

CITY OF NAPA CITY COUNCIL  
**AGENDA REPORT**

CONSENT CALENDAR  
AGENDA ITEM 5.D.  
Date: October 15, 2013

To: Honorable Mayor and Members of City Council

From: Jacques R. LaRochelle, Public Works Director

Prepared by: Joy Eldredge, Water General Manager

Subject: Amendment 15 to Agreement 1482 with Napa County Flood Control and Water Conservation District (NCFCWCD 1573)

**ISSUE STATEMENT:**

Authorize the Mayor to execute Amendment 15 to Agreement 1482 (NCFCWCD 1573) (Attachment 1) between City of Napa and Napa County Flood Control and Water Conservation District and execute Addendum for Participating Agencies (Attachment 1-Exhibit C) in the Settlement Agreement, and determine the Negative Declaration adopted by the Department of Water Resources adequately analyzed potential environmental impacts.

**DISCUSSION:**

Since 1963 the Napa County Flood Control and Water Conservation District (NCFCWCD) and the California State Department of Water Resources (DWR) have been party to the State Water Supply Contract (Contract.) NCFCWCD represents the member Cities in Napa County that own water supply entitlements as part of the State Water Project. This was a common practice during the establishment of the SWP to limit the number of contracts for the statewide project.

In 2008, on behalf of the member Cities, the NCFCWCD entered into litigation with DWR to determine the rights under Article 18 of the contract. Since 2008, negotiations have taken place and finally a Settlement Agreement and Release Regarding Napa County Flood Control and Water District (Settlement Agreement) has been proposed (Attachment 1-Exhibit 1.) DWR has prepared and adopted an Initial Study and Negative Declaration under the California Environmental Quality Act (CEQA) for the settlement. The Notice of Determination in Compliance With Public Resources Code has been recorded by DWR (Attachment 2).

As part of the settlement process, the Cities who own the entitlements need to execute Amendment 15 to Agreement 1482 with NCFCWCD (NCFCWCD 1573) (Attachment 1) which will authorize the NCFCWCD to execute the Settlement Agreement (Attachment 1 –Exhibit1) and Amendment 24 to the Contract between NCFCWCD and DWR (Attachment 1-Exhibit A).

The City must also execute the Addendum for Participating Agencies (Attachment 1-Exhibit C) that states that the City of Napa will not apply for additional water rights through January 1, 2032 and agrees to restrictions on any filings subsequent to that date.

Overall, the outcome of the Settlement Agreement will result in an allocation for contractors located North of Delta separate from contractors located South of Delta and a new program termed Advanced Table A that is projected to increase the reliability of supplies. Staff recommends that the City Council authorize the Mayor to execute Amendment 15 to Agreement 1482 (NCFCWCD 1573) (Attachment 1) with Napa County Flood Control and Water Conservation District.

### **FINANCIAL IMPACTS:**

There are no direct financial impacts to this action. The City of Napa Water Division water supply availability is a function of the State Water Project annual water supply allocation. It is projected that there would be a lower probability of the need to purchase excess supplies in future dry years.

### **CEQA:**

The City Council (as Responsible Agency) determines that the Negative Declaration adopted by DWR as Lead Agency on September 11, 2013 adequately analyzed the potential environmental impacts of the Project pursuant to CEQA Guidelines Section 15096. Attachment 3 is the Notice of Determination in compliance with Section 21108 or 21152 of the Public Resources Code. The Negative Declaration adopted by DWR is on file with the City Clerk, and is available for review upon request.

### **DOCUMENTS ATTACHED:**

1. Attachment 1: Amendment 15 to Agreement 1482 (NCFCWCD 1573) with Napa County Flood Control and Water Conservation District
2. Attachment 2: Notice of Determination in Compliance with Section 21108 or 21152 of the Public Resources Code

### **NOTIFICATION:**

Phil Miller, District Engineer, Napa County Flood Control District

### **RECOMMENDED ACTION:**

Staff recommends that the City Council move, second and approve each of the actions set forth below, in the form of the following motion. Move to:

Authorize the Mayor to execute Amendment 15 to Agreement 1482 (NCFCWCD 1573) (Attachment 1) between City of Napa and Napa County Flood Control and Water Conservation District and execute Addendum for Participating Agencies (Attachment 1-Exhibit C) in the Settlement Agreement as well as determine (as Responsible Agency) that the Negative Declaration adopted by DWR as Lead

Agency on September 11, 2013 adequately analyzed the potential environmental impacts of the Project pursuant to CEQA Guidelines Section 15096.