

**RESOLUTION NO. 2018 - 048**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALISTOGA, STATE OF CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER FOR A WATER EXCHANGE WITH THE SANTA CLARA VALLEY WATER DISTRICT FOR A PORTION OF CALISTOGA'S 2018 STATE WATER PROJECT WATER ALLOCATION**

**WHEREAS**, the City of Calistoga (City) obtains a portion of its drinking water from the State Water Project (SWP) via contract (Agreement No. 1926) with the Napa County Flood Control and Water Conservation District (District) and;

**WHEREAS**, in 2013 the City and the District approved Amendment No. 11 authorizing the District to sell or exchange portions of Calistoga's State Water Project Water Allocation upon approval by the City; and

**WHEREAS**, the Department of Water Resources (DWR) is allowing water exchanges between SWP Contractors to maximize water availability throughout the State; and

**WHEREAS**, for the 2018 calendar, the City of Calistoga is eligible for delivery of at least 770 acre-feet of SWP Table A water and at least 86-acre feet of Article 21 water, which is far in excess of our anticipated 2018 SWP demands; and

**WHEREAS**, staff estimates that at the end of 2018 the City will have 869-acre feet of "carry-over" water which is the maximum that we can "carry-over" for 2018; and

**WHEREAS**, for 2018 Calistoga has 400-acre feet of Table A SWP water that will be "lost";

**WHEREAS**, the Santa Clara Valley Water District (SCVWD) desires to enter into a water exchange agreement with the District to meet their 2018 projected water demands; and

**WHEREAS**, after fully considering the expected water demands for 2018, plus maximizing the amount of water that can be "carried-over", and that 400-acre feet of the City's Table A SWP water will be lost, staff recommends that 400 acre-feet of SWP be found to be surplus and available for exchange by the District; and

**WHEREAS**, SCVWD has agreed to a price of \$200 per acre-foot and will return 200-acre feet back to the City within ten years and the District and the City find the proposed terms of the exchange to be fair and reasonable; and

**WHEREAS**, staff proposes to implement the water exchange through a simple administrative process – a Purchase Order attached and made a part hereto of this resolution, to be facilitated by the District; and

**WHEREAS;** any sales proceeds will be deposited in the Water Enterprise Fund until such time as an appropriate use of the funds is identified and approved by the City Council.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Calistoga hereby authorizes the City Manager to execute a Purchase Order in substantial conformance with Exhibit A (the Purchase Order) authorizing the exchange of 400-acre feet of Calistoga's 2018 State Water Project Table A Water allocation via the District at the agreed upon price of \$200 per acre-foot and hereby authorizes the City Manager to execute all required documents to facilitate the water exchange.

**PASSED, APPROVED, AND ADOPTED** by the City Council of the City of Calistoga at a regular meeting held this 15th day of May, 2018, by the following vote:

- AYES:** Councilmembers Barnes, Kraus and Lopez-Ortega, Vice Mayor Dunsford and Mayor Canning
- NOES:** None
- ABSTAIN:** None
- ABSENT:** None



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**CHRIS CANNING, Mayor**

**ATTEST:**



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**KATHY FLAMSON, City Clerk**