Title: Wholesale Water Agreement with Natomas Unified School District

Location: Citywide

Recommendation: 1) Consider the Final Environmental Impact Report (EIR) certified by the Natomas Unified School District (“School District”) as lead agency on March 13, 2019 for the construction of the Paso Verde School; and 2) adopt a Resolution: a) confirming the City of Sacramento (“City”) as a responsible agency under the California Environmental Quality Act (CEQA) has reviewed and considered the environmental effects in the Final EIR certified by the School District and making certain responsible agency findings, b) authorizing the City Manager or the City Manager’s designee to execute a wholesale water service agreement (“Agreement”) with the District, and c) authorizing staff to enter into minor amendments to the Agreement subject to approval as to form by the City Attorney or City Attorney designee.

Contact: Brett Ewart, Senior Engineer (916) 808-1725; Michelle Carrey, Supervising Engineer (916) 808-1438; Dan Sherry, Engineering & Water Resources Division Manager, (916) 808-1419; Department of Utilities

Presenter: None

Attachments:
1-Description/Analysis
2-Agreement
3-Resolution
4-Paso Verde Notice of Determination
5-Paso Verde Final Environmental Impact Report
6-Paso Verde Draft Environmental Impact Report
Description/Analysis

Issue Detail: The School District is developing property located in the unincorporated area of Sacramento County, north of Del Paso Road and west of the Westlake residential subdivision in the City, into the Paso Verde K-8 school. The District prefers to receive potable water on a wholesale basis from the City rather than developing its own alternative supply of water, such as groundwater. The School District will provide retail water services directly to the Paso Verde School.

The Final EIR stated that the School District would enter into an agreement with either the City or another water service provider rather than directly develop a water supply.

Policy Considerations: This Agreement will provide for wholesale potable water service to the School District. The City will supply surface water and groundwater based on its water rights that are appropriate to areas outside of the City limits. Retail services will not be provided to the school site, as the property is located outside the current City limits, and outside the City’s sphere of influence.

This proposed wholesale agreement is exempt from the Cortese-Knox-Hertzberg Local Governmental Reorganization Act of 2000 (pertaining to LAFCO) under Government Code section 56133. It would also comply with the City’s General Plan and the Natomas Basin Habitat Conservation Plan (NBHCP), the Implementing Agreement, and the City’s incidental take permits issued by the U.S. Fish & Wildlife Service and California Department of Fish & Wildlife. The Final EIR for the new school confirms that the project site is located within the NBHCP Area. The NBHCP provisions do not apply to development projects outside the City or Sutter County permit areas, neither the City nor the School District is proposing to annex the school site, and the City is not issuing any urban development permits. The School District needs an additional school to accommodate existing student enrollment and the development of the school is not proposed in conjunction with the annexation of any residential development areas.

Economic Impacts: None.

Environmental Considerations: An EIR was prepared by the School District and approved by the Natomas Unified School District Board of Trustees (Lead Agency) on March 13, 2019. A Notice of Determination was filed on March 14, 2019. All findings were made pursuant to the provisions of CEQA. The Final EIR identified less than significant impacts to the water utility system and biological resources.
The City Council Resolution provides that the City Council has reviewed and considered the environmental effects in the EIR. There are no alternatives and mitigation measures within its authority that are needed that may reduce or avoid environmental impacts. No further CEQA review is required.

**Sustainability:** This action is consistent with the City Council focus areas of Sustainability and Livability and Public Safety by providing drinking water to a school serving Sacramento residents.

**Commission/Committee Action:** Not applicable.

**Rationale for Recommendation:** The Paso Verde School is a proposed K-8 school within the School District that requires a reliable water supply. Groundwater resources are present within the aquifer underling the School District but would likely require expensive treatment to make the water suitable for consumption. The School District has indicated that receiving wholesale water from the City is the most cost-effective means of delivering this service to the school. The City maintains the capacity to provide this service.

**Financial Considerations:** Under the Agreement, the School District will pay City capital facility connection fees per million gallons per day (mgd) of capacity, as well as quantity charges for water delivered. These charges are summarized below:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Connection Fee</td>
<td>$2,757,909 per mgd</td>
</tr>
<tr>
<td></td>
<td>(Fee adjusted annually)</td>
</tr>
<tr>
<td>Wholesale Water Rate</td>
<td>$552.99/acre foot +</td>
</tr>
<tr>
<td></td>
<td>$455.17/ mo. Metered service charge per connection +</td>
</tr>
<tr>
<td></td>
<td>$201.03/ mo. Standby Fire service charge per connection</td>
</tr>
<tr>
<td></td>
<td>(Rate Adjusted Annually)</td>
</tr>
</tbody>
</table>

At an expected maximum delivery rate of 0.24 mgd, the connection fee would equate to $675,136.

There are no General Funds allocated or planned for this project.

**Local Business Enterprise (LBE):** Not applicable.
WATER WHOLESALE AGREEMENT BETWEEN THE CITY OF SACRAMENTO AND THE NATOMAS UNIFIED SCHOOL DISTRICT

THIS AGREEMENT is made and entered into this __ day of __________, 2019, by and between the CITY OF SACRAMENTO, a charter municipal corporation (hereafter referred to as "City") and the NATOMAS UNIFIED SCHOOL DISTRICT (hereafter referred to as "School District").

RECITALS

A. City owns and operates public water systems and provides municipal and industrial ("M & I") water service to its service area customers in and adjacent to the City.

B. School District owns and operates a small public water system and provides water service to certain facilities, employees, and students within the School District boundaries.

C. The School District intends to develop the Paso Verde K-8 school ("School") west of Interstate 5 and north of Del Paso Road with the ultimate capacity to accommodate up to 1,000 students and approximately 60 staff members.

D. The School District could construct and operate an on-site groundwater supply system well to serve the School through the provision of groundwater, but the City can provide potable water to the School at lower cost.

E. City is willing to provide potable water to the School District on a wholesale basis to allow the School District to meet the water demand of the School as an alternative to water service provided by the School District or the Sacramento County Water Agency ("Agency"), which provides water to certain areas in the surrounding unincorporated Sacramento County ("County").

F. The City will use City facilities to provide potable water to the School District to allow the School District to achieve a level of service necessary to meet regulatory requirements for drinking water.

G. The proposed School site is located in the Natomas Basin adjacent to habitat conservation lands managed by The Natomas Basin Conservancy ("TNBC") pursuant to the Natomas Basin Habitat Conservation Plan ("NBHCP"). The City is a party to the Implementing Agreement for the NBHCP ("IA") and holds incidental take permits ("ITPs") issued by the U.S. Fish & Wildlife Service and California Department of Fish & Wildlife pursuant to the NBHCP.
H. The NBHCP provisions do not apply to development projects outside the City or Sutter County permit areas. The City’s provision of water to the School District through existing City water infrastructure is not subject to the NBHCP and would not cause an effect on habitat protected under the NBHCP.

I. On March 13, 2019, the School District certified the Final Environmental Impact Report for the School development project.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants herein contained, the parties hereto agree as follows:

1. Recitals Incorporated:
   The foregoing recitals are incorporated by reference.

2. Purpose:
   The purpose of this Agreement is to establish the conditions under which the City will provide Wholesale Water Service to the School District to meet the water demands of the School facilities.

3. Definitions:
   The following terms, when used in this Agreement, shall have the definitions given in this Section 3.

   a. School District Service Area: Those lands within the Natomas Unified School District portion of County in which the City will deliver potable water to the School using City infrastructure, as shown on Exhibit A to this Agreement.

   b. Capital Costs: Costs incurred by the City to design and construct pumping, diversion, treatment, storage and transmission facilities used to provide potable water to the School District under this Agreement and that exist or for which debt financing has been issued at the time the School District's obligation to pay a Connection Fee for such Capital Costs commences in accordance with Section 9.b., below, including reasonable administrative costs.

   c. City Transmission Facilities: Facilities, including transmission mains, connections, storage facilities and all appurtenances that are or will be owned and operated by the City to deliver potable water to the School District under this Agreement, as they exist today and as they may be constructed, modified or expanded in the future.

   d. City Treatment Facilities: Facilities that are or will be owned and operated by the City to provide potable water that meets the requirements established for drinking water by the California Division of Drinking Water (“DDW”) and the United States Environmental Protection Agency (“USEPA”), including groundwater facilities and
the Sacramento River Water Treatment Plant, as they exist today and as they may be constructed, modified or expanded in the future.

e. City Water: Potable water that the City conveys to its retail and wholesale customers from the City's municipal water supply, including groundwater pumped by the City from municipal wells and surface water diverted by City pursuant to any of the City's surface water rights and entitlements.

f. City Water Rights and Entitlements: The City's pre-1914 rights to divert from the Sacramento River, five water right permits issued by the State Water Resources Control Board, groundwater rights, and a 1957 water rights settlement contract with the United States Bureau of Reclamation (hereafter referred to as the "USBR").

g. Connection Fee: The fee paid by the School District for its share of the Capital Costs associated with the Firm Capacity that will be available to provide Wholesale Water Service to the School District under this Agreement, as provided in Section 9.b., below.

h. Delivery Criteria: The operating guidelines and criteria governing the delivery of potable water under this Agreement, as set forth in Section 4 of this Agreement.

i. School District Water Facilities. All facilities, including transmission mains, storage facilities and all appurtenances as they exist today and as they may be modified and expanded in the future, which are or will be owned and operated by the School District to supply water to its customers that is delivered under this Agreement to the School District Service Area.

j. School District Water Requirements. The maximum-day volume rate of potable water that the City will deliver to the School District as specified in Section 5.a., below, utilizing Firm Capacity in accordance with the provisions of this Agreement, plus an emergency connection to the City system for purposes of fire suppression.

k. Firm Capacity: Capacity in the City Treatment and Transmission Facilities that is available to supply water to the School District with an equal priority to the use of such capacity to meet the demands of the City's other water supply customers, except as may be provided otherwise in this Agreement.

l. Potable Water. Potable water is water that meets the drinking water standards established by the DDW and the USEPA.

m. Service Charge: A monthly fee for City's fixed administrative costs billed to the School District as part of the Wholesale Water Charge, as provided in Section 9.a., below.
Service Connection: The point of connection for delivery of potable water from the City transmission facilities to the School District pursuant to this Agreement, as shown on Exhibit C to this Agreement, and any other connection point the parties may agree upon in the future.

Transmission and Distribution Improvements: Planned improvements to the City transmission and distribution facilities and School District water facilities that will enable City to provide Wholesale Water Service to the School District Service Area under this Agreement, as shown on Exhibit C to this Agreement.

Wholesale Unit Rate: The cost per unit quantity of potable water delivered by City to School District using Wholesale Water Service as provided in Section 9.a., below.

Wholesale Use Charge: The cost billed by the City to the School District at the Wholesale Unit Rate for a measured volume of water delivered to School District using Wholesale Water Service as provided in Section 9.a, below.

Wholesale Water Charge: The sum of the Wholesale Use Charge and Service Charge, billed by the City to the School District, as provided in Section 9.a., below.

Wholesale Water Service: The City's delivery of potable City Water in accordance with the provisions of this Agreement.

4. Delivery Criteria:

The delivery of potable water under this Agreement will be governed by the operating guidelines and criteria set forth in the Delivery Criteria attached hereto as Exhibit D. The Delivery Criteria may be modified from time to time by the mutual written agreement of the City's Director of Utilities and the School District's Executive Director of Facilities and Strategic Planning, provided that such modifications are consistent with the provisions of this Agreement.

5. Maximum Treated Water Diversions and Deliveries:

a. Maximum Amount: The amount of potable water that the City delivers to School District under this Agreement using Wholesale Water Service shall not exceed a cumulative maximum rate of 0.40 million gallons per day (mgd). This maximum amount exceeds the initial rate that the School District has initially requested but does not include access to water supply for emergency fire suppression that the City is willing to provide per the Delivery Criteria.

b. City Service Shutdowns: The City shall pump, divert, treat, and deliver water to the School District in accordance with the terms of this Agreement, except when the occurrence of an emergency condition requires shutting down any City facilities necessary to do so, provided that such shutdown also prevents the use of
such facilities for the City's retail water customers served by such facilities and the City does not have facilities remaining in operation during the shutdown with capacity available to supply potable water to School District under this Agreement.

c. **Allowable Uses of City Water:** Potable water delivered to the School District under this Agreement shall be used by the School District to provide M&I water service within the School District Service Area and will not be used by the School District for any other purpose.

6. **Services Performed by City:**

   The City will utilize Firm Capacity to deliver Potable Water to the School District in accordance with the terms of this Agreement. City Water delivered to the School District under this Agreement will be provided from the City Transmission Facilities to the School District solely for use in the School District Service Area as shown on Exhibit A. The City shall provide water to the School District at the Service Connection shown on Exhibit C. The City will provide School District with the City's water quality testing data on an annual basis or on such other schedule as may be agreed to by the parties or required by regulatory agencies.

7. **Wholesale Water Service:**

   a. **Condition Precedent:** School District shall design and construct the Transmission and Distribution Improvements as specified in Section 10, below. School District's performance of this obligation is a condition precedent to the City's obligation to provide wholesale water as specified in this Agreement.

   b. **Wholesale Water Procedure:**

      (1) School District shall notify City annually by March 1 of each year, or at such other time as may be mutually agreed to by City and School District staff, and in such form as may be specified by City, that School District desires City to wholesale City Water pursuant to this Agreement. Such notification shall include the School District's desired monthly delivery schedule and estimated amounts of water to be wholesaled during the succeeding 12-month period commencing on July 1.

      (2) Subject to satisfaction of the School District's obligations under this Agreement, including the condition precedent set forth in subsection a, above, City shall wholesale City Water to the School District in accordance with the terms of this Agreement and the Delivery Criteria.

      (3) All City Water delivered to the Service Connection shall meet the drinking water standards established by DDW and the USEPA. School District shall have sole responsibility for the quality and delivery of City Water wholesaled pursuant to this Agreement after the water is delivered to the Service Connection.
c. Water Wholesaling Requirements:

(1) School District shall be solely responsible at School District’s sole cost and expense for: (i) obtaining all permits or other approvals required for the use of the City Water in the School District Service Area, including, but not limited to, compliance with all applicable local, state, and Federal laws and regulations such as the Porter-Cologne Water Quality Control Act and the Federal Clean Water Act; and (ii) compliance with any conditions which apply to the use of such water, including but not limited to any measures which are imposed by any public agency to mitigate for potential impacts to the environment through California Environmental Quality Act (CEQA), Federal Reclamation Laws, the National Environmental Policy Act (NEPA), and the Federal and State Endangered Species Acts. The City shall not be responsible for any costs associated with obtaining such permits or other approvals and complying with any conditions required for the use of such City Water in the School District Service Area. City shall, however, fully cooperate with School District as School District seeks to obtain the necessary permits or other regulatory approvals required for the use of City Water in the School District Service Area.

(2) School District shall use any City Water wholesaled pursuant to this Agreement only within the School District Service Area.

(3) City shall deliver Wholesale Water Service in accordance with all operating, engineering and water supply requirements set forth in this Agreement and the Delivery Criteria. If the City determines in the exercise of reasonable discretion that a suspension of Wholesale Water Service is necessary due to a condition that poses an immediate threat to public health or safety, such service may be suspended by City without notice for the duration of such condition. The City shall notify School District as soon as is practicable of any suspension of service, the reason for such suspension, the potential availability of alternative interim sources of water supplies, and an estimate of when such service will be restored.

(4) School District shall be solely responsible for any and all costs incurred by City in order to comply with: (i) any law or regulation to the extent applicable to the use of any City Water in the School District Service Area; (ii) any mitigation measures to the extent applicable to the use of any City Water in the School District Service Area; and (iii) any requirements that are imposed on the City specifically for the use of any City Water in the School District Service Area by any federal, state or local agency, including but not limited to the United States Bureau of Reclamation, Department of Water Resources, the State Water Resources Control Board, the U.S. Fish and Wildlife Service, the National Marine Fisheries Service, the California Department of Fish and Wildlife, or the DDW.

8. Obligations of the School District:

   a. The School District will take delivery of the potable water made available by the City pursuant to the Delivery Criteria.
b. The School District will pay all costs associated with providing potable water to the School District pursuant to this Agreement, as set forth in Sections 9 and 10 of this Agreement. In addition, the School District will be responsible for its pro rata share (comparing the quantities of water that the City delivers to the School District and to other City retail, wholesale and wheeling customers) of any and all costs reasonably incurred by the City in order to comply with all laws and regulations that may apply to the pumping, diversion, treatment and/or delivery of water to the School District hereunder, including but not limited to, CEQA, NEPA, the Federal and State Endangered Species Acts, the Federal Reclamation Laws, the Clean Water Act and the Porter-Cologne Water Quality Control Act. Further, the School District will be responsible for its pro rata share (comparing the quantities of water that the City delivers to the School District and to other City retail, wholesale and wheeling customers) of any and all costs associated with any other requirements and/or conditions that are or may be imposed on the pumping, diversion, treatment and/or delivery of water to the School District by any federal, state or local agency, including but not limited to the U.S. Bureau of Reclamation, the California Department of Water Resources, the State Water Resources Control Board, the U.S. Fish and Wildlife Service, the National Marine Fisheries Service or the California Department of Fish and Wildlife.

c. Any deliveries of City Water by City to the School District will be subject to all applicable requirements and conditions contained in or in the future imposed on any of the City Water Rights and Entitlements.

9. Cost Allocation and Payment:

The cost allocations and payment for any City Water delivered pursuant to this Agreement will be governed by the following paragraphs.

a. Wholesale Water Charges

(1) The School District will be charged a Wholesale Water Charge for City Water delivered by the City using Wholesale Water Service. The Wholesale Water Charge shall consist of a Wholesale Use Charge calculated on the Wholesale Unit Rate basis (the cost-per-unit quantity) for water actually delivered, plus a monthly Service Charge for fixed administrative costs incurred irrespective of the quantity of water delivered. The Wholesale Water Charge will be determined by the City in an equitable manner such that the School District neither subsidizes nor is subsidized by any other City customer or contractor. The Wholesale Unit Rate shall include the City's annual operating, maintenance, repair and applicable capital improvement costs and an equitable proration of appropriate overhead distribution, but in no event will the Wholesale Unit Rate exceed such costs for water pumping, diversion, treatment and conveyance divided by the number of gallons produced. Operating, maintenance, repair and capital improvement costs included in the Wholesale Unit Rate will also include any costs attributable to
any applicable limitation, requirement, modification or other condition that
applies, or that may in the future be applied, to any of the City Water Rights
and Entitlements, but will exclude those costs that have no relationship to
wholesaling City Water to the School District, such as unrelated distribution
system expenses or unrelated capital improvement costs. The estimated
Wholesale Unit Rate and the monthly Service Charge for the Fiscal Year
(FY) 2018-2019 is shown on Exhibit E to this Agreement.

(2) The City will adjust the Service Charge and Wholesale Unit Rate in January
of each year to reflect actual or anticipated cost increases or decreases.

(3) The quantity of City Water actually delivered pursuant to this Agreement
shall be measured by the City at the Service Connection meters located as
shown on Exhibit C to this Agreement. Unless otherwise determined
necessary by the Director of Utilities, Fire Service connections will neither be
metered nor constructed in such a way to be used for any activity but fire
suppression support. Billing procedures and payment for water will be in
accordance with the City’s standard practice. The Wholesale Water Charge
will be in addition to the Connection Fees described in subsection b., below.

b. Connection Fees. The School District will pay Connection Fees for its share of
Capital Costs for Firm Capacity in the City’s pumping, diversion, treatment, storage
and transmission facilities that will be used to provide Wholesale Water Service
under this Agreement, which fees will include reasonable administrative costs. The
Connection Fees shall be paid in increments of one mgd, or pro-rata portions thereof,
up to the maximum rate specified in Section 5.a., above. The Connection Fee shall
become due on the date (hereafter the "Due Date") that the School District first
requests Wholesale Water Service and shall be paid in one payment not later than 30
days after the Due Date. The City will adjust the Connection Fee annually prior to
the commencement of each Fiscal Year, commencing July 1, 2020, based on the
Capital Costs for that Fiscal Year, and such adjusted Connection Fee shall apply to
any additional increment and/or portion thereof of Firm Capacity for which
Connection Fees become due during that Fiscal Year. The estimated Connection Fee
for FY 2018-2019 for the use of one mgd of Firm Capacity is shown on Exhibit F to
this Agreement. An estimate of the needed capacity is also shown on Exhibit F.

10. Transmission and Distribution Improvements:

a. The School District will be wholly responsible for designing, bidding and
constructing the Transmission and Distribution Improvements, as well as
preparing all environmental documents and obtaining all permits, property
rights or other approvals required for construction, operation, and
maintenance of the Transmission and Distribution Improvements. The
School District shall be solely responsible for the costs and expenses of any
and all such activities, and such activities will be subject to the following
requirements:
(1) Prior to the construction of the Transmission and Distribution Improvements by the School District, both the preliminary design and the final design must be approved in writing by the City Director of Utilities, which approval will not be unreasonably withheld. The design plans shall comply with all standard City specifications and requirements for the design of City water lines and comply with such other requirements as may reasonably be specified by the City Director of Utilities. If either or both the preliminary design or final design is not approved by the City Director of Utilities, the City will notify the School District in writing of the reason or reasons why such design is not acceptable, and the School District will perform such revisions as may be necessary to obtain the approval of the City.

(2) After the final design is approved by the City, the School District shall bid construction of the Transmission and Distribution Improvements in accordance with the School District's standard procedures and requirements for public works construction. The School District's construction contract shall require compliance with the standard City specifications and requirements for the construction of City water mains, in addition to any additional requirements reasonably specified by the City, and shall require the School District's contractor to:

(i) indemnify, hold harmless and defend City, its officers and employees against any and all liabilities, damages, claims or costs (including reasonable attorney fees) arising from any action or failure to act by the contractor or any subcontractor in connection with the permitting, design, construction, and operation of the water main or other related facilities located in the City right of way (City Portion) and the Service Connection; and

(ii) provide the City, its officers and employees with the same insurance coverage provided to the School District, by naming the City as an additional insured on the contractor's general liability and automobile liability insurance policies.

(3) All work on the City Portion and the Service Connection shall be performed in accordance with the plans and specifications approved by the City, and any City-approved changes thereto, and in full compliance with the City's standard specifications and requirements for water main construction, unless exceptions are approved by the City. Such plans and specifications, upon approval by the City Utilities Director or his or her designee, shall be deemed incorporated herein and made a part of this Agreement.

(4) City shall be allowed to enter the construction site to perform construction inspection whenever deemed necessary by City. Upon completion and testing of the Transmission and Distribution Improvements, City shall inspect the
City Portion and the Service Connection and either (i) accept the work as complete, or (ii) identify any deficiencies to be corrected before the City will accept the work as complete. The City Portion and the Service Connection shall become the sole and exclusive property of the City upon completion of construction, final inspection and testing, and final acceptance by City, after the correction by School District of any deficiencies identified by City. As a precondition to final acceptance by City: (i) School District shall take any and all actions necessary to insure that the work is free and clear of all liens, stop notices and encumbrances of any kind, and that the City is in possession of all rights and approvals necessary to operate, maintain and repair the City Portion and the Service Connection upon final acceptance by City; and (ii) School District shall provide City a set of as-built plans.

(5) The School District guarantees and agrees, at no cost to the City, to remedy any defects in the City Portion or the Service Connection arising from faulty or defective construction occurring at any time within one year after final acceptance thereof by the City. In the event that School District fails to remedy any and all such defects within ten days after being notified of the defects in writing by City, or such longer period as may be reasonably necessary to remedy such defects so long as School District is acting in good-faith to diligently remedy the defects, City shall have the right, but shall not be obligated, to repair or cause to be repaired such defects, and School District shall pay to City on demand all costs and expenses reasonably incurred by City to repair or cause to be repaired such defects. Notwithstanding anything herein to the contrary, if any defects in the improvements result in a condition that, in the City's sole and exclusive judgment, constitutes an imminent hazard to public health or safety, or to any person or property, City shall have the right to immediately repair or cause to be repaired such defects, with or without prior notice to School District, and School District shall pay to City on demand all costs and expenses reasonably incurred by City to repair or cause to be repaired such defects.

c. The City will own, operate, maintain and repair all facilities associated with the Service Connection(s), including flowmeter, transmitters, and housings necessary to contain and power all related metering equipment. As part of such operation, maintenance and repair, the City will calibrate instrumentation at reasonable scheduled intervals, at least annually, and will report such calibration as requested by the School District. All operation, maintenance and repair costs incurred by the City will be reimbursed by the School District by including such costs in the Wholesale Unit Rates paid by the School District under Section 9, above. For metering errors in excess of 2 percent, Wholesale Water Charges may be adjusted upward or downward, as appropriate.

d. The School District will own, operate and maintain all facilities downstream of the Service Connection, including, if necessary, surge control facilities to mitigate the effects of flow stoppage if necessary. The School District will submit plans for any
necessary surge control facilities for review and approval of the City prior to construction, which approval will not be unreasonably withheld.

e. Unless required by the City's Director of Utilities or otherwise required by law or regulation, backflow prevention devices will not be required at the Service Connection provided that all facilities within the School District Service Area meet the standards of the DWW and USEPA.

f. Although delivery pressure cannot be guaranteed under all circumstances, delivery pressure at the Service Connection will be maintained above a minimum of 30 pounds per square inch ("psi"), and below a maximum of 80 psi under normal operating conditions. The City will not be obligated to supply water to any or all Service Connection points at an aggregate rate exceeding the maximums set forth in Section 5.a., above.

11. Compliance with NBHCP:

The City is in compliance with the NBHCP, the IA, and the ITPs as this Agreement shall only provide for the wholesale of City Water to the School District and shall not in any way be construed as the City’s intent to annex any property outside of the City’s NBHCP permit area during the term of the NBHCP. The School District further agrees that it shall not seek annexation of the School site to City during the term of this Agreement and the City shall not consider annexation of the School site prior to the termination of the NBHCP, the IA, and the ITPs issued pursuant to the NBHCP.

12. Term of Agreement:

This Agreement will become effective as of the date it is signed by the last signatory and is approved by the Board of Trustees of the School District and the City Council. This Agreement shall terminate on July 1, 2052. This Agreement shall continue in full force and effect until the date of termination unless: (i) terminated by mutual written agreement of the parties hereto; or (ii) terminated by the School District with six months prior written notice to the City on the basis that the School District has obtained an alternative supply of water from the Sacramento County Water Agency, its own on-site groundwater supply system well, or another water purveyor.

13. Failure to Deliver Water:

It is understood and agreed that, while the City will make every reasonable effort to deliver potable water pursuant to the terms of this Agreement, the City is not warranting or guaranteeing that it will be able to pump, divert, treat, store and/or deliver water when prevented from doing so due to an emergency or other circumstances beyond the City's direct control, nor will the City be liable for any failure to deliver water to the School District hereunder, provided such failure is caused in whole or in part by an emergency condition or other factors beyond the direct control of the City.
14. City Water Rights and Entitlements:

This Agreement will not affect or limit in any way the City Water Rights and Entitlements. Notwithstanding anything herein to the contrary, it is understood and agreed that the School District's rights hereunder will at all times be subject to, and exercised in accordance with, any applicable limitation, requirement, modification or other condition that applies, or that may in the future be applied, to any of the City Water Rights and Entitlements.

15. Fluoridation:

The School District acknowledges that potable water delivered to the School District will contain fluoride, and agrees that the School District will be solely responsible for: (1) any public notification to all or any portion of the School District Service Area that the water provided hereunder has been treated with fluoride; and (2) for all costs associated with or resulting from the introduction of fluoridated water into the School District Water Facilities, including monitoring and testing costs. The School District will comply, at no cost to the City, with any requirements pertaining to such fluoridation imposed by any governmental agencies with jurisdiction, including without limitation, DDW. If the School District receives notice of any such requirements applicable to the use of water delivered hereunder and subsequently fails to comply with such requirements within a reasonable period of time, the City will be relieved of any responsibility to deliver water pursuant to this Agreement until such requirements are fulfilled.

16. Notices:

Unless indicated otherwise herein, all notices, invoices, payments, statements or other writing authorized or required by this Agreement may be delivered personally, or sent in the United States mail, postage prepaid, or sent by electronic mail if the recipient confirms receipt, and addressed to the respective parties as follows:

To City:
Director, Department of Utilities
City of Sacramento
1395 35th Avenue
Sacramento, CA 95822
Email: bbusath@cityofsacramento.org

To School District:
Executive Director of Facilities and Strategic Planning
Natomas Unified School District
1901 Arena Boulevard
Sacramento, CA 95834
Email: lrothenberger@natomasunified.org

All notices, invoices, payments or other writings will be deemed served on the day that they are personally served, deposited, postage prepaid, in the United States mail, or if served
electronically, on the day that the recipient acknowledges receipt. A party may change the above designations by providing notice thereof to the other party.

17. **Indemnification and Defense:**

   a. **By the School District:** School District shall fully release, indemnify and hold harmless, City, its officers, employees, and agents from and against all actions, damages, costs, liability, claims, losses, and expenses (including fees for staff attorneys and/or outside counsel reasonably incurred by City) of every type and description (collectively referred to as "Liabilities") to which any or all of them may be subjected, by reason of, or resulting from, directly or indirectly: (i) any act or failure to act by School District, its agents, contractors or subcontractors, or their respective officers or employees, in connection with the design, construction, operation, condition, maintenance or repair of the Transmission and Distribution Improvements; (ii) any allegation by any entity that this Agreement or the City's provision of water service under this Agreement constitutes a duplication of service within the meaning of California's Service Duplication Law (California Public Utilities Code §§ 1501 et seq.) or a taking of property without just compensation or otherwise constitutes an infringement of the rights or authority of any entity in violation of any common law, statute or regulation, or actionable in equity; or (iii) any challenge to the validity of the proceedings taken for the approval of the construction of the School, including the requirements of the California Environmental Quality Act or Federal or State Endangered Species Act. In addition to the above, School District shall, upon City's request, defend at its sole cost, with counsel reasonably approved by City, any action, claim or suit or portion thereof which asserts or alleges any such Liabilities.

   b. **By the City:** Notwithstanding anything to the contrary herein, the City will fully indemnify, hold harmless and defend the School District, its officers and employees, from any claims, actions or liability for any damages, any injury to persons or property, or any violation of any law or regulation, occurring by reason of anything done or omitted to be done by the City, its officers, employees, contractors or agents in connection with the processing, treating or conveyance of water by the City Treatment and Transmission Facilities. Such duty to indemnify, hold harmless and defend will include all claims, actions or liability occurring by reason of anything done or omitted to be done by the City in connection with any delivery by the City of water that fails to comply with the definition of potable water contained herein.

18. **Dispute Resolution:**

   If a dispute arises concerning any controversy or claim arising out of or relating to this Agreement or the breach thereof, or relating to its application or interpretation, the aggrieved party will notify the other party of the dispute in writing within 20 days after such dispute arises. If the parties fail to resolve the dispute within 30 days after delivery of such notice, each party will promptly nominate a senior officer of its organization to meet at any mutually-agreed time and location to resolve the dispute. The parties agree to use their best efforts to reach a just and equitable solution satisfactory to all parties.
19. Records Inspection:

Each party will be entitled to inspect and photocopy the records of the other party that pertain to this Agreement, upon providing reasonable notice to such other party of its intent to do so. Each party may also appoint an auditor or auditors to examine the financial records of the other party to determine the adequacy of cost accumulation and billing information maintained by each party. After reasonable notice, each party will make available to the other party's auditor or auditors all requested records and will assist and cooperate with such auditors. Each party will keep its accounting and financial records in accordance with generally-accepted accounting principles and any applicable laws or regulations. Nothing in this Section shall be deemed to waive any applicable privilege.

20. Amendments:

No amendment or modification to this Agreement will be valid unless executed in writing and approved by the governing bodies of the parties, provided, however, that the Delivery Criteria may be modified by mutual written agreement of the City's Director of Utilities and the School District's Executive Director of Facilities and Strategic Planning without obtaining approvals from the governing bodies of the parties hereto, as specified in Section 4, above.

21. No Third-Party Beneficiary:

This Agreement is not intended to, and will not be interpreted as conferring, any benefit or right whatsoever upon any person or entity that is not a party hereto.

22. Exhibits Incorporated:

All Exhibits referred to herein and attached hereto are fully incorporated into this Agreement as if such Exhibits were set forth in their entirety at this place.

23. General Provisions:

a. This Agreement will be construed in accordance with, and governed by, the laws of the State of California. The place where this Agreement is to be performed and its situs or forum will at all times be in the County of Sacramento.

b. The headings of the sections and paragraphs in this Agreement are inserted for convenience only. They do not constitute part of this Agreement and will not be used in its construction.

c. This Agreement is the result of the joint efforts and negotiations of the parties, and the parties agree that this Agreement will be interpreted as though each of the parties participated equally in the drafting and composition of this Agreement and each and every part hereof.
d. This Agreement may not be assigned by any party without the written consent of the non-assigning parties, and any purported assignment without such consent will be void.

e. The provisions of this Agreement shall bind the parties, successor entities, and authorized assigns.

f. Neither City nor School District, nor their respective agents, consultants or contractors, are or shall be considered to be agents of the other party in connection with the performance of this Agreement. Nothing in this Agreement shall be construed to create a joint venture, partnership or other relationship between the City and School District, other than the City acting in its municipal capacity with respect to the provision of wholesale water service to the School District Service Area.

g. The waiver by a party to this Agreement of a breach of any provision of this Agreement shall not be deemed a continuing waiver or a waiver of any subsequent breach of that or any other provision of the Agreement.

h. This Agreement constitutes the entire agreement of the Parties with respect to the subject matter of this Agreement and, save as expressly provided in this Agreement, supersedes any prior oral or written agreement, understanding, or representation relating to the subject matter of this Agreement.

Signature Block

CITY OF SACRAMENTO

By: __________________________

Title: _________________________

Approved as to Form:

Senior Deputy City Attorney

NATOMAS UNIFIED SCHOOL DISTRICT

By: __________________________

Title: _________________________

Approved as to Form:
List of Exhibits

Exhibit A: Map Showing School District Service Area
Exhibit B: Site Vicinity Map
Exhibit C: Map showing Transmission and Distribution Improvements, with details of Service Connection
Exhibit D: Delivery Criteria
Exhibit E: Estimated Fiscal Year 2018-19 Wholesale Unit Rate and Service Charge
Exhibit F: Estimated FY 2018-19 Connection Fee
Exhibit B
Site Vicinity Map
Exhibit C

Map showing Transmission and Distribution Improvements, with details of Service Connection
This document outlines the general delivery guidelines and criteria for the operation of service connections between the City of Sacramento (City) and the Natomas Unified School District. The initial wholesale water service connections will be located at the edge of the City limits near the intersection of Snelling Lane and Westlake Parkway.

LIST OF CONTACTS:
The following listing of City and County contact names and phone numbers is provided in order of contact priority:

**NUSD:**
- **Executive Director of Facilities and Strategic Planning:** 916-567-5466
- **Deputy Superintendent:** 916-567-5457

**City of Sacramento:**
- **Utility Service Requests:** 916-808-5011
- **Utility Billing Questions:** 916-808-5454
- **E.A. Fairbairn WTP Control Room:** 916-808-3106
- **E.A. Fairbairn WTP Hotline:** 916-808-1516
- **Rod Frizzell, Plant Operator Supervisor:** 916-808-5165
- **David Hermann, Water Superintendent:** 916-808-5652

OPERATIONAL PROCEDURES AND PARAMETERS:

1. For initial start-up, and for subsequent service requests NUSD will call Utility Service Requests 916-264-5011.

2. The City shall be responsible for reading and recording the time and flow quantities.

3. NUSD can take an initial maximum instantaneous flow rate of up to 0.245 mgd (170 gpm) as measured by the City maintained service connection flow meters.

4. The parties acknowledge the site is required by the California Fire Code to maintain to maintain 3,250 gpm of hydrant capacity if sprinklered or 1625 gpm if sprinklered. This will be a sprinklered site. These services shall be designed such that no other domestic or
irrigation use can be reasonable foreseen to pass through a fire service. The facility fire suppression shall be designed in such a fashion to prevent the City system from dropping below 20 psig.

5. Any increase flow rate above and beyond specified herein may trigger updating the capacity impact fee using the latest development impact fee charge methodology employed by the City.

6. The minimum pressure at the service connection between the City and NUSD will be 30 psig for domestic and irrigation demands.

7. The minimum pressure at the service connection between the City and NUSD will be 20 psig during fire demands.

8. Should the pressure go below 30 psig as a result of the NUSD domestic and irrigation operations, the City shall contact the NUSD Operator. Should the pressure go below 30 psig as a result of the City’s operations, the NUSD shall contact the FWTP Control Room. The agency responsible for decreasing the pressure below 30 psig will endeavor to quickly correct the system deficiency causing pressure drop. The City’s and NUSD Operations staff will work cooperatively to assist each other until the system deficiency causing the pressure drop is corrected.

9. SERVICE CONNECTIONS: Upon payment of connection fees and satisfaction of all other conditions specified in this Agreement, City will deliver water under this Agreement for transmission into the various service connections as specified below:
   a. Up to two 4” Meter Connections at Snelling Lane and Westlake, or at an alternative location as mutually agreed.
   b. Up to two 10” Unmetered Connections for exclusive fire suppression support at Snelling Lane and Westlake, or at an alternative location as mutually agreed.

10. Changes in aforementioned delivery criteria can be modified if mutually agreed to in writing by the City and NUSD.
Exhibit E
Estimated Fiscal Year 2018/19 Wholesale Unit Rate and Service Charge

NATOMAS UNIFIED SCHOOL DISTRICT
Wholesale Volumetric Unit cost Calculations
Fiscal Year 2018/2019
For period between 7/1/2018 and 6/30/2019

<table>
<thead>
<tr>
<th>Operating/CIP Budget</th>
<th>BUDGET</th>
<th>UNIT COST</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Labor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Services</td>
<td>$42,090,810</td>
<td>$484.89</td>
</tr>
<tr>
<td>Cost Reimb-Credit</td>
<td>($12,432,925)</td>
<td>($144.15)</td>
</tr>
<tr>
<td>Cost Reimbursement Debit</td>
<td>$1,393,508</td>
<td>$16.38</td>
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<tr>
<td>CIP Reimbursement</td>
<td>($5,051,994)</td>
<td>($59.39)</td>
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<tr>
<td>Labor Total</td>
<td>$16,605,269</td>
<td>$305.69</td>
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<tr>
<td>Operations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Utilities</td>
<td>$4,034,778</td>
<td>$47.22</td>
</tr>
<tr>
<td>Operations Equipment</td>
<td>$129,992</td>
<td>$1.22</td>
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<tr>
<td>Direct Operations Supplies</td>
<td>$6,106,667</td>
<td>$71.82</td>
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<tr>
<td>Chem &amp; Gases</td>
<td>$1,157,731</td>
<td>$13.41</td>
</tr>
<tr>
<td>Operations Total</td>
<td>$11,420,949</td>
<td>$134.25</td>
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<tr>
<td>Administration/Overhead</td>
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<tr>
<td>Office/Admin</td>
<td>$4,441,137</td>
<td>$52.12</td>
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<tr>
<td>Interdepartmental Allocation</td>
<td>$6,204,133</td>
<td>$62.92</td>
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<tr>
<td>Comp Liability Exp</td>
<td>$1,215,836</td>
<td>$14.28</td>
</tr>
<tr>
<td>Water Rights/Supplies</td>
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<td>$7.05</td>
</tr>
<tr>
<td>Professional Services</td>
<td>$5,730,652</td>
<td>$78.36</td>
</tr>
<tr>
<td>Administration/Overhead Total</td>
<td>$18,871,198</td>
<td>$221.83</td>
</tr>
<tr>
<td>General Fund Tax</td>
<td>$13,784,100</td>
<td>$162.03</td>
</tr>
<tr>
<td>TOTAL OPERATING</td>
<td>$70,081,310</td>
<td>$925.41</td>
</tr>
<tr>
<td>CAPITAL IMPROVEMENT PROGRAM</td>
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<td></td>
</tr>
<tr>
<td>CIP</td>
<td>$12,033,776</td>
<td>$141.46</td>
</tr>
<tr>
<td>Debt Services</td>
<td>$19,007,476</td>
<td>$350.39</td>
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<tr>
<td>CIP/Debt Total</td>
<td>$41,041,252</td>
<td>$491.85</td>
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<tr>
<td>TOTAL OPERATING/CIP COSTS</td>
<td>$111,922,762</td>
<td>$1,915.66</td>
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<tr>
<td>EXCLUDED COSTS</td>
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<td></td>
</tr>
<tr>
<td>Unrelated Distribution Overhead</td>
<td>($6,105,074)</td>
<td>($71.77)</td>
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<tr>
<td>Unrelated Distribution Labor &amp; Cps</td>
<td>($12,107,360)</td>
<td>($142.33)</td>
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<tr>
<td>General Fund Tax</td>
<td>($13,784,100)</td>
<td>($162.03)</td>
</tr>
<tr>
<td>Unrelated CIP</td>
<td>($12,033,776)</td>
<td>($141.46)</td>
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<tr>
<td>Unrelated Debt Services</td>
<td>($15,311,948)</td>
<td>($299.83)</td>
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<tr>
<td>TOTAL EXCLUDED COSTS</td>
<td>($90,341,352)</td>
<td>($1,017.47)</td>
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<tr>
<td>SUB TOTAL</td>
<td>$42,380,913</td>
<td></td>
</tr>
<tr>
<td>11% General Fund Tax</td>
<td>$4,661,900</td>
<td>$54.80</td>
</tr>
<tr>
<td>TOTAL COST</td>
<td>$47,042,813</td>
<td>$552.99  per AF</td>
</tr>
</tbody>
</table>

- Capital Improvement charge Calculation (CALAM) per contract sec 5a
- Permitted Treatment Capacity
  - SRVTP & PAFT (160 MSD per TP)
  - 280
- % available to Natomas School District
  - 0.9%
- CIP Program attributed to Wholesale
  - $3,371,825.00
- Annual CIP Charge
  - $2,081.96
- Monthly CIP Charge* $241.13

* CIP** $241.13
* SERVICE CHARGE $910.34
* FIRE SERVICE CONNECTION $432.66
SUB TOTAL $1,151.47
11% GF TAX $132.66
TOTAL MONTHLY CHARGE $1,284.13
### Exhibit F
Estimated FY 2018/19 Connection Fee

<table>
<thead>
<tr>
<th>Description</th>
<th>Net Replacement Costs as of 5/30/2019</th>
<th>Capacity (mgd)</th>
<th>Unit Cost per MGD (FY18/19)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distribution*</td>
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<td></td>
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</tr>
<tr>
<td>Transmission</td>
<td>154,935,408.77</td>
<td>285</td>
<td>$543,633</td>
</tr>
<tr>
<td>Hydrants*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Storage*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wells</td>
<td>9,342,918.53</td>
<td>25</td>
<td>$373,717</td>
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<td>Treatment</td>
<td>378,259,406.82</td>
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<td>$1,454,844</td>
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<td>Intakes</td>
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<td>$308,712</td>
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<td>General</td>
<td>20,020,816.81</td>
<td>260</td>
<td>$77,003</td>
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<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>$2,757,909</strong></td>
</tr>
</tbody>
</table>

*Fire Hydrants, temporary Water Storage Facilities and the Distribution pipeline are dedicated to retail service within the City and are excluded from wholesale pricing.

### Estimated Capacity Fee for NUSD

<table>
<thead>
<tr>
<th>Capacity Purchased (gpm)</th>
<th>Capacity Purchased (mgd)</th>
<th>Connection Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>130</td>
<td>0.18720</td>
<td>$516,280</td>
</tr>
<tr>
<td>150</td>
<td>0.21600</td>
<td>$595,708</td>
</tr>
<tr>
<td>170</td>
<td>0.24480</td>
<td><strong>$675,136</strong></td>
</tr>
<tr>
<td>Max Simultaneous Rate w/ Scheduling</td>
<td></td>
<td></td>
</tr>
<tr>
<td>190</td>
<td>0.27360</td>
<td>$754,564</td>
</tr>
<tr>
<td>210</td>
<td>0.30240</td>
<td>$833,992</td>
</tr>
<tr>
<td>230</td>
<td>0.33120</td>
<td>$913,419</td>
</tr>
<tr>
<td>250</td>
<td>0.36000</td>
<td>$992,847</td>
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<tr>
<td>Max Simultaneous Rate w/o Scheduling</td>
<td></td>
<td></td>
</tr>
<tr>
<td>270</td>
<td>0.38880</td>
<td><strong>$1,072,275</strong></td>
</tr>
</tbody>
</table>

Requested capacity is assumed to be 170 gpm per design.
RESOLUTION NO. 2019-

Adopted by the Sacramento City Council

June 25, 2019

A RESOLUTION AUTHORIZING EXECUTION OF AN AGREEMENT FOR WHOLESALE WATER SERVICE WITH THE NATOMAS UNIFIED SCHOOL DISTRICT

BACKGROUND

A. The City of Sacramento ("City") operates a water supply system that delivers surface water diverted from the Sacramento and American Rivers under the City’s water right permits and entitlements, and groundwater pumped from City wells for municipal and industrial use to customers located within and outside of the City.

B. The Natomas Unified School District ("School District") is the owner in fee of real property located in the unincorporated area of Sacramento County, north of Del Paso Road and west of the Westlake residential subdivision in the City, APN 225 0030 065, consisting of approximately 33 acres.

C. The School District is developing its property by constructing the Paso Verde K-8 School and requires a water supply for this purpose. The School District could construct and operate an on-site groundwater supply well system to serve the school through the provision of groundwater, but the City can provide potable water to the school at lower cost. The School District has requested that the City provide wholesale water service to the School District for the Paso Verde School from the City’s water supply system.

D. The City will use City facilities to provide potable water to the School District to allow the School District to achieve a level of service necessary to meet regulatory requirements for drinking water. The School District will be responsible for direct retail water services to the school.

E. The School District has prepared and certified an environmental impact report (EIR) for the construction and operation of the Paso Verde K-8 School by Board action on March 13, 2019 (Resolution No. 19-06), adopted California Environmental Quality Act (CEQA) Findings of Fact and a Statement of Overriding Considerations.

F. The proposed wholesale agreement is exempt from the Cortese-Knox-Hertzberg Local Governmental Reorganization Act of 2000 (pertaining to LAFCO) under Government Code section 56133. It would also comply with the City’s General Plan and the Natomas Basin Habitat Conservation Plan, the Implementing Agreement, and the City’s incidental take permits issued by the U.S. Fish & Wildlife Service and California Department of
Fish & Wildlife.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

Section 1. The City has reviewed and considered the environmental impacts in the Final EIR certified by the School District on March 13, 2019 for the construction of the Paso Verde School.

Section 2. The EIR concluded impacts to water supply and biological resources would be less than significant, and utilities has been considered in the EIR, in sections such as air quality, and other sections, with less than significant impacts. The impacts discussed in the EIR that remain significant even after mitigation included aesthetics and short term noise levels from construction, none of which are within the scope of the City’s authority as responsible agency.

Section 3. The City has determined that the operation of the wholesale water agreement as specified with recommended terms in the agreement would be an action in compliance with the Natomas Basin Habitat Conservation Plan, Implementation Agreement, and Incidental Take permits and the Sacramento General Plan LU 1.1.8 policy.

Section 4. The City is a Responsible Agency under CEQA and is required to consider adoption of alternatives and mitigation measures within its authority that may reduce or avoid environmental impacts, if any, of those aspects of the project that the city decides to carry out or approve. No such significant impacts have been identified and no further CEQA review by the City is required.

Section 5. The City hereby authorizes and directs the City Manager or the City Manager’s designee execute the Water Wholesale Agreement between the City of Sacramento and the Natomas Unified School District in the form attached as Exhibit A.

Section 6. The City Manager or the City Manager’s designee is authorized to enter into minor amendments to the aforementioned agreement subject to approval as to form by the City Attorney or the City Attorney’s designee.

Section 7. Exhibit A is made a part of this Resolution.

**Table of Contents:**

Exhibit A – Water Wholesale Agreement Between the City of Sacramento and the Natomas Unified School District
Adopted by the City of Sacramento City Council on June 25, 2019, by the following vote:

Ayes:

Noes:

Abstain:

Absent:

Attest:

The presence of an electronic signature certifies that the foregoing is a true and correct copy as approved by the Sacramento City Council.
State of California - Department of Fish and Wildlife
2019 ENVIRONMENTAL FILING FEE CASH RECEIPT
DFW 753.5a (REV. 12/01/18) Previously DFG 753.5a

SEE INSTRUCTIONS ON REVERSE. TYPE OR PRINT CLEARLY.

LEAD AGENCY
Natomas Unified School District

LEAD AGENCY EMAIL
DATE
03142019

COUNTY/STATE AGENCY OF FILING
Sacramento

DOCUMENT NUMBER
190135

PROJECT TITLE
Paso Verde School

PROJECT APPLICANT NAME
Natomas Unified School District

PROJECT APPLICANT EMAIL
PHONE NUMBER
(916) 567-5467

PROJECT APPLICANT ADDRESS
1901 Arena Boulevard

CITY
Sacramento

STATE
CA

ZIP CODE
95834

PROJECT APPLICANT (Check appropriate box)
☐ Local Public Agency ☑ School District ☐ Other Special District ☞ State Agency ☐ Private Entity

CHECK APPLICABLE FEES:
☑ Environmental Impact Report (EIR) $3,271.00 $ 3,271.00
☐ Mitigated/Negative Declaration (MND)(ND) $2,354.75 $ 0.00
☐ Certified Regulatory Program (CRP) document - payment due directly to CDFW $1,112.00 $ 0.00

☐ Exempt from fee
☐ Notice of Exemption (attach)
☐ CDFW No Effect Determination (attach)
☐ Fee previously paid (attach previously issued cash receipt copy)

☐ Water Right Application or Petition Fee (State Water Resources Control Board only) $850.00 $ 0.00
☐ County documentary handling fee $ 40.00
☐ Other $ 0.00

PAYMENT METHOD:
☐ Cash ☑ Credit ☐ Check ☐ Other TOTAL RECEIVED $ 3,311.00

SIGNATURE
Sacramento County Clerk/Recorder-Jessica Jensen-Deputy Clerk

AGENCY OF FILING PRINTED NAME AND TITLE
Notice of Determination

To:  
☒ Office of Planning and Research  
U.S. Mail:  
Street Address:  
P.O. Box 3044  
1400 Tenth St., Rm 113  
Sacramento, CA 95812-3044  
Sacramento, CA 95814  

☒ County Clerk  
County of: Sacramento  
Address: 600 8th Street  
Sacramento, CA 95814

From:  
Public Agency: Natomas Unified School District  
Address: 1901 Arena Boulevard  
Sacramento, CA 95834  
Contact: Jen Mellor, Project Manager  
Phone: 916-567-5467

Lead Agency (if different from above):  
Address:  
Contact:  
Phone:

SUBJECT: Filing of Notice of Determination in compliance with Section 21108 or 21152 of the Public Resources Code.

State Clearinghouse Number (if submitted to State Clearinghouse): 2016052079

Project Title: PASO VERDE SCHOOL

Project Applicant: Natomas Unified School District

Project Location (include county): 3883 Del Paso Road, Sacramento CA 95834

Project Description:
NUSD proposes to construct and operate a new school (K-8) west of Interstate 5 (I-5) and north of Del Paso Road with the capacity to accommodate up to approximately 1,000 students. The school would have a footprint of approximately 20 acres. The remaining areas would not be developed. The school will have approximately 82,000 square feet of total building space. The school will have 40 classrooms with 2 special education spaces, along with a classroom for music and a classroom for art. There is no outdoor lighting proposed for the sports fields, but the pedestrian/bicycle/emergency access to the east and prim access road will be lit for safety and security.

This is to advise that the Natomas Unified School District Board of Trustees has approved the above described project on March 13, 2019 and has made the following determinations regarding the above described project.

1. The project [☒] will ☐ will not] have a significant effect on the environment.  
2. ☒ An Environmental Impact Report was prepared for this project pursuant to the provisions of CEQA.  
   ☐ A Negative Declaration was prepared for this project pursuant to the provisions of CEQA.
3. Mitigation measures [☒] were ☐ were not] made a condition of the approval of the project.  
4. A mitigation reporting or monitoring plan [☒] was ☐ was not] adopted for this project.  
5. A statement of Overriding Considerations [☒] was ☐ was not] adopted for this project.  
6. Findings [☒ were ☐ were not] made pursuant to the provisions of CEQA.

This is to certify that the final EIR with comments and responses and record of project approval, or the negative Declaration, is available to the General Public at:  
Natomas Unified School District, 1901 Arena Boulevard, Sacramento, CA 95834

Signature (Public Agency):  
[Signature]

Title: Deputy Superintendent

Date: March 14, 2019  
Date Received for filing at OPR:  

Authority cited: Sections 21083, Public Resources Code.
Reference Section 21000-21174, Public Resources Code.

Revised 2011
Final

Environmental Impact Report
Paso Verde School

Prepared for:

Natomas
Unified School District
Connecting students to their future

Natomas Unified School District
Facilities and Strategic Planning Department

Prepared by:
AECOM

February 2019
3 ERRATA

Chapter 3 identifies revisions to the Draft EIR. The changes are presented in the order in which they appear and identified by page number. Text deletions are shown in strikeout (strikeout) and additions are underlined (underlined). These edits provide clarifications or additional supportive information and do not change the analysis or conclusions of the Draft EIR.

EXECUTIVE SUMMARY

On page ES-11, the following revision has been incorporated into Table ES-1:

| 3.4-1. Impacts on Special-Status Species | PS | 3.4-1c: Provide Burrowing Owl Mitigation per CDFW Protocol | PSLTSA |

NUSD also made revisions to mitigation measures as they were summarized in the Draft EIR Executive. These revisions are shown below along with other revisions to Chapter 3 of the Draft EIR.

CHAPTER 2, PROJECT DESCRIPTION

On page 2-6, the following revisions have been made to reflect that the water supply agreement may be with the City or with another water supply provider. NUSD has been, and continues to coordinate closely with the City regarding the eventual arrangement.

WATER SUPPLY

Potable and fire protection water supply are available to the school by extending existing infrastructure in Westlake Parkway (Exhibit 2-5). The City will provide water through an agreement with NUSD, along with encroachment permit conditions, maintenance easements, and compliance with relevant City improvement standards. With approval of the City’s Director of Utilities, irrigation water will also be provided by the City. Alternatively, the water supply agreement may be with another water service provider or with the City and another water service provider. Regardless, water supply will come from existing, adjacent water lines.

CHAPTER 3, ENVIRONMENTAL SETTING, IMPACTS, AND MITIGATION MEASURES

SECTION 3.1, AESTHETICS

On page 3.1-13, the following revision has been made to Impact 3.1-1:

A landscape plan has been prepared for the proposed project. Native oaks would be planted along the western border of the playfields and additional native oaks and ornamental trees would be planted along the access road and within landscaped medians within parking lots. This landscaping would soften the visibility school facilities and other improvements from off-site views. In addition, the proposed project
that cannot be avoided; growth-inducing impacts; effects not found to be significant; and significant cumulative impacts associated with past, present, and reasonably foreseeable probable future projects.

Approval of the proposed project requires discretionary action by the NUSD. Pursuant to CEQA Section 21067, the lead agency means “the public agency which has the principal responsibility for carrying out or approving a project which may have a significant effect upon the environment.” As lead agency, the NUSD has the responsibility for, among other things, preparing and certifying an EIR that analyzes the potential environmental impacts of the proposed project; identifying feasible mitigation measures that could avoid or minimize significant environmental impacts; describing and analyzing feasible alternatives; adopting findings with regard each significant effect; providing a Statement of Overriding Considerations for all environmental impacts that cannot be mitigated to a less-than-significant level; and adopting a Mitigation Monitoring and Reporting Program to ensure that all required mitigation measures are implemented.

Several agencies may serve as responsible and trustee agencies pursuant to Sections 15381 and 15386 of the CEQA Guidelines. These agencies may include, but are not limited to the following:

- U.S. Army Corps of Engineers – Clean Water Act Section 404 Nationwide Permit
- U.S. Fish and Wildlife Service – Endangered Species Act Section 7 consultation
- Regional Water Quality Control Board – Clean Water Act Section 401 Water Quality Certification, Section 402 National Pollutant Discharge Elimination System, Stormwater General Permit
- California Department of Fish and Wildlife – California Fish and Game Code Section 1600 Streambed Alteration Agreement, California Endangered Species Act compliance
- California Department of Education/Division of State Architect – final school site and design approval (per California Education Code Section 17213)
- Caltrans Division of Aeronautics – consultation with CDE on proximity to Sacramento International Airport
- California Department of Toxic Substances Control – review of preliminary endangerment assessment and Phase I Environmental Site Assessment (ESA) (complete)
- Sacramento County – grading permit and plan check for off-site infrastructure.
- SASD and SRCSD – approval of plans for providing sewer service.
- City of Sacramento – approval to provide water service outside City limits (pursuant to Sacramento City Code Section 13.04.400), review of a water study to the for proposed connections to the City’s water system, encroachment permit for the proposed service connections, easement to the City for access and maintenance of City water meters, approval of the City’s Director of Utilities to provide irrigation water.
- Airport Land Use Commission (ALUC) for Sacramento, Sutter, Yolo and Yuba counties – finding of consistency with the Sacramento International Airport Land Use Compatibility Plan. This determination was made in June of 2018 (Chew, pers. comm., 2018).
turtle (*Emys marmorata*), a California species of special concern. Exhibit 2-3 provides photographs of the site facing the northwest toward I-5 and Sacramento International Airport, and northeast toward the Westlake development.

Looking northwest at proposed school site  Looking northeast towards Westlake Development

Source: AECOM

**Exhibit 2-3. Photographs of Proposed Paso Verde School Site**

**SACRAMENTO COUNTY URBAN SERVICES BOUNDARY AND URBAN POLICY AREA**

The project site is located adjacent to, but outside of the County’s current Urban Services Boundary (USB) and Urban Policy Area (UPA). **Water supply is available from the City of Sacramento by extending existing adjacent infrastructure and the project site is within the existing service boundaries of the Sacramento Area Sewer District (SASD) and Sacramento Regional County Sanitation District (SRCSD), which have both indicated they will serve the property from an existing sewer line in Del Paso Road.**

**SACRAMENTO COUNTY GENERAL PLAN AND ZONING CODE**

The General Plan land use designation for the site is Agricultural Cropland. The County’s Zoning Code, which implements the General Plan, was adopted on November 2, 2011 following the County’s last comprehensive General Plan update. The project site’s zoning designation is AG-80 (Agricultural, 80-acre minimum lot size). Kindergarten through 12th grade public schools are permitted by right within the AG-80 zoning district. The project would not require a General Plan land use designation change or a zoning change.

**2.5 PROJECT OBJECTIVES**

The primary objectives for the proposed Paso Verde School project are as follows:

- Meet the educational needs of up to approximately 1,000 NUSD in grades K–8 students.
- Meet NUSD’s geographical needs for additional schools within its service boundary and west of I-5.
- Slow enrollment growth at nearby overcrowded elementary and middle schools.
- Provide safe and efficient school site access for students and NUSD staff.
- **City of Sacramento** – approval to provide water service outside City limits (pursuant to Sacramento City Code Section 13.04.400), review of a water study to the for proposed connections to the City’s water system, encroachment permit for the proposed service connections, easement to the City for access and maintenance of City water meters, approval of the City’s Director of Utilities to provide irrigation water.

- Airport Land Use Commission (ALUC) for Sacramento, Sutter, Yolo and Yuba counties – finding of consistency with the Sacramento International Airport Land Use Compatibility Plan. This determination was made in June of 2018 (Chew, pers. comm., 2018).

- Reclamation District 1000 (RD 1000) – approval of use of an existing outfall to RD 1000’s West Drainage Canal.
USB and UPA Intent Statements

The intent of the USB and UPA is explained on page 19 of the County’s General Plan Land Use Element. Excerpts of intent statements are presented below:

Intent: The Urban Service Boundary (USB)… is intended to be a permanent growth boundary not subject to modification except under extraordinary circumstances. The USB should be used by urban infrastructure providers for developing very long-range master plans that can be implemented over time as the urbanized area expands. It is anticipated that the Urban Services Boundary and construction schedules will be incorporated into master plans for the provision of public services and infrastructure to the urban area.

The Urban Policy Area (UPA) …defines the area within the USB expected to receive urban levels of public infrastructure and services within the planning period. The General Plan states that the area within the UPA must be able to accommodate growth projected for the 25-year planning period.

The UPA and the USB are designed to promote maximum efficiency of land uses and protection of the County’s natural resources. The USB allows for the permanent preservation of agriculture and rangelands, critical habitat and natural resources, while the UPA concentrates and directs growth within previously urbanized areas, limiting arbitrary and sprawling development patterns. These two growth boundaries work in tandem to manage and direct future development, as well as provide infrastructure and service providers with intermediate and ultimate growth boundaries to use to plan for future expansion.

With respect to the intent statement, “[the USB and the UPA are designed to promote maximum efficiency of land uses,” the development of the Paso Verde Elementary School does not represent inefficient use of land – the school site would be proximate to areas it would serve and is directly adjacent to existing development.

With respect to the intent statement, “the UPA concentrates and directs growth within previously urbanized areas, limiting arbitrary and sprawling development patterns,” the school would serve existing needs of existing residential development in the City, and the site is adjacent to existing development, so the school would not introduce sprawling development patterns.

Policy LU-1

Policy LU-1 from the General Plan reads: “The County shall not provide urban services beyond the Urban Policy Area, except when the County determines the need for health and safety purposes.” In the case of the Paso Verde Elementary School, urban services would come from the Sacramento Area Sewer District, the Sacramento Regional County Sanitation District, the City of Sacramento, and the Sacramento Fire Department. The project site is within the service boundaries of the Sacramento Area Sewer District (SASD) and Sacramento Regional County Sanitation District (Regional San). SASD’s 12-inch sewer line in Del Paso Road was designed to provide service to the property and would be connected to the school via the main access road. SASD’s conveyance facilities connect to Regional San conveyance facilities and regional wastewater treatment plant near Elk Grove. Both SASD and Regional San have stated they will serve the property and connect it to the existing sewer system. Potable and fire protection water supply are available to the school by extending existing infrastructure in Westlake Parkway. The City of Sacramento will provide water through an agreement with NUSD, along with encroachment permit conditions, maintenance easements, and compliance with relevant City improvement
standards. With approval of the City’s Director of Utilities, irrigation water will also be provided by the City. The Sacramento Fire Department Service Area includes the school site (City of Sacramento 2015a).

**Key Strategies of the General Plan**

Among the “Key Strategies of the General Plan” is a section related to “Public Facilities to Serve Existing Communities and Complement New Growth” (General Plan Executive Summary, page 16). Paso Verde Elementary School would serve *existing communities* (rather than new growth). In this section, the County notes that:

> The General Plan recognizes that public infrastructure and facilities such as water, sewer, roads, drainage, schools and parks must keep pace with population growth and development. The Plan emphasizes three critical aspects of service provision: adequacy, timing and equitable financing.

**Land Use Designations**

The project site and adjacent lands to the north, west, and south are designated as Agricultural Cropland in the County General Plan (Exhibit 3.10-2). The County General Plan defines this land use designation as follows:

> The Agricultural Cropland designation represents agricultural lands most suitable for intensive agriculture. The agricultural activities included are row crops, tree crops, irrigated grains, and dairies. The designation is generally limited to areas where soils are rated from Class I to Class IV by the Soil Conservation Service, or for farmlands classified as Prime, Statewide, or Unique significance by the California Department of Conservation. The Agricultural Cropland designation allows single family dwelling units at a density no greater than 40 acres per unit (Sacramento County 2011).

The Paso Verde property is designated as Agricultural Cropland in the General Plan. This designation is intended for “row crops, tree crops, irrigated grains and dairies” (Sacramento County General Plan Land Use Element, page 12). The County’s Zoning Code implements the General Plan, and was updated after the County’s General Plan Update. Public schools are allowed by right within the school property’s zoning district.

The County uses the Cemetery, Public/Quasi-Public land use designation to identify areas for educational and other public use. However, not all schools would be expected to have this designation. This is because at the countywide level, some of these facilities would be too small to show up. This implies that there would be schools and other public facilities that would have a different land use designation. From the County’s Land Use Element, page 12:

> **Cemetery, Public/Quasi-Public.** The Public/Quasi-Public designation establishes areas for uses such as education, solid and liquid waste disposal, and cemeteries… Some facilities (e.g., elementary schools and fire stations) are too small or numerous to show on the Land Use Diagram, but may be identified on other diagrams in the Plan.

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5 According to the General Plan Land Use Map posted to the County’s website [http://www.per.sacounty.net/Documents/Maps/GPLU_2030_UPDATED_FINAL_120613_sm.pdf](http://www.per.sacounty.net/Documents/Maps/GPLU_2030_UPDATED_FINAL_120613_sm.pdf).
3.14 UTILITIES AND SERVICE SYSTEMS

This section provides an overview of existing utilities and service systems as relevant to the proposed project, including water supply, wastewater service, and solid waste disposal. Impacts are evaluated in relation to increased demand for utilities and public services associated with the proposed project and actions needed to provide the infrastructure that could potentially lead to physical environmental effects.

Section 3.15 of this Draft EIR, “Energy” addresses energy demand and facilities. Potential environmental impacts associated with water quality and construction of new stormwater drainage facilities are addressed in Section 3.9, “Hydrology and Water Quality.”

3.14.1 EXISTING SETTING

Utilities and service systems would be provided to the school by the City of Sacramento for water, and the Sacramento Area Sewer District (SASD) (formerly known as County Sanitation District-1) and Sacramento Regional County Sanitation District (SRCSD) for wastewater collection and treatment. The following discussion provides an overview of these utility service providers.

WATER SUPPLY

The proposed school site has no public water supply facilities. Agricultural irrigation was previously provided by the Natomas Central Mutual Water Company through diversion of surface water from the West Drainage Canal.

The project site is immediately adjacent to the northwestern boundary of the City of Sacramento’s water service area (West Yost Associates 2016: Figure 3-1). The City will provide water through an agreement with NUSD, along with encroachment permit conditions, maintenance easements, and compliance with relevant City improvement standards. With approval of the City’s Director of Utilities, irrigation water will also be provided by the City (Joyce, pers. comm. 2017).

Water Supply Sources

The City’s water supply is obtained from groundwater from the North American and South American Subbasins and surface water from the American and Sacramento Rivers. The following discussion summarizes the City’s groundwater and surface water supplies.

Groundwater Supply

Groundwater extracted from the North American and South American Subbasins of the Sacramento Valley Groundwater Basin (see Section 3.9, “Hydrology and Water Quality,” for further discussion). The City operates 20 active municipal supply wells and five irrigation wells north of the American River, and operates two active municipal supply wells and nine irrigation wells south of the American River (West Yost Associates 2016:6-4). Thus, the City pumps groundwater from both subbasins, although more than 90 percent of the groundwater pumped by the City is extracted from the North American subbasin (West Yost Associates 2016:6-5).

The City’s safe yield for groundwater pumping is 25,205 afy (West Yost Associates 2016:6-19). This total is based on the City’s firm capacity, which is 90 percent of the total well capacities (West Yost Associates 2016:6-
Table 3.14-1. Historic Groundwater Pumping, 2011–2015 (afy)

<table>
<thead>
<tr>
<th>Subbasin</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>North American Subbasin</td>
<td>17,210</td>
<td>13,305</td>
<td>11,462</td>
<td>13,261</td>
<td>12,509</td>
</tr>
<tr>
<td>South American Subbasin</td>
<td>602</td>
<td>1,057</td>
<td>1,106</td>
<td>1,132</td>
<td>970</td>
</tr>
<tr>
<td>Total</td>
<td>17,811</td>
<td>14,363</td>
<td>12,568</td>
<td>14,393</td>
<td>13,479</td>
</tr>
</tbody>
</table>

Notes: afy = acre-feet per year

Surface Water Supply

Surface water is currently diverted at two locations: from the American River downstream of the Howe Avenue Bridge and from the Sacramento River downstream of the confluence of the American and Sacramento Rivers. The City’s current authorized place of use (POU) for water diverted under the Sacramento River permit includes all the land within the City limits, which may change over time with annexations. The POU for water diverted under the American River permits includes the City limits and areas adjacent to the City that include portions of service areas of several other water purveyors (West Yost Associates 2016:6-5).

The City has multiple surface water entitlements, consisting of five appropriative water right permits issued by the State Water Resources Control Board and pre-1914 rights. In 1957, the City entered into a water rights settlement agreement with the U.S. Bureau of Reclamation to limit its diversion of Sacramento River water to a 81,800 acre-feet per year (afy) and to limit its diversion of American River water to 245,000 afy in the year 2030. In return, the U.S. Bureau of Reclamation agreed to operate its facilities to ensure the City a reliable supply of surface water under the City’s permits. This agreement results in a highly reliable surface water supply to the City (West Yost Associates 2016:7-2) Table 3.14-2 shows the maximum annual surface water diversions.

Table 3.14-2. Maximum Annual Sacramento River and American River Diversions, 2015-2040 (afy)

<table>
<thead>
<tr>
<th>Source</th>
<th>2015</th>
<th>2020</th>
<th>2025</th>
<th>2030</th>
<th>2035</th>
<th>2040</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sacramento River</td>
<td>81,800</td>
<td>81,800</td>
<td>81,800</td>
<td>81,800</td>
<td>81,800</td>
<td>81,800</td>
</tr>
<tr>
<td>American River</td>
<td>189,000</td>
<td>208,500</td>
<td>228,000</td>
<td>245,000</td>
<td>245,000</td>
<td>245,000</td>
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<tr>
<td>Total</td>
<td>252,000</td>
<td>280,300</td>
<td>304,800</td>
<td>326,800</td>
<td>326,800</td>
<td>326,800</td>
</tr>
</tbody>
</table>

Notes: afy = acre-feet per year
Sources: West Yost Associates 2016:8-8

City of Sacramento Water Supply and Demand

The City’s Urban Water Management Plan (UWMP) addresses water supply and demand issues, water supply reliability, water conservation, water shortage contingencies, and recycled-water usage for the areas within served by the City. In accordance with Senate Bill (SB) x7-7, the City UWMP estimates water demands are based on an estimated gallons per-capita, per-day target chosen by the City. Water supplies and demands within the City’s service area would be the same during normal, single-dry, and multiple-dry years. Table 3.14-3 identifies surface water and groundwater supply and demand within the City’s service area from 2020 to 2040 in normal, single dry,
and multiple dry years. As shown in Table 3.14-3, the City would have water supplies that exceed demands in all water years.

<table>
<thead>
<tr>
<th>Water Year</th>
<th>Source</th>
<th>Projected Demands (afy)</th>
<th>2020</th>
<th>2025</th>
<th>2030</th>
<th>2035</th>
<th>2040</th>
</tr>
</thead>
<tbody>
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<tr>
<td>Normal Year</td>
<td>Supply</td>
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<tr>
<td></td>
<td>Groundwater</td>
<td>21,749</td>
<td>20,169</td>
<td>19,912</td>
<td>19,912</td>
<td>19,912</td>
<td>19,912</td>
</tr>
<tr>
<td></td>
<td>Surface water (Sacramento River)</td>
<td>81,800</td>
<td>81,800</td>
<td>81,800</td>
<td>81,800</td>
<td>81,800</td>
<td>81,800</td>
</tr>
<tr>
<td></td>
<td>Surface water (American River)</td>
<td>171,368</td>
<td>185,319</td>
<td>191,707</td>
<td>191,707</td>
<td>191,707</td>
<td>191,707</td>
</tr>
<tr>
<td></td>
<td>Recycled water</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td></td>
<td>Total Supply</td>
<td>275,917</td>
<td>288,288</td>
<td>294,419</td>
<td>294,419</td>
<td>294,419</td>
<td>294,419</td>
</tr>
<tr>
<td></td>
<td>Total Demand</td>
<td>123,229</td>
<td>130,548</td>
<td>139,882</td>
<td>149,213</td>
<td>162,029</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Difference (Supply minus Demand)</td>
<td>152,688</td>
<td>157,740</td>
<td>154,537</td>
<td>145,206</td>
<td>132,390</td>
<td></td>
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<tr>
<td>Single-Dry Year</td>
<td>Supply</td>
<td></td>
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<td></td>
<td>Groundwater</td>
<td>21,749</td>
<td>20,169</td>
<td>19,912</td>
<td>19,912</td>
<td>19,912</td>
<td>19,912</td>
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<tr>
<td></td>
<td>Surface water (Sacramento River)</td>
<td>81,800</td>
<td>81,800</td>
<td>81,800</td>
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<td>81,800</td>
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<td>Surface water (American River)</td>
<td>171,368</td>
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<td>191,707</td>
<td>191,707</td>
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<td></td>
<td>Recycled water</td>
<td>1,000</td>
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<td>1,000</td>
<td>1,000</td>
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<tr>
<td></td>
<td>Total Supply</td>
<td>275,917</td>
<td>288,288</td>
<td>294,419</td>
<td>294,419</td>
<td>294,419</td>
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<td></td>
<td>Total Demand</td>
<td>123,229</td>
<td>130,548</td>
<td>139,882</td>
<td>149,213</td>
<td>162,029</td>
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<td>157,740</td>
<td>154,537</td>
<td>145,206</td>
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<tr>
<td>Multi-Dry Year 1</td>
<td>Supply</td>
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<td></td>
<td>Groundwater</td>
<td>21,749</td>
<td>20,169</td>
<td>19,912</td>
<td>19,912</td>
<td>19,912</td>
<td>19,912</td>
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<td></td>
<td>Surface water (Sacramento River)</td>
<td>81,800</td>
<td>81,800</td>
<td>81,800</td>
<td>81,800</td>
<td>81,800</td>
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<td></td>
<td>Surface water (American River)</td>
<td>171,368</td>
<td>185,319</td>
<td>191,707</td>
<td>191,707</td>
<td>191,707</td>
<td>191,707</td>
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<tr>
<td></td>
<td>Recycled water</td>
<td>1,000</td>
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<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
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<tr>
<td></td>
<td>Total Supply</td>
<td>275,917</td>
<td>288,288</td>
<td>294,419</td>
<td>294,419</td>
<td>294,419</td>
<td>294,419</td>
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<tr>
<td></td>
<td>Total Demand</td>
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<td>130,548</td>
<td>139,882</td>
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<td>145,206</td>
<td>132,390</td>
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<td>Supply</td>
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<td>21,749</td>
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<td>Surface water (Sacramento River)</td>
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<td>Recycled water</td>
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<td>288,288</td>
<td>294,419</td>
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<td>Multi-Dry Year 3</td>
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<tr>
<td></td>
<td>Surface water (Sacramento River)</td>
<td>81,800</td>
<td>81,800</td>
<td>81,800</td>
<td>81,800</td>
<td>81,800</td>
<td>81,800</td>
</tr>
<tr>
<td></td>
<td>Surface water (American River)</td>
<td>171,368</td>
<td>185,319</td>
<td>191,707</td>
<td>191,707</td>
<td>191,707</td>
<td>191,707</td>
</tr>
<tr>
<td></td>
<td>Recycled water</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td></td>
<td>Total Supply</td>
<td>275,917</td>
<td>288,288</td>
<td>294,419</td>
<td>294,419</td>
<td>294,419</td>
<td>294,419</td>
</tr>
<tr>
<td></td>
<td>Total Demand</td>
<td>123,229</td>
<td>130,548</td>
<td>139,882</td>
<td>149,213</td>
<td>162,029</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Difference (Supply minus Demand)</td>
<td>152,688</td>
<td>157,740</td>
<td>154,537</td>
<td>145,206</td>
<td>132,390</td>
<td></td>
</tr>
</tbody>
</table>

Notes: afy = acre-feet per year
Source: West Yost Associates 2016; Data compiled by AECOM 2018
Sacramento County General Plan of 2005-2030 (Sacramento County 2011),

2015 City of Sacramento Urban Water Management Plan (West Yost Associates 2016),

Sewer System Capacity Plan 2010 Update (SASD 2011), and

Sacramento Regional County Sanitation District Interceptor Sequencing Study (SRCSD 2013).

Additional background information on current services, staffing, and equipment was obtained through consultation with appropriate agencies.

**Thresholds of Significance**

Based on Appendix G of the CEQA Guidelines, the proposed project would have a significant impact on utilities and service systems if implementation of the proposed project would:

- exceed wastewater treatment requirements of the applicable RWQCB;
- require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects;
- result in a determination by the wastewater treatment provider that serves or may serve the project that it has inadequate capacity to serve the project’s projected demand in addition to the provider’s existing commitments;
- have insufficient water supplies available to serve the project from existing or permitted entitlements and resources, or require new or expanded entitlements;
- generate solid waste beyond the capacity of existing landfills; or
- violate federal, State, or local statutes or regulations related to solid waste.

**Impact Analysis**

**IMPACT 3.14-1** Increased Demand for Water Supplies. Implementation of the proposed project would result in an increased demand for water supplies. The City will provide water for the school facilities through an agreement with NUSD. The City’s UWMP demonstrates that the City’s water supplies would exceed demands in all water years through 2040. This surplus water supply would be sufficient to meet the water supply demands of the proposed project. This impact would be less than significant.

Development of the proposed project would increase the demand for municipal water supplies. The estimated water supply demand for the school facilities would be 180.2 afy and water supply demand for landscape irrigation would be 42.3 afy. The City will provide water for the school facilities through an agreement with NUSD. The City’s UWMP demonstrates that the City’s water supplies would exceed demands in all water years through 2040. This surplus water supply would be sufficient to meet the water supply demands of the proposed project. This impact would be less than significant.

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2 Based on the City’s Water Supply Assessment worksheet, the City’s water demand estimate for public uses (including school uses) is 0.17 afy per employee (City of Sacramento 2013). The school would accommodate up to approximately 1,000 students and approximately 60 staff members; therefore water demand for the proposed school uses would be 180.2 afy (1,060 employees/students x 0.17 afy). The City estimates water demand for landscape irrigation as approximately 6.6 afy per acre. The landscaped portion of the...
NUUSD. With approval of the City’s Director of Utilities, irrigation water will also be provided by the City (Joyce, pers. comm. 2017).

The proposed project would be required to implement measures described in Chapter 6 of the 2016 CALGreen Code (Title 24, Part 11 of the California Code of Regulations) to reduce indoor demand for potable water by 20 percent and to reduce landscape water usage by 50 percent.

The City’s groundwater and surface water supplies are highly reliable. As shown on Table 3.14-3, groundwater demand would be less than the City’s safe yield (25,205 afy) in all water years. Under the settlement agreement, the City agreed to limit its rate and amount of diversion under its water rights permits in exchange for the U.S. Bureau of Reclamation’s agreement to operate its facilities to assure the City a reliable supply of surface water under the City’s permits (West Yost Associates 2016:7-2).

Table 3.14-3 identifies groundwater and surface water supplies and demand within the City over the UWMP’s planning period in normal, single-dry, and multiple-dry years. The project site is not within the City of Sacramento’s service area, and water supply demands for the proposed project were not accounted for in water demand projections contained in the City’s UWMP. As shown in the Table 3.14-3, the City would have water supplies that exceed the demands of existing and future development in all water years through 2040. Therefore, this surplus water supply would be sufficient to meet the water supply demands of the proposed project (222.5 afy) in all water years. This impact would be less than significant.

**Mitigation Measures**

No mitigation measure is required.

**IMPACT 3.14-2 Increased Demand for Water Supply Conveyance Facilities.** Implementation of the proposed project would require construction of on-site water supply conveyance facilities. Physical impacts associated with construction and operations of utilities are evaluated throughout this EIR. There are no additional significant impacts beyond those comprehensively considered throughout the other sections of this EIR. The impact would be less than significant.

Implementation of the proposed project would require construction of on-site water supply conveyance facilities. Potable and fire protection water supply are available to the school by connecting to existing infrastructure in Westlake Parkway along the eastern border of the project site (see Exhibit 2-5 in Chapter 2, “Project Description”). Off-site water conveyance facilities have the capacity to provide water supplies to the project site and no new off-site water conveyance infrastructure would be required (Joyce, pers. comm., 2017). The City will provide water through an agreement with NUUSD, along with encroachment permit conditions, maintenance easements, and compliance with relevant City improvement standards (Joyce, pers. comm. 2017).

Existing City regulations require submittal, review, and compliance with City standards for water conveyance. The NUUSD would be required to submit a water conveyance infrastructure improvement plan that depicts the locations and appropriate sizes of all required conveyance infrastructure, in conjunction with other site-specific improvement plans. Proposed on-site water facilities would be required to be designed and sized to provide

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project site would be approximately 6.4 acres; therefore the water demand for landscape irrigation would be 42.3 afy (6.4 acres x 6.6 afy per acre).