

RESOLUTION 2019-019

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALISTOGA, COUNTY OF NAPA, STATE OF CALIFORNIA, APPROVING AMENDMENT NO. 13 OF NAPA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT AGREEMENT NO. 1926 - WATER SUPPLY CONTRACT WITH THE CITY OF CALISTOGA FOR WATER SUPPLY FROM THE STATE WATER PROJECT

WHEREAS, in 1963 the Napa County Flood Control and Water Conservation District (District) entered into a water supply contract with the California Department of Water Resources (DWR) for water supply as part of the State Water Project (SWP); and

WHEREAS, in 1982 the City of Calistoga became a Member Unit of the District for purposes of augmenting the City's water supply through the SWP; and

WHEREAS, the SWP contract with DWR expires in 2035 and;

WHEREAS, DWR and the SWP Contractors have identified numerous capital and operational improvement projects that need to be constructed to maintain current system reliability and these projects are typically financed through long-term bonds issued by DWR and repaid by SWP Contractors; and

WHEREAS, DWR and the SWP Contractors cannot issue bonds beyond the current contract expiration date and issuing bonds with shorter terms would result in annual debt service to SWP Contractors that could not be supported without significant and substantial water rate increases to their water customers; and

WHEREAS, DWR and the SWP Contractors desire to reduce the financial burden associated with compressed debt service schedules and improve fiscal transparency between DWR and the SWP Contractors; and

WHEREAS, DWR and the SWP Contractors have held twenty-two public meetings to develop the terms of an Agreement in Principle (AIP) to extend the SWP Contract to 2085 and the City Council approved the terms of the AIP through the adoption of Resolution No. 2014-094; and

WHEREAS, As the lead agency under the California Environmental Quality Act ("CEQA"), the California Department of Water Resources certified the Environmental Impact Report for the Water Supply Extension Project on November 13, 2018; and

WHEREAS, as a Member Unit it is necessary for the City of Calistoga to approve Amendment No. 13 to District Agreement No. 1926 in order for the City to continue to receive its allocation of SWP water for a portion of the City's long term water supply needs; and

WHEREAS, as a responsible agency under CEQA, City staff recommends that the

City Council find that the EIR certified by the DWR adequately analyzes the potential environmental effects of Amendment No. 13 (in accordance with CEQA Guidelines Sections 15050 and 15096); and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Calistoga, State of California, does hereby find that the that the Environmental Impact Report for the Water Supply Extension Project certified by the California Department of Water Resources on November 13, 2018 adequately analyzes the potential environmental effects of Amendment No. 13 to District Agreement No. 1926 (in accordance with CEQA Guidelines Sections 15050 and 15096).

BE IT FURTHER RESOLVED that the City Council of the City of Calistoga, State of California, does hereby approve Amendment No. 13 to District Agreement No. 1926, subject to approval as to form by the City Attorney, and authorizes the City Manager to execute any documents necessary on behalf of the City of Calistoga to affect the extension of the SWP Agreement as reflected in Amendment No. 25 to the State Water Supply Agreement between the District and DWR for the benefit of the City of Calistoga.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Calistoga at its regular meeting held this **19th day of March 2019** by the following vote:

AYES: Councilmembers Kraus, Lopez-Ortega, Williams, and Mayor Canning
NOES: None
ABSTAIN: None
ABSENT: Vice Mayor Dunsford



CHRIS CANNING, Mayor

ATTEST:


IRENE CAMACHO-WERBY, City Clerk