

RESOLUTION NO. 942

RESOLUTION OF THE BOARD OF PUBLIC UTILITIES CONSIDERING THE TOWN OF WINDSOR WATER RECLAMATION MASTER PLAN FOR TREATMENT, STORAGE, AND DISPOSAL EIR AND ADDENDUM AND APPROVING THE AGREEMENT TO CONVEY RECYCLED WATER BY AND THROUGH GEYSERS PIPELINE FOR REUSE

WHEREAS, the Board of Public Utilities (BPU) wishes to make maximum use of its existing infrastructure and contribute to prudent use of the region's limited water resources; and

WHEREAS, on April 14, 1998, the *Construction and Operating Agreement, Santa Rosa Geysers Recharge Project* ("Geysers Operating Agreement") between Union Oil Company, NEC Acquisition Company and Thermal Power Company (jointly called "UNT") was executed and the Agreement committed the City to construct major capital facilities, including the Geysers pipeline and pump stations, and to deliver recycled water of a specified quantity and quality; and

WHEREAS, major capital facilities were constructed and, since operation began in 2003, have conveyed a minimum of 4,015 million gallons (MG) to the steamfield each year as stipulated in the Agreement; and

WHEREAS, the First Amendment to the Geysers Operating Agreement was executed on July 12, 2004, and, in addition to other changes, recognized Geysers Power Company (GPC) as the successor in-interest to UNT; and

WHEREAS, the Second Amendment to the Geysers Operating Agreement was dated August 14, 2007, and, in addition to other changes, increased the amount of recycled water delivered by the City to the Geysers steamfield; and

WHEREAS, in May, 2001, the Town of Windsor (Town), as Lead Agency, certified the *Town of Windsor Water Reclamation Master Plan For Treatment, Storage, and Disposal EIR*; and

WHEREAS, the Town prepared and, on November 5, 2008, adopted the Addendum to the Town of Windsor Water Reclamation Master Plan For Treatment, Storage, and Disposal EIR (Addendum to Town EIR); and

WHEREAS, the City of Santa Rosa is a Responsible Agency under CEQA as it will carry out a portion of the project; and

WHEREAS, the BPU proposes to execute the Agreement To Convey Recycled Water By And Through Geysers Pipeline For Reuse ("Agreement" – attached as Exhibit A) with the Town, and, under the Agreement:

- The Town would construct at its sole expense the facilities necessary to deliver its recycled water into the City's pipeline consistent with City's Geysers Pipeline Project design and construction standards;

- The Town would provide and pay for the power necessary to operate its facilities and the City would operate and maintain the Town’s Geysers pipeline infrastructure;
- The Town’s minimum recycled water delivery is 0.53 million gallons per day (mgd, annual average) or 193 million gallons per year (MGY). The Town can, with notice, increase delivery to as much as 1.25 mgd (annual average) or 456 MGY;
- The Town would provide recycled water of a quality required in the Geysers Operating Agreement;
- The City may interrupt the Town’s delivery when the City is unable to deliver water to the steamfield (due, for example, to planned or unplanned interruptions in pipeline service or if the agreement with the steamfield operator is terminated), or if the City needs disposal capacity to avoid discharge;
- Recycled water delivery would occur through 2037, the year that the City’s agreement with the steamfield operator is scheduled to terminate, unless the agreement is extended by mutual consent;
- The Town begins paying the City when recycled water delivery begins or in 2011, whichever is sooner. Depending on when payments begin, the first annual payment is between \$500,000 and \$600,000. The annual payment amount increases such that the final payment in 2037 is \$1,500,000. The average annual payment depends on when payments begin and is about \$1 million.

WHEREAS, the approval of the Agreement requires compliance with the California Environmental Quality Act (“CEQA”) (Pub. Resources Code, §§ 21000 *et seq.*); and

WHEREAS, the Town EIR and Addendum conclude that no significant environmental impacts would result from the City’s actions under the Agreement; and

WHEREAS, on November 6, 2008, the BPU conducted a meeting to consider the Town EIR and Addendum and whether to approve the Agreement.

NOW, THEREFORE, BE IT RESOLVED, that the BPU:

1. Has considered the Town EIR and Addendum, as prepared by the Lead Agency, in compliance with CEQA; and
2. Finds that no significant impacts are associated with the Agreement that fall within the jurisdiction of the BPU and that, accordingly, the BPU need not adopt findings under Public Resources Code section 21081; and
3. Approves the Agreement To Convey Recycled Water By And Through Geysers Pipeline For Reuse; and
4. Authorizes the Chairman of the BPU to execute the Agreement To Convey Recycled Water By And Through Geysers Pipeline For Reuse; and
5. Directs staff to file a Notice of Determination; and

6. Determines that the custodian of the documents or other material which constitutes the record of proceedings upon which this resolution is based is:

Greg Scoles, Deputy City Manager
City of Santa Rosa
100 Santa Rosa Ave.
Santa Rosa, CA 95402

DULY AND REGULARLY ADOPTED by the City of Santa Rosa Board of Public Utilities
this 6th day of November, 2008.

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED: _____

Richard Dowd, Chairman
Board of Public Utilities

ATTEST: _____

Gina Perez
Recording Secretary

APPROVED AS TO FORM:

City Attorney