

RESOLUTION NO. 2009-353

Adopted by the Sacramento City Council

June 2, 2009

2009 DROUGHT WATER BANK AGREEMENTS

BACKGROUND

- A. Following two critically dry years, 2009 has the potential to be one of the most severe drought years in California's history.
- B. The California Department of Water Resources (DWR) is implementing a Drought Water Bank program for 2009, whereby DWR will purchase water from willing sellers upstream of the Sacramento-San Joaquin Delta for sale to downstream water suppliers that are experiencing water shortages in 2009 due to drought conditions.
- C. The City is proposing to participate in the 2009 Drought Water Bank program by forgoing up to 1,000 acre feet of surface water diversion between July 1, 2009 and September 30, 2009, by pumping additional groundwater. Per DWR's 2009 Drought Water Bank Agreement, the City will be reimbursed \$275 per acre-foot of surface water sold to the Drought Water Bank.
- D. Sacramento Suburban Water District is also participating in the Drought Water Bank and is proposing to forgo up to 5,000 acre-feet of surface water diversion by pumping additional groundwater. Since SSWD receives surface water from the City under a wholesale water agreement for that portion of SSWD's service area that is within the City's surface water Place of Use, SSWD would be forgoing the receipt of this water from the City during periods when lower American River flows exceed the Hodge flow criteria. The proposed City-SSWD Agreement provides the City's consent for SSWD's sale of this water to the Drought Water Bank, and provides that SSWD will pay the City \$54 per acre-foot of forgone surface water to offset lost wholesale revenue.
- E. Prior to the sale of any forgone City surface water to the 2009 DWB, the City also will need to obtain approval of these temporary transfers from the State Water Resources Control Board.

**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 Department of Water Resources to participate in the 2009 Drought Water Bank Program – Seller, provided that the agreement is in substantially the same form as the agreement on file in the Office of the City Clerk and is approved as to form by the City Attorney.
- Section 2. The City Manager is authorized to execute an Agreement between the City of Sacramento and Sacramento Suburban Water District for Consent to Groundwater Substitution Transfer.
- Section 3. The City Manager and the City Manager's authorized designees are authorized to file a petition with the State Water Resources Control Board for temporary transfer of surface water and to take such other administrative actions as may be necessary to effectuate the 2009 Drought Water Bank sales described above.

Adopted by the City of Sacramento City Council on June 2, 2009 by the following vote:

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

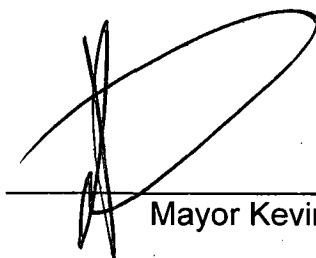
Noes: None.

Abstain: None.

Absent: None.

Attest:


Shirley Concolino, City Clerk



Mayor Kevin Johnson