City Water Policy have been exchanged over a period of some months with the Southgate Recreation and Park District. The district's goal appears to be to find a means to utilize the City's water without annexing any territory to the City. The more recent correspondence has narrowed the issues to:

Will the City change its policy to allow the wholesaling of water to private, for profit, water companies?

Will the City change its policy to allow the City to extend retail water service to the unincorporated area?

This report recommends that the policy not be changed.

BACKGROUND

Informed citizens residing in the area generally known as the Fruitridge Pocket have recognized for some time that the quality and quantity of potable domestic water is deteriorating at an unacceptable rate. Citizens of the same area are vehemently and vociferously opposed to annexation of the territory to the City.

Current City policy allows wholesale water to be sold outside the City limits to public, non-profit water purveyors only. There is no apparent sentiment in the area to form such an agency.

The current City policy is very clear in its application to the Fruitridge Pocket area.

- The City will retail no treated water in the unincorporated area.
- The City will wholesale water only to public non-profit water purveyors.

Under the current City policy, the citizens of the area have two methods by which they may secure surface water contained within the City's water rights.

1. Annex the territory to the City.
2. Form a public, non-profit, water agency to purchase untreated water from the City.

Either method would work in a legal and technical sense. Neither would immediately place surface water at the disposal of people in the area. The provision of treated water to the Fruitridge Pocket would require the financing and construction of a new filtration plant and distribution system.

No evidence has been presented to indicate that the residents of the Fruitridge Pocket are prepared to finance such a project.

It would be clearly inequitable to expect City residents to pay for any part of the development of a new system in the Fruitridge Pocket since those citizens have already paid for the excellent system now in place within the City limits.

RECOMMENDATION

Because the existing City policy provides a means to solve the problem, there is no need to change it. Financing and construction of a new system presents a much more serious obstacle than the policy.

Therefore, it is recommended that the Community Development Committee of the City Council transmit this report to the full Council with the recommendation that the City of Sacramento Water Policy be maintained in its current form.

Respectfully submitted,


Mac Mailes
Assistant City Manager
for Community Development



ref to WTS

BOARD OF DIRECTORS

Robert D. Cochran
Kathryn J. Donohue
Jack N. Sheldon
Edwin A. Smith
Howard P. Tillotson

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OFFICE OF THE MAYOR

MAR 23 1981

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SOUTHGATE RECREATION & PARK DISTRICT

DISTRICT HEADQUARTERS / TRAILHEAD PARK / POST OFFICE BOX 9635
6000 ORANGE AVENUE / SACRAMENTO 95823 / (916) 428-1171

CITY MANAGER'S OFFICE
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MAR 24 1981
GENERAL MANAGER Patrick O'Brien

March 17, 1981

The City Council
City of Sacramento
City Hall - 915 I Street
Sacramento, CA 95814

Dear Honorable Council Members:

The Board of Directors of the Southgate Recreation and Park District has spent considerable time and efforts in exploring the efficiencies of City services should annexation of the unincorporated South Sacramento Community Planning Area occur. This review included analysis of both the Sphere of Influence Report as was developed by LAFCO and your Commission's report concerning annexation of territories. Based upon our analysis of the efficiencies of the City of Sacramento in providing services to the unincorporated area of South Sacramento and the political mood of our community, we determined that City annexation in the short-run would be ineffective and unfeasible.

Given your Council's action not to pursue immediate annexation of the unincorporated South Sacramento Community Planning Area and the vehement opposition to the City annexation by local residents, it is imperative that your Council explore opportunities for delivering surface water in the area. The delivery of such water should not be delayed, deterred or subjugated by a condition of the City for annexation. We appreciate your Council's direction to Staff to respond to our letter of December 17, 1980, however, we feel the response by Mr. Mac Mailes lacks the specificity we had sincerely hoped for. His letter of February 10, 1981, states, "...the policy does not approve retailing of water in the unincorporated area." The letter refers to the adopted policy by the City Council has a long standing policy of not allowing water service to individual properties outside of the City. It is recommended that this policy be continued for orderly development of the City water system. With respect to policy on sale of water to private districts or public water systems outside of the City, but within the City's ultimate water service boundary; if the City is desirous of accomodating these agencies, it is recommended agreements be entered into

Ltr to Sacramento City Council
March 17, 1981

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subject to the following conditions:"

We feel the City, in this policy, is stating that it may sell water to private or public water systems, "If (a conditional phrase) the City Council is desirous of serving these agencies...."

It seems apparent to this Board that the City's response has not clarified either of the questions our Board had posed. We realize the necessity, cost, and requirements of providing water to the City's Water System to your immediate constituents and to those persons living within the unincorporated area of the City Water Rights Application Area. We would appreciate your review of our original questions and specific responses thereto. This request for information is again based upon unanimous direction by the Board of Directors of the Southgate Recreation and Park District.

We look forward to hearing from your Council.

Sincerely,

FOR THE BOARD OF DIRECTORS



EDWIN A. SMITH
Chairman

ES:dt



CITY OF SACRAMENTO
CALIFORNIA

OFFICE OF THE
CITY MANAGER

February 10, 1981

CITY HALL
915 I STREET - 95814
(916) 449-5704

Mr. Edd Smith, Chairman
Board of Directors
Southgate Recreation and Park District
6000 Orange Avenue
Sacramento, CA 95823

Dear Mr. Smith:

Your letter to the City Council of December 17, 1980 was referred to the City Manager's office for response.

That letter posed two questions:

1. "What is the official policy of the City of Sacramento in respect to retailing water to both private and public purveyors in the unincorporated South Sacramento Community Planning Area?"
2. "Specifically, what public purveyors of water and private water purveyors will the City of Sacramento retail purified water to in the South Sacramento Community Planning Area?"

Regarding Question 1:

The attached documents include the policy statement adopted by the City Council on May 17, 1970. That policy remains unchanged. It is also consistent with the CH₂M Hill report of 1977 and the Council's response to that report. Please note that the policy does not approve "retailing" of water in the unincorporated area. The only exceptions have occurred in highly specialized and unique situations as set forth in the attached memo from H. G. Behrens to R. H. Parker dated 1/23/81.

Regarding Question 2:

Save for exceptions such as those listed in the Behrens memo, retailing of treated water to the unincorporated area cannot be done. The existing system was engineered and built to a capacity to serve only the incorporated area and is entirely financed by properties and residents of the incorporated area. Any significant diversion of treated water from the current service area of the system would degrade quantity and pressure. Such a diversion would require a substantial

financial contribution to reimburse the citizens of the City for their expenditures. It would also require construction of a new treatment plant. As a practical matter, it is unfeasible to simply tap the existing mains and divert water to the unincorporated area.

Please note Item 3 of the Behrens memo with regard to the sale of raw water.

The legality of the City policy is confirmed by the attached letter from Martin McDonough who is the City's special attorney on water law.

If you wish to further explore the use of City water in the unincorporated area, it would be advisable to discuss the financial, practical and legal ramifications with the City Engineer and City Attorney.

In the meantime if you have any questions, don't hesitate to contact me.

Very truly yours,



Mac Mailes
Assistant City Manager
for Community Development

cc: Councilmembers
Martin McDonough
Ron Parker
Harry Behrens
Jim Jackson
LAFCO
City Clerk

MEMORANDUM

Date: 1-23-81

To: R. H. Parker, City Engineer

From: H. G. Behrens, Manager

Subject: Division Policies on Water Service Outside City Limits

There are really three conditions of water sale, or service, outside City limits.

1. Retail directly to property owner. This condition is covered by Sec. 47.41 of the City Code, which specifies that only the City Council may approve such service. Historically, the Council has refused such application except where purchase of an existing system has created a moral (and probably legal) obligation to serve the franchised area. There are only two areas where this applies, both in the Fruitridge area. The systems were formerly Southern California Water Co. and Kirchgater Water Co.. The City purchased these systems, most of which were inside the City limits. Severance of the portion outside the City was not practical, equitable, or in accordance with usual Public Utilities Commission policy. Our policy there has been to not extend mains any further, but to only serve where mains already exist.
2. Wholesale of treated water to other purveyors. This situation has only occurred on one occasion. We allowed a metered connection to Fruitridge Vista Water Co. on an emergency basis at Stockton Boulevard and 48th Avenue. Water was sold to Fruitridge Vista for a period of about three months until the company could get a new well constructed and in operation. The connection now remains closed, since no permanent sale of water was intended.

We would apply Sec. 47.41 of the Code to this situation also, if some agency should apply for treated water on a wholesale basis.

3. Sale of raw water directly from the river. Current City policy is to allow diversion of raw water under the City's permit by other public agencies within the City's permit application area. Three agreements between the City and other public agencies exist; they are virtually identical, and are with Arcade County Water District, Northridge Park County Water District, and Del Paso Manor County Water District. Under these agreements, the districts may divert raw water from the American River, and they pay the City a prorata share of annual charges specified by contract between the City and the U.S. Bureau of Reclamation. No treated water is involved in these agreements. Citizens Utilities has requested a similar agreement for their area just north of the American River within the City's water diversion permit application area; however, current City policy is to enter into agreements only with public agencies. This proposal will be referred to City Council, as required by Sec. 47.41 of the City Code.

H. G. Behrens

MCDONOUGH, HOLLAND & ALLEN

A PROFESSIONAL CORPORATION
ATTORNEYS

555 CAPITOL MALL, SUITE 950
SACRAMENTO, CALIFORNIA 95814
(916) 444-3900

FELIX S. WANNHAFTIG
(1908-1969)

NEWPORT BEACH OFFICE
4041 McARTHUR BOULEVARD, SUITE 190
NEWPORT BEACH, CALIFORNIA 92660
(714) 833-2304

IN REPLY REFER TO:

MARTIN MCDONOUGH-
ALFRED E. HOLLAND
BRUCE F. ALLEN
V. BAELOW GOFF
JOSEPH E. GOOMES, JR.
WILLIAM S. HOLLIMAN, JR.
DAVID J. SPOTTISWOOD
ELMER R. MALAROFF
RICHARD W. NICHOLS
DONALD C. POOLE
RICHARD W. OSEN
RICHARD E. BRANDT
GARY F. LOVERIDGE
G. RICHARD BROWN

DENNIS D. O'NEIL
DAVID W. POST
SUSAN R. EDLING
BRUCE MCDONOUGH
ALICE A. WOODYARD
MICHAEL T. FOGARTY
D. WILLIAM DENTINO
ANN M. MORRIS
DAVID F. BEATTY
HARRY E. HULL, JR.
RICHARD L. DECOSKY, JR.
JEFFRY R. JONES
WILLIAM L. OWEN
DAVID R. BAADÉ

February 3, 1981

RECEIVED
FEB 4 - 1981

CITY OF SACRAMENTO
DIVISION OF WATER & SEWERS

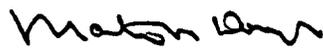
Mr. Harry G. Behrens
Manager, Division of Water and Sewers
City of Sacramento
927 - 10th Street, Suite 201
Sacramento, CA 95814

Dear Harry:

Subject: City Policy on Sale of Water

I have reviewed the draft of water division policy attached to your letter of January 23, and it seems clear and relevant to me, and not contrary to any legal principle.

Sincerely yours,


Martin McDonough
Attorney

MMcD:pa

CITY OF SACRAMENTO
OFFICE OF THE CITY ENGINEER

ROOM 207, CITY HALL
SACRAMENTO, CALIFORNIA 95814

RECEIVED
DEC 16 1970
CITY OF SACRAMENTO
DIVISION OF WATER & SEWERS

May 11, 1970

Arcade Water District
Post Office Box 214317
Sacramento, California 95821

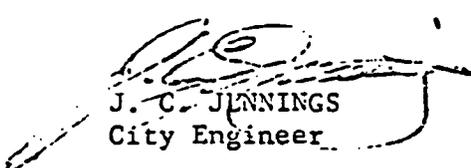
Gentlemen:

On date of February 20, 1970 an inquiry was addressed to the Sacramento City Council exploring the possibilities of furnishing City water to a portion of Arcade service area. This inquiry followed closely a similar one from the County Board of Supervisors.

Attached hereto is a report on this matter made to the Sacramento City Council. I am happy to report that favorable action on the policy therein was taken by the Council at its meeting of May 7th. A concise statement of the policy adopted may be found on the last 2 pages of the report.

As indicated in the report, individual agreements between the City of Sacramento and the agency served will be necessary in each case. Negotiations of such agreements should be undertaken with the Manager of the City's Division of Water and Sewers, Mr. Ray W. Jones.

Very truly yours,



J. C. JENNINGS
City Engineer

JCJ:rf
encl.

cc: E. Cleveland, City Clerk
R. W. Jones, Mgr., Water & Sewer Div.

CITY OF SACRAMENTO

DIVISION OF WATER & SEWERS

112 CITY HALL

SACRAMENTO, CALIFORNIA 95814

May 7, 1970

Mr. R. L. Rathfon, City Manager
City of Sacramento
Sacramento, CA 95814

REPORT ON COUNTY'S REQUEST FOR THE CITY TO SUPPLY WATER OUTSIDE OF THE CITY OF SACRAMENTO

On January 30, 1970, a preliminary report on the County's request for the City to supply water outside of the City was submitted to the City Council to provide basic information on this subject. This is Part I of this report.

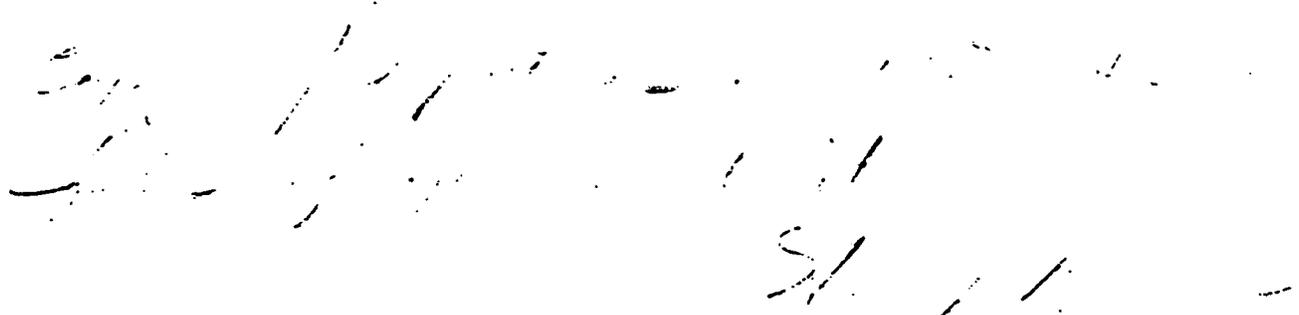
On March 12, 1970, a rough draft summarizing the results of meetings on this subject, and recommending policy was submitted to the appropriate council committee for review. This is Part II of this report which has been updated as a result of council committee meetings' review and approval.

It is recommended the policy suggested in this report, with respect to the City's supplying water outside of its boundaries, be adopted.



RAY W. JONES - MANAGER

/mw



The Company would prefer to purchase water from a City transmission main nearby and would be willing to extend a 24-inch water main as shown on the City master plan to the point of service.

→ III POLICY RECOMMENDATIONS

The City Council has had a long-standing policy of not allowing water service to individual properties outside of the City. It is recommended this policy be continued for the orderly development of the City water system.

With respect to policy on sale of water to private districts or public water systems outside of the City, but within the City's ultimate water service boundary; if the City Council is desirous of accomodating these agencies, it is recommended agreements be entered into subject to the following conditions:

1. The agency will agree to conform to the City's master plan for development of the water transmission system—details to be worked out in the agreement.
2. The agency will agree to pay the City annually for the portion of water reserved for its particular area under the Bureau contract.
3. The agency will agree to pay for its proportionate share of water transmission mains supplying water from the City system to its area.
4. The agency will agree to pay its proportionate share of capital costs of City water treatment facilities based on required capacity.

5. The agency will agree to pay monthly water service charges for volume of water used based on the actual cost per million gallons of water produced at the City plant, plus a surcharge of 20% applied to these service charges to cover costs of administration and "going concern" of the enterprise.
6. Water production and capital costs of water production facilities shall be based on the American River Plant and its future expansions.

IV CONCLUSION

If the above policy is adopted by the City Council, it would provide mutual benefits to both the City and the agency served. The City would benefit by reduction of unit water treatment costs plus more orderly development of areas which possibly will eventually be included in the City water system. The agency being served would benefit from the economy of water treatment from a large City plant and the assurance of dependable service based on long experience. In any event, the public at large will be the benefactor of this cooperative venture.



BOARD OF DIRECTORS

Robert D. Cochran
Kathryn J. Donohue
Jack N. Sheldon
Edwin A. Smith
Howard P. Tillotson

SOUTHGATE RECREATION & PARK DISTRICT

DISTRICT HEADQUARTERS / TRAILHEAD PARK / POST OFFICE BOX 8635
6000 ORANGE AVENUE / SACRAMENTO 95823 / (916) 428-1171

GENERAL MANAGER

Patrick O'Brien

December 17, 1980

The City Council
City of Sacramento
City Hall
915 I Street, Room 202
Sacramento, CA 95814

Dear Honorable Council Members:

The Board of Directors of the Southgate Recreation and Park District has traditionally been concerned with the purveyance of water in the unincorporated area of south Sacramento. As a result of detachments from the District to the City of Sacramento which resulted from issues revolving around the purveyance of water, this Board along with other agencies of the area requested the Sacramento Area Local Agency Formation Commission to draft the South Area Water and Alternatives Structure Study which was completed in February 1978. At that time, the effected agencies became aware of the fact that the water issue was complicated due to the overdrafting of the ground water table. The South Area Water and Alternatives Structure Study, written by John Farrell of LAFCO, reports that:

"It has been a long standing but informal policy of the City of Sacramento not to extend new retail service to unincorporated area properties even though the City code allows for the retailing of water outside the City limits. There has been no indication that the City is willing to amend this policy.

Informal conversations with the City Manager's Office indicate that City policy (even though the City code allows it) on retailing water to unincorporated area properties will remain unchanged."

At your regular meeting of January 18, 1977, your Council adopted an official position relative to the then proposed Sacramento County-Wide Water Plan prepared by CH₂ M. Hill.

"...Willingness to participate in any action to improve the county-wide water situation consistent with high standards of effectiveness and equity. Such acts would include but not necessarily be limited to:



RESOLUTION NO. 80-20

TITLE: RESOLUTION OF THE BOARD OF DIRECTORS OF
THE SOUTHGATE RECREATION AND PARK DISTRICT
OPPOSING THE DRAFT CITY OF SACRAMENTO SPHERE
OF INFLUENCE

WHEREAS, the Board of Directors of the Southgate Recreation and Park District upon thorough study and review of the draft report entitled City of Sacramento Sphere of Influence, hereby formally opposes said report in terms of its application to the unincorporated area of south Sacramento; and

WHEREAS, the Board has a responsibility to its constituents to review and analyze such proposals in respect to efficiencies of services and cost/revenue constraints; and

WHEREAS, the Board has traditionally reviewed and proposed reorganizations, consolidations and annexations in attempts to gain said efficiencies; and

WHEREAS, the Board reaffirms its commitment to analyzing and reviewing such proposals.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Southgate Recreation and Park District hereby formally opposes the draft City Sphere of Influence report developed by the Local Agency Formation Commission of Sacramento based upon the following considerations:

1. That the report identifies immediate annexation to the City from the unincorporated area of south Sacramento and as such may be viewed as a recommendation for annexation rather than merely a study of its feasibility.
2. That the report does not adequately identify the efforts to reorganize services by districts in the area which would gain efficiencies and effect the immediate timetable as set forth in the report for annexation to the City.
3. The report does not identify voter opposition to City annexation in the south Sacramento area while it does identify voter opposition in the Arden/Arcade area.
4. The citizenry of the unincorporated area of south Sacramento have traditionally opposed annexations to the City of Sacramento.
5. Annexation to the City will require additional costs to taxpayers with no guarantee of an appreciable increase in services.
6. The report identifies water as a critical issue to the south Sacramento area but does not identify the apparent conflicting policies of the City on retailing water to the area which is a part of the City Water Rights Application area.
7. City annexation provides no guarantee that recreation and park services would increase or maintain the same level.

Ltr to Sacramento City Council
re: City Annexation Proposal

December 17, 1980

a. The sale of water to retail purveyors within the City's water rights application area."

The Southgate Recreation and Park District's Board of Directors has identified two apparent conflicting policies of the City of Sacramento in respect to retailing water to the unincorporated south Sacramento area. Specifically, the Board requests that your Council address the following questions:

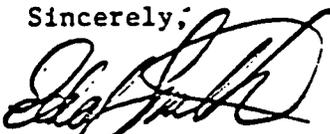
1. What is the official policy of the City of Sacramento in respect to retailing water to both private and public purveyors in the unincorporated South Sacramento Community Planning Area?

2. Specifically, what public purveyors of water and private water purveyors will the City of Sacramento retail purified water to in the South Sacramento Community Planning Area?

Our Board is requesting clarification on these items after considerable review of the issues of water purveyance in the area and recent reports and analysis by the City of Sacramento, LAFCO, and our agency. Our findings and conclusions in respect to these identified problems and analysis are contained within the attached report and resolution.

Our Board hereby requests that your Council formally address the above questions and respond to these inquiries prior to January 30, 1981. This request is based upon a unanimous consent by the Board of Directors of the Southgate Recreation and Park District.

Sincerely,



EDD SMITH
Chairman

ES:dt



CITY MANAGER'S OFFICE
RECEIVED
FEB 9 1981

RECEIVED
OFFICE OF THE MAYOR

BOARD OF DIRECTORS

Robert D. Cochran
Kathryn J. Donohue
Jack N. Sheldon
Edwin A. Smith
Howard P. Tillotson

FEB 06 1981
AM PM
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SOUTHGATE RECREATION & PARK DISTRICT

DISTRICT HEADQUARTERS / TRAILHEAD PARK / POST OFFICE BOX 9635
6000 ORANGE AVENUE / SACRAMENTO 95823 / (916) 428-1171

GENERAL MANAGER

Patrick O'Brien

February 5, 1981

The City Council
City of Sacramento
City Hall
915 I Street, Room 202
Sacramento, CA 95814

Dear Honorable Council Members:

The Board of Directors of the Southgate Recreation and Park District has forwarded correspondence to your Council on December 17, 1980, regarding the Council's official policy on retailing water to both private and public purveyors in the unincorporated South Sacramento Community Planning Area.

We had requested of your Council that you address two specific questions and respond to those inquiries prior to January 30, 1981. It has come to our attention, through the testimony of Mr. Mac Mailes at the Local Agency Formation Commission meeting of January 21, 1981, that the City's legal counsel was researching the questions in detail and would be responding to our inquiries.

Our Board has been genuinely interested in the purveyance of surface water to the unincorporated South Sacramento Community Planning Area for sometime and we are sincerely looking forward to the City's response concerning our inquiries. We would appreciate your Council assuring the response to these questions by February 16, 1981. Should a solution not be apparent, our Board feels compelled to further explore one with an appropriate state agency. Our Board, again by unanimous consent, is directing that this correspondence be sent to you.

We appreciate the efforts of your Council and the City's staff in responding to our request.

Sincerely,

EDD SMITH
Chairman
Board of Directors

ES:dt

8. Although ISO ratings for fire services would increase from a rating of 4 to a rating of 2 on an ascending scale, this factor is not significant in respect to negligible decreases in insurance costs.

PASSED AND ADOPTED, by the Board of Directors of Southgate Recreation and Park District this 16th day of December 1980, by the following vote to wit:

AYES: Cochran, Smith, Sheldon

NOES:

ABSENT: Donohue, Tillotson



EDD SMITH, CHAIRMAN



ROBERT COCHRAN, CLERK



CITY OF SACRAMENTO

LORRAINE MAGANA
CITY CLERK

OFFICE OF THE CITY CLERK

915 I STREET
CITY HALL ROOM 203

SACRAMENTO, CALIFORNIA 95814
TELEPHONE (916) 449-5428

April 29, 1981

Board of Directors
Southgate Recreation and Park District
6000 Orange Avenue
Sacramento, CA 95823

Gentlemen:

On April 28, 1981, the City Council adopted the attached recommendation of the Planning and Community Development Committee.

Sincerely,


Lorraine Magana
City Clerk

LM:sj
Encl.

cc: LAFCO
City Manager
City Engineer
City Attorney
Councilperson Rudin



CITY OF SACRAMENTO

OFFICE OF THE CITY CLERK

915 I STREET

CITY HALL ROOM 203

SACRAMENTO, CALIFORNIA 95814

TELEPHONE (916) 449-5426

LORRAINE MAGANA
CITY CLERK

MEMORANDUM

TO: WALTER J. SLIPE, CITY MANAGER

FROM: LORRAINE MAGANA, CITY CLERK *LM*

SUBJECT: REFERRAL OF ITEM NO. 30, COUNCIL AGENDA OF APRIL 28, 1981

DATE: APRIL 28, 1981

Pursuant to Council action, the following matter was referred to you:

Councilperson Hoerber requested a report on the basic City policy of wholesaling of water and feasibility of not selling water outside the City; report to Planning and Community Development Committee.

LM:sj

cc: Engineer
Planning and Community Development Committee
Councilperson Hoerber