

**RESOLUTION NO. 3999**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COALINGA TO ENTER INTO A LONG-TERM WATER SUPPLY CONTRACT BETWEEN THE UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF RECLAMATION AND THE CITY OF COALINGA PROVIDING WATER SERVICE TO THE CITY OF COALINGA**

**WHEREAS**, the City of Coalinga is solely dependent on the United States Department of the Interior, Bureau of Reclamation (USBR), Central Valley Project (CVP), for its water supply; and

**WHEREAS**, the City first entered USBR water supply contract 14-06-200-4173A, dated October 28, 1968, for a term of 40 years; and

**WHEREAS**, the lack of a completed Programmatic Environmental Impact Statement (PEIS) by the USBR prevented USBR from offering the City a new long-term contract; and

**WHEREAS**, the City entered USBR Interim Renewal contract 14-16-200-4173A-IR1, dated January 1, 2009, for a term of two years through February 28, 2011; and

**WHEREAS**, the City subsequently entered five additional Interim Renewal contracts, IR2 through IR6, each for a term of two years, with IR6 terminating February 28, 2021; and

**WHEREAS**, in 2016 the Congress of the United States of America approved the Water Infrastructure Improvements for the Nation (WIIN) Act; and

**WHEREAS**, Section 4011 of the WIIN Act allows USBR to convert water service contracts into repayment contracts; and

**WHEREAS**, repayment means the City must prepay outstanding USBR construction cost obligations assigned to the City, which costs are presently amortized in the City's USBR service rates; and

**WHEREAS**, USBR construction costs assigned to the City as of September 30, 2019, are \$697,495; and

**WHEREAS**, all other terms of service and rates of the proposed WIIN Act contract are unchanged from the existing terms of service, and

**WHEREAS**, the term of the proposed WIIN Act contract is perpetuity; and

**WHEREAS**, the City Council of the City of Coalinga concludes that the proposed WIIN Act contract assures safe and reliable long-term water supply for the city and its residents.

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Coalinga as follows:

1. The Recitals above are found to be true and correct.

2. The City Council hereby approves “CONTRACT BETWEEN THE UNITED STATES AND CITY OF COALINGA PROVIDING FOR PROJECT WATER SERVICE SAN LUIS UNIT AND DELTA DIVISION AND FACILITIES REPAYMENT.”
3. The City Council authorizes prepayment of USBR construction costs assigned to City of Coalinga, not to exceed \$700,000.
4. The City Council authorizes the Mayor of Coalinga to execute the finalized version of the proposed WIIN contract, upon receipt from USBR, and after review and approval of the City Attorney.

The foregoing Resolution was adopted at a regular meeting of the City Council of the City of Coalinga on the **7<sup>th</sup> day of January 2021**, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

EXECUTED BY:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk / Deputy City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney