



Board Agenda Item 47

DATE: April 25, 2017

TO: Board of Supervisors

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

SUBJECT: Cross Valley Canal Contractors - NEPA Compliance Cost Sharing Agreement

RECOMMENDED ACTION(S):

- 1. Approve and authorize the Chairman to execute a Cost Sharing Agreement with the Cross Valley Canal Exchange Contractors for the National Environmental Policy Act Consultant Regarding the Renewal of Central Valley Project water Supply and Conveyance Contracts. (\$491.40)**
- 2. Designate Kern Tulare Water District as the Coordinating Agency for the National Environmental Policy Act Compliance Efforts.**

The first recommended action will approve and authorize the Chairman to execute a Cost Sharing Agreement with the Cross Valley Canal Contractors (CVC Contractors) for the National Environmental Policy Act (NEPA) Consultant Regarding the Renewal of Central Valley Project (CVP) Water Supply and Conveyance Agreements.

The second recommended action will designate Kern Tulare Water District (KTWD) as the Coordinating Agency for the NEPA Compliance Efforts.

ALTERNATIVE ACTION(S):

The Board may choose not to enter into the Agreement with other CVC contractors. Staff does not recommend this option. Although not obligatory, given the legal challenges and complexity of issues associated with federal water delivered through the Delta, and the reliance of the County Service Area 34 (CSA 34) water supply on the successful execution of a long-term water contract with the United States Bureau of Reclamation (Bureau) and California Department of Water Resources (DWR), staff recommends execution of the agreement, and continued participation with the CVC Contractors group to strengthen Fresno County's position in reaching a satisfactory conclusion with the Bureau and DWR, and minimize risk from external challenges to the County's long-term water assignment.

FISCAL IMPACT:

There is no Net County Cost associated with the recommended actions. All costs associated with the Agreement are budgeted in CSA 34 Org 9174. CSA 34 Org 9174, County Service Area 34A (CSA 34A) Org 9181, and County Service Area 34C (CSA 34C) Org 9254 are beneficiaries of the County's federal water allocation, through an exchange agreement with Arvin-Edison Water Storage District. The total CVC Contractor's cost for the NEPA Consultant is \$21,000. CSA 34, CSA 34A, & CSA 34C pay into a Water Contract Administration assessment that is collected through CSA 34. Fresno County's proportional share is based on the County's proportion of the total Cross Valley Canal-Central Valley Project water supply Agreement quantity, which is 3,000-acre feet of the total 128,000-acre feet, and is equal to 2.34% or \$491.40.

DISCUSSION:

Fresno County holds an assignment of up to 3,000 acre-feet of federal CVP water from the Sacramento/San Joaquin Delta, through contract with the Bureau and DWR. This water, delivered out of the Sacramento-San Joaquin River Delta, has historically been exchanged via the Cross Valley Canal (CVC) for federal water at Millerton Lake for use in Millerton New Town, Brighton Crest and Bella Vista within CSA 34, CSA 34A and CSA 34C, respectively.

The prior long-term Agreement # 14-06-200-8292A (Exhibit B) with the Bureau and DWR expired in 1997, and has been extended through a series of interim one-year and two-year agreements. The new long-term renewal contract requires NEPA and CEQA compliance.

Fresno County is a member of a group of CVC exchange water contractors in Fresno and Tulare Counties. The CVC Contractors, which share issues in common concerning the long-term water agreement, have collectively been negotiating with Bureau and DWR on the elements of the long-term water supply and conveyance Agreement for a number of years. The CVC Contractors have completed negotiations with DWR and Bureau for the renewal of the long-term conveyance service agreement for the delivery of the Cross Valley Contractors (CVC) water supply to the CVC Contractors.

Prior to the execution of the long-term agreement with the Bureau, the CVC Contractors collectively are responsible for complying with CEQA, while the Bureau is responsible for the federal NEPA compliance.

The CVC Contractors have completed the Final Environmental Impact Report (FEIR) in compliance with the California Environmental Quality Act, California Public Resources Code §§ 21000 et seq.

The California Bureau of Reclamation, in cooperation with the CVC Contractors is required to prepare a separate NEPA document prior to the execution of the long-term water supply and conveyance Agreement. The CVC Contractors desire to enter into a cost-sharing agreement to assist these public agencies and the Bureau in its compliance with NEPA. The CVC Contractors would like to designate KTWD as the Coordinating Agency for the NEPA Compliance Efforts. As the designated coordinating agency, KTWD will be authorized to hire a mutually agreed upon consultants to assist the Bureau in the NEPA compliance. As the coordinating agency, KTWD will be responsible for contracting with the consultants, paying for costs related to the NEPA compliance, accounting for those costs and obtaining reimbursement from the CVC Contractors.

The cost estimate that has been prepared by a consultant (Exhibit A of Agreement) estimates a total cost of \$21,000. Fresno County's share is based on the County's proportion of the total Cross Valley Canal-Central Valley Project water supply Agreement quantity, which is 3,000-acre feet of the total 128,000-acre feet, and is equal to 2.34% or \$491.40. Staff notes that each of the CVC contractors have already approved the scope of work and cost, which limits the County's liability to only \$491.40 of the cost.

OTHER REVIEWING AGENCIES:

Lower Tule River Irrigation District
Pixley Irrigation District
Hills Valley Irrigation District
Tri-Valley Water District
Kern-Tulare Water District
County of Tulare

REFERENCE MATERIAL:

BAI, August 20, 1975

ATTACHMENTS INCLUDED AND/OR ON FILE:

Location Map

Exhibit B

On file with the Clerk - Agreement with CVC Contractor

CAO ANALYST:

John Hays