



City of Sacramento City Council

915 I Street, Sacramento, CA, 95814
www.CityofSacramento.org

Meeting Date: 3/29/2011

Report Type: Staff/Discussion

Title: Utilities Water Workshop

Report ID: 2011-00195

Location: Citywide

Recommendation: Receive and file.

Contact: Dave Brent, Legislative Affairs, (916) 808-1420; Bill Busath, Interim Engineering Manager, (916) 808-1434, Department of Utilities.

Presenter: Marty Hanneman, Director, (916) 808-7508 and Dave Brent, Legislative Affairs Coordinator, (916) 808-1420, Department of Utilities

Department: Department of Utilities

Division: Department Administration

Dept ID: 14001011

Attachments:

- 1-Description/Analysis
- 2-Background.doc

City Attorney Review

Approved as to Form
Joe Robinson
3/24/2011 9:17:05 AM

City Treasurer Review

Prior Council Financial Policy Approval or
Outside City Treasurer Scope
Russell Fehr
3/22/2011 2:45:29 PM

Approvals/Acknowledgements

Department Director or Designee: Marty Hanneman - 3/23/2011 3:55:13 PM

Assistant City Manager: John Dangberg - 3/23/2011 5:47:13 PM

Description/Analysis

Issue: Upon the request of the City Council, staff is presenting this informational workshop to provide a City-centric overview of water supply issues and the role the City can and does play in wholesaling water within the immediate region. While there are many other water related issues, the focus of this workshop will be on the City/region centric issues such as the City's water rights and water infrastructure. Issues such as fluoridation and wastewater permits, including Sacramento Regional County Sanitation District's new permit will be discussed at subsequent meetings.

Policy Considerations: This workshop is informational only but it is anticipated that several policy issues will be discussed and that further policy direction and/or discussions may stem from this workshop.

Environmental Considerations: None.

Sustainability: None.

Commission/Committee Action: None.

Rationale for Recommendation: Not Applicable.

Financial Considerations: None.

Emerging Small Business Development (ESBD): Not Applicable.

Background

At the December 14, 2010, City Council meeting the Department of Utilities brought forward an agreement to wholesale water to the California American Water Company. Upon approval of the agreement, Councilmember Sheedy requested a workshop on local water issues. While acknowledging the multitude of water issues facing the region such as the State's efforts to restore the Delta and deal with the statewide water crisis, the councilmember specifically asked that the workshop focus on local issues.

Today's workshop will provide a City-centric overview of water supply issues and the role the City can and does play in wholesaling water within the immediate region.

Inevitably, issues such as fluoride and the State's effort to restore the Delta, statewide water supply improvement plans, regulatory issues, and the wastewater treatment plant upgrades become part of any conversation regarding water and Sacramento. However, this workshop will not discuss these issues, but rather it will attempt to provide Council with a sense of these overlapping, bigger picture issues while maintaining the focus on the City's water supply. Staff will listen to City Council discussion and develop a "parking lot" of important and critical topics that should be addressed subsequent to this workshop to provide Council with a broader picture of the issues confronting Sacramento's water future.

The outline for the staff presentation is below:

1. Introduction
2. Overview of City's Water Rights
 - a. Existing Water Rights, Permits and Contracts
 - b. How Much Water
 - c. Ability to Wholesale Water
3. City's Water Infrastructure
 - a. Critical Infrastructure – Treatment Plants, Pipes, etc.
 - b. Importance of Reliability
 - c. Aging Infrastructure
4. Value of Water
 - a. Water Conservation
 - i. Productive use vs. unreasonable use
 - b. Protection of the Resource
 - c. Cost of Water
5. Wholesale Water
 - a. Ability to Wholesale Water within the Region
 - b. Benefit of Wholesale Water
 - i. Increased revenue
 - ii. Benefit to ratepayers
 - iii. Benefit to regional water portfolio
6. Follow-up and Next Steps
 - a. Summary of Council Questions/Requests
 - b. Parking Lot Issues/Topics