



Staff Report

Agenda Item #: {{section.number}}L

Yountville Town Council Staff Report

DATE: June 18, 2024
TO: Mayor and Town Council
FROM: John Ferons, Public Works Director
PREPARED BY: John Ferons, Public Works Director

RECOMMENDATION

Adopt Resolution 24-4283; Approving an Agreement with the State of California, Department of Veteran's Affairs for the Purchase of Potable Water from Rector Reservoir and Water Treatment Plant and Authorizing the Town Manager to Execute the Agreement.

DISCUSSION/BACKGROUND

The California Department of Veterans Affairs (Cal-Vet) owns and operates Rector Reservoir and Water Treatment Plant with water rights to distribute that water for beneficial use to various locations, including the Town of Yountville (Town). The Town has been purchasing from Cal-Vet Treated Potable Rector Water pursuant to various agreements for over 40 years with the most recent agreement having been entered into on 2004 with a 20-year life span. That agreement is set to expire June 30, 2024, and the two parties, the Town and Cal-Vet desire to enter into another agreement so that the Town may continue to purchase Cal-Vet Treated Potable Rector Water.

As a result, the Town and Cal-Vet are proposing to enter into new agreement that is consistent in terms with the previous 2004 agreement. However, Cal-Vet's rules have changed, and the term of the new agreement is not 20-years, rather it is a 10-year agreement which may be renewed in ten-year increments provided the Town and Cal-Vet mutually agree on the renewal.

Specific details that were in the 2004 agreement that carry forward into the 2024 agreement are as follows:

- Cal-Vet on a cost recovery model and intends to recover from users of Rector Reservoir water the pro rata share of the cost of said water, including, but not limited to, the cost of operation, treatment, and maintenance associated with Rector Reservoir and the treatment facility.
- Cal-Vet agrees to provide Rector Reservoir water to Town for its reasonable and beneficial use in the amount of 500 acre-feet per year.
 - Surplus water in excess of such amount if available may be delivered to Town , on the same terms and conditions as set forth in this agreement provided.
 - The peak flow rate shall not exceed 1500 gallons per minute for 15 minutes, and the average flow rate is not to exceed 750 gallons per minute.
- On April 1 of each year, the Department shall notify Buyer of the amount of Rector Reservoir water available for delivery to Buyer under this agreement.
- Town agrees to purchase a minimum of 250-acre feet each year to offset Cal-Vet's cost of operating Rector Reservoir and water treatment facility.

Adoption of the resolution will authorize the Town Manager to execute the Town's water agreement with Cal-Vet, maintaining a consistent water supply into the future.

ENVIRONMENTAL REVIEW

Not Applicable

FISCAL IMPACT

Is there a Fiscal Impact? Yes

Is it Currently Budgeted? Yes

Where is it Budgeted? Water Utilities and Purchases; 61-4507-4550; Water Purchase-Veteran's Home

Is it Mandatory or Discretionary? Mandatory

Is there a Staff Resource Impact? Nominal

STRATEGIC PLAN GOAL

Is item Identified in Strategic Plan? Yes

If yes, Identify Strategic Goal and Objective. **Exceptional Town Services and Staff:** The Town supports its talented staff who deliver high quality municipal programs and services while maintaining public infrastructure for the benefit of the community. **Quality of Life:** The Town enhances the livability of Yountville by providing well-maintained public facilities, parks, and trails, and quality programs and events.

Briefly Explain Relationship to Strategic Plan Goal and Objective. Entering into this water agreement shall ensure the maintenance of the most valuable public infrastructure, water to the Yountville community allowing the quality of life to continue to be enjoyed by the Town's occupants.