



Sunnyvale

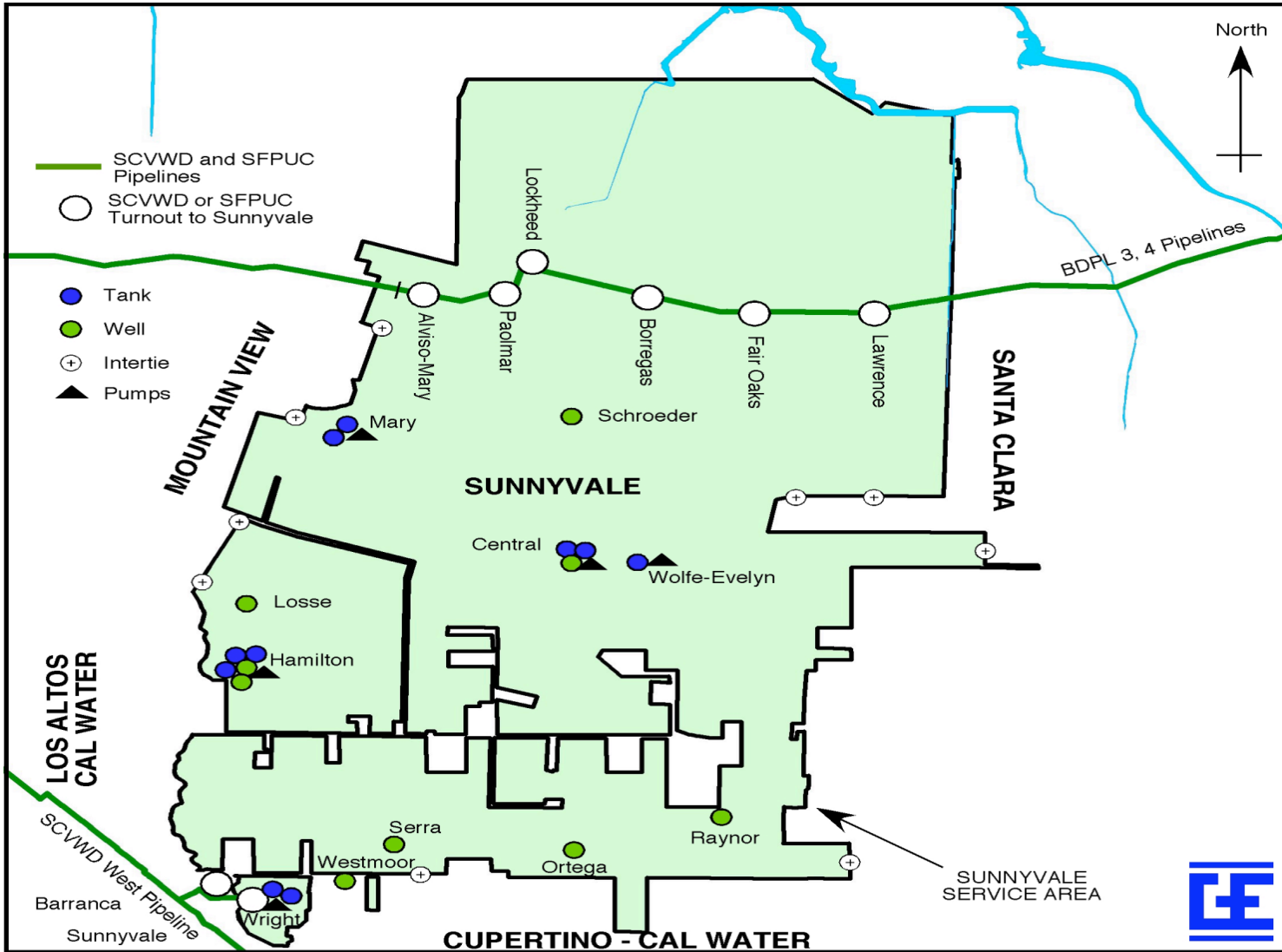
Amended and Restated Water Supply Agreement with the City and County of San Francisco

City Council, February 26, 2019

Agenda

- Overview of Sunnyvale's water system and wholesale suppliers
- Overview of the seven amendments to Water Supply Agreement with San Francisco
- Adoption process

Sunnyvale's Water Facilities



Wholesale Water Suppliers

SFPUC

- Current agreement expires in 2034
- Provides water to 2.5 million people in Bay Area
- Sunnyvale currently receives 9.0 mgd
- Sunnyvale has supply guarantee of 12.6 mgd

Valley Water

- Current agreement expires in 2051
- Provides water to 1.9 million in Santa Clara County
- Sunnyvale currently receives 9.0 mgd
- Water supply contract on a 3-year cycle

Water Supply Agreement Amendments

- Resolution No. 897-18 (September 11, 2018) authorized Bay Area Water Supply and Conservation Agency (BAWSCA) to negotiate with San Francisco to amend the 2009 Water Supply Agreement (WSA)
- Amendments are necessary to address substantive, important and discrete issues that have arisen during contract implementation
- Amendments do not diverge from the existing policies and spirit of the WSA
- Amendments do not address changes to basic contract structure or “fundamental rights” (i.e. Supply Assurance)

Negotiations on Seven Amendments Complete

Proposed WSA Amendments

1. Oversight of SFPUC's Capital Improvement Program
2. Tier 1 Drought Allocation Plan
3. SFPUC's Required 2018 Decisions (SJ & SC)
4. Asset Classification
5. Wholesale Capital Fund
6. Water System Improvement Program Completion Date
7. Regional Groundwater Storage & Recovery Project

WSA Amendment Adoption Process

- SFPUC approved the Amended and Restated WSA on December 11, as negotiated by BAWSCA, pending approval by the requisite number of Wholesale customers
- BAWSCA is recommending adoption by all member agencies by March 31, 2019
- Individual member agencies are considering action at this time

RECOMMENDATION

Staff recommends that City Council adopt a resolution approving the Amended and Restated Water Supply Agreement with the City and County of San Francisco