



Board Agenda Item 56

DATE: February 25, 2020

TO: Board of Supervisors

SUBMITTED BY: Steven E. White, Director
Department of Public Works and Planning

SUBJECT: Central Valley Project Interim Renewal Contract

RECOMMENDED ACTION(S):

Adopt Resolution to approve the Central Valley Project Interim Renewal Contract and authorize Chairman to execute the Contract as the designated County Representative.

Approval of the recommended action will renew, on an interim basis, the County's contract with the U.S. Department of Interior Bureau of Reclamation (USBR), for up to 3,000 acre-feet of Central Valley Project (CVP) water. The contract provides for continued service and supply during the negotiation of the 25-year agreement with USBR for the use of CVP water. Negotiation of the long-term agreement has been active since 1996, upon expiration of the prior agreement. This item pertains to locations in District 5.

ALTERNATIVE ACTION(S):

There is no viable alternative action. If your Board does not approve the interim agreement, County Service Area No. 34 (CSA 34) will not be able to provide potable water to the residences in Zones A, C, D, F and G (as shown on Exhibit A).

FISCAL IMPACT:

There is no Net County Cost associated with the recommended action. All costs for administering the CVP Program under the recommended contract is budgeted in Department of Public Works and Planning - CSA 34 Org 9174 (Millerton New Town) and all costs for CSA 34 are paid by customer service assessments.

DISCUSSION:

In 1992, Congress passed the CVP Improvement Act (34 U.S.C.A., s3504, Public Law 102-575, hereinafter referred to as CVPIA) which addresses, among other things, renewal of the CVP water contracts. Long-term renewal of CVP water contracts is pending resolution of the environmental review process. However, CVPIA provides for interim contracts on a short-term basis.

On December 12, 1995, the Board approved an amendatory Interim Renewal Contract, extending the original County contract to February 29, 1996. Since that time, the Board has approved several one or two-year interim contract renewals, the last on February 6, 2018, which extended the contract period through February 28, 2020.

Since Congress passed the Water Infrastructure Improvements for the Nation Act ("the WIIN Act") in 2016, it affected negotiations with USBR for the use of the County's allocation of CVP water. Specifically, the Act

opened the opportunity for USBR to convert the negotiated long-term agreement into a permanent agreement.

The recommended contract is required to be renewed prior to the expiration of the 2018 Interim Agreement, which is February 28, 2020. The CVP Contractors and USBR wish to convert short-form interim renewal contract to a long-form interim renewal contract to ease the conversion to a long-form National WIIN Act permanent contract.

The recommended resolution will extend the contract period through February 28, 2022. During the proposed contract period, CVP Contractors and USBR wish to convert the short-form Interim Renewal Contract into a long-form permanent contract through the Federal WIIN Act, prior to the WIIN Act deadline, which is no later than December 31, 2021.

Concurrent with the Interim Renewal Contract period, the permanent WIIN Act contract is being negotiated with USBR. Department staff anticipated bringing the permanent WIIN Act contract to your Board for approval before February 28, 2020, but the negotiations have been delayed a few times in the last two years. Staff now anticipates bringing the permanent WIIN Act Contract to your Board for approval prior to the WIIN Act deadline, December 16, 2021, for execution of the permanent agreement.

It has been determined, pursuant to section 15061 (b) (3) of the State of California Environmental Quality Act (CEQA) Guidelines, that the project does not have the potential for causing a significant effect on the environment and is exempt from CEQA. A Notice of Exemption will be filed with the County Clerk upon execution of the Interim Renewal Contract. A National Environmental Policy Act (NEPA) Environmental Assessment on the Interim Contract, prepared by the U.S. Department of the Interior, Bureau of Reclamation, resulted in a Finding of No Significant Impact.

The USBR has specified a requirement that a formal resolution be adopted approving the contract and authorizing a designated County official to sign the contract, which, in this case, is the Chairman of the Board of Supervisors. Approval of the recommended resolution will approve the contract and authorize the Chairman as the County's signatory on the contract.

OTHER REVIEWING AGENCIES:

U.S. Department of Interior Bureau of Reclamation

REFERENCE MATERIAL:

BAI #30, February 6, 2018

ATTACHMENTS INCLUDED AND/OR ON FILE:

Exhibit A
On file with Clerk - Resolution
On file with Clerk - CVP Interim Renewal Agreement

CAO ANALYST:

Sonia M. De La Rosa