



## Agenda Report

18-1044

Agenda Date: 9/18/2018

### REPORT TO COUNCIL

#### **SUBJECT**

Action on a Resolution Authorizing the Bay Area Water Supply and Conservation Agency to Negotiate on the City's Behalf with the City and County of San Francisco Regarding Amendments to the 2009 Water Supply Agreement

#### **BACKGROUND**

In April 2003, the City of Santa Clara (City), along with 25 other water retailers in the Alameda, San Mateo, and Santa Clara counties, established the Bay Area Water Supply and Conservation Agency (BAWSCA). BAWSCA was formed to represent the interests of the retailers in their discussions and negotiations with the City and County of San Francisco, owner and operator of the Hetch-Hetchy water system.

On June 9, 2009, Santa Clara City Council approved the 2009 Water Supply Agreement (Agreement), a result of the negotiations between BAWSCA and its member agencies, and the City and County of San Francisco. Along with the other member agencies, Santa Clara has a seat on the Board of Directors of BAWSCA. During the ongoing implementation of this Agreement, certain issues have arisen that require amendment to the Agreement. BAWSCA proposes to continue to act as a lead in the discussions and negotiations regarding these potential amendments.

#### **DISCUSSION**

Staff seeks Council approval of the attached resolution authorizing BAWSCA to negotiate on behalf of the City with the City and County of San Francisco regarding possible amendments to the Agreement related to issues surrounding the implementation of the Agreement.

The attached resolution does not authorize BAWSCA to commit the City of Santa Clara to any agreement or course of action regarding the Agreement. It expressly limits the authorization to only allowing BAWSCA to negotiate on behalf of Santa Clara and the other member agencies regarding any potential amendment to the Water Supply Agreement. BAWSCA has maintained close contact with staff regarding potential amendments to the Agreement. BAWSCA cannot commit the City to a particular course of action as part of these negotiations. Any proposed amendments would be presented to Council in the future for potential action.

#### **ENVIRONMENTAL REVIEW**

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

**FISCAL IMPACT**

There is no fiscal impact to approving this resolution other than administrative staff time and expense. The resolution grants BAWSCA the authority to negotiate on the City's behalf regarding amendments to the 2009 Water Supply Agreement.

**COORDINATION**

This report has been coordinated with the City Attorney's Office.

**PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email [clerk@santaclaraca.gov](mailto:clerk@santaclaraca.gov) <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

**RECOMMENDATION**

Approve Resolution authorizing the Bay Area Water Supply and Conservation Agency (BAWSCA) to Negotiate on the City's Behalf with the City and County of San Francisco Regarding Amendments to the 2009 Water Supply Agreement.

Reviewed by: Gary Welling, Director, Water and Sewer Utilities

Approved by: Deanna J. Santana, City Manager

**ATTACHMENTS**

1. Resolution authorizing BAWSCA to negotiate on behalf of the City of Santa Clara