

Meeting Date: 5/19/2015

Report Type: Consent

Report ID: 2015-00410

Title: Agreements: Cost Sharing Fiscal Year (FY) 2015/16 Sacramento City-County Office of Metropolitan Water Planning (CCOMWP)

Location: Citywide

Recommendation: Pass a Motion authorizing the City Manager or the City Manager's designee to execute: 1) an interagency cost share agreement for the Water Forum Successor Effort portion of the CCOMWP budget, with the County of Sacramento, City of Roseville, City of Folsom, Placer County Water Agency, and the San Juan Water District; and 2) an interagency cost share agreement for the Habitat Management Element portion of the CCOMWP budget with the County of Sacramento.

Contact: Tom Gohring, Executive Director, (916) 808-1998, Sacramento City-County Office of Metropolitan Water Planning, Department of Citywide and Community Support

Presenter: None

Department: Community Support

Division: CCOMWP

Dept ID: 80004101

Attachments:

- 1-Description/Analysis
- 2-Background
- 3-Agreement
- 4-Agreement

City Attorney Review

Approved as to Form
Joe Robinson
5/12/2015 5:21:28 PM

Approvals/Acknowledgements

Department Director or Designee: Tom Gohring - 4/29/2015 9:02:32 AM

Description/Analysis

Issue Detail: Under the current Interagency Agreement (C2001-005) governing operations of the Sacramento City-County Office of Metropolitan Water Planning (CCOMWP), funding for the Water Forum Successor Effort (WFSE) and Habitat Management Element (HME) is provided by water suppliers who are signatory to the Water Forum Agreement (WFA).

Policy Considerations: The WFA (C1999-222) approved in FY1999/00, includes a mechanism for a WFSE to ensure actual implementation of the Agreement over the next three decades. The WFSE is being administered under the auspices of the CCOMWP. The WFSE continues the interest-based collaborative process successfully used to develop the WFA.

Economic Impacts: None.

Environmental Considerations:

California Environmental Quality Act (CEQA): Continuing administrative activities and government fiscal activities do not constitute a project and are therefore exempt from CEQA review [CEQA Guidelines § 15378(b)(2) and (b)(4)].

Sustainability Considerations: Approval of the FY2015/16 WFSE and HME Cost Share Agreements are consistent with the City of Sacramento's Sustainability Master Plan Goals.

Sustainability Goal No. 7 - Parks, Open Space, and Habitat Conservation is promoted by the second co-equal objective of the Water Forum Agreement "To preserve the fishery, wildlife, recreational, and aesthetic values of the lower American River."

Sustainability Goal No. 8 - Water Resources and Flood Protection is supported by the first co-equal objective of the Water Forum Agreement "To provide a reliable water supply for planned development to the year 2030."

Commission/Committee Action: The proposed cost share breakdown was approved by the Water Forum Coordinating Committee on 02/26/2015; and by the Water Forum Plenary on 03/12/2015.

Rationale for Recommendation: Approval of the FY2015/16 Cost Share Agreements will support the continuing activities of the WFSE and HME consistent with the Water Forum Agreement.

Financial Considerations: Shared funding amounts for the WFSE are

based primarily on the number of water connections served by each entity. There are two exceptions to this arrangement:

- (1) The Sacramento Municipal Utility District (SMUD) initially contributed \$10,000; this contribution is adjusted annually for inflation as set by the "Engineering News Record" published Construction Cost Index (CCI) for US – 20 Cities Average and for the San Francisco Bay Area per the WFA (page 87). The annual adjustment is calculated using the average for these two areas, currently 2.75%. SMUD renews its cost share agreement every 5 years; the current cost share agreement (C2013-0588) will expire on 06/30/18.
- (2) The El Dorado County Water Agency (EDCWA) makes annual contributions based on a flat 1% of the total projected WFSE budget. The EDCWA renews its cost share agreement once every three years. Their current cost share agreement (C2014-0546) will expire on 06/30/17.

Fund 7103

Water Forum Successor Effort (WFSE) Cost Share Amounts:

Sacramento County - Zone 13	\$484,304
City of Sacramento	266,150
City of Roseville	80,193
City of Folsom	38,747
Placer County Water Agency	20,274
Sacramento Municipal Utility District	17,577
San Juan Water District in Placer County	13,685
El Dorado County Water Agency	9,302
Total:	\$930,233

The WFA describes the cost-sharing process among the water purveyors for the HME on pages 86-87. Contributions by the City and County of Sacramento were initially set annually at \$125,000 and \$250,000, respectively. These contributions are adjusted each year for inflation as described above.

Other purveyors with contracts for Central Valley Project water agreed to contribute to the HME in those years when they divert non-CVP water above their baseline. Golden State Water Company agreed to contribute to the HME for water diverted under its replacement water supply contract with SMUD. The potential value of these contributions is unknown at the time budgets

are prepared and not included in the projection.

Sufficient funds are available for the City's total cost share offset of \$471,394. These City funds are included in the FY2015/16 Department of Utilities Water Fund (6005) budget. The City's contribution will provide \$266,150 for WFSE services and programs in Fund 7103 and \$205,244 for HME services and programs in Fund 7104 as program support transfers.

Fund 7104

Habitat Management Element (HME) Cost Share Amounts

Sacramento County - Zone 13	\$410,487
City of Sacramento	<u>205,244</u>
Total:	615,731

Local Business Enterprise (LBE): Not applicable.

BACKGROUND

In the fall of 1991, the City Council and Board of Supervisors authorized the establishment of an independent entity (CCOMWP) and approved the Interagency Agreement (C1991-203) among the City of Sacramento, County of Sacramento, and Sacramento County Water Agency for the new entity. The Second Interagency Agreement (C2001-005) was approved by all three agencies on January 9, 2001.

The CCOMWP is responsible for staffing, administering, and coordinating the Water Forum. Until January 1, 1998, the CCOMWP was financially supported by a 50/50 split by the City's Water Fund and the County's Water Agency (Zone 13).

Since January 1, 1998, a number of local government entities (including the City of Sacramento) agreed to cost-share the tasks that needed to be completed prior to implementation of the WFA.

The WFA (C1999-222) approved in FY1999/00 includes a mechanism for a WFSE to ensure actual implementation of the Agreement over the next three decades.

The WFSE is being administered under the auspices of the CCOMWP. The WFSE continues the interest-based collaborative process successfully used to develop the WFA.

**Interagency Agreement
For Cost-Sharing the Fiscal Year (FY) 2015/2016
Water Forum Successor Effort Budget of the
Sacramento City-County Office of Metropolitan Water Planning**

THIS AGREEMENT is made and entered into on _____ by and among Sacramento County; Sacramento County Water Agency; City of Roseville; City of Folsom; Placer County Water Agency; San Juan Water District, and the City of Sacramento (on behalf of the Sacramento City-County Office of Metropolitan Water Planning and the Water Forum Successor Effort).

The parties to this agreement, in consideration of the mutual obligations set forth herein, agree as follows:

Section I.

Cost-Sharing: The cost-sharing partners of the Water Forum identified below have each agreed to pay a pro-rata amount of the total costs for funding the Water Forum Successor Effort (hereinafter referred to as "WFSE") activities (based upon their number of active water connections as of December 31, 2014, or a negotiated amount), as set forth below for the period of July 1, 2015 to June 30, 2016.

Cost-Sharing Partners	Cost Share Amounts
Sacramento County - Zone 13	\$484,304
City of Sacramento	266,150
City of Roseville	80,193
City of Folsom	38,747
Placer County Water Agency	20,274
Sacramento Municipal Utility District	17,577
San Juan Water District in Placer County	13,685
El Dorado County Water Agency	9,302
Total	\$930,233

Section II.

Reimbursement: The Sacramento City-County Office of Metropolitan Water Planning (hereinafter referred to as "CCOMWP") shall administer all consultant agreements and other expenses incurred during FY2015/2016 for the WFSE. The parties agree to reimburse the CCOMWP for their share of such costs, up to the amount set forth for each party in Section 1, above, within 30 days after receipt of invoices.

On behalf of the CCOMWP, the City of Sacramento Finance Department will invoice each cost-sharing partner at the beginning of each fiscal year quarter, except in those instances where the cost-sharing partners have mutually agreed to be

invoiced in another time period (i.e. one annual invoice). It is understood and agreed that although this agreement only pertains to reimbursement for costs incurred during the period from July 1, 2015 to June 30, 2016, the WFSE will extend past June 30, 2016. Any reimbursement of costs incurred by CCOMWP after June 30, 2016 would be governed by a new or amended cost-sharing agreement.

Section III.

Sacramento Municipal Utility District and the El Dorado County Water

Agency: Sacramento Municipal Utility District (SMUD) and the El Dorado County Water Agency (EDCWA) have entered into separate agreements with the City of Sacramento (on behalf of the Sacramento City-County Office of Metropolitan Water Planning and the Water Forum Successor Effort) to pay their share of the costs identified in Section II, above, up to the amounts set forth for SMUD and EDCWA, respectively, in Section 1, above.

Section IV.

Changes in Terms: Any changes in the terms of this agreement shall be approved by all parties and shall be effective when reduced to writing and signed by all parties.

Section V.

Indemnity: Each party shall, to the fullest extent allowed by law, indemnify, hold harmless and defend the other party or parties, its officers and employees from any actions, liability or other expenses (including reasonable attorney fees) for any damages or injury to persons or property, occurring by reason of any negligent or wrongful act or omission by the indemnifying party, its officers or employees under this agreement.

Section VI.

Independent Contractors: All contractors employed during any phase of the Water Forum Successor Effort are independent contractors. Contractor employees assigned to perform contract work related to the Water Forum Successor Effort are and will remain employees of the contractor and will not be considered employees of any of the signatory agencies for any reason.

Section VII.

Single Agreement: This Interagency Agreement may be signed in multiple counterparts, which together will constitute a single Interagency Agreement.

This agreement is executed as follows:

Sacramento County Water Agency,
an agency created pursuant to the Sacramento County Water Agency Act

By: _____

Date: _____

Print Name: _____

Title

APPROVED AS TO FORM:

By: _____

Date: _____

Print Name: _____
County Counsel

ATTEST:

By: _____

Date: _____

Print Name: _____
Clerk of the Sacramento
County Water Agency

Section VII.

Single Agreement: This Interagency Agreement may be signed in multiple counterparts, which together will constitute a single Interagency Agreement.

This agreement is executed as follows:

Sacramento County

By: _____

Date: _____

Print Name: _____

Title

APPROVED AS TO FORM:

By: _____

Date: _____

Print Name: _____
County Counsel

ATTEST:

By: _____

Date: _____

Print Name: _____
Clerk of the Board of Supervisors

Section VII.

Single Agreement: This Interagency Agreement may be signed in multiple counterparts, which together will constitute a single Interagency Agreement.

This agreement is executed as follows:

City of Sacramento, a municipal corporation

By: _____

Date: _____

Print Name: _____

Title: _____

For: John F. Shirey, City Manager

APPROVED AS TO FORM:

By: _____

Date: _____

Print Name: _____

Deputy City Attorney

ATTEST:

By: _____

Date: _____

Print Name: _____

City Clerk

Section VII.

Single Agreement: This Interagency Agreement may be signed in multiple counterparts, which together will constitute a single Interagency Agreement.

This agreement is executed as follows:

City of Roseville, a municipal corporation

By: _____

Date: _____

Print Name: _____
City Manager

ATTEST:

By: _____

Date: _____

Print Name: _____
City Clerk

APPROVED AS TO FORM:

By: _____

Date: _____

Print Name: _____
City Attorney

APPROVED AS TO SUBSTANCE:

By _____

Date: _____

Print Name: _____
Environmental Utilities Director

Section VII.

Single Agreement: This Interagency Agreement may be signed in multiple counterparts, which together will constitute a single Interagency Agreement.

This agreement is executed as follows:

City of Folsom, a municipal corporation

By: _____ Date: _____

Print Name: _____
City Manager

APPROVED AS TO CONTENT:

By; _____ Date: _____

Print Name: _____
Director of Utilities

APPROVED AS TO FUNDING:

By: _____ Date: _____

Print Name: _____
Director of Finance

APPROVED AS TO FORM:

By: _____ Date: _____

Print Name: _____
City Attorney

ATTEST:

By: _____ Date: _____

Print Name: _____
City Clerk

Section VII.

Single Agreement: This Interagency Agreement may be signed in multiple counterparts, which together will constitute a single Interagency Agreement.

This agreement is executed as follows:

Placer County Water Agency

By: _____

Date: _____

Print Name: _____

Andrew Fecko,
Director of Resource Development

Section VII.

Single Agreement: This Interagency Agreement may be signed in multiple counterparts, which together will constitute a single Interagency Agreement.

This agreement is executed as follows:

San Juan Water District

By: _____

Date: _____

Print Name: _____

**Interagency Agreement
For Cost-Sharing the Fiscal Year (FY) 2015-2016
Habitat Management Element Budget of the
Sacramento City-County Office of Metropolitan Water Planning**

THIS AGREEMENT is made and entered into on _____ by and among Sacramento County; Sacramento County Water Agency; and the City of Sacramento on behalf of the Sacramento City-County Office of Metropolitan Water Planning.

The parties to this agreement, in consideration of the mutual obligations set forth herein, agree as follows:

Section I.

Cost-Sharing: The cost-sharing partners of the Sacramento Region Water Forum identified below have agreed to pay a share of the total costs for funding the Habitat Management Element of the Water Forum Agreement, as set forth below, for the period of July 1, 2015 to June 30, 2016. These costs are determined according to the cost allocation principles established in the Water Forum Agreement, (Section IV Lower American River Habitat Management Element, subsection D, pages 85-88), as adjusted annually for inflation.

Cost Sharing Partners	Cost Share Amounts
Sacramento County Water Agency	\$410,487
City of Sacramento	<u>205,244</u>
Total	\$615,731

Section II.

Invoicing:

On behalf of the CCOMWP, the City of Sacramento Finance Department will invoice each cost-sharing partner at the beginning of each fiscal year quarter. It is understood and agreed that although this agreement only pertains to funding for the period from July 1, 2015 to June 30, 2016 the HME will extend past June 30, 2016. Any agreement regarding funding after June 30, 2016, would be governed by a new or amended cost-sharing agreement.

Section III.

Changes in Terms: Any changes in the terms of this agreement shall be approved by all parties and shall be effective when reduced to writing and signed by all parties.

Section IV.

Indemnity: Each party shall, to the fullest extent allowed by law, indemnify, hold harmless and defend the other party or parties, its officers and employees from any actions, liability or other expenses (including reasonable attorney fees) for any damages or injury to persons or property, occurring by reason of any negligent or wrongful act or omission by the indemnifying party, its officers or employees under this agreement.

Section V.

Independent Contractors: All contractors employed during any phase of the agreement are independent contractors. Contractor employees assigned to perform contract work related to the HME are and will remain employees of the contractor and will not be considered employees of any of the signatory agencies for any reason. This agreement is executed as follows:

Sacramento County Water Agency,
an agency created pursuant to the Sacramento County Water Agency Act

By: _____ Date: _____

Print Name: _____

Title

APPROVED AS TO FORM:

By: _____ Date: _____

Print Name: _____
County Counsel

ATTEST:

By: _____ Date: _____

Print Name: _____
Clerk of the Sacramento
County Water Agency

Sacramento County

By: _____ Date: _____

Print Name: _____

Title

APPROVED AS TO FORM:

By: _____ Date: _____

Print Name: _____
County Counsel

ATTEST:

By: _____ Date: _____

Print Name: _____
Clerk of the Board of Supervisors

City of Sacramento, a Municipal Corporation

By: _____ Date: _____

Print Name: _____

Title: _____
For: John Shirey, City Manager

APPROVED AS TO FORM:

By: _____ Date: _____

Print Name: _____
Deputy City Attorney

ATTEST:

By: _____ Date: _____

Print Name: _____
City Clerk