

APPENDIX F
ENVIRONMENTAL CONSTRAINTS ANALYSIS

ENVIRONMENTAL CONSTRAINTS ANALYSIS

FOR THE

**SONOMA VALLEY RECYCLED WATER
FEASIBILITY STUDY**

By

Sonoma County Water Agency

On behalf of

Sonoma Valley County Sanitation District
Valley of the Moon Water District
City of Sonoma

December 2005

TABLE OF CONTENTS

1.0 INTRODUCTION 1

2.0 PROPOSED PROJECT BACKGROUND..... 1

3.0 PURPOSE OF PROPOSED PROJECT..... 2

4.0 PURPOSE OF THE ENVIRONMENTAL CONSTRAINTS ANALYSIS..... 2

5.0 DESCRIPTION OF PROPOSED PROJECT COMPONENTS..... 2

6.0 METHODOLOGY FOR DETERMINING POTENTIAL ENVIRONMENTAL CONSTRAINTS 6

 6.1 Environmental Constraints Criteria 6

 6.2 Review of Existing Information..... 7

 6.3 Field Reconnaissance of Proposed Project Components 8

 6.4 Review of Regulatory Requirements 8

7.0 ENVIRONMENTAL CONSTRAINTS ANALYSIS SUMMARY 9

8.0 FUTURE ENVIRONMENTAL DOCUMENTATION 12

9.0 CONCLUSION 13

10.0 References..... 13

LIST OF PLATES

Plate 1: Sonoma Valley County Sanitation District Service Area

Plate 2: Proposed Pipeline Alignments

Plate 3: Proposed Storage Sites

LIST OF TABLES

Table 1: List of Special Status Wildlife Species with Potential to Occur In the Vicinity of the Sonoma Valley Recycled Water Project

Table 2: List of Special Status Plant Species with Potential to Occur In the Vicinity of the Sonoma Valley Recycled Water Project

ENVIRONMENTAL CONSTRAINTS ANALYSIS FOR THE SONOMA VALLEY RECYCLED WATER FEASIBILITY STUDY

1.0 INTRODUCTION

This Environmental Constraints Analysis is an element of the Sonoma Valley Recycled Water Feasibility Study (Feasibility Study) for the proposed Sonoma Valley Recycled Water Project (proposed project). The proposed project is a distribution system that would supply recycled water to a portion of the Sonoma Valley (Valley) and would consist of the construction, operation and maintenance of underground recycled water pipelines, storage site(s) with connecting pipelines, booster pump station(s) adjacent to the storage site(s), upgrades to the existing Sonoma Valley County Sanitation District (SVCSD) treatment facility effluent pumps, and appurtenant facilities located within the Valley. This Environmental Constraints Analysis discusses the proposed project background; purpose of the proposed project and the Environmental Constraints Analysis; description of proposed project components; methodology for determining potential environmental constraints; environmental constraints analysis summary; discussion of future environmental documentation; and a conclusion.

2.0 PROPOSED PROJECT BACKGROUND

The SVCSD owns and operates the only wastewater treatment facility within the Valley. The Sonoma County Water Agency (Agency), under contract with the SVCSD, provides all services related to the operation, maintenance, planning, permitting, and environmental compliance for the SVCSD facilities. The SVCSD service area extends from the unincorporated communities of Glen Ellen in the north to Schellville in the south (Plate 1). The wastewater collection system consists of approximately 188 miles of pipeline and three lift stations. The collection system conveys wastewater to SVCSD's wastewater treatment facility located in the southern portion of the Valley. The treatment facility currently provides secondary level treatment of wastewater. In 2002,² the SVCSD served approximately 16,452 equivalent single-family dwelling units with an average dry weather flow of approximately 2.5 million gallons per day (mgd). The City of Sonoma (City) and the Valley of the Moon Water District (VOMWD) provide potable water service within the SVCSD's service area.

During certain times of the year (November through May), SVCSD's treated effluent is discharged to tributaries (waters of the United States) of San Pablo Bay. The Regional Water Quality Control Board (RWQCB), San Francisco Bay Region, regulates the SVCSD's discharge to waters of the United States under a National Pollutant Discharge Elimination System (NPDES) permit. During the remainder of the year, effluent is used by local agricultural operations, and as a water supply for wetland enhancement.

To date, a Feasibility Study has been completed for the proposed project. The purpose of the Feasibility Study was to explore options for recycled water use and, as feasible, develop

² 2002 is the latest SVCSD service information available.

proposed project components to facilitate recycled water use within the Valley. Potential benefits of using recycled water include reduced discharges to waters of the United States, reduction of peak potable water demands on the VOMWD and the City's distribution systems including Russian River and groundwater supplies, and potential reduction of groundwater pumping for agricultural and private municipal purposes.

The Feasibility Study is comprised of engineering, financial and economic, and environmental evaluations to investigate how recycled water can best be utilized to offset potable water use and to realize environmental benefits due to reduced discharges to waters of the United States; and to evaluate the technical and economic feasibility of expanded recycled water use in the Valley. The Feasibility Study provides a planning document that identifies the most feasible proposed project components.

As a separate project, SVCSD plans to upgrade the treatment facility to tertiary treatment level within the next two to three years. Therefore, the Feasibility Study assumes that recycled water available for the proposed project will be treated to a tertiary level.

3.0 PURPOSE OF PROPOSED PROJECT

The purpose of the proposed project is to develop a distribution system that would supply recycled water to a portion of the Valley to offset existing potable water use. The project is being proposed to address several issues that adversely affect water resources in the Valley. These issues include: a constrained potable water supply from the Sonoma Aqueduct that results in difficulties associated with meeting peak summer demand of the VOMWD and the City; increased groundwater use (either for potable water supply or agricultural purposes); and increased environmental regulatory requirements and constraints related to discharge of treated wastewater to waters of the United States.

4.0 PURPOSE OF THE ENVIRONMENTAL CONSTRAINTS ANALYSIS

The purpose of this Environmental Constraints Analysis is to describe various proposed project components identified in the Feasibility Study; discuss methodology for determining environmental constraints associated with the various proposed project components that may be infeasible; identify any potential significant environmental constraints associated with the various proposed project components; and discuss anticipated future environmental documentation.

5.0 DESCRIPTION OF PROPOSED PROJECT COMPONENTS

The proposed project would consist of the construction, operation, and maintenance of underground-recycled water pipelines, storage site(s) with connecting pipelines, booster pump station(s) adjacent to the storage site(s), upgrades to the existing SVCSD treatment facility effluent pumps, and appurtenances.

The components of the proposed project are described below:

- The recycled water pipelines would consist of underground poly vinyl chloride pipe that ranges from 2 to 14-inch diameter and appurtenances. Appurtenances could include cathodic protection equipment; pressure, air and check valves; monitoring and other necessary equipment.
- Pipeline Alignment 1B would require approximately 865-acre feet (ac-ft) of additional water storage capacity. The storage site(s) would be linked to Pipeline Alignment 1B by connecting pipelines.
- Booster pump station(s), consisting of pumps, motors, emergency generator, masonry building, connecting pipeline, and related equipment would be required to maintain sufficient water pressure to transport recycled water through the pipelines. The number of booster pumps stations and locations are unknown at this time.
- Upgrades to the existing SVCSD treatment facility effluent pumps would be required to maintain sufficient water pressure to transport recycled water through the pipelines.

Not all of the proposed project components are addressed in this Environmental Constraints Analysis. Project components that are not addressed in this Environmental Constraints Analysis include booster pump station(s) and upgrades to the existing SVCSD treatment facility effluent pumps. The numbers of storage sites and booster pump stations have not been identified, nor has the location of the booster pump station(s). However, once the numbers and locations are identified, the proposed storage site(s), booster pump station(s), as well as the proposed upgrades to the existing SVCSD treatment facility effluent pumps would be addressed in the appropriate future site-specific environmental document in compliance with the California Environmental Quality Act (CEQA). Depending upon opportunities that may be available for project funding or required permitting, the proposed project components may also need to be evaluated in an appropriate site-specific environmental document, in compliance with the National Environmental Policy Act (NEPA).

The following text describes the proposed pipeline alignments, and storage site(s) locations identified in the Feasibility Study (Plates 2 and 3).

Pipeline Alignments Locations

Four proposed Pipeline Alignments, 1A, 1B, 2, and 3 have been developed (Plate 2) for the proposed project. Pipeline Alignment 1 is comprised of two segments, Alignment 1A and 1B. The following text describes the pipeline alignment locations.

Pipeline Alignment 1A

Pipeline Alignment 1A, approximately 6.2 miles in length, would begin at the existing SVCSD treatment facility, and extend southwest and then northwest through a vineyard to Arnold Drive. The alignment would continue north along Arnold Drive, ending at the intersection of Sperring Road and Arnold Drive. Secondary pipelines would extend from the main pipeline alignment. The first secondary pipeline would begin at the intersection of Arnold Drive and Stage Gulch Road/Hwy 116, and would continue west along Stage Gulch Road/Hwy 116, ending between Bonness Road and Donnell Road. The second secondary pipeline would begin at the intersection of Watmaugh Road and Arnold Drive, and would continue east along Watmaugh Road, ending before the intersection of Watmaugh Road and Catalina Road. The third secondary pipeline would begin at the intersection of Arnold Drive and Leveroni Road, and would continue east along Leveroni Road, ending at the intersection of Leveroni Road and Harris Road.

Alignment 1B

Pipeline Alignment 1B, an extension of Pipeline Alignment 1A, is approximately 5.4 miles in length. This alignment would begin at the intersection of Arnold Drive and Sperring Road. The pipeline would continue north on Arnold Drive to Orange Avenue, and then continue north on Orange Avenue to Elm Avenue. The alignment would then continue east on Elm Avenue crossing a field to Arnold Drive, and then continue north on Arnold Drive, ending at Hanna Boys. Secondary pipelines would extend from the main pipeline. The first secondary pipeline would begin on Arnold Drive, south of Fowler Creek Road continuing through a field to the east, and ending before Dowdall Creek. The second secondary pipeline would begin at the intersection of Fowler Creek Road and Arnold Drive, and continue west along Fowler Creek Road, ending before Westerberke Ranch Road. The third secondary pipeline would begin at the intersection of Orange Avenue and Grove Street, and continue west along Grove Street, ending west of Najm Lane. The fourth secondary pipeline would begin at the intersection of Orange Avenue and Elm, and would continue north along Orange Avenue. The secondary pipeline would then continue west on Craig Avenue and then continue north on Carriger Road, ending south of the Sonoma Mission Inn Golf and Country Club.

Alignment 2

Pipeline Alignment 2, approximately 5.7 miles in length, would begin at the existing SVCSD treatment facility, and extend along the SVCSD existing easement that borders the east side of Broadway/Highway 12 to Spect Road. The alignment would then continue west along Specht Road, north along Broadway, west along Napa Street, and then continue north along 1st Street West, ending at the intersection of 1st Street West and the existing bike path. Secondary pipelines would extend from the main pipeline. The first secondary pipeline would extend from the main pipeline along the SVCSD easement at San Luis Road. The secondary pipeline would continue west along San Luis Road, ending at the intersection of San Luis Road and Broadway/Highway 12. The second secondary pipeline would extend from the main pipeline along the SVCSD easement at Watmaugh Road. The secondary pipeline would continue east along Watmaugh Road East, ending at the intersection of Watmaugh Road East and 5th Street

East. The third secondary pipeline would begin at the intersection of Specht Road and Broadway/Highway 12, and would continue south on Broadway/Highway 12, ending on Broadway north of Smith Lane. The fourth secondary pipeline would begin at the intersection of Broadway/Highway 12 and Leveroni Road. This secondary pipeline would continue west on Leveroni Road, ending at the intersection of Leveroni Road and Palmer Avenue. The fifth secondary pipeline would begin at the intersection of 1st Street West and the existing bike path, continue east along the existing bike path, and end on the bike path west of Nathanson Creek. The sixth secondary pipeline would begin at the intersection of 1st Street West and the existing bike path. The secondary pipeline would continue west along the existing bike path, west through Sonoma State Historic Park, then west along the existing bike path, ending at the intersection of the bike path and 5th Street West.

Alignment 3

Pipeline Alignment 3, approximately 5.1 miles in length, would begin at the existing SVCS D treatment facility, and extend north along 8th Street East to the intersection of 8th Street East and Schellville Road. The alignment would then continue east through private property to Peter Road, then continue north through private property along Arroyo Seco. The alignment would then continue north along Hyde Road, and then east along Napa Road, ending east of Davitto Road. Secondary pipeline extensions would extend from the main pipeline. The first secondary pipeline would begin at the intersection of Hyde Road and Napa Road, and would continue west along Napa Road, ending at the intersection of Napa Road and Orlandi Lane. The second secondary pipeline would begin at the intersection of Napa Road and Denmark Street and would continue northwest and then west along Denmark Street to the intersection of Denmark Street and 8th Street East. The secondary pipeline would then continue south along the abandoned railroad tracks that border 8th Street East, and end along the abandoned railroad tracks north of Napa Road.

Storage Site Locations

Seven proposed storage site locations have been identified (Plate 3) for the proposed project. Storage Sites 1-4 and 7 are potential reservoirs sites, Storage Site 5 and 6 are existing abandoned tanks. The following text describes each storage site location.

Storage Site 1

Storage Site 1 is located north of Stage Gulch Road, and west of the County Refuge Transfer Station.

Storage Site 2 and 3

Storage Sites 2 and 3 are located north of Ramal Road, east of Lawler Road and west of Poehlman Road.

Storage Site 4

Storage Site 4 is located approximately north of Ramal Road, west of the Sonoma/Napa County line, east of Poehlman Road, and south of Hwy 121/12.

Storage Site 5 and 6

Storage Sites 5 and 6 are two tanks (T1 and T2) abandoned by the City of Sonoma. The abandoned tanks are located on the north side of the City of Sonoma.

Storage Site 7

Storage site 7 is located north of the wastewater treatment facility, west of 8th Street east, and south of Schelville Road.

6.0 METHODOLOGY FOR DETERMINING POTENTIAL ENVIRONMENTAL CONSTRAINTS

The following subsections discuss the methodology used for determining whether proposed project components were feasible and could meet the basic project purpose while limiting potential environmental impacts. In summary, the methodology used included addressing a series of environmental criteria questions for each proposed project component; review of existing information; field reconnaissance; and review of regulatory requirements.

6.1 Environmental Constraints Criteria

Each of the proposed project components were analyzed for environmental constraints by addressing the following criteria questions.

- 1) Does the proposed project component minimize public exposure to hazardous conditions, such as hazardous materials; noise; and failure of project facilities in an earthquake, flood, or from other causes?
- 2) Does the proposed project component minimize adverse impacts to planned land use, visual and recreation resources, agricultural lands, or lands permanently dedicated to open space?
- 3) Does the proposed project component minimize adverse impacts to utilities, public services, and transportation facilities?
- 4) Does the proposed project component minimize adverse impacts to the physical natural environment, such as air quality, water quality and hydrology, and geologic resources?

- 5) Does the proposed project component avoid high quality wetland areas and minimize impacts to other wetlands or jurisdictional waters of the United States?
- 6) Does the proposed project component avoid adverse impacts to sensitive fish and wildlife species and their habitats?
- 7) Does the proposed project component avoid adverse impacts to botanical areas and/or unique or sensitive plant communities?
- 8) Does the proposed project component avoid adverse impacts to cultural resources, such as historic buildings and structures, heritage trees, and items of archaeological or paleontological interest?

6.2 Review of Existing Information

An analysis of biological resources within the proposed project area was conducted to determine if sensitive biological resources are present. The analysis consisted of a literature review and discussions with Agency biologists. The literature review consisted of a search of the California Natural Diversity Database (CNDDDB) compiled by the California Department of Fish and Game (CDFG) (CDFG, 2003) for occurrences of special-status³ wildlife and plant species within the Sonoma and Glen Ellen 7.5 minute U.S. Geological Survey (USGS) Quadrangles; and a search of the U.S. Fish and Wildlife Service (USFWS), Sacramento Fish and Wildlife Office Endangered Species List website (USFWS, 2003a) for an unofficial USFWS species list of special-status wildlife and plant species within the Sonoma and Glen Ellen 7.5 minute USGS Quadrangles. In addition, Agency staff conducted written correspondence with the U.S. Fish and Wildlife Service (USFWS) to request an official potential species list for the occurrence of federal and endangered wildlife and plant species that may be present within Sonoma and Glen Ellen quadrangles. After receiving the official species list from USFWS (USFWS, 2003b), a literature review of the CDFG and USFWS species lists was conducted.

Three federal special status wildlife species were identified by USFWS as having the potential to occur within the project area. The wildlife species listed as federally threatened under the Endangered Species Act include: central California coastal steelhead (*Oncorhynchus mykiss*), and California red-legged frog (*Rana aurora draytonii*). The California freshwater shrimp (*Syncaris pacifica*) was the only listed federally endangered wildlife species under the Endangered Species Act identified by USFWS as having the potential to occur within the project area. Table 1 identifies special status wildlife species potential habitat presence within the proposed project area.

Sonoma sunshine/Baker's stickseed (*Blennosperma bakeri*) was the only listed federally endangered plant species under the Endangered Species Act identified by USFWS as having the

³ Special status species are those that are legally protected under the federal and California Endangered Species Acts.

potential to occur within the project area. There were no threatened plant species identified as having the potential to occur within the project area. Table 2 identifies special status plant species' potential habitat presence within the vicinity of the proposed project area.

Three state special status wildlife species were identified by CDFG as having the potential to occur within the project area. The Band swallow (*Riparia riparia*) was the only listed threatened wildlife species under the California Endangered Species Act (Table 1). The wildlife species listed as threatened under the California Endangered Species Act include: little willow flycatcher (*Empidonax traillii brewsteri*), and California freshwater shrimp (listed as federally endangered).

Sonoma sunshine/Baker's stickyseed was the only listed endangered plant species under the California Endangered Species Act (also listed as federally endangered), identified by CDFG as having the potential to occur within the project area (Table 2). There were no threatened plant species identified as having the potential to occur within the project area.

Discussions with an Agency biologist consisted of gathering information regarding historical known California red-legged frog occurrences within Sonoma County. Carriger Creek was the only probable occurrence location identified within the project area by the Agency biologist.

6.3 Field Reconnaissance of Proposed Project Components

After completing the literature review, a field reconnaissance was conducted to visually inspect the environmental resources located at each proposed project component. For each proposed project component, Agency staff prepared field notes, reviewed the environmental constraints criteria (Section 6.1), and evaluated and determined the potential for significant environmental constraints.

6.4 Review of Regulatory Requirements

After reviewing existing information and conducting field reconnaissance, Agency staff determined potential federal, state, and local environmental review and permitting requirements for each proposed project component. The following agencies may have regulatory oversight of the proposed project.

- United States Fish and Wildlife Service
Section 7 or Section 10 of the Endangered Species Act for freshwater and terrestrial federally listed species

- Nation Oceanic and Atmospheric Administration (NOAA) Fisheries
Section 7 or Section 10 of the Endangered Species Act for anadromous federally listed species

- United States Army Corps of Engineers (Corps)
Section 404 Clean Water Act Permit: (Nationwide Permit or Individual Permit) or
Section 10 Rivers and Harbors Act of 1899: Navigable Waters (Individual Permit)

- Regional Water Quality Control Board, San Francisco Bay Region
Section 401 Water Quality Certification

- California Department of Fish and Game
Section 1602 Lake or Streambed Alteration Agreement
Section 2081 Incidental Take Permit

- County of Sonoma Permit and Resource Management Department
Section VIII of the Water Clarity Ordinance of the County of Sonoma
Ordinance No 3836R (3836R Permit)

7.0 ENVIRONMENTAL CONSTRAINTS ANALYSIS SUMMARY

Each of the proposed project components adequately passed a preliminary review and met the basic project objective while limiting potential environmental impacts. Based on the analysis, all proposed project components were deemed feasible. For each proposed project component, only potential significant environmental impacts or benefits were noted. The text below summarizes the results for each proposed project component.

Pipeline Alignment 1A

A large portion of Pipeline 1A would be constructed in existing roadways; therefore, construction activities have the potential for causing cultural resource impacts; temporary traffic/transportation, public services, utilities impacts; and short-term noise, air quality, aesthetic, and recreation impacts. Additional potential temporary environmental impacts may occur for geology, land use, hydrology/water quality, hazards and hazardous materials, mineral resources, and agriculture resources. Depending upon the resource affected (i.e., cultural, traffic and noise), additional surveys may be required.

This alignment would also require installing the pipeline through nine creeks, and require work in or near seasonal drainages. These areas are potential wetlands or other waters of the U.S and may provide potential habitat for several listed species (Section 7.2) that could be impacted by pipeline construction. Depending upon the biological resource affected (i.e., presence of listed special status species), additional wildlife and plant surveys may be required.

Constructing the pipeline across wetlands or other waters of the U.S. would require a permit from the Corps in accordance with Section 404 of the Clean Water Act, a water quality certification from the RWQCB in accordance with Section 401 of the Clean Water Act, a

Streambed Alteration Agreement in accordance with Section 1602 Lake or Streambed Alteration Agreement and a Section 2081 Incidental Take Permit of the CDFG Code, potential consultation with USFWS and NOAA Fisheries under Section 7 or Section 10 of the Endangered Species Act; and a County of Sonoma 3836R Permit. Agency staff will work with regulatory agencies to determine which agencies have jurisdiction and special conditions per site. For example, obtaining a Section 404 permit from the Corps may require delineating potential wetlands, preparing a delineation report, and possible biological resource studies including focused surveys for listed species. Depending upon the pipeline location, alternative construction methods would be considered, and where applicable, mitigation measures would be implemented to reduce or eliminate potential significant impacts.

Pipeline Alignment 1B

A large portion of Pipeline 1B would be constructed in existing roadways; therefore, construction activities have the potential for causing cultural resource impacts; temporary traffic/transportation, public services, utilities impacts; and short-term noise, air quality, aesthetic, and recreation impacts. Additional potential temporary environmental impacts may occur for geology, land use, hydrology/water quality, hazards and hazardous materials, mineral resources, and agriculture resources. Depending upon the resource affected (i.e., cultural, traffic and noise), additional surveys may be required.

This alignment would also require installing the pipeline through eight creeks and require work in or near seasonal drainages. These areas are potential wetlands or other waters of the U.S and may provide potential habitat for several listed species (Section 7.2) that could be impacted by pipeline construction. Depending upon the biological resource affected (i.e., presence of listed special status species), additional wildlife and plant surveys may be required.

Constructing the pipeline across wetlands or other waters of the U.S. would require a permit from the Corps in accordance with Section 404 of the Clean Water Act, a water quality certification from the RWQCB in accordance with Section 401 of the Clean Water Act, a Streambed Alteration Agreement in accordance with Section 1602 Lake or Streambed Alteration Agreement and a Section 2081 Incidental Take Permit of the CDFG Code, potential consultation with USFWS and NOAA Fisheries under Section 7 or Section 10 of the Endangered Species Act; and a County of Sonoma 3836R Permit. Agency staff will work with regulatory agencies to determine which agencies have jurisdiction and special conditions per site. For example, obtaining a Section 404 permit from the Corps may require delineating potential wetlands, preparing a delineation report, and possible biological resource studies including focused surveys for listed species. Depending upon the pipeline location, alternative construction methods would be considered, and where applicable, mitigation measures would be implemented to reduce or eliminate potential significant impacts.

Pipeline Alignment 2

A large portion of Pipeline 2 would be constructed in existing roadways; therefore, construction activities have the potential for causing cultural resource impacts; temporary traffic/transportation, public services, utilities impacts; and short-term noise, air quality, aesthetic, and recreation impacts. Additional potential temporary environmental impacts may occur for geology, land use, hydrology/water quality, hazards and hazardous materials, mineral resources, and agriculture resources. Depending upon the resource affected (i.e., cultural, traffic and noise), additional surveys may be required.

This alignment would also require installing the pipeline through three creeks and require work in or near seasonal drainages. These areas are potential wetlands or other waters of the U.S and may provide potential habitat for several listed species (Section 7.2) that could be impacted by pipeline construction. Depending upon the biological resource affected (i.e., presence of listed special status species), additional wildlife and plant surveys may be required.

Constructing the pipeline across wetlands or other waters of the U.S. would require a permit from the Corps in accordance with Section 404 of the Clean Water Act, a water quality certification from the RWQCB in accordance with Section 401 of the Clean Water Act, a Streambed Alteration Agreement in accordance with Section 1602 Lake or Streambed Alteration Agreement and a Section 2081 Incidental Take Permit of the CDFG Code, potential consultation with USFWS and NOAA Fisheries under Section 7 or Section 10 of the Endangered Species Act; and a County of Sonoma 3836R Permit. Agency staff will work with regulatory agencies to determine which agencies have jurisdiction and special conditions per site. For example, obtaining a Section 404 permit from the Corps may require delineating potential wetlands, preparing a delineation report, and possible biological resource studies including focused surveys for listed species. Depending upon the pipeline location, alternative construction methods would be considered, and where applicable, mitigation measures would be implemented to reduce or eliminate potential significant impacts.

Pipeline Alignment 3

A large portion of Pipeline 3 would be constructed in existing roadways; therefore, construction activities have the potential for causing cultural resource impacts; temporary traffic/transportation, public services, utilities impacts; and short-term noise, air quality, aesthetic, and recreation impacts. Additional potential temporary environmental impacts may occur for geology, land use, hydrology/water quality, hazards and hazardous materials, mineral resources, and agriculture resources. Depending upon the resource affected (i.e., cultural, traffic and noise), additional surveys may be required.

This alignment would also require installing the pipeline through three creeks and require work in or near seasonal drainages. These areas are potential wetlands or other waters of the U.S and may provide potential habitat for several listed species (Section 7.2) that could be impacted by

pipeline construction. Depending upon the biological resource affected (i.e., presence of listed special status species), additional wildlife and plant surveys may be required.

Constructing the pipeline across wetlands or other waters of the U.S. would require a permit from the Corps in accordance with Section 404 of the Clean Water Act, a water quality certification from the RWQCB in accordance with Section 401 of the Clean Water Act, a Streambed Alteration Agreement in accordance with Section 1602 Lake or Streambed Alteration Agreement and a Section 2081 Incidental Take Permit of the CDFG Code, potential consultation with USFWS and NOAA Fisheries under Section 7 or Section 10 of the Endangered Species Act; and a County of Sonoma 3836R Permit. Agency staff will work with regulatory agencies to determine which agencies have jurisdiction and special conditions per site. For example, obtaining a Section 404 permit from the Corps may require delineating potential wetlands, preparing a delineation report, and possible biological resource studies including focused surveys for listed species. Depending upon the pipeline location, alternative construction methods would be considered, and where applicable, mitigation measures would be implemented to reduce or eliminate potential significant impacts.

Storage Site(s)

The storage site(s) construction activities have the potential for causing cultural resource and biological impacts; and temporary noise, air quality, and aesthetic impacts. Additional potential temporary environmental impacts may occur for geology, land use, hydrology/water quality, hazards and hazardous materials, mineral resources, and agriculture resources. Depending upon the resource affected (i.e., cultural, biological, geological), additional surveys may be required.

As with pipeline routes, the proposed storage site locations may require working with regulatory agencies regarding wetlands, and sensitive plant and wildlife species and their habitats.

The proposed storage site(s) may be subject to wastewater discharge requirements, under the SVCSD treatment facility's current NPDES permit. These waste discharge requirements regulate the collection, treatment, storage, and disposal facility systems.

8.0 FUTURE ENVIRONMENTAL DOCUMENTATION

This Environmental Constraints Analysis is a preliminary assessment of proposed project components and will be used in support of anticipated future environmental documentation. Based on this Environmental Constraint Analysis, it is anticipated that a project-level Environmental Impact Report (EIR) would be prepared in compliance with CEQA. Depending upon opportunities that may be available for project funding or required permitting, an appropriate site-specific environmental document in compliance with NEPA may also be required.

9.0 CONCLUSION

None of the proposed project components appears to have significant environmental constraints that preclude construction of proposed project components. For each proposed project component potential significant environmental impacts may occur for traffic/transportation, noise, air quality, geology, land use, aesthetic, cultural resources, biological resources, hydrology/water quality, recreation, hazards and hazardous materials, mineral resources, public services, utilities, and agriculture resources. Depending upon the pipeline location, construction methods would be considered that reduce impacts, and where applicable, mitigation measures would be implemented to reduce impacts to less-than-significant. There is a potential for the proposed project components to change prior to initiation of site-specific environmental documentation. If changes occur, proposed project components would be evaluated in detail for potential significant impacts in future site-specific environmental documentation.

10.0 REFERENCES

California Department of Fish and Game. *California Native Data Base Special-Status Wildlife and Plant Species within the Sonoma and Glenn Ellen 7.5 minute U.S. Geological Survey Quadrangles*. September 2003.

U.S. Fish and Wildlife Service website. *Sacramento Fish and Wildlife Office Endangered Species List - unofficial species list of special-status wildlife and plant species within the Sonoma and Glen Ellen 7.5 minute USGS Quadrangles*
<http://sacramento.fws.gov/es/spplist.htm>. (September 2003a).

U.S. Fish and Wildlife Service, written correspondence from Lori Rinek, Acting Deputy Assistant Field Supervisor. November 2003b.

PLATES

TABLES

Table 1. List of Special Status Wildlife Species With Potential to Occur In The Vicinity of The Sonoma Valley Recycled Water Project¹

Common Name <i>Scientific Name</i>	Legal Status ²	Habitat	Potential Habitat Presence ³
Invertebrates			
<i>Carterocephalus palaemon</i> ssp. Sonoma arctic skipper	SC	Grasses including purple reedgrass (<i>Calamagrostis purpurascens</i>) host caterpillars. Adults found in glades and openings in heavily forested woods, moist meadows, and streamsides.	Potential to occur on project site. Suitable habitat identified on project site.
<i>Hydrochara rickseckeri</i> Ricksecker's water scavenger beetle	SC	Known only from creeks, ponds, and vernal pools in San Francisco Bay area, including Marin, Sonoma, Alameda, and Contra Costa counties. Historical collecting records indicate that populations of this species probably have long existed at low densities. There are no known existing populations.	Potential to occur on project site. Suitable habitat identified on project site.
<i>Syncaris pacifica</i> California freshwater shrimp	FE, SE	Endemic to Marin, Napa, and Sonoma Counties. Found in low elevation, low gradient streams where riparian cover is moderate to heavy. Shallow pools away from main streamflows, with undercut banks with exposed roots in winter and leafy branches touching water in summer.	Known to occur within project vicinity. Suitable habitat identified on project site. (Known from Sonoma Creek and some tributaries.)
Fish			
<i>Hypomesus transpacificus</i> delta smelt	FT, ST	Euryhaline (tolerant to large shifts in salinity) fish that inhabits the Delta and surrounding areas. Adults spawn from January to June on submerged vegetation or sandy and rocky substrate. Spawning occurs in the upstream area of the Delta and after hatching, juveniles move to the downstream end.	Unlikely to occur on project site. Project site outside of known breeding range for this species.
<i>Hysteroecarpus traski pomu</i> Russian River tule perch	SC, CSC	Exist in large, low-elevation streams with beds of emergent aquatic plants or overhanging banks. Require clear, flowing water and suffer high annual mortalities in turbid or low water years.	Unlikely to occur on project site. Project site outside of known breeding range for this species.
<i>Lampetra tridentate</i> Pacific lamprey	SC	Adults enter rivers between April and June to spawn in areas with moderate velocities and gravel or cobble substrates. Juveniles or ammocoetes rear in low velocity habitats within silt or sand substrate.	Unlikely to occur on project site. Project site outside of known breeding range for this species.

Table 1. List of Special Status Wildlife Species With Potential to Occur In The Vicinity of The Sonoma Valley Recycled Water Project¹

Common Name <i>Scientific Name</i>	Legal Status ²	Habitat	Potential Habitat Presence ³
<i>Oncorhynchus kisutch</i> coho salmon, central CA coast	FT, SE	Coho migrate into freshwater between November and January and spawn in streams that flow directly to the ocean or in tributaries of large rivers. Spawning areas typically are at heads of riffles or tails of pools with beds of loose, silt-free coarse gravel and cover nearby for adults. Juveniles require deep, well-shaded pools with abundant overhead cover. Juveniles prefer cover consisting of rootwads, undercut banks, and large boulders.	No potential to occur on project site. Outside of ESU.
<i>Oncorhynchus mykiss</i> Central California coastal steelhead	FT	Spawn and rear in cool, clear, well-oxygenated headwater streams. Spawning occurs between December and May (primarily from January to March). In streams and rivers with wide broad alluvial valleys, fish rearing may be limited to headwater streams due to excessive temperatures in lower reaches. Juveniles prefer swift water habitats of riffles and runs.	Known to occur within project vicinity. Suitable habitat identified on project site. (Known from Sonoma Creek.)
<i>Oncorhynchus mykiss</i> Central Valley steelhead	FT	Spawn and rear in cool, clear, well-oxygenated headwater streams. Spawning occurs between December and May, with most from January to March. Juveniles prefer swift water habitats of riffles and runs.	No potential to occur on project site. Outside of ESU.
<i>Oncorhynchus mykiss</i> northern California steelhead	FT, CSC	Spawn and rear in cool, clear, well-oxygenated headwater streams. Spawning occurs between December and May, with most from January to March. Juveniles prefer swift water habitats of riffles and runs.	No potential to occur on project site. Outside of ESU. (ESU is Redwood Creek south of Gualala River.)
<i>Oncorhynchus tshawytscha</i> Central Valley fall-run chinook salmon ESU	C	Adults migrate upstream from June to December and spawning occurs from September to December. Spawning occurs in the Sacramento River and large tributaries in clean coarse gravel. Juveniles prefer riffle and run habitat, before moving downstream into the estuary from April to June.	Unlikely to occur on project site. Project site outside of known breeding range for this species. ESU for this species is the Sacramento and San Joaquin River basins, east of Carquinez Strait.
<i>Oncorhynchus tshawytscha</i> Central Valley spring-run chinook	FT	Adults migrate upstream from March to September and spawning occurs from late August to October. Spawning occurs in the Sacramento River and large tributaries in clean coarse gravel. Juveniles prefer riffle and run habitat, before moving downstream into the estuary from April to June.	No potential to occur on project site. Outside of ESU.

Table 1. List of Special Status Wildlife Species With Potential to Occur In The Vicinity of The Sonoma Valley Recycled Water Project¹

Common Name Scientific Name	Legal Status²	Habitat	Potential Habitat Presence³
<i>Oncorhynchus tshawytscha</i> Sacramento River winter-run chinook salmon ESU	FE, SE	Adults migrate upstream between December and July and spawn in the Sacramento River (near Shasta Dam) from April through early August. Adults remain in deep pools for several months before spawning. Juveniles prefer riffle and run habitat, before moving into the estuary between July and December.	Unlikely to occur on project site. Project site outside of known breeding range for this species. This ESU is Sacramento River and its tributaries.
<i>Oncorhynchus tshawytscha</i> California coastal chinook salmon	FT	Adults migrate upstream from late August to December and spawning occurs from October to December. Spawning occurs in the Russian River and its tributaries in clean coarse gravel. Juveniles prefer riffle and run habitat, before moving downstream into the ocean from April to June.	Known to occur within project vicinity. Suitable habitat identified on project site.
<i>Pogonichthys macrolepidotus</i> Sacramento splittail	FT, SC, CSC	Euryhaline species which prefer slow-moving rivers and sloughs with flooded vegetation for spawning and foraging areas. Most common in the Delta and Suisun Marsh.	Unlikely to occur on project site. Project site outside of known breeding range for this species.
<i>Spirinchus thaleichthys</i> longfin smelt	SC, CSC	Found in large estuaries of California, Oregon, and Washington. In California, longfin smelt once occurred in most large estuaries, but today are most common in the Delta. Occasionally, low numbers of longfin smelt are captured in the Russian River estuary. Adults spawn in freshwater over sandy-gravel, rocks, and aquatic plants. Juveniles rear in brackish water, occupying the middle or bottom of the water column.	Unlikely to occur on project site. Project site outside of known breeding range for this species.
Amphibians			
<i>Ambystoma californiense</i> California tiger salamander	FT, C, CSC, PN	Grasslands and valley foothill hardwood habitats with appropriate subterranean (mammal burrows) refuge sites. Breeds in temporary pools (e.g. vernal pools).	Unlikely to occur on project site. Project site outside of known breeding range for this species.
<i>Rana aurora aurora</i> Northern red-legged frog	SC, CSC, PN	Permanent or temporary water bordered by dense, grassy or shrubby vegetation. Requires 4-6 months of permanent water for larval development.	Potential to occur on project site. Suitable habitat identified on project site.
<i>Rana aurora draytonii</i> California red-legged frog	FT, CSC, PN	Permanent water bordered by dense, grassy or shrubby vegetation associated with deep (≤ 0.7 m), still or slow-moving water.	Potential to occur on project site. Suitable habitat identified on project site.

Table 1. List of Special Status Wildlife Species With Potential to Occur In The Vicinity of The Sonoma Valley Recycled Water Project¹

Common Name Scientific Name	Legal Status²	Habitat	Potential Habitat Presence³
<i>Rana boylei</i> foothill yellow-legged frog	SC, CSC, PN	Shallow, flowing water in small to moderate-sized streams with at least some cobble-sized substrates for egg laying. Need at least 15 weeks to attain metamorphosis.	Potential to occur on project site. Suitable habitat identified on project site.
<i>Scaphiopus hammondi</i> western spadefoot toad	SC, CSC PN	Lowlands in washes, river floodplains, alluvial fans, playas, alkali flats, and into foothills and mountains. Open vegetation, short grasses where soil is sandy or gravelly. Valley and foothill grasslands, open chaparral, pine-oak woodlands. Quiet streams and temporary pools. Temporary rainpools with temperatures between 9 and 30 °C (48-86 °F), and with inundation lasting greater than three weeks. Require burrow refuge sites for aestivation.	Unlikely to occur on project site. Project site outside of known breeding range for this species.
Reptiles			
<i>Clemmys marmorata marmorata</i> northwestern pond turtle	SC, CSC PN	Ponds, marshes, rivers, streams, and irrigation ditches with rocky or muddy bottoms and aquatic vegetation. Slack or slow-moving aquatic habitat with available aerial and aquatic basking sites. Upland oviposition sites are typically on unshaded, south facing slopes with soils of high clay or silt composition. Nests may be found up to 0.5km from water.	Potential to occur on project site. Suitable basking sites identified within project site.
<i>Phrynosoma coronatum frontale</i> California horned lizard	SC	Occurs in valley-foothill hardwood, conifer and riparian habitats, as well as in pine-cypress, juniper and annual grass habitats. Horned lizards forage on the ground in open areas, usually between shrubs and often near ant nests. Periods of inactivity and winter hibernation are spent burrowed into the soil under surface objects such as logs or rocks, in mammal burrows, or in crevices.	Unlikely to occur on project site due to lack of suitable habitat.
Birds			
<i>Agelaius tricolor</i> tricolored blackbird	SC, CSC	Nest located over or near fresh water, especially in emergent wetland. Usually nests in dense cattails or tules; also nests in thickets of willow, blackberry, wild rose, tall herbs.	Potential to occur on project site. Suitable breeding and foraging habitat identified on project site.
<i>Amphispiza belli belli</i> Bell's sage sparrow (nesting)	SC, CSC	Found in sage-covered brushlands and arid chaparral-covered hillsides. Occurs in eastern portions of Sonoma County.	Unlikely to occur on project site due to lack of suitable habitat.

Table 1. List of Special Status Wildlife Species With Potential to Occur In The Vicinity of The Sonoma Valley Recycled Water Project¹

Common Name Scientific Name	Legal Status²	Habitat	Potential Habitat Presence³
<i>Athene cunicularia hypugaea</i> western burrowing owl	SC	Occurs in grasslands, prairies, open areas such as golf courses and airports. Nests in mammal burrows, particularly of the California ground squirrel (<i>Spermophilus beecheyi</i>).	Potential to occur on project site. Suitable breeding and foraging habitat identified on project site.
<i>Baeolophus inornatus</i> oak titmouse	SLC	Live oaks and deciduous growth of all kinds: oak woodlands, streamside cottonwoods, forest edges, and oak juniper woodlands. Nest in tree cavities; fence postholes; or crevices of old buildings.	Potential to occur on project site. Suitable habitat identified on project site.
<i>Chaetura vauxi</i> Vaux's swift	SC, CSC	Prefers redwood and Douglas-fir habitats with nest-sites in large hollow trees and snags, especially tall burned-out stubs. Also known to nest in chimneys and buildings.	Potential to occur on project site. Suitable breeding and foraging habitat identified on project site.
<i>Coccyzus americanus occidentalis</i> western yellow-billed cuckoo	SE, C	Open woodlands, especially with dense undergrowth, riparian woodlands, and thickets. Nests in deciduous trees or shrubs approximately one to two meters from the ground. Nests in riparian jungles of willows often mixed with cottonwoods, with lower story of blackberry, nettles, or wild grape.	Unlikely to occur on project site. Last observation in Sonoma County was 50 years ago.
<i>Cypseloides niger</i> black swift	SC, CSC	Coastal belt of Santa Cruz and Monterey County; Central and Southern Sierra Nevada; San Bernardino and San Jacinto Mountains. Breeds in small colonies on cliffs behind or adjacent to waterfalls in deep canyons and sea-bluffs above surf; forages widely.	Unlikely to occur on project site due to lack of suitable habitat.
<i>Elanus leucurus</i> white-tailed kite (nesting)	CSC, SC FP	Nests in dense-canopied woodlands adjacent to grasslands, agricultural fields, and wetlands.	Potential to occur on project site. Suitable breeding and foraging habitat identified on project site.
<i>Empidonax traillii brewsteri</i> little willow flycatcher (nesting)	SE, CA	Swamps, willow thickets, riparian woodland. Nests in the forks of trees or shrubs, approximately 0.5 to 3 meters above ground.	Potential to occur on project site. Suitable breeding and foraging habitat identified on project site.

Table 1. List of Special Status Wildlife Species With Potential to Occur In The Vicinity of The Sonoma Valley Recycled Water Project¹

Common Name Scientific Name	Legal Status²	Habitat	Potential Habitat Presence³
<i>Falco peregrinus anatum</i> American peregrine falcon (nesting)	D	In open habitats from tundra, savanna, and coasts to high mountains. Known to occur in urban areas on tall buildings. Usually nests in scrapes on cliff ledges.	No suitable breeding habitat identified on project site, but possibly in adjacent woodlands. May occasionally forage in the project area.
<i>Falco mexicanus</i> Prairie falcon	SC, CSC	Uncommon permanent resident and migrant that ranges from southeastern deserts northwest along the inner Coast Ranges and Sierra Nevada. Distributed from annual grasslands to alpine meadows, but associated primarily with perennial grasslands, savannahs, rangeland, some agricultural fields, and desert scrub areas. Not found in northern coastal fog belt, or along the coastline. Catches prey in air and on ground in open areas. Requires sheltered cliff ledges for cover. Usually nests in a scrape on a sheltered ledge of a cliff overlooking a large, open area. Sometimes nests on old raven or eagle stick nest on cliff, bluff, or rock outcrop.	Unlikely to occur on project site due to lack of suitable habitat.
<i>Haliaeetus leucocephalus</i> bald eagle (nesting & wintering)	FT, SE, FP	Found on coasts, rivers, and large lakes in open areas. Nests primarily in coniferous trees and on cliffs.	Unlikely to occur on project site due to lack of suitable habitat.
<i>Lanius ludovicianus</i> loggerhead shrike	SC, CSC	Open habitats with sparse shrubs and trees, other suitable perches, bare ground, and low or sparse herbaceous cover.	Potential to occur on project site. Suitable breeding and foraging habitat identified on project site.
<i>Melanerpes lewis</i> Lewis' woodpecker	SC	Open pine-oak woodlands, oak or cottonwood groves in grasslands, poderosa pine country. Nests in cavities of dead stumps or tree limbs, often at a considerable height. Nests in loose colonies.	Unlikely to occur on project site due to lack of suitable habitat.
<i>Numenius americanus</i> long-billed curlew (breeding)	SC, CSC	Upland shortgrass prairies and wet meadows are used for nesting; coastal estuaries, open grasslands, and croplands are used in winter.	Potential to occur on project site. Suitable habitat identified on project site.
<i>Riparia riparia</i> bank swallow (nesting)	ST, CA	Open country near running water. Nests in burrows along the banks of streams, creeks, and rivers.	Potential to occur on project site. Suitable habitat identified on project site.
<i>Selasphorus rufus</i> Rufous hummingbird	SC	Mountain meadows, forest edges; on migration and in winter frequents gardens with hummingbird feeding stations. Nests in lichen-covered cup of plant down and spider web attached to a horizontal branch.	Unlikely to occur on project site due to lack of suitable habitat.

Table 1. List of Special Status Wildlife Species With Potential to Occur In The Vicinity of The Sonoma Valley Recycled Water Project¹

Common Name Scientific Name	Legal Status²	Habitat	Potential Habitat Presence³
<i>Selasphorus sasin</i> Allen's hummingbird (nesting)	SC	Common summer resident and migrant along California coast. Most common in coastal scrub, valley foothill hardwood, and valley foothill riparian habitats, but also common in closed-cone pine-cypress, urban, and redwood habitats.	Unlikely to occur on project site due to lack of suitable habitat.
<i>Sterna antillarum (=albifrons) browni</i> California least tern	FE, SE	Sandy and pebbly beaches along the coast; sandbars in large rivers. Often on landfill. Nests in unlined scrape on a sand spit or gravel beach. Nests in colonies.	Unlikely to occur on project site due to lack of suitable habitat.
<i>Strix occidentalis caurina</i> northern spotted owl	FT	Dense coniferous and deciduous forests. Nests primarily in coniferous trees, occasionally on cliffs in heavily wooded canyons.	Unlikely to occur on project site due to lack of suitable habitat.
<i>Toxostoma redivivum</i> California thrasher	SC	Cismontane foothills and lowlands; moderate to dense chaparral and, less commonly, extensive thickets of California blackberry and California wild grape in young or open valley foothill riparian habitat.	Potential to occur on project site. Suitable habitat identified on project site.
Mammals			
<i>Antrozous pallidus</i> pallid bat	CSC	Desert, grasslands, shrublands, woodlands, and Forests. Most common in open, dry habitats with rocky areas for roosting. Forages in variety of habitats. Roosts in caves, crevices, mines, and occasionally hollow trees and buildings. Prefers mesic sites.	Potential to occur on project site. Suitable habitat identified on project site.
<i>Corynorhinus townsendii townsendii</i> Pacific western big-eared bat	SC, CSC	Forages in variety of habitats, but prefers mesic sites. Roosts in caves, mines, tunnels, and buildings.	Potential to occur on project site. Suitable habitat identified on project site.
<i>Eumops perotis californicus</i> greater western mastiff bat	SC, CSC	Arid to semi-arid habitats, including conifer and deciduous woodlands, coastal scrub, annual and perennial grasslands, palm oases, chaparral, desert scrub, and urban. Requires extensive open areas with abundant roost locations provided by crevices in rock outcrops, trees, tunnels and high buildings.	Potential to occur on project site. Suitable habitat identified on project site.
<i>Myotis evotis</i> long-eared myotis bat	SC	Coniferous forests and woodlands preferred, but found in nearly all brush, woodland and forested habitats. Does not roost colonially.	Potential to occur on project site. Suitable habitat identified on project site.

Table 1. List of Special Status Wildlife Species With Potential to Occur In The Vicinity of The Sonoma Valley Recycled Water Project¹

Common Name <i>Scientific Name</i>	Legal Status ²	Habitat	Potential Habitat Presence ³
<i>Myotis thysanodes</i> fringed myotis bat	SC	Pinyon-juniper, valley foothill hardwood, and hardwood-conifer habitats at 4,000-7,000 feet are optimal, but occurs in a wide variety of habitats. Breeds in caves and old buildings.	Potential to occur on project site. Suitable habitat identified on project site.
<i>Myotis volans</i> long-legged myotis bat	SC	Forages in chaparral, coastal scrub, early successional woodlands and forests. Roosts in trees, buildings, and crevices in cliffs.	Unlikely to occur on project site due to lack of suitable habitat.
<i>Myotis yumanensis</i> Yuma myotis bat	SC, CSC	Commonly occurs along wooded canyon bottoms with sources of water to forage over. Roosts in caves and old buildings.	Potential to occur on project site. Suitable habitat identified on project site.
<i>Reithrodontomys raviventris</i> salt-marsh harvest mouse	FE, SE	Saline emergent wetlands of the San Francisco Bay and its tributaries, particularly in habitat dominated by pickleweed.	Unlikely to occur on project site due to lack of suitable habitat.

¹ List of species based on review of California Department of Fish and Game Natural Diversity Data Base for the Sonoma and Glen Ellen U. S. Geological Survey 7.5 minute quadrangles and species lists provided by the U. S. Fish and Wildlife Service.

² Legal Status

- FE:** Listed as endangered under the federal Endangered Species Act.
- FT:** Listed as threatened under the federal Endangered Species Act.
- P:** Proposed for listing under the federal Endangered Species Act.
- C:** A candidate for listing under the federal Endangered Species Act.
- CA** Listed by the State of California but not by the Fish and Wildlife Service
- D** Delisted by Fish and Wildlife Service– Species will be monitored for 5 years
- SC:** A U.S. Fish and Wildlife Service Species of Concern.
- SE:** Listed as endangered under the California Endangered Species Act.
- SLC** A U.S. Fish and Wildlife Service Species of Local Concern
- ST:** Listed as threatened under the California Endangered Species Act.
- CSC:** A California Department of Fish and Game Species of Special Concern.
- FP:** Fully protected under California Fish and Game Code (Birds §3511; Mammals §4700; Reptiles and Amphibians §5050; Fish §5515).
- PN:** Protected under California Code of Regulations, Title 14, Chapter 5, §41 (native amphibians) and §42 (native reptiles).

³ Source of Information:

Burridge, Betty (ed.). 1995. Sonoma County Breeding Bird Atlas: detailed maps and accounts of our nesting birds. Madrone Audubon Society.

California Department of Fish and Game. 2003. California Natural Diversity Data Base for the Sonoma and Glen Ellen U.S. Geological Survey 7.5 minute quadrangles.

Zeiner, D.C., Laudenslayer, W.F., and K.E. Mayer (eds.). 1988. California's Wildlife: Amphibians and Reptiles. Volume I. State of California, The Resources Agency, Department of Fish and Game. Sacramento, California.

_____. 1988. California's Wildlife: Birds. Volume II. State of California, The Resources Agency, Department of Fish and Game. Sacramento, California.

_____. 1988. California's Wildlife: Mammals. Volume III. State of California, The Resources Agency, Department of Fish and Game. Sacramento, California.

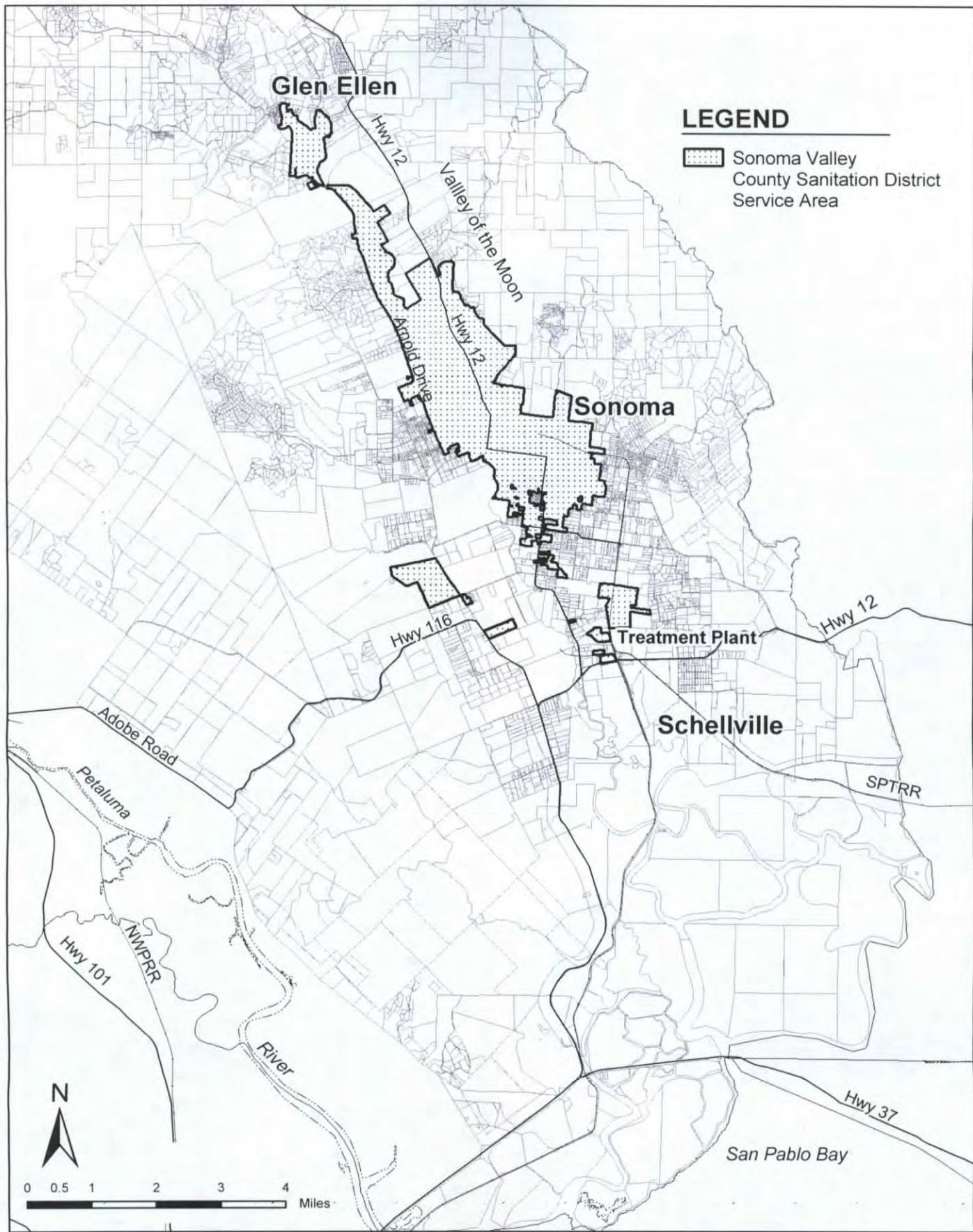
Table 2. List of Special Status Plant Species With Potential to Occur In The Vicinity of The Sonoma Valley Recycled Water Project¹

Common Name Scientific Name	Legal Status²	Habitat	Potential Habitat Presence
Plants			
<i>Amorpha californica</i> var <i>nepensis</i> Napa false indigo	SC, SLC, 1B	Broadleafed upland forest (openings), chaparral, cismontane woodland	Unlikely to occur on project site due to lack of suitable habitat.
<i>Arctostaphylos bakeri</i> ssp. <i>Bakeri</i> Baker's manzanita	SC, SR, 1B	Broadleafed upland forests, chaparral, often serpentinite	Unlikely to occur on project site due to lack of suitable habitat.
<i>Arctostaphylos canescens</i> ssp. <i>sonomensis</i> Sonoma manzanita	SC, SLC, 1B	Chaparral, lower montane coniferous forest, sometimes serpentinite	Unlikely to occur on project site due to lack of suitable habitat.
<i>Blennosperma bakeri</i> Sonoma sunshine/Baker's stickyseed	FE, SE, 1B	Vernal pools and swales in valley and foothill grassland	Potential to occur on project site.
<i>Brodiaea californica</i> var <i>leptandra</i> narrow-anthered California brodiaea	SC, SLC, 1B	Broadleafed upland forest, chaparral, lower montane coniferous forest.	Unlikely to occur on project site due to lack of suitable habitat.
<i>Ceanothus sonomensis</i> Sonoma ceanothus	SC, 1B	Chaparral. Endemic to Napa and Sonoma Counties. Sandy, serpentine or volcanic soils.	Unlikely to occur on project site due to lack of suitable habitat.
<i>Chorizanthe valida</i> Sonoma spineflower	FE, SE, 1B	Coastal prairie	Unlikely to occur on project site due to lack of suitable habitat.
<i>Downingia pusilla</i> Dwarf downingia	2	Valley and foothill grassland (mesic sites), vernal pools. Vernal lake and pool margins with a variety of associates. In several type of vernal pools.	Potential to occur on project site.
<i>Legenere limose</i> Legenere	SC, 1B	In beds of vernal pools. Many historical occurrences are extirpated.	Potential to occur on project site.
<i>Linanthus jepsonii</i> Jepson's linanthus	SLC, 1B	Grassland, open to partially shaded grassy slopes, on volcanics or the periphery of serpentine substrates	Unlikely to occur on project site due to lack of suitable habitat.
<i>Lupinus sericatus</i> Cobb Mountain lupine	SLC, 1B	Open slopes, sometimes wooded.	Unlikely to occur on project site due to lack of suitable habitat.
<i>Viburnum ellipticum</i> oval-leaved viburnum	2	Chaparral, cismontane woodland, lower montane coniferous forest.	Unlikely to occur on project site due to lack of suitable habitat.


Table 2. List of Special Status Plant Species With Potential to Occur In The Vicinity of The Sonoma Valley Recycled Water Project¹

Common Name <i>Scientific Name</i>	Legal Status ²	Habitat	Potential Habitat Presence
¹ List of species based on review of California Department of Fish and Game Natural Diversity Data Base for the Sonoma and Glen Ellen U. S. Geological Survey 7.5 minute quadrangles and species lists provided by the U. S. Fish and Wildlife Service; and California Native Plant Society website: www.northcoast.com/~cnps/cgi-bin/cnps/sensinv.cgi			
² Legal Status: FE: Listed as endangered under the federal Endangered Species Act. FT: Listed as threatened under the federal Endangered Species Act FPE: Proposed for listing as endangered under the federal Endangered Species Act. C: A candidate for listing under the federal Endangered Species Act. SC: A U.S. Fish and Wildlife Service Species of Concern. SE: Listed as endangered under the California Endangered Species Act. SLC Species of Local Concern – Other species of concern to the Sacramento Fish and Wildlife Office. ST: Listed as threatened under the California Endangered Species Act. SR: Listed as rare under the California Native Plant Protection Act. 1A: California Native Plant Society List 1A: Plants presumed extinct in California. 1B: California Native Plant Society List 1B: Plants rare, threatened or endangered in California. 2: California Native Plant Society List 2: Plants rare, threatened, or endangered in California, but more common elsewhere.			

PLATES

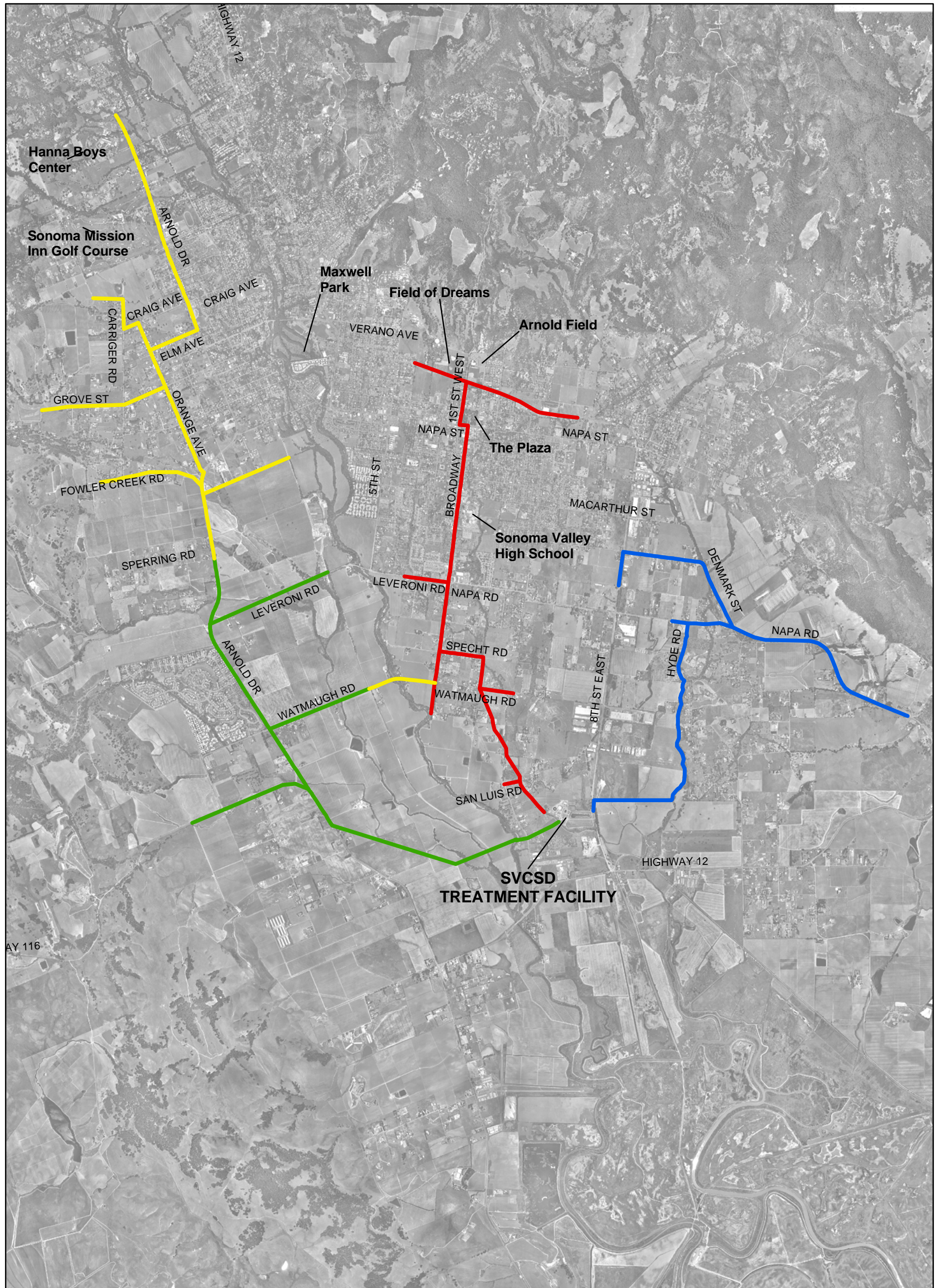


LEGEND

-  Sonoma Valley County Sanitation District Service Area

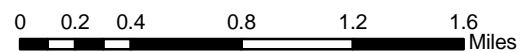


SONOMA VALLEY COUNTY SANITATION DISTRICT SERVICE AREA
Sonoma Valley Recycled Water Feasibility Study



Legend

- Pipeline Alignment 1A
- Pipeline Alignment 1B
- Pipeline Alignment 2
-



U:\arcview\projects\Yvette\Alt-Alignments-11-17.mxd AUGUST 23, 2005



PROPOSED PIPELINE ALIGNMENTS
 Sonoma Valley Recycled Water Feasibility Study



APPENDIX G
ECONOMIC AND FINANCIAL ANALYSIS

ECONOMIC AND FINANCIAL ANALYSIS
FOR THE
SONOMA VALLEY RECYCLED WATER
FEASIBILITY STUDY

By

Sonoma County Water Agency

On behalf of

Sonoma Valley County Sanitation District
Valley of the Moon Water District
City of Sonoma

December 2005

TABLE OF CONTENTS

1.0	ECONOMIC AND FINANCIAL ANALYSIS OF THE SONOMA VALLEY	1
1.1	Economic Analysis	1
1.1.1	Benefits	1
1.1.2	Description of Benefits	2
1.1.2.1	Russian River Water Offset	2
1.1.2.2	Groundwater Offset	2
1.1.2.3	Environmental Protection and Enhancement	2
1.1.3	Costs	4
1.1.4	Cost - Benefit Analysis	4
1.2	Financial Analysis.....	4
1.2.1	Potential Funding Sources	5
1.2.1.1	Local Agency Funds	5
1.2.1.2	Grants	5
1.2.1.3	Low Interest Loans	6
1.2.1.4	Bonds	6
1.2.2	Recycled Water Pricing Analysis	6
1.2.3	Repayment of Debt Incurred to Plan and Construct Project	7
1.2.4	Recycled Water Market Assessment.....	8
1.2.5	Market Assurances.....	8
1.3	Summary.....	8

1.0 ECONOMIC AND FINANCIAL ANALYSIS OF THE SONOMA VALLEY

1.1 Economic Analysis

In its simplest form, an economic analysis will determine if a project alignment will accomplish the project objective for the least cost, when compared to other feasible alignments that would achieve the same objective. For example, if the project objective were to provide additional water supply, the economic analysis would compare the cost of the proposed project alignments to the cost of providing additional potable water supplies by other feasible methods. Unfortunately, the traditional economic analysis is an incomplete tool for evaluating the feasibility of recycled water projects, since these projects often have several objectives.

A trend in economic analysis for recycled water projects is comprehensive cost-benefit analysis. This method allows a variety of benefits to be considered including environmental benefits. This method also serves to identify beneficiaries that can contribute to project costs commensurate with the benefits they receive. The primary limitation of cost-benefit analysis is the difficulty in quantifying environmental benefits.

For the purposes of this report, we will use a hybrid of the two approaches described above to evaluate which, if any, of the alignments represents the most economically sound approach to meeting the multiple project objectives at the least cost.

1.1.1 Benefits

The distribution and use of recycled water in the Sonoma Valley will:

- 1) Offset Use of Potable Water
 - Reduce the cost of constructing additional transmission system capacity
 - Increase potable water system reliability during peak demand periods
 - Reduce reliance on groundwater for both municipal and agricultural use
- 2) Protect and Enhance the Environment
 - Reduce winter discharge of treated effluent to surface waters
 - Preserve surface waters as habitat for protected species
 - Reduce the risk of saltwater intrusion into the aquifer due to overdraft

Table 1.1 shows which of the above benefits result from each project alternative.

Description of Benefit	1A	1B	1A & 1B	2	3
Potable Water Offset					
Russian River Water		X	X	X	
Groundwater	X	X	X	X	X
Environmental Enhancement	X	X	X	X	X

A full description of the above benefits is presented in the paragraphs below.

1.1.2 Description of Benefits

Current peak demand for Russian River water in the Sonoma Valley exceeds system capacity. This has resulted in low water pressure in the Agency's transmission system during peak demand periods. In the case of a system failure during peak demand periods, existing storage would be quickly exhausted and groundwater supplies are currently inadequate to meet peak demands. Water supply reliability can be enhanced by both reductions in Russian River water and groundwater use, as described below.

1.1.2.1 Russian River Water Offset

Russian River water offset is a reduction in the demand for potable water supplied by the existing Agency water transmission system. This results when municipal and industrial users take delivery of recycled water in place of Agency's water for irrigation of parks and fields or for industrial processes. Potable water offset benefits the water transmission system and its users by offsetting peak demands and reducing the need to develop additional capacity. Alignments 1B and 2 both offset demand for Russian River water by supplying parks, schools, and golf courses with recycled water. The Agency estimated in its 2001 Economic and Financial Report for the Water Supply and Transmission System Project that the cost of providing an additional 800 acre-feet annually would cost \$18,950,000.

1.1.2.2 Groundwater Offset

Groundwater offset is a reduction in the pumping of potable groundwater from the aquifer. This typically results when agricultural users take delivery of recycled water in place of groundwater for irrigation of food crops or pasture land. This reduction in demand on the aquifer has many benefits. A sustainable level of demand on the aquifer prevents wells from going dry and reduces the cost of drilling new, deeper wells. In the Sonoma Valley, where the City of Sonoma (City) and Valley of the Moon Water District (VOMWD) use groundwater to supplement supplies from the Agency's transmission system during peak demand periods, the project will make more groundwater available for potable use, benefiting the potable water system and its users. Although each of the project alignments reduce groundwater pumping, Alignment 2 reduces groundwater pumping near existing potable water supply wells and presents the greatest benefit to potable supply reliability. The VOMWD estimates the cost of constructing a new well with an annual sustainable capacity of 260 acre-feet of potable water at \$460,000.

1.1.2.3 Environmental Protection and Enhancement

The use of recycled water results in many environmental benefits, including reduction in discharges of treated wastewater to surface waters, lower risk of saltwater intrusion into the aquifer and a reduction in diversion of surface waters for irrigation.

The Sonoma Valley County Sanitation District (SVCSD) currently disposes of treated effluent in winter by discharging to Shell Slough, a tributary to San Pablo Bay. Although these discharges are permitted by the San Francisco Bay Regional Water Quality Control Board (RWQCB), it is desirable to reduce or eliminate these discharges. Water recycling reduces the need to discharge effluent. The SVCSD budgets approximately \$160,000 each year to maintain compliance with its National Pollutant Discharge Elimination System permit with the RWQCB.

Reduced groundwater pumping provides another benefit by reducing the risk of saltwater intrusion. Saltwater intrusion results when excessive groundwater use depletes the aquifer, allowing saltwater from nearby San Pablo Bay to enter the aquifer. Intrusion of saltwater renders the aquifer unfit for most potable, agricultural, and industrial uses. Thus, the beneficiaries include all water users. The benefit of protecting the aquifer from saltwater intrusion cannot be easily quantified, since very little data is available on the current condition of the aquifer and the beneficiaries are so diverse. However, given the value of groundwater resources to residents of the Sonoma Valley, salt-water intrusion would be devastating.

Groundwater use and surface water diversions can harm protected species by degrading or eliminating habitat. The Sonoma Ecology Center recently conducted a study to determine the effect of groundwater pumping on nearby stream levels. The study found that base flows in Sonoma Creek have significantly decreased because of groundwater use, negatively affecting habitat for species protected under the Endangered Species Act. Reducing groundwater and surface water use will help to preserve base flows in streams within the Valley, benefiting riverine and fishery habitat.

Table 1.2 summarizes the approximate annual value of the benefits of recycled water use described above for each project alignment. Benefit values are derived by multiplying the annual cost per acre-foot associated with each benefit by the appropriate number of acre-feet associated with each alignment.

Alignment	Russian River Water Offset	Groundwater Offset	Environmental Enhancement	Total Annual Benefits
1A	\$0	\$103,996	\$87,562	\$191,558
1B	\$98,824	\$85,716	\$60,138	\$244,678
1A & 1B	\$98,824	\$189,712	\$147,699	\$436,236
2	\$143,428	\$39,581	\$35,080	\$218,089
3	\$0	\$57,425	\$37,094	\$94,519

1.1.3 Costs

The capital costs of the project alignments are summarized below in Table 1.3. These costs are presented in detail in Tables 10-13 in the Engineering Evaluation of the Feasibility Study.

Alignment	Pipeline	Pump Station	Storage	Laterals	Total Capital Cost
1A	\$2,599,515	\$1,587,414	\$1,101,880	\$529,200	\$5,818,009
1B	\$1,564,645	\$1,540,721	\$13,985,400	\$1,202,200	\$18,292,966
1A & 1B	\$4,164,160	\$3,128,135	\$15,087,280	\$1,731,400	\$24,110,975
2	\$1,704,500	\$944,095	\$1,101,880	\$469,200	\$4,219,676
3	\$1,362,608	\$1,044,647	\$1,101,880	\$1,265,000	\$4,774,135

1.1.4 Cost - Benefit Analysis

Table 1.4 compares the economic benefits with the economic costs for each project alignment to arrive at a net benefit.

Alignment	Total Annual Benefits	Total Annual Cost*	Net Annual Benefit
1A	\$191,558	\$396,311	(\$204,753)
1B	\$244,678	\$950,066	(\$705,388)
1A & 1B	\$436,236	\$1,415,440	(\$979,204)
2	\$218,089	\$178,946	\$39,143
3	\$94,519	\$308,453	(\$213,934)

* Total annual cost are taken from Table 1.6 of the Financial Analysis section of this report

1.2 Financial Analysis

The financial analysis evaluates whether a project can be constructed given the financial resources available. Financial resources include existing funds held by the participating agencies, grants and low-interest loans obtained from state and federal agencies, and bonds issued to finance a project. Although local funds and grants carry no repayment obligations, use of low-interest loans and bonds are limited by the availability of project revenues to repay these public debts. The following section describes the various sources of funding available for the proposed project.

1.2.1 Potential Funding Sources

1.2.1.1 Local Agency Funds

Several sources of local agency funds may be available for funding project costs. The Agency's Water Transmission System Operations and Maintenance Fund (O&M Fund) provides Recycled Water and Conservation funding for such projects to both the VOMWD and the City based on potable water purchases and/or contract entitlements. Funding is provided for recycled water projects that offset potable water use and put recycled water to beneficial use. The funds are established annually in the O&M Fund and have generally been for between \$1 million and \$2 million per year for projects proposed by all eight water contractors. The Agency and the Water Advisory Committee (WAC) determine annually which projects are funded. Table 1.5 shows the current balance of funds available to the City and VOMWD from these two programs.

Alignment	Recycled Water Funds Available (WAC)		Water Conservation Funds Available (WAC)		Total WAC Funds Available (\$)
	Sonoma	VOMWD	Sonoma	VOMWD	
	1A	\$0	\$0	\$0	
1B	\$0	\$183,500	\$0	\$597,000	\$780,500
1A & 1B	\$0	\$183,500	\$0	\$597,000	\$780,500
2	\$539,000	\$0	\$454,000	\$0	\$993,000
3	\$0	\$0	\$0	\$0	\$0

Samples of two types of agreements for use of such funding by the contractors for such projects are provided in Appendices G-1 and G-2 to this report.

The Agency also maintains a Recycled Water Fund for recycled water projects that offset the need to develop additional potable water supplies. Funding may be available to the SVCSD in exchange for an option to acquire recycled water rights in the future. A sample grant of option agreement is provided in Appendix G-3 to this report.

The SVCSD maintains a Construction fund, which receives transfers annually from the SVCSD Operations fund for capital projects. These funds can be used for projects that enhance the distribution and use of recycled water.

1.2.1.2 Grants

The State Water Resources Control Board (SWRCB) administers the Water Recycling Facilities Planning Grant Program to help agencies offset planning costs associated with recycled water projects. These grants require the completion of planning documentation, including a preliminary engineering report, a draft revenue program, and environmental documentation in

compliance with the California Environmental Quality Act (CEQA). These grants provide 50% of project planning costs, up to a maximum grant of \$75,000. Such a grant is currently funding a portion of the cost of this feasibility study. The SWRCB may also provide grants up to 25% of construction costs, up to a maximum of \$5 million, for a project through its Water Recycling Funding Program.

The California Department of Water Resources (DWR) administers the Agricultural and Urban Water Conservation Feasibility Study Grant Program and Capital Outlay Grant Program. These programs provide grants to local agencies undertaking water recycling feasibility studies and projects that facilitate delivery of recycled water to offset potable water use. The SVCSD is currently exploring eligibility for these programs and plans to submit a proposal.

1.2.1.3 Low Interest Loans

Two similar loan programs are available through the SWRCB. The State Revolving Fund and Water Recycling Loan Programs offer twenty-year repayment periods and interest rates of approximately half that of conventional bond financing. In order to qualify for such loans, the local sponsor of the project must comply with the planning requirements for disbursement of a Water Recycling Facilities Planning Grant, as described above in Section 1.2.1.2.

1.2.1.4 Bonds

Conventional bond financing requires the least resources in terms of project planning, but comes at a significantly higher interest rate than other state financing options. Bonds can have repayment periods of twenty to thirty years and interest rates currently ranging between 5 and 6 percent.

1.2.2 Recycled Water Pricing Analysis

Pricing of recycled water will depend on several factors, including the costs of existing and new sources of potable water and the various costs and benefits of connecting to and using recycled water. Generally, recycled water rates are set below potable rates to provide incentive to potential users. A study of other recycled water suppliers in the San Francisco Bay Area showed a wide range of pricing, varying from a low of 7% to a high of 95% of potable water rates. The difference is primarily due to the type of user. It is foreseeable that, while urban reuse customers, such as parks and schools, might require very minimal discounts off potable water rates to switch to recycled water use, agricultural groundwater users might require deep discounts or even no-cost recycled water to switch from low-cost groundwater sources.

Currently, the Agency charges the City and VOMWD \$409 per acre-foot for potable water delivered to their distribution systems. Due to the significant costs to users of converting their on-site distribution systems to accommodate recycled water, pricing must give sufficient incentive for users to incur up-front conversion costs. Alternatively, financial assistance may be

offered by the SVCSD or by potable water suppliers to recycled water users for converting their existing systems. For the purposes of this report, a proposed rate for recycled water for urban reuse customers currently using Russian River water will be 5% less than the water transmission system rate, or \$388.50. No rate is proposed at this time for agricultural groundwater users, as the incentive to switch to recycled water is primarily the reduction in energy use associated with groundwater pumping.

1.2.3 Repayment of Debt Incurred to Plan and Construct Project

Both low-interest loans and bonds require repayment of project costs over a period of many years. Therefore, the ability of the local sponsor of the project to repay these debts from the revenues generated by the project often determines the extent to which the project is financially feasible. Typically, these revenues are derived from a combination of wastewater rates and recycled water sales.

Revenues are traditionally used to pay for O&M costs, with any remaining revenues used to pay debt service. Table 1.6 provides one scenario that integrates the sources and uses of funds to arrive at the net annual cost of each project alignment.

Sources and Uses of Funds	Alignment				
	1A	1B	1A& 1B	2	3
Capital Cost	\$5,818,009	\$18,292,966	\$24,110,975	\$4,219,676	\$4,774,135
Less: Recycling Funds	\$0	\$183,500	\$183,500	\$539,000	\$0
Conservation Funds	\$0	\$597,000	\$597,000	\$454,000	\$0
Grant (25%)	<u>\$1,454,502</u>	<u>\$4,573,242</u>	<u>\$5,000,000</u>	<u>\$1,054,919</u>	<u>\$1,193,534</u>
Total Contributions	\$1,454,502	\$5,353,742	\$5,780,500	\$2,047,919	\$1,193,534
Net Capital Cost	\$4,363,507	\$12,939,225	\$18,330,475	\$2,171,756	\$3,580,601
Annual Debt Service*	\$293,228	\$869,516	\$1,231,808	\$145,942	\$240,616
Annual O&M Cost	<u>103,083</u>	<u>100,051</u>	<u>203,133</u>	<u>61,307</u>	<u>67,837</u>
Total Annual Cost	\$396,311	\$969,567	\$1,434,941	\$207,249	\$308,453
Less: Recycled Water Revenue	\$0	\$19,501	\$19,501	\$28,303	\$0
Net Annual Cost	\$396,311	\$989,068	\$1,454,442	\$235,552	\$308,453

* Annual debt service is based on a 20-year loan at 3.0% annual interest.

** Recycled water revenues are based on the number of acre-feet of Russian River water offset provided by each alignment multiplied by the proposed rate described in Section 1.2.2 of this report.

1.2.4 Recycled Water Market Assessment

Since recycled water users are the primary beneficiaries of a recycled water project, the market for recycled water must be assessed to determine if a sufficient revenue base exists to support repayment of debt incurred for planning and construction of the project. The recycled water market assessment begins with an identification of potential recycled water users. The initial market assessment was performed by evaluating existing land uses and determining potential recycled water use based on application area and typical application rates for the given use, as described in Section 5.3.3.3 of the Engineering Evaluation of the Feasibility Study.

A further assessment of the market for recycled water will consist of contacts made with the potential users identified in the initial assessment. Letters of support obtained from many potential recycled water users are presented in Appendix G-4 to this report.

1.2.5 Market Assurances

Recycled water agreements give the sponsor of a recycled water project assurance that, once facilities are developed to make recycled water available, users will accept and use the water. Typically, these agreements establish the amount of water available for delivery and the rate to be paid for the water. The agreements also ensure the user understands the laws that govern use of recycled water. A sample Recycled Water Use Agreement is presented in Appendix G-5 to this report.

1.3 Summary

The cost-benefit analysis is an estimate and does not capture all potential benefits of an alignment. The Economic and Financial Analysis section of this Feasibility Study should, therefore, be considered as one of a number of tools used to evaluate the various alignments. The cost benefit analysis should be periodically updated as conditions warrant

APPENDIX G-1

SAMPLE WAC FUNDING AGREEMENT

[USE TURQUOISE HIGHLIGHTED OPTIONS FOR AGREEMENTS THAT INCLUDE AGENCY ADMINISTRATION SERVICES] [for Funding only all turquoise highlighted options can be deleted]

TW

DRAFT

COOPERATIVE AGREEMENT FOR
FUNDING **[AND ADMINISTRATION]** OF THE

[CITY or DISTRICT'S NAME] WATER CONSERVATION PROGRAM

FUNDED IN FISCAL YEAR **200_/200_**

This Agreement is between the Sonoma County Water Agency, a body corporate and politic of the State of California (hereinafter "Agency"), and **[CITY or DISTRICT'S NAME]** (hereinafter "City").

RECITALS

- A. The City and Agency share the goal of promoting increased efficiency of water use in order to reduce operating costs, avoid or defer capital improvement costs associated with expansion of water supply and wastewater disposal systems, minimize associated environmental impacts, and meet the criteria and standards of state and federal regulatory agencies.
- B. The Eleventh Amended Agreement for Water Supply ("Agreement for Water Supply") authorizes the Agency to implement and fund water conservation measures that are cost-effective and will reduce water demands on the Agency's water transmission system.
- C. The City and Agency are signatories to the Memorandum of Understanding (MOU) Regarding Urban Water Conservation in California as governed by the California Urban Water Conservation Council (CUWCC).
- D. **[Agency and City have cooperated to develop, implement, and fund a water conservation program and City desires Agency's continued assistance in developing and implementing the City's water conservation measures as described in Attachment A, which is an integral part of this Agreement.]**
- E. The City is requesting a total contribution from Agency of \$**[Amount]** consisting of funding **[and in-kind services and materials for]** **[of]** implementation and administration of the City's Program.
- F. Funding for the Program is available from allocation in the Agency's category of "Water Conservation Program" (Account No. **675108-7247**) within the Agency's **200_/200_** budget.
- G. Agency and City do mutually desire to cooperate in the implementation and financing of said Program.

AGREEMENT

The City and Agency agree as follows:

1. RECITALS

- A. The above recitals are true and correct.

2. DEFINITIONS

A. For the purposes of this Agreement the following terms and definitions shall be used:

- 1) [Option] Contractor: Contractor hired and managed by City to perform water conservation services
- 2) Participants: City-approved water or wastewater customers who apply to participate in individual measures as described in Attachment A
- 3) Program: Collectively, the water conservation Best Management Practices (BMPs) described in Attachment A and related activities the City has and Agency have agreed to perform in cooperation
- 4) Agency Representative: Agency staff assigned to perform Agency's responsibilities
- 5) City Representative: City staff assigned to perform City's responsibilities
- 6) Regional Programs: Water conservation programs that implement the BMPs described in Attachment A and that are operated regionally by the Agency. Regional Programs include programs in which City is currently participating and future programs in which City may choose to participate.

3. COORDINATION

A. City shall coordinate all work with Agency's Representative, [redacted], Water Conservation Specialist or Coordinator (Phone: 707-547-[redacted]; Fax: 707-524-3782; E-mail: [redacted]@scwa.ca.gov) or assigned personnel. City contact is [redacted] [redacted] title (Phone: [redacted]; Fax: [redacted]; E-mail: [redacted]) or assigned personnel.

4. CITY'S RESPONSIBILITIES

[Option for Funding only Agreements ->] City shall complete City's Program at its cost and expense, except to the extent of Agency funding provided for in paragraph 6. In so doing: [Option for agreements that include administration by Agency ->] City shall cooperatively with Agency to manage and administer the comprehensive Program as described in Attachment A including staffing, supplies, and contract services, except to the extent Agency funding and services are provided for in paragraph 6. below. In so doing:

A. [Option for Funding only Agreements ->] Program Management: City shall fully operate the Program, as described in Attachment A, including staffing, supplies, and contract services.

A. [Option for agreements that include administration by Agency ->] City shall provide Agency Representative with requested policy and procedure information.

B. [Option for agreements that include administration by Agency ->] City shall provide an ergonomically correct workspace (station) including a computer terminal and dedicated telephone to relay information on water conservation to the public.

C. [Option for agreements that include administration by Agency ->] City shall provide meeting facilities for any necessary meetings.

D. [Option for agreements that include administration by Agency ->] City shall provide Agency Representative with access to water conservation information for marketing various water conservation programs.

E. [Option for agreements that include administration by Agency ->] Contractors: City shall select and hire Contractors required by Program as recommended by Agency Representative's recommendations.

- F. [Option for agreements that include administration by Agency →] Rebates/Incentives: City shall review and pay Contractors' invoices and rebates/incentives to Participants, excluding those associated with Regional Programs, which have been verified by Agency Representative
- G. [Option] Applicant Review: City shall review the Agency-submitted list of applicants requesting Regional Program rebates/incentives to determine if applicant is a qualified Participant to receive a rebate/incentive.
- H. [Option for agreements that include administration by Agency →] [Option] Contractor Insurance and Indemnification: City shall require its Contractors to insure and indemnify the Agency using the language identified in Attachment B as the language for Agency insurance and indemnification requirements in the request for proposal package and shall provide evidence of such insurance and indemnification to Agency in a form satisfactory to Agency
- I. [Option for agreements that include administration by Agency →] [Option] Fixture Purchase: City shall select and purchase, based on Agency Representative recommendations, all fixtures included in Program.
- J. [Option for agreements that include administration by Agency →] [Option] Web Page: City shall post and update City's web page with information supplied by Agency
- K. [Option for Funding only Agreements →] Quarterly Status Reports: City shall provide Agency Representative with quarterly status reports including work progress and a complete cost accounting by BMP.
- L. [Option for Funding only Agreements →] [Final Status Report and] Statement of Costs: Within 60 calendar days of completion of the Program as described herein or within 60 calendar days of termination as provided for in paragraph 10, City shall submit to Agency, in hard-copy format, a final [status report and] statement of costs accounting by BMP for all Program costs through the date of termination or completion.
- M. [Option for Funding only Agreements →] CUWCC Annual BMP Report: City shall provide Agency with a biannual CUWCC BMP report.
- N. Record Keeping: City shall maintain complete and accurate records of all transactions in compliance with generally accepted accounting principles for enterprise accounting as promulgated by the American Institute of Certified Public Accountants and the Governmental Accounting Standards Board. Such records shall be available to the Agency at all reasonable times for inspection and analysis.
- O. Invoices: City shall invoice the Agency quarterly for reimbursement of expenses incurred as authorized under this Agreement. All invoices submitted to Agency by City shall include a complete cost accounting by BMP and be clearly marked with "City of [redacted], Funding and Administration of Water Conservation Program Funded in Fiscal Year 20 [redacted]/20 [redacted], Project/Task No. [redacted]-15 and Account No. 675108-7247."

5. AGENCY'S RESPONSIBILITIES

[Option for Funding only Agreements →] Agency will provide the following:

[Option for agreements that include administration by Agency →] Agency will provide general Program administration consisting of the following:

- A. [Option for agreements that include administration by Agency →] Coordination: Assign Agency Representative to coordinate, document, and report on the BMPs that Agency staff works on, including management, administration, budget, and follow-up of the Program described in Attachment A.

B. [Option for agreements that include administration by Agency →] Staffing: Provide staff to respond to incoming calls from City customers, as needed, for the duration of this Agreement

C. Regional Programs:

1) [Option] Residential Clothes Washing Machine Rebates: BMP.6

- a. Applicants: Agency will submit a list of applicants for clothes washing machine rebates to City via e-mail or fax for City to review and approve.
- b. Rebates: Agency will pay Clothes Washing Machine rebates to City-approved applicants.
- c. Retention of Funds: Agency will withhold up to \$_____ of the funding authorized under this Agreement for payment of rebates by Agency.
- d. Return of Funds: Any funds withheld under subparagraph c immediately above that are not expended on rebates will be reimbursed to City for City's actual Program expenditures in an amount not to exceed the amount of withheld funds.

2)

D. [Option for agreements that include administration by Agency →] Payment Request: Review, verify, and forward to City payment requests from City customers and participants requesting rebates/incentives (excluding those associated with Department of Transportation)

E. [Option for agreements that include administration by Agency →] Quarterly Reports: Prepare quarterly reports summarizing status of all aspects of the program and submit reports to City and to Agency's General Manager/Chief of Operations

F. [Option for agreements that include administration by Agency →] Data Collection: Maintain records with updated information for program's City website

G. [Option for agreements that include administration by Agency →] Printed Materials: Design and produce Program brochures and applications materials and approved by City

H. Payment: Upon receipt of invoice from City, Agency will, following Agency's review and approval of invoice, reimburse City for Agency's share of Program costs as authorized herein and itemized in said invoice(s).

6. FUNDING

A. [Option: Program Management] Agency will provide _____ of Agency staff time, payment to City's Participants for Required Program, including incentives, and material costs, total estimated costs approximately _____. If Agency determines Agency staff is not available or if City provides _____, Agency will accomplish Agency responsibilities. City may invoice Agency for _____ in accordance with paragraph 4.

B. City Program Costs: City's costs to perform the tasks authorized under this Agreement are estimated to be approximately \$_____.

C. Maximum Obligation: Agency's maximum obligation under this Agreement shall cumulatively not exceed \$_____.

7. ADDITIONAL REQUIREMENTS

A. Excess Costs: If total Program costs exceed the total funding amount authorized herein, City shall:

- 1) fund Program costs in excess of the authorized amount without additional contribution from Agency; or

- 2) end Program activities funded under this Agreement when 100% of Agency 20__/20__ funding is depleted; or
- 3) request additional funding from Agency. In such event, City shall submit a revised Program cost estimate to Agency's General Manager/Chief Engineer with a written request for additional funds.

If Agency's General Manager/Chief Engineer determines that the revised costs are reasonable and that additional funds are available, Agency's General Manager/Chief Engineer may, in his discretion, amend this Agreement, subject to the limitations set forth in Paragraph 7.B below.

- B. Authority to Amend Agreement: Changes to the Agreement may be authorized only by written amendment to this Agreement, signed by both parties. [Board Option:] Agency's General Manager/Chief Engineer and City's _____ are authorized to amend the Agreement as long as amendments do not cumulatively increase the total cost to the Agency by more than \$25,000 and do not substantially change the scope of work. [GM/CE Option:] Agency's General Manager/Chief Engineer and City's _____ are authorized to amend the Agreement as long as the total amount of the Agreement, as amended, does not exceed \$25,000. The Agency's Board of Directors must authorize any amendments or series of amendments that exceed this authority. Notwithstanding this authority, neither Agency nor City is under any obligation to approve such amendments.
- C. No Waiver of Breach: The waiver by Agency of any breach of any term or promise contained in this Agreement shall not be deemed to be a waiver of such term or promise or any subsequent breach of the same or any other term or promise contained in this Agreement.
- D. Construction: To the fullest extent allowed by law, the provisions of this Agreement shall be construed and given effect in a manner that avoids any violation of statute, ordinance, regulation, or law. The parties covenant and agree that in the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.
- City and Agency acknowledge that they have each contributed to the making of this Agreement and that, in the event of a dispute over the interpretation of this Agreement, the language of the Agreement will not be construed against one party in favor of the other. City and Agency acknowledge that they have each had an adequate opportunity to consult with counsel in the negotiation and preparation of this Agreement.
- E. No Third-Party Beneficiaries: Nothing contained in this Agreement shall be construed to create and the parties do not intend to create any rights in third parties.
- F. Applicable Law and Forum: This Agreement shall be construed and interpreted according to the substantive law of California excluding the law of conflicts. Any action to enforce the terms of this Agreement or for the breach thereof shall be brought and tried in the County of Sonoma.
- G. Captions: The captions in this Agreement are solely for convenience of reference. They are not a part of this Agreement and shall have no effect on its construction or interpretation.
- H. Merger: This writing is intended both as the final expression of the Agreement between the parties hereto with respect to the included terms and as a complete and exclusive statement of the terms of the Agreement, pursuant to Code of Civil Procedure Section 1856. No modification of this Agreement shall be effective unless and until such modification is evidenced by a writing signed by both parties.

- I. Time of Essence: Time is and shall be of the essence of this Agreement and every provision hereof.

8. MUTUAL INDEMNIFICATION

- A. Each party shall defend, indemnify, hold harmless, and release the other, its officers, agents, and employees, from and against any and all actions, claims, damages, liabilities, or expenses that may be asserted by any person or entity, including the parties, arising out of or in connection with the negligent performance or willful misconduct of the indemnifying party arising out of or in connection with this Agreement; provided, however, that a party shall not be entitled to indemnification under this section for any actions, claims, damages, liabilities, or expenses arising out of that party's gross negligence or willful misconduct. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable to or for City or its agents under workers' compensation acts, disability benefits acts, or other employee benefit acts.

9. TERM OF AGREEMENT

- A. This Agreement shall remain in effect until completion of the Program or depletion of available funds as specified in the Agreement and detailed in the Program description, unless terminated earlier in accordance with the terms herein.

10. TERMINATION OF AGREEMENT

- A. This Agreement may be canceled upon thirty calendar days' written notice by either party.

/

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as set forth below.

[go to *_Agr Signature Pages.dot* template for proper signature page for the entity]

ATTACHMENT A

Water Conservation Program Summary

Background:

The Agreement for Water Supply authorizes Agency to implement and fund water conservation measures that are cost-effective and will reduce water demands on Agency's water transmission system.

Agency developed the Water Conservation Plan (WCP) as a plan for the conservation goals defined in the Agreement for Water Supply. City is one of Agency's eight water contractors. On May 19, 1998, the Agency's Board of Directors reviewed and approved the WCP.

In [redacted] City became signatory to the MOU Regarding Urban Water Conservation in California as governed by the CUWCC. As signatory to the MOU, City is responsible for compliance with developing and implementing cost-effective Best Management Practices (BMPs) related to retail water agencies.

City intends to use the funds available from this Agreement to help fund the implementation of various BMPs required by the CUWCC's MOU and the WCP.

Program Description:

City is requesting total funding of \$[redacted] in FY 200[redacted]/200[redacted]. City intends to use the funds available from the Agreement for Water Supply to fund the implementation of various BMPs and programs associated with the WCP. The CUWCC's MOU has a complete description of the BMPs. Specific BMPs, as defined in the MOU, and elements of these measures that may be carried out by City include, but are not limited to, the following:

1. **BMP 1: Water Survey Programs for Single-Family Residential and Multi-Family Customers**
 - A. Definition: Develop and implement a strategy for marketing water use surveys to single-family residential and multi-family residential customers. Provide customers with evaluation results and water savings recommendations. The surveys include indoor and outdoor components and at a minimum have the following elements:
 - 1) Check for water leaks in toilets, showers, and faucets.
 - 2) Instruct customers how to read the water meter and use it to check for leaks.
 - 3) Measure showerhead and faucet flow rates and offer to replace or recommend replacement of high-flow fixtures with new water-conserving fixtures.
 - 4) Check irrigation system and timers.
 - 5) Review or develop customer irrigation schedules.
 - B. Status: City has [describe current program (past) under this BMP, what has been done, or is currently being done, to implement this BMP?] OR [No programs under this BMP have been completed.]
 - C. Goal(s): [describe program goals funded under this Agreement, what is the future plan for implementing this BMP? Describe who is implementing this BMP - Agency or City] OR [Programs described under this BMP are not currently being funded by this Agreement.]

2. BMP 2: Residential Plumbing Retrofit

- A. Definition: Identify single-family and multi-family residences constructed prior to 1992. Develop a targeting and marketing strategy to distribute or direct-install high-quality, low-flow showerheads, toilet flappers, and faucet aerators to residences requiring them. Maintain distribution and/or direct-installation programs so that devices are distributed each reporting period to not less than 10 percent of single-family connections and multi-family units.
- B. Status: City has [describe current program (past) under this BMP: what has been done, or is currently being done, to implement this BMP?] OR [No programs under this BMP have been completed.]
- C. Goal(s): [describe program goals funded under this Agreement: what is the future plan for implementing this BMP? Describe who is implementing this BMP – Agency or City] OR [Programs described under this BMP are not currently being funded by this Agreement.]

3. BMP 3: System Water Audits, Leak Detection and Repair

- A. Definition: Annually complete a prescreening system audit to determine the need for a full-scale system audit. The prescreening system audit shall calculate the following:
- 1) Determine metered sales
 - 2) Determine other systems' verifiable uses
 - 3) Determine total supply into the system
 - 4) Divide metered sales by total supply into the systems. If this is less than 0.9, a full-scale system audit is indicated.
- Advise customers whenever it appears possible that leaks exist on the customer's side of the meter, perform distribution system leak detection when warranted and cost-effective, and repair leaks when found.
- B. Status: City has [describe current program (past) under this BMP: what has been done, or is currently being done, to implement this BMP?] OR [No programs under this BMP have been completed.]
- C. Goal(s): [describe program goals funded under this Agreement: what is the future plan for implementing this BMP? Describe who is implementing this BMP – Agency or City] OR [Programs described under this BMP are not currently being funded by this Agreement.]

4. BMP 4: Metering with Commodity Rates for All New Connections and Retrofit of Existing Connections

- A. Definition: Require water meters for all new connections and billing by volume of use. Identify disincentives or barriers to retrofitting mixed-use commercial accounts with dedicated landscape meters.
- B. Status: City has [describe current program (past) under this BMP: what has been done, or is currently being done, to implement this BMP?] OR [No programs under this BMP have been completed.]
- C. Goal(s): [describe program goals funded under this Agreement: what is the future plan for implementing this BMP? Describe who is implementing this BMP – Agency or City] OR [Programs described under this BMP are not currently being funded by this Agreement.]

5. BMP 5: Large Landscape Conservation Programs and Incentives

- A. Definition: Participant support, education, and assistance programs consisting of the following:
- 1) Accounts with Dedicated Irrigation Meters: Identify accounts with dedicated irrigation meters and assign Eto-based water use budgets. Provide notices each billing cycle to accounts with water use budgets showing the relationship between the budget and actual consumption.
 - 2) Commercial/Industrial/Institutional (CII) Accounts with Mixed-Use Meters: Develop and implement a strategy targeting and marketing large landscape water use surveys to CII accounts with mixed-use meters. Each billing period, directly contact via letter or telephone not less than 20 percent of CII accounts with mixed-use meters and offer water use surveys, water budgets, dedicated landscape meters, training, and incentives to improve irrigation systems efficiency.
 - 3) New or Change-of-Service Accounts: Provide information on climate-appropriate landscape design, efficient irrigation equipment/management to new customers and change-of-service accounts.
- B. Status: City has [describe current program (past) under this BMP, what has been done, or is currently being done, to implement this BMP?] OR [No programs under this BMP have been completed.]
- C. Goal(s): [describe program goals funded under this Agreement, what is the future plan for implementing this BMP? Describe who is implementing this BMP – Agency or City] OR [Programs described under this BMP are not currently being funded by this Agreement]

6. BMP 6: High-Efficiency Washing Machine Rebate Programs

- A. Definition: In conjunction with the CUWCC, support local, state, and federal legislation to improve efficiency standards for washing machines.
City may offer a cost-effective financial rebate for the purchase of high-efficiency washing machines.
- B. Status: City has [describe current program (past) under this BMP, what has been done, or is currently being done, to implement this BMP?] OR [No programs under this BMP have been completed.]
- C. Goal(s): [describe program goals funded under this Agreement, what is the future plan for implementing this BMP? Describe who is implementing this BMP – Agency or City] OR [Programs described under this BMP are not currently being funded by this Agreement] OR [City will continue to implement this BMP through Agency's Regional Program.]

7. BMP 7: Public Information Programs

- A. Definition: Implement a public information program to promote water conservation and water conservation-related benefits. Program should include, but is not limited to, providing speakers to employees, community groups, and the media; using paid and public service advertising; using bill inserts; providing information on customers' bills showing use in gallons per day for the last billing period compared to the same period the year before; providing public information to promote water conservation practices; and coordinating with other government agencies, industry groups, public interest groups, and the media.

- B. Status: City has [describe current program (past) under this BMP: what has been done, or is currently being done, to implement this BMP?] OR [No programs under this BMP have been completed.]
- C. Goal(s): [describe program goals funded under this Agreement: what is the future plan for implementing this BMP? Describe who is implementing this BMP – Agency or City] OR [Programs described under this BMP are not currently being funded by this Agreement.]

8. BMP 8: School Education Programs

- A. Definition: Implement a school education program to promote water conservation and water conservation related benefits.

Program should include working with school districts and private schools in the water suppliers' service area to provide instructional assistance, educational materials, and classroom presentations that identify urban, agricultural, and environmental issues and conditions in the local watershed. Educational materials shall meet the state education framework requirements, and grade appropriate materials shall be distributed to grade levels K-3, 4-6, 7-8, and high school.

- B. Status: The Agency's Water Education Program is designed to help educators teach students the "value" of water as an important natural resource and to promote water conservation and watershed stewardship. The program includes classroom instructional presentations; field study opportunities; teacher trainings and workshops; free curriculum materials aligned with the California State Frameworks; a lending library of videos, interactive models, and printed materials; production of a newsletter for teachers; and endorsement, participation, and financial sponsorship of events, assemblies, and workshops. All programs and materials are free to teachers in the service area.

- 1) *Classroom Instructional Program and Field Study Program:* Certain grade levels are offered a field study experience and some grades a classroom instructional program. Each grade level lesson has a subject-specific focus that supports the newly revised (2000) California Science Standards, and is designed to be developmentally appropriate.
- 2) *Curriculum Materials:* Curriculum materials are available for all grade levels. Water Education Program packets with order forms are distributed in September to all schools in the service area for teachers to request education materials.
- 3) *Teacher Workshops:* During the [] school year, a total of [] teachers participated in program workshops: [] teachers in a six-hour Project Wet workshop; [] teachers in a two-hour "make and take" water cycle workshop; [] teachers in a two-hour pollution prevention workshop; and [] teachers at a Watershed Awareness workshop held at the Earth, Space and Astronomy Symposium at the Sonoma County Office of Education. [double check workshops]

Water Education Program Packets with order forms for teachers to request materials and presentations were distributed to all public and private schools in City. The schools that participated in the program during the [] school year were: []

Approximately [] students (a total of [] classrooms) requested printed education materials. An additional [] students were reached through [] classroom instructional presentations held at []. In addition, [] students ([] classrooms) from [] participated in the field study program.

The total number of students reached during the [] school year was [].

- C. Goal: The Agency will continue to implement the Water Education Program.

9. **BMP 9: Conservation Programs for Commercial, Industrial, and Institutional Accounts**
- A. **Definition:** Identify and rank commercial, industrial, and institutional (CII) accounts according to water use. Establish a long-term implementation target for the replacement of high-water-using toilets with ultra-low-flush toilets (ULFTs) in the CII sector. Implement a CII water-use survey and customer incentive program or achieve a water use reduction in the CII sectors equaling or exceeding the CII conservation performance target.
 - B. **Status:** City has [describe current program (past) under this BMP, what has been done, or is currently being done, to implement this BMP?] OR [No programs under this BMP have been completed.]
 - C. **Goal(s):** [describe program goals funded under this Agreement, what is the future plan for implementing this BMP? Describe who is implementing this BMP – Agency or City] OR [Programs described under this BMP are not currently being funded by this Agreement.] OR [City will continue to implement this BMP through Agency's Regional Program.]

10. **BMP 10: Wholesale Agency Assistance Program**

- A. **Definition:** Implementation shall consist of at least the following:
 - 1) **Financial support:**
 - a. Agency will provide financial incentives or equivalent resources to their retail water agencies to advance water conservation efforts.
 - b. All BMPs implemented by retail water agencies which can be shown to be cost-effective in terms of avoided cost of water from the wholesaler's perspective will be supported.
 - 2) **Technical Support:**
 - a. Agency will provide conservation-related technical support and information to all retail water agencies.
 - b. Conduct or fund workshops addressing CUWCC procedure for calculating Program savings, costs and cost-effectiveness, BMP reporting requirements, and other technical issues associated with water conservation activities.
 - c. Have the necessary staff to respond to retail agencies' technical and programmatic questions involving the CUWCC's BMPs and their reporting requirements.
 - 3) **Program Management:** When mutually agreeable and beneficial, the wholesaler may operate all or any part of the conservation-related activities which a given retail supplier is obligated to implement under the BMP's cost-effectiveness test.
- B. **Status:** Programs under this BMP are performed by the Agency under the Agency's WCP.
- C. **Goal:** City has no future plans to wholesale water.

11. **BMP 11: Conservation Pricing**

- A. **Definition:** Conservation pricing provides incentives to customers to reduce average or peak use, or both. Such pricing includes rates designed to recover the cost of providing service and billing for water service based on metered water use.
- B. **Status:** City has [describe current program (past) under this BMP, what has been done, or is currently being done, to implement this BMP?] OR [No programs under this BMP have been completed.]
- C. **Goal(s):** [describe program goals funded under this Agreement, what is the future plan for implementing this BMP? Describe who is implementing this BMP – Agency or City] OR [Programs described under this BMP are not currently being funded by this Agreement.]

12. BMP 12: Conservation Coordinator

- A. Definition: Designation of a water conservation coordinator and support staff whose duties include the following:
- 1) Coordination and oversight of conservation programs and BMP implementation;
 - 2) Preparation and submittal of the CUWCC BMP implementation report;
 - 3) Communication and promotion of water conservation issues to agency senior management; coordination of agency conservation programs with operations and planning staff; preparation of annual conservation budget; participation in the CUWCC, including regular attendance at CUWCC meetings; and preparation of the conservation elements of the Agency's Regional Urban Water Management Plan.
- B. Status: City has [describe current program (past) under this BMP: what has been done, or is currently being done, to implement this BMP?] OR [No programs under this BMP have been completed.]
- C. Goal(s): [describe program goals funded under this Agreement: what is the future plan for implementing this BMP? Describe who is implementing this BMP - Agency or City] OR [Programs described under this BMP are not currently being funded by this Agreement.]

13. BMP 13: Water Waste Prohibition

- A. Definition: Implementation methods shall be enacting and enforcing measures prohibiting gutter flooding, single pass cooling systems in new connections, non-recirculation systems in all new conveyer car wash and commercial laundry systems, and non-recycling decorative water fountains.
- City also supports efforts to develop state law regarding exchange-type water softeners. City shall also include water softener checks in home water audit programs and include information about efficient water softeners to encourage replacement of less efficient timer models.
- B. Status: City has [describe current program (past) under this BMP: what has been done, or is currently being done, to implement this BMP?] OR [No programs under this BMP have been completed.]
- C. Goal(s): [describe program goals funded under this Agreement: what is the future plan for implementing this BMP? Describe who is implementing this BMP - Agency or City] OR [Programs described under this BMP are not currently being funded by this Agreement.]

14. BMP 14: Residential Toilet Replacement Program

- A. Definition: Implement programs for replacing existing high-water-using toilets with ultra-low-flush (1.6 gallons or less) toilets in single-family and multi-family residences. Programs shall be at least as effective as requiring toilet replacement at time of resale.
- B. Status: City has [describe current program (past) under this BMP: what has been done, or is currently being done, to implement this BMP?] OR [No programs under this BMP have been completed.]
- C. Goal(s): [describe program goals funded under this Agreement: what is the future plan for implementing this BMP? Describe who is implementing this BMP - Agency or City] OR [Programs described under this BMP are not currently being funded by this Agreement.]

[Option] ATTACHMENT B

Wording for City's Contractor(s)

INDEMNIFICATION [check with CC on addition of City in all locations]

Contractor agrees to accept all responsibility for loss or damage to any person or entity, including but not limited to City of [redacted] and Sonoma County Water Agency, their officers, agents, and employees, and to defend, indemnify, hold harmless, reimburse and release City of [redacted] and Sonoma County Water Agency, from and against any and all actions, claims, damages, disabilities, liabilities and expense, including but not limited to attorneys' fees and the cost of litigation incurred in the defense of claims as to which this indemnity applies or incurred in an action by City of [redacted] or Sonoma County Water Agency to enforce the indemnity provisions herein, whether arising from personal injury, property damage or economic loss of any type, that may be asserted by any person or entity, including Contractor, arising out of or in connection with the performance of Contractor hereunder, whether or not there is concurrent negligence on the part of City of [redacted] or Sonoma County Water Agency, but, to the extent required by law, excluding liability due to the sole or active negligence or due to the willful misconduct of City of [redacted] or Sonoma County Water Agency. If there is a possible obligation to indemnify, Contractor's duty to defend exists regardless of whether it is ultimately determined that there is not a duty to indemnify. City of [redacted] and Sonoma County Water Agency shall have the right to select its own legal counsel at the expense of Contractor, subject to Contractor's approval, which approval shall not be unreasonably withheld. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable to or for Contractor or its agents under workers' compensation acts, disability benefit acts, or other employee benefit acts.

INSURANCE

The Contractor shall obtain insurance acceptable to City of [redacted] and Sonoma County Water Agency from a company or companies acceptable to the City and Sonoma County Water Agency. The required documentation of such insurance shall be furnished to the City at the time Contractor returns the executed contract. The proper insurance shall be provided within ten (10) calendar days after the bidder has received the notice that the contract has been awarded and prior to the City executing the contract and issuing a notice to proceed. The Contractor shall not commence work nor shall he allow his employees or subcontractors or anyone to commence work until all insurance required hereunder has been submitted and approved and a notice to proceed has been issued.

With respect to performance of work under this contract, Contractor shall maintain and shall require all of its subcontractors to maintain insurance as described below:

- A. **Workers' Compensation Insurance** with statutory limits as required by the Labor Code of the State of California. Said policy shall be endorsed with the following specific language:

This policy shall not be canceled or materially changed without first giving thirty (30) days prior written notice to the City of [redacted] and Sonoma County Water Agency.

B. **Commercial General Liability Insurance** covering bodily injury and property damage utilizing an occurrence policy form, in an amount no less than \$1,000,000 combined single limit for each occurrence. Said commercial general liability insurance policy shall either be endorsed with the following specific language or contain equivalent language in the policy:

1. *The City of [REDACTED] and Sonoma County Water Agency, their officers, agents, and employees, are named as additional insured for all liability arising out of the operations by or on behalf of the named insured in the performance of this contract.*
2. *The inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverage afforded shall apply as though separate policies had been issued to each insured, but the inclusion of more than one insured shall not operate to increase the limits of the company's liability.*
3. *The insurance provided herein is primary coverage to the City of [REDACTED] and Sonoma County Water Agency with respect to any insurance or self-insurance programs maintained by the City or Sonoma County Water Agency.*
4. *This policy shall not be canceled or materially changed without first giving thirty (30) days prior written notice to the City of [REDACTED] and Sonoma County Water Agency.*

C. **Automobile Liability Insurance** covering bodily injury and property damage in an amount no less than \$1,000,000 combined single limit for each occurrence. Said insurance shall include coverage for owned, hired, and non-owned vehicles. Said policy shall be endorsed with the following language:

This policy shall not be canceled or materially changed without first giving thirty (30) days prior written notice to the City of [REDACTED] and Sonoma County Water Agency.

APPENDIX G-2

SAMPLE WAC FUNDING AGREEMENT

**AGREEMENT FOR
FUNDING OF CITY OF PETALUMA'S
RECYCLED WATER PROJECT (LRT2 PROGRAM)**

This Agreement is between the **Sonoma County Water Agency**, a body corporate and politic of the State of California (hereinafter "Agency"), and **City of Petaluma** (hereinafter "City").

RECITALS

- A. Agency and City share the goal of promoting cost-effective water conservation measures, recycled water projects that offset potable water use, and standby local peak-month production capacity projects that reduce peak demand on the Agency's water transmission system.
- B. Pursuant to the provisions of Section 2.5 of the Eleventh Amended Agreement for Water Supply and Section 5(a) of the Memorandum of Understanding Regarding Water Transmission System Capacity Allocation During Temporary Impairment, the Agency may undertake or fund any cost-effective water conservation measure that will reduce water demands on the Agency's transmission system and that has been approved by the Water Advisory Committee.
- C. Under the Local Supply/Recycled Water/Tier 2 Water Conservation Funding Program (LRT2 Program), the Agency plans to appropriate and distribute funds to the water contractors for implementing water conservation measures, developing recycled water projects that offset potable water use, and developing standby local peak-month production capacity that reduces demand on the Agency's water transmission system.
- D. City intends to construct a pipeline to convey recycled water to Rooster Run Golf Course (Project). Upon completion of the Project, the pipeline will save 110 million gallons of potable water annually.
- E. The Project will reduce impacts on the Agency's water transmission system by delivering high-quality recycled water for irrigating the turf and landscape plants at the Rooster Run Golf Course and reducing peak demands on the Agency's water transmission system.
- F. On November 18, 2002, the Water Advisory Committee approved and City is requesting funding for a portion of the construction of its Project under the LRT2 Program in the amount of \$1,555,611. Funding is available from allocation in the category of "Recycled Water Use Program," within the Agency's Water Transmission System fund (Account No. 675108-7277) of the 2003/2004 budget.
- G. City owns or will acquire, and is willing to retain ownership of, any property or easements wherein said Project will be constructed and is willing to operate and maintain said Project in perpetuity.
- H. Agency and City do mutually desire to partially fund the construction of said Project.
- I. Agency and City wish to expedite construction of said Project.

AGREEMENT

City and Agency agree as follows:

1. RECITALS

The above recitals are true and correct.

2. COORDINATION

City shall coordinate the work with the Agency's Project Manager, Lynn Hulme (phone: 707-547-1909; fax: 707-524-3782). City's contact shall be Mike Ban, Project Manager (address: 11 English Street, Petaluma, CA 94952; phone: 707-778-4487; fax: 707-776-3635).

3. CITY'S RESPONSIBILITIES

City shall complete the following at its cost and expense, except to the extent of Agency funding provided for in Section 4 below.

- A. Environmental Documentation: City shall be the Lead Agency for the Project under the requirements of the California Environmental Quality Act (CEQA) and shall prepare all appropriate environmental documents. City shall provide a copy of the draft environmental document to Agency during public review process, and a final copy within 30 calendar days of approval of the document.
- B. Permits: City shall obtain any permits that may be necessary from utilities or regulatory agencies for construction of the Project.
- C. Right-of-Way: City shall acquire any and all additional land or easements as necessary for the construction of the Project.
- D. Design and Surveying: City shall design the Project including all design surveying and construction staking.
- E. Final Plans and Specifications: City shall prepare and provide Agency with a final complete set of all Project construction documents.
- F. Insurance and Indemnification: City shall require its contractor to insure and indemnify the Agency using the language identified in Attachment A as the language for Agency insurance and indemnification requirements in the Bidding Documents and shall provide evidence of such insurance and indemnification to Agency in a form satisfactory to Agency. Attachment A is an integral part of this Agreement.
- G. Bidding: City shall let Project to bid.
- H. Award: City shall award construction contract to the lowest responsive and responsible bidder unless circumstances exist that would prevent such award.
- I. Contract Administration: City shall administer the contract for construction of the Project.
- J. Inspection: City shall inspect the Project.
- K. Notice of Completion and Record Drawings: City shall file the Notice of Completion and provide a copy to Agency within 30 calendar days of its filing. City shall prepare record drawings showing any changes, deletions, or additions to the Project and provide a reproducible set to Agency within 45 calendar days of filing the Notice of Completion.
- L. Title: All title to all Project facilities constructed pursuant to this Agreement shall vest with the City.
- M. Operation and Maintenance: City shall accept ownership and shall operate and maintain Project in perpetuity.
- N. Records: City shall maintain complete and accurate records of all transactions in compliance with generally accepted accounting principles for enterprise accounting as promulgated by the American Institute of Certified Public Accountants and the Governmental Accounting Standards Board. Such records shall be available to the Agency at all reasonable times for inspection and analysis.
- O. Statement of Costs: Within 60 days of filing Notice of Completion, City shall submit to Agency a statement of complete accounting of City's Project costs for construction, including change orders.
- P. Summary Report: Within 60 calendar days of completion of construction of the Project, City shall provide Agency with a written report summarizing how the completed Project will reduce demands on the Agency's water transmission system.
- Q. Indemnification: City agrees to defend, indemnify, hold harmless, and release Agency, its officers, agents, and employees, from and against any and all actions, claims, damages, liabilities, or expenses that may be asserted by any person or entity, including City, arising out of or in connection with the making of this Agreement or with the performance of City hereunder, excluding liability due to the sole active negligence or willful misconduct of Agency. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable to or for City or its agents under workers' compensation acts, disability benefits acts, or other employee

benefit acts. In addition, City shall be liable to Agency for any loss or damage to Agency property arising from or in connection with City's performance hereunder.

- R. Invoices: City shall invoice the Agency for construction expenses incurred. All invoices submitted to Agency by City shall include an itemization of expenditures identifying specific construction costs and a narrative describing the progress made on the Project during the invoice period. All invoices shall be clearly marked with "City of Petaluma, Funding of Recycled Water Project (LRT2 Program), Project/Task No. 3944-03 and Account No. 675108-7277."

4. AGENCY'S RESPONSIBILITIES

- A. Reimbursement for Construction Costs: Upon execution of this Agreement and receipt of an invoice, Agency will reimburse City for construction costs incurred to date for the Project, as authorized herein and as approved by Agency's Project Manager. Monthly thereafter, upon receipt of invoices thereof, and as approved by Agency's Project Manager, Agency will reimburse City for any additional construction costs, including change orders, incurred for the Project up to a total amount of \$1,555,611.
- B. Total: Total amount paid to City by Agency for this Project shall not exceed \$1,555,611.

5. ADDITIONAL REQUIREMENTS

- A. Excess Costs: City shall fund all Project costs in excess of \$1,555,611.
- B. Authority to Amend Agreement: The Agency's General Manager/Chief Engineer and the City's City Manager are authorized to execute amendments that do not increase the amount of funding and do not substantially change the scope of the Agreement.
- C. Project Not Completed: If City does not complete Project, then City shall return to Agency all funds received by City from Agency under this Agreement, within 60 days of the date City abandons the Project.
- D. No Waiver of Breach: The waiver by Agency or City of any breach of any term or promise contained in this Agreement shall not be deemed to be a waiver of such term or promise or any subsequent breach of the same or any other term or promise contained in this Agreement.
- E. Construction: To the fullest extent allowed by law, the provisions of this Agreement shall be construed and given effect in a manner that avoids any violation of statute, ordinance, regulation, or law. The parties covenant and agree that in the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

City and Agency acknowledge that they have each contributed to the making of this Agreement and that, in the event of a dispute over the interpretation of this Agreement, the language of the Agreement will not be construed against one party in favor of the other. City and Agency acknowledge that they have each had an adequate opportunity to consult with counsel in the negotiation and preparation of this Agreement.

- F. No Third-Party Beneficiaries: Nothing contained in this Agreement shall be construed to create and the parties do not intend to create any rights in third parties.
- G. Applicable Law and Forum: This Agreement shall be construed and interpreted according to the substantive law of California excluding the law of conflicts. Any action to enforce the terms of this Agreement or for the breach thereof shall be brought and tried in the County of Sonoma.
- H. Captions: The captions in this Agreement are solely for convenience of reference. They are not a part of this Agreement and shall have no effect on its construction or interpretation.
- I. Merger: This writing is intended both as the final expression of the agreement between the parties hereto with respect to the included terms and as a complete and exclusive statement of the terms of the Agreement, pursuant to Code of Civil Procedure Section 1856. No modification of this Agreement shall be effective unless and until such modification is evidenced by a writing signed by both parties.
- J. Time of Essence: Time is and shall be of the essence of this Agreement and every provision hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as set forth below.

Reviewed as to substance by Agency:

Department Head

Reviewed as to funds by Agency:

Division Manager - Administrative Services

Reviewed as to form by County Counsel:

County Counsel

CITY OF PETALUMA

By: _____
Michael Bierman, City Manager

SONOMA COUNTY WATER AGENCY

By: _____
Chair, Board of Directors

Date: _____

Attest:

County Clerk and ex-officio Clerk of the
Board of Directors

ATTACHMENT A

WORDING FOR CONSTRUCTION CONTRACT

INDEMNIFICATION

Contractor agrees to accept all responsibility for loss or damage to any person or entity, and to defend, indemnify, hold harmless and release Sonoma County Water Agency, its officers, agents, and employees, from and against any and all actions, claims, damages, liabilities, or expenses that may be asserted by any person or entity, including Contractor, arising out of or in connection with the performance of Contractor hereunder, whether or not there is concurrent negligence on the part of Sonoma County Water Agency, but excluding liability due to the sole active negligence or sole willful misconduct of Sonoma County Water Agency. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable to or for Contractor or its agents under Workers' Compensation acts, disability benefit acts, or other employee benefit acts.

INSURANCE

The Contractor shall obtain insurance acceptable to City of Petaluma from a company or companies acceptable to the City. The required documentation of such insurance shall be furnished to the City at the time Contractor returns the executed contract. The proper insurance shall be provided within ten (10) calendar days after the bidder has received the notice that the contract has been awarded and prior to the City executing the contract and issuing a notice to proceed. The Contractor shall not commence work nor shall he allow his employees or subcontractors or anyone to commence work until all insurance required hereunder has been submitted and approved and a notice to proceed has been issued.

With respect to performance of work under this contract, Contractor shall maintain and shall require all of its subcontractors to maintain insurance as described below:

- A. **Workers' Compensation Insurance** with statutory limits as required by the Labor Code of the State of California. Said policy shall be endorsed with the following specific language:

This policy shall not be canceled or materially changed without first giving thirty (30) days prior written notice to the Sonoma County Water Agency.

- B. **Commercial General Liability Insurance** covering bodily injury and property damage utilizing an occurrence policy form, in an amount no less than \$1,000,000 combined single limit for each occurrence. Said commercial general liability insurance policy shall either be endorsed with the following specific language or contain equivalent language in the policy:

1. *The Sonoma County Water Agency, its officers, agents, and employees, are named as additional insured for all liability arising out of the operations by or on behalf of the named insured in the performance of this contract.*
2. *The inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverage afforded shall apply as though separate policies had been issued to each insured, but the inclusion of more than one insured shall not operate to increase the limits of the company's liability.*
3. *The insurance provided herein is primary coverage to the Sonoma County Water Agency with respect to any insurance or self-insurance programs maintained by the Sonoma County Water Agency.*
4. *This policy shall not be canceled or materially changed without first giving thirty (30) days prior written notice to the Sonoma County Water Agency.*

- C. **Automobile Liability Insurance** covering bodily injury and property damage in an amount no less than \$1,000,000 combined single limit for each occurrence. Said insurance shall include coverage for owned, hired, and non-owned vehicles. Said policy shall be endorsed with the following language:

This policy shall not be canceled or materially changed without first giving thirty (30) days prior written notice to the Sonoma County Water Agency.

APPENDIX G-3

SAMPLE GRANT OF OPTION AGREEMENT

Grant of Option to Purchase Recycled Water

Treated by the Forestville County Sanitation District

Wastewater Treatment Facilities

This is an agreement by which the Forestville County Sanitation District (hereinafter "Forestville CSD") grants an option to purchase (hereinafter "Option Agreement") recycled water to the Sonoma County Water Agency (hereinafter "Agency"). Both Forestville CSD and Agency are public entities in Sonoma County, California.

RECITALS

- A. On September 8, 1997, the Board of Directors of the Agency held a public workshop and considered a staff report on recycled water use. The Agency Board gave policy direction to pursue negotiations for a Sonoma County Recycled Water Distribution System and other recycled water use projects for municipal, industrial, environmental, and agricultural use. The Agency Board supports the beneficial use of recycled water, including the beneficial use of recycled water in lieu of the use of potable water drawn from the Russian River.
- B. The Forestville CSD Advanced Wastewater Treatment Upgrade Project (hereinafter "AWT Project") is a beneficial wastewater and recycled water project. At the present time the Forestville CSD wastewater treatment facilities produce secondary grade treated wastewater. The AWT Project, when it becomes fully operational, will provide "tertiary grade" recycled water. Such tertiary grade recycled water has significantly more beneficial uses than secondary grade recycled water. "Tertiary treatment" is defined in California Code of Regulations, Title 23, Division 3, Chapter 26, Article 1, Section 3671. For purposes of this agreement, the term "recycled water" means wastewater meeting all applicable standards for its intended use, but not less than the tertiary grade recycled water standards defined by the State of California on the date this Option Agreement is executed.
- C. When the AWT Project becomes fully operational, the anticipated total amount of tertiary grade recycled water treated by the Forestville CSD treatment facilities will be approximately 110 acre-feet per year. Of that 110 acre-feet per year, 46 acre-feet per year is already committed to the Forestville Water District pursuant to a *Cooperative Agreement* that obligates the Forestville Water District to substitute that 46 acre-feet per year for potable water now being used to irrigate fields at three public sites – Forestville Youth Park, Forestville Union School District, and El Molino High School. An additional commitment exists to Audrey Sterling (hereinafter "Sterling") pursuant to the terms and conditions of a *Recycled Water Storage and Use Agreement* executed in March 2000. The terms of the Sterling agreement require the delivery of a minimum of 20 acre-feet of tertiary treated recycled water per year, and a maximum of 40 acre-feet per year, at Sterling's discretion, for a term of 30 years (with options for an additional total of 20 years) commencing when recycled water meets State of California standards for tertiary treated recycled water. The present minimum total committed Forestville CSD tertiary grade recycled water is thus 66 acre-feet per year, and the present maximum total committed Forestville CSD tertiary grade recycled water is thus 86 acre-feet per year.
- D. Although the present uncommitted tertiary grade recycled water production anticipated from the Forestville CSD treatment facilities varies from approximately 24 acre-feet per year to 44 acre-feet per year (depending on whether Sterling elects to take the minimum of 20 or the maximum of 40 acre-feet per year), the future available tertiary grade recycled water production could be substantially larger for a number of reasons including, but not limited to, any of the following events:

1. The Sterling agreement terminates, in whole or part, sooner than the length set forth in the agreement, and some or all of the recycled water committed under that agreement is released from that commitment.
 2. The *Cooperative Agreement* (between the Forestville Water District and the Forestville CSD) terminates, in whole or part, and some or all of the 46 acre-feet per year committed under that agreement is released from that commitment.
 3. More than the current inflows arrive and are treated at the Forestville CSD treatment facilities. Such additional inflows could arrive from sources within the existing boundaries of the Forestville CSD, or from sources outside the present boundaries. By way of example only, additional inflows might possibly arrive in the future from the Graton area.
- E. The Agency created a Recycled Water Fund as an enterprise fund to own recycled water and receive all revenue from recycled water sales into said fund. Using funds from its Recycled Water Fund, the Agency proposes to pay Forestville CSD the sum of \$435,022.00 to purchase an option for the rights to receive, convey and sell or use all or any portion of the recycled water treated, now and in the future, at the Forestville CSD treatment facilities, regardless of the initial source of the potable water from which the wastewater was derived, excluding only that tertiary grade recycled water presently committed by contract to Sterling (20 to 40 acre-feet per year) and to the Forestville Water District (46 acre-feet per year). Moreover, at such time in the future as the tertiary grade recycled water presently committed by contract to Sterling (20 to 40 acre-feet per year) and to the Forestville Water District (46 acre-feet per year) is no longer committed in whole or in part, that tertiary grade recycled water shall be subject to the terms and provisions of this Option Agreement.
- F. Since Green Valley Creek is the only tributary to the Russian River where Coho salmon have been observed to date, the Agency believes that owning a right to recycled water produced at Forestville CSD will allow future use by the Agency to ensure viable habitat for this listed species.

OPTION AGREEMENT

The Agency and Forestville CSD agree as follows:

1. **RECITALS**

The above recitals are true and correct.

2. **GRANT OF OPTION TO PURCHASE RIGHTS TO RECEIVE, CONVEY AND SELL OR USE ALL RECYCLED WATER TREATED AT THE FORESTVILLE CSD TREATMENT FACILITIES**

The Forestville CSD grants to Agency an option to purchase, under the terms and provisions of the Purchase Agreement attached as Exhibit A, the rights to receive, convey and sell or use all or any portion of the recycled water treated, now and in the future, at the Forestville CSD treatment facilities, regardless of the initial source of the potable water from which the wastewater was derived, except for the tertiary grade recycled water presently committed by contract to:

- A. Sterling (20 to 40 acre-feet per year), and
- B. the Forestville Water District (46 acre-feet per year).

At such time as the recycled water presently committed by contract to Sterling (20 to 40 acre-feet per year) and to the Forestville Water District (46 acre-feet per year) is no longer committed in whole or in part to those parties, that tertiary grade recycled water shall immediately be subject to the terms and provisions of this Option Agreement, and shall be automatically included in the recycled water rights subject to the Agency's option to purchase under the terms of this Option Agreement.

During the duration of the option period, the Agency may choose to exercise its option on multiple occasions to purchase, at different times, varying portions of the available recycled water treated at the Forestville CSD treatment facilities. The Forestville CSD and Agency intend that the entire output of the recycled water treated at the Forestville CSD treatment facilities, now and in the future, regardless of the initial source of the potable water from which the wastewater was derived, that is not presently committed

to Sterling and the Forestville Water District, be subject to the exercise of the Agency's option to purchase at multiple times and in varying amounts.

3. OPTION PRICE

Not later than thirty (30) days after award of the construction contract for the AWT Project, Agency agrees to pay Forestville CSD the sum of \$435,022.00 as consideration for the option. The option consideration set forth in this section by Forestville CSD under this Option Agreement is consideration solely for the granting of the option by the Forestville CSD. On expiration of the option term, Forestville CSD shall retain all option consideration. If the option is exercised, the consideration shall not be credited against the purchase price of the recycled water.

4. OPTION TERM

The term of this option shall begin on the date this Option Agreement is executed and shall remain in full force and effect until terminating fifty (50) years thereafter, at which time the option shall automatically expire unless sooner exercised.

5. NOTICE OF EXERCISE OF OPTION

Should Agency elect to exercise its option to purchase recycled water from Forestville CSD, Agency will provide Forestville CSD with a Notice of Exercise of Option and Purchase Agreement. Within 30 days of Forestville CSD's receipt of said Notice of Exercise of Option and Purchase Agreement, Forestville CSD shall execute said Purchase Agreement and deliver a fully executed copy to Agency.

6. OPTION TO PURCHASE MAY BE EXERCISED SEASONALLY OR SEQUENTIALLY FOR ONLY PART OF THE RECYCLED WATER

Forestville CSD and Agency agree that, on multiple occasions and at such times and in such amounts and for such seasons as Agency elects during the fifty (50) year term of this option, Agency may elect to exercise its option by purchasing portions of the total available recycled water treated at the Forestville CSD facilities. Should Agency elect to purchase a portion or portions of the total available recycled water, the Option Agreement remains in full force and effect as respects the remaining portions of recycled water. As examples only and not by way of limitation, Forestville CSD and Agency agree that the Agency may elect to exercise its option to purchase recycled water in any of the following ways:

6.1 Example No. 1

Assume that in the year 2010 the Forestville CSD treatment facilities are treating 110 acre-feet per year, and that Sterling elects to take 40 acre-feet per year, and the Forestville Water District takes 46 acre-feet per year. The Agency may exercise its option by electing to purchase, pursuant to the terms and provisions of the Purchase Agreement attached as Exhibit A, the remaining balance of 24 acre-feet per year¹ as well as any additional flows that may be treated at the Forestville CSD treatment facilities anytime in the future.

6.2 Example No. 2

Assume that in the year 2010 the Forestville CSD treatment facilities are treating 110 acre-feet per year, and that Sterling elects to take 40 acre-feet per year, and the Forestville Water District takes 46 acre-feet per year. The Agency may exercise its option by electing to purchase, pursuant to the terms and provisions of the Purchase Agreement attached as Exhibit A, 10 acre-feet per year of the remaining balance of 24 acre-feet per year. In the year 2015, the Agency may again exercise its option by electing to purchase, pursuant to the terms and provisions of the Purchase Agreement attached as Exhibit A, an additional 8 acre-feet per year of the remaining balance of 14 acre-feet per year. Assume further that in the year 2020 that the Forestville CSD treatment facilities are then treating 200 acre-feet per year due to additional flows arriving from the Graton area, or some other area. In the year 2020, the Agency may again exercise its option

¹ 110 – (40 + 46) = 24

by electing to purchase, pursuant to the terms and provisions of the Purchase Agreement attached as Exhibit A, the entire additional 96 acre-feet per year² treated that year, as well as any additional flows that may be treated at the Forestville CSD treatment facilities anytime in the future.

6.3 Example No. 3

Assume that in the year 2015 the Forestville CSD and Sterling mutually agree to amend their existing agreement, so that Sterling takes a fixed 15 acre-feet per year, instead of the variable 20 to 40 acre-feet per year set forth in the existing agreement, and that the treatment facilities are then treating 125 acre-feet per year, and that the Forestville Water District takes 46 acre-feet per year. The Agency may exercise its option by electing to purchase, pursuant to the terms and provisions of the Purchase Agreement attached as Exhibit A, 20 acre-feet per year of the remaining available balance of 64 acre-feet per year.³ Assuming the facts remain the same, in the year 2025 the Agency may again exercise its option by electing to purchase, pursuant to the terms and provisions of the Purchase Agreement attached as Exhibit A, an additional 30 acre-feet per year of the remaining available balance of 44 acre-feet per year.⁴ Assuming the facts remain the same, in the year 2030 the Agency may again exercise its option by electing to purchase, pursuant to the terms and provisions of the Purchase Agreement attached as Exhibit A, the entire remaining balance of 14 acre-feet per year as well as any additional flows that may be treated at the Forestville CSD treatment facilities anytime in the future.

7. FORESTVILLE CSD RESPONSIBLE FOR DISPOSAL UNTIL OPTION TO PURCHASE EXERCISED

Forestville CSD shall remain solely responsible for the proper disposal of all treated wastewater treated at the Forestville CSD treatment facilities unless and until such time as the Agency elects to exercise its option rights set forth in this Agreement. Should Agency elect to exercise its option rights by purchasing all or a portion of the available recycled water, then Forestville CSD shall remain solely responsible for the proper disposal of the remaining balance of the treated wastewater treated at the Forestville CSD treatment facilities which is not then purchased by Agency. Agency shall be responsible for the proper disposal of all recycled water which it elects to purchase, provided that Forestville CSD complies with the water quality and delivery requirements set forth in the Purchase Agreement attached as Exhibit A.

8. FORESTVILLE CSD OBLIGATION TO PRODUCE RECYCLED WATER MEETING STANDARDS

Once the Forestville AWT Project is operational, as determined by Agency's General Manager/Chief Engineer, Forestville CSD promises and warrants that throughout the fifty (50) year term of this option all the wastewater treated at its facilities will continue, at a minimum, to meet tertiary grade recycled water standards as those standards are currently defined by the State of California on the date this Option Agreement is executed. If more stringent wastewater quality standards are adopted by a regulatory agency and applied in the future to the wastewater treated by Forestville CSD, then Forestville CSD promises and warrants that throughout the remaining term of this option all the wastewater treated at its facilities will meet the more stringent adopted wastewater standards; provided, however, that Forestville CSD may be excused temporarily from this obligation due to acts of God, extreme flood conditions, or extraordinary events which could not be reasonably anticipated. In all such extraordinary events, Forestville CSD promises and warrants that it will (a) promptly take such action as necessary to swiftly restore its facilities to produce recycled water meeting the standards defined in Recital B of this Option Agreement and (b) immediately notify the Agency of the fact that it is no longer producing recycled water meeting the standards defined in Recital B of this Option Agreement, and (c) keep the Agency informed of all relevant developments and the expected time when it will again produce recycled water meeting the standards defined in Recital B of this Option Agreement.

² $200 - (40 + 46 + 10 + 8) = 96$

³ $125 - (15 + 46) = 64$

⁴ $125 - (15 + 46 + 20) = 44$

9. CONTINUING OBLIGATION TO PRODUCE RECYCLED WATER

Forestville CSD promises and warrants that all wastewater created within the boundaries of the Forestville CSD (except for septic systems) will be treated at facilities owned and operated by the Forestville CSD within the boundaries of the Forestville CSD. The warranties set forth in this paragraph shall remain in effect throughout the fifty (50) year term of this option and permanently thereafter if the option is exercised.

10. ALL FUTURE SALES OF RECYCLED WATER BY FORESTVILLE CSD EXPRESSLY SUBJECT TO THIS OPTION AGREEMENT

The parties recognize that it may be several years before Agency first exercises its option to purchase any recycled water from the Forestville CSD. Until such time as Agency exercises its option in such a manner as to acquire the entire output of the Forestville CSD facilities, the Forestville CSD shall have the right to execute written agreements transferring the then available recycled water treated at its facilities to third parties; provided, however, all such transfers shall (a) be expressly subject to Agency's prior rights under this Option Agreement and (b) be approved in writing by the Agency's General Manager/Chief Engineer prior to taking effect.

The Agency may limit the length of the term of each of Forestville CSD's contracts to sell recycled water to a third party in order to ensure that recycled water is available to the Agency when the Agency requires its use for other beneficial purposes. The Agency and Forestville CSD shall each receive 50 percent of all revenues from the sale of recycled water by the Forestville CSD to third parties; provided, however, that Agency's share of the revenue shall be at least \$10 per acre-foot. Forestville CSD may contract to sell recycled water to third parties for the purpose of offsetting potable water use with the written approval of the Agency's General Manager/Chief Engineer. Forestville CSD promises and warrants that it will include the following clause in all agreements for the sale or delivery of recycled water to third parties that are executed after the date this Option Agreement is executed:

The right to receive recycled water sold or delivered pursuant to this written agreement is expressly subordinate to prior option rights already vested in the Sonoma County Water Agency, pursuant to the terms and provisions of the Grant of Option to Purchase Recycled Water Treated by the Forestville County Sanitation District Wastewater Treatment Facilities (subsequently referred to as the "Option Agreement") executed in _____ 2001 between the Sonoma County Water Agency and the Forestville County Sanitation District. Under the Option Agreement, the Forestville County Sanitation District granted a fifty (50) year option to the Sonoma County Water Agency to purchase all or any portion of the entire output, now and in the future, of recycled water treated at the Forestville CSD facilities, regardless of the initial source of the potable water from which the wastewater was derived. The Option Agreement requires the written consent of the Sonoma County Water Agency before this agreement takes effect. Should that written consent be granted and this agreement then take effect, then the water rights transferred by this agreement will remain subject to and subordinate to the Sonoma County Water Agency's prior recycled water option rights. At any time the Sonoma County Water Agency may elect to exercise its option to purchase some or all of the recycled water. The parties to this agreement understand that, if the Sonoma County Water Agency elects to exercise its existing option to purchase recycled water, then this agreement shall immediately terminate and shall have no further force or effect as applied to that recycled water purchased by the Sonoma County Water Agency. Should Sonoma County Water Agency elect to purchase less than the full amount of the recycled water, the Option Agreement shall remain in full force and effect as to the remaining amount of recycled water.

11. PARTIES TO COOPERATE REASONABLY WITH EACH OTHER

Forestville CSD and Agency agree to cooperate reasonably with each other to carry out the purposes of this Option Agreement. Each party to this Option Agreement undertakes the obligation that the other's expectation of receiving due performance will not be impaired. When reasonable grounds for insecurity arise with respect to the performance of either party, the other may in writing demand adequate assurance of due performance and until he receives such assurance may, if commercially reasonable, suspend any performance for which the agreed return has not been received. "Commercially reasonable"

includes not only the conduct of a party with respect to performance under this Option Agreement, but also conduct with respect to other agreements with parties to this Option Agreement or others. After receipt of a justified demand, failure to provide within a reasonable time, but not exceeding thirty (30) days, such assurance of due performance as is adequate under the circumstances of the particular case is a repudiation of this Option Agreement. Acceptance of any improper delivery, service, or payment does not prejudice the aggrieved party's right to demand adequate assurance of future performance.

12. ASSIGNMENT

Agency may assign this option and the rights under it, and such assignment shall relieve Agency of any liability or obligation under this Option Agreement.

13. ATTORNEY FEES

In the event of any action at law or in equity between the parties arising from or in connection with this Option Agreement, the prevailing party shall recover attorney fees and other costs incurred in that action in addition to any other relief, and such attorney fees and costs shall be included in and as part of any judgment in such action.

14. WAIVER

No waiver of any provision of this Option Agreement shall constitute or be deemed a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless it is executed in writing by the party making the waiver.

15. CONDEMNATION

If at any time during the fifty (50) year term of this Option Agreement, but before Agency's purchase of the entire output of recycled water from Forestville CSD's treatment facilities, either Agency or Forestville CSD receives notice of any condemnation or eminent domain proceeding, or any proceedings in lieu of condemnation, initiated against the recycled water rights that are the subject of this Option Agreement, then the party receiving such notice or notices shall promptly notify the other party of that fact. Agency and Forestville CSD agree to cooperate reasonably in the defense of any such condemnation proceeding. Agency alone shall be entitled to all proceeds of any such condemnation proceeding, regardless of whether or not Agency has actually exercised its option to purchase some or all of the recycled water.

16. MEMORANDUM OF OPTION TO BE RECORDED

On execution of this Option Agreement, Agency and Forestville CSD shall execute and record a Memorandum of Option in the form of Exhibit B, attached hereto, in the official records of Sonoma County. Upon the expiration of the fifty (50) year term of this Option Agreement, Agency covenants promptly to execute and deliver to Forestville CSD a quitclaim deed in recordable form releasing and reconveying to Forestville CSD all right, title, and interest of Agency in the recycled water that is the subject of this Option Agreement for which the option to purchase has not been exercised.

17. METHOD AND PLACE OF GIVING NOTICE

All notices shall be made in writing and may be given by personal delivery or by mail. Notices sent by mail shall be addressed to the last known address of the party, or to its successor public agency if applicable. When so addressed, such notices, bills, and payments shall be deemed given upon deposit in the United States mail, postage prepaid. In all other instances, notices, bills and payments shall be deemed given at the time of actual delivery. Changes may be made in the names and addresses of the person to whom notices, bills and payments are to be given by giving notice pursuant to this Section.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as set forth below.

Reviewed as to substance by Agency and District:

[Signature]
Department Head

Reviewed as to funds by Agency and District:

[Signature]
Division Manager - Administrative Services

Reviewed as to form by County Counsel
for Agency and District:

[Signature]
County Counsel

SONOMA COUNTY WATER AGENCY

By: [Signature]
Chair, Board of Directors

Date: 3/21/01

FORESTVILLE COUNTY SANITATION DISTRICT

By: [Signature]
Chair, Board of Directors

Date: 3/21/01

Attest:

Eve P. Leusi
County Clerk and ex-officio Clerk of the
Boards of Directors

EXHIBIT A

Agreement for Purchase and Sale of Recycled Water Treated at the Forestville County Sanitation District Wastewater Treatment Facilities

This is an Agreement between the Sonoma County Water Agency (hereinafter "Agency") and the Forestville County Sanitation District (hereinafter "Forestville CSD"), both of which are public entities located in Sonoma County, California.

RECITALS

- A. On _____, 2001, the Forestville CSD granted Agency an option (hereinafter "Option Agreement") to purchase, under the terms and provisions of this Agreement, the rights to receive, convey and sell or use all or any portion of the recycled water treated at the Forestville CSD treatment facilities, then and in the future, regardless of the initial source of the potable water from which the wastewater was derived, with certain enumerated exceptions. Agency paid Forestville CSD the sum of \$435,022.00 to purchase the option rights and other rights set forth in that Option Agreement.
- B. Under the terms of the Option Agreement, the term of the option is fifty (50) years beginning on the date the Option Agreement was executed. During the duration of the fifty (50) year option period, the Agency has the right to choose to exercise its option on multiple occasions in order to purchase, at different times, to be delivered at any time of the year, varying portions of the available recycled water treated at the Forestville CSD treatment facilities, then and in the future, regardless of the initial source of the potable water from which the wastewater was derived. Alternatively, under the terms of the Option Agreement, Agency has the right to choose to exercise its option on only one occasion by purchasing the entire available recycled water treated at the Forestville CSD treatment facilities, then and in the future, regardless of the initial source of the potable water from which the wastewater was derived. In addition, the terms of the Option Agreement also require that the recycled water quality meet, at a minimum, tertiary grade quality as those standards were defined by the State of California on the date the Option Agreement was executed. If more stringent wastewater quality standards are adopted by a regulatory agency after execution of the Option Agreement and applied to the wastewater treated at the Forestville CSD treatment facilities, the terms of the Option Agreement also require that the recycled water meet those more stringent quality standards. For convenience, wastewater meeting the recycled water quality requirements defined in Recital B of the Option Agreement is subsequently referred to in this document as "recycled water."
- C. Agency has given notice to Forestville CSD of the exercise of its option rights under the Option Agreement, and the parties have subsequently executed this Agreement for Purchase and Sale of Recycled Water Treated by the Forestville County Sanitation District Wastewater Treatment Facilities (hereinafter "Purchase Agreement").

AGREEMENT

The Agency and Forestville CSD agree as follows:

1. **RECITALS**

The above recitals are true and correct.

2. AGENCY'S PURCHASE OF PORTION OF AVAILABLE RECYCLED WATER

2.1 To Be Used If Agency Elects to Exercise Its Option by Purchasing Varying Amounts of Available Recycled Water at Different Times

Of the total available recycled water from the Forestville CSD facilities, Agency agrees to purchase, and Forestville CSD agrees to sell, the permanent rights to receive, convey and sell or use ***** [insert amount of acre-feet of recycled water Agency elects to purchase] acre-feet per year of the available recycled water. The total one-time purchase price for the permanent right to divert and use the property purchased is One Dollar (\$1.00) for each acre foot of the recycled water purchased, payable not later than 30 days after execution of this Purchase Agreement. Pursuant to Water Code Section 1210, Forestville CSD relinquishes to Agency all rights to the purchased water.

2.2 To Be Used If Agency Elects to Exercise Its Option by Purchasing All Available Recycled Water

Agency agrees to purchase, and the Forestville CSD agrees to sell, the permanent rights to receive, convey and sell or use all of the available recycled water meeting all applicable standards treated at the Forestville CSD facilities, now and in the future, regardless of the initial source of the potable water from which the wastewater was derived. The total one-time purchase price for the permanent rights to receive, convey and sell or use the property purchased is One Dollar (\$1.00) for each acre foot of recycled water purchased, payable not later than 30 days after execution of this Purchase Agreement. Pursuant to Water Code Section 1210, Forestville CSD relinquishes to Agency all rights to the purchased water.

3. DELIVERY POINT FOR PURCHASED RECYCLED WATER

Forestville CSD agrees to deliver the purchased recycled water at any point requested by Agency along existing or future pipelines owned by Forestville CSD to distribute recycled water. Forestville CSD agrees to deliver the purchased recycled water at the pressure within the existing pipeline system, and at no cost to the Agency or its customers. Forestville CSD shall bear all costs for recycled water delivery, including but not limited to, all operations and maintenance costs, replacement costs, and all other costs to deliver the water to the point of delivery. Agency shall bear the cost of constructing a connection to the Regional Facility Project pipeline or other Forestville CSD pipeline to which Agency chooses to connect and all costs of conveyance from the point of delivery.

4. ALL DELIVERED WATER SHALL MEET STANDARDS

Forestville CSD promises and warrants that all the wastewater treated at its facilities will continue to meet tertiary grade recycled water standards as those standards are defined by the State of California on the date the Option Agreement was executed. If more stringent wastewater quality standards are adopted by a regulatory agency and applied to the wastewater treated by Forestville CSD after execution of the Option Agreement, Forestville CSD promises and warrants that all the wastewater treated at its facilities shall meet the more stringent adopted wastewater standards; provided, however, that Forestville CSD may be excused temporarily from this obligation due to acts of God, extreme flood conditions, or extraordinary events which could not be reasonably anticipated. In all such extraordinary events, Forestville CSD promises and warrants that it will (a) promptly take such action as necessary to swiftly restore its facilities to produce recycled water meeting the standards defined in Recital B of the Option Agreement and (b) immediately notify the Agency of the fact that it is no longer producing recycled water meeting the standards defined in Recital B of the Option Agreement and (c) keep the Agency informed of all relevant developments and the expected time when it will again produce recycled water meeting the standards defined in Recital B of the Option Agreement.

5. CONTINUING OBLIGATION TO PRODUCE RECYCLED WATER

Forestville CSD promises and warrants that all wastewater created within the boundaries of the Forestville CSD (except for septic systems) will be treated at facilities owned and operated by the Forestville CSD within the boundaries of the Forestville CSD. The warranties set forth in this paragraph

shall remain in effect throughout the fifty (50) year term of the Option Agreement and permanently thereafter if the option is exercised.

6. **RESPONSIBILITY FOR PURCHASED RECYCLED WATER**

Except for the recycled water actually purchased by Agency and properly delivered to the Agency at the selected delivery point, pursuant to this Agreement or any other agreements between Agency and Forestville CSD, Forestville CSD shall remain solely responsible for the proper disposal of all treated wastewater treated at the Forestville CSD treatment facilities. Agency will be responsible for the proper disposal of all recycled water properly delivered to Agency, provided that Forestville CSD complies with the delivery and water quality requirements set forth in Paragraphs 3 and 4, and all other requirements of this Purchase Agreement.

7. **ATTORNEY FEES**

In the event of any action at law or in equity between the parties arising from or in connection with this Agreement, the prevailing party shall recover attorney fees and other costs incurred in that action in addition to any other relief, and such attorney fees and costs shall be included in and as part of any judgment in such action.

8. **PARTIES TO COOPERATE REASONABLY WITH EACH OTHER**

Forestville CSD and Agency agree to cooperate reasonably with each other to carry out the purposes of this Agreement. Each party to this Agreement undertakes the obligation that the other's expectation of receiving due performance will not be impaired. When reasonable grounds for insecurity arise with respect to the performance of either party, the other may in writing demand adequate assurance of due performance and until he receives such assurance may, if commercially reasonable, suspend any performance for which the agreed return has not been received. "Commercially reasonable" includes not only the conduct of a party with respect to performance under this Agreement, but also conduct with respect to other agreements with parties to this Agreement or others. After receipt of a justified demand, failure to provide within a reasonable time, but not exceeding thirty (30) days, such assurance of due performance as is adequate under the circumstances of the particular case is a repudiation of this Agreement. Acceptance of any improper delivery, service, or payment does not prejudice the aggrieved party's right to demand adequate assurance of future performance.

9. **METHOD AND PLACE OF GIVING NOTICE, SUBMITTING BILLS AND MAKING PAYMENTS**

All notices, bills and payments shall be made in writing and may be given by personal delivery or by mail. Notices, bills and payments sent by mail shall be addressed to the last known address of each party to this Agreement or to its successor public agency if applicable. When so addressed, such notices, bills, and payments shall be deemed given upon deposit in the United States mail, postage prepaid. In all other instances, notices, bills and payments shall be deemed given at the time of actual delivery. Changes may be made in the names and addresses of the person to whom notices, bills and payments are to be given by giving notice pursuant to this Section.

10. **MISCELLANEOUS PROVISIONS**

10.1 **No Waiver of Breach:** No waiver of any provision of this Option Agreement shall constitute or be deemed a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless it is executed in writing by the party making the waiver.

10.2 **Construction:** To the fullest extent allowed by law, the provisions of this Agreement shall be construed and given effect in a manner that avoids any violation of statute, ordinance, regulation, or law. The parties covenant and agree that in the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as set forth below.

Reviewed as to substance by Agency and District:

Department Head

Reviewed as to funds by Agency and District:

Division Manager - Administrative Services

Reviewed as to form by County Counsel
for Agency and District:

County Counsel

SONOMA COUNTY WATER AGENCY

By: _____
Chair, Board of Directors

Date: _____

FORESTVILLE COUNTY SANITATION DISTRICT

By: _____
Chair, Board of Directors

Date: _____

Attest:

County Clerk and ex-officio Clerk of the
Boards of Directors

EXHIBIT B

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Sonoma County Water Agency
2150 West College Ave.
Santa Rosa, CA 95401

MEMORANDUM OF OPTION

This Memorandum of Option is between Forestville County Sanitation District (hereinafter "Forestville CSD"), Optionor, and the Sonoma County Water Agency (hereinafter "Agency"), Optionee, who agree as follows:

1. Forestville CSD grants to Agency an option to purchase, under the terms and provisions of an *Agreement for the Purchase and Sale of Recycled Water Treated by the Forestville County Sanitation District Wastewater Treatment Facilities*, the rights to receive, convey and sell or use all or any portion of the recycled water treated, now and in the future, regardless of the initial source of the potable water from which the wastewater was derived, at the Forestville CSD treatment facilities. The term "recycled water" means wastewater meeting the recycled water quality requirements defined in Recital B of the *Grant of Option to Purchase Recycled Water Treated by the Forestville County Sanitation District Wastewater Treatment Facilities* between Forestville CSD and Agency concerning the recycled water and dated [insert date] (hereinafter "Option Agreement").
2. The term of the option is for a period of 50 years beginning [insert date option was executed] and terminating fifty (50) years thereafter.
3. The option that is the subject of this Memorandum of Option is granted in accordance with the Option Agreement. This Memorandum of Option is prepared for the purpose of recordation and shall not alter or affect in any way the rights and obligations of Forestville CSD and Agency under the Option Agreement. In the event of any inconsistency between this Memorandum of Option and the Option Agreement, the terms of the Option Agreement shall control.
4. This Memorandum of Option shall be effective as of the date upon which it is fully executed by both Forestville CSD and Agency.

/

/

/

/

/

/

/

/

/

/

/

/

/

/

/

/

APPENDIX G-4

**LETTERS OF SUPPORT
OBTAINED FROM POTENTIAL RECYCLED WATER USERS**

Date 7-3-03


Ken
G - Sani / 70-12 14

Mr. Ken Goddard
Sonoma County Water Agency
P.O. Box 11628
Santa Rosa, CA 95406

Dear Mr. Goddard:

As a landowner in the Sonoma Valley, we believe there is a pressing need to develop a recycled water distribution system to help conserve our precious water resources. We support the efforts of the Sonoma County Water Agency to develop such a system to provide agriculture with a reliable source of water.

We currently farm 1000+ acres of VINEYARDS. As such a project is developed, we believe that we can probably participate by receiving recycled water.

Sincerely,

Name SANGIACOMO Vids
Title PARTNER

ORIGINAL SONOMA COUNTY WATER

JUN 1 8 2003
To Ken G. File Sasi / 70-12-14

Date

Mr. Ken Goddard
Sonoma County Water Agency
P.O. Box 11628
Santa Rosa, CA 95406

Dear Mr. Goddard:

As a landowner in the Sonoma Valley, we believe there is a pressing need to develop a recycled water distribution system to help conserve our precious water resources. We support the efforts of the Sonoma County Water Agency to develop such a system to provide agriculture with a reliable source of water.

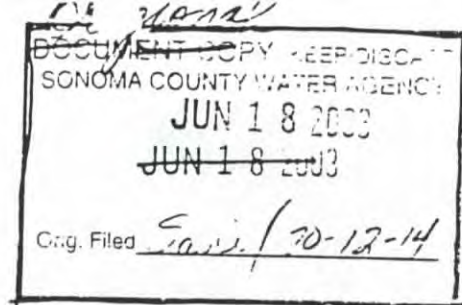
We currently farm 17 acres of GRAPES. As such a project is developed, we believe that we can ~~probably~~ participate by receiving recycled water.

Sincerely,

William R. Mabry

Name
Title *owner Sonoma Vineyards*

WILLIAM R. MABRY
834 DONNER AVENUE
SONOMA, CA 95476



Date 6/16/03

Mr. Ken Goddard
Sonoma County Water Agency
P.O. Box 11628
Santa Rosa, CA 95406

Dear Mr. Goddard:

As a landowner in the Sonoma Valley, we believe there is a pressing need to develop a recycled water distribution system to help conserve our precious water resources. We support the efforts of the Sonoma County Water Agency to develop such a system to provide agriculture with a reliable source of water.

We currently farm 2 acres of GRAPES. As such a project is developed, we believe that we can probably participate by receiving recycled water.

Sincerely,

Leon Scarbrough

Name
Title owner

Vicky & Leon Scarbrough
20910 Burndale Road
Sonoma,
CA 95476-9652

Ken
Goddard
Seri / 7012-14

Date 16 JUNE 03

Mr. Ken Goddard
Sonoma County Water Agency
P.O. Box 11628
Santa Rosa, CA 95406

Dear Mr. Goddard:

As a landowner in the Sonoma Valley, we believe there is a pressing need to develop a recycled water distribution system to help conserve our precious water resources. We support the efforts of the Sonoma County Water Agency to develop such a system to provide agriculture with a reliable source of water.

We currently farm 250 acres of GRAPES. As such a project is developed, we believe that we can probably participate by receiving recycled water.

Sincerely,



Name THOMAS TOEDTER
Title FACILITIES MANAGER
SONOMA CUTLER VINYARDS
4401 SWISSER ROAD
WINDSOR, CA. 95492

ORIGINAL DOCUMENT
SONOMA COUNTY WATER AGENCY
JUN 5
TO Ken Goddard File Sari 170-0-14

Date

Mr. Ken Goddard
Sonoma County Water Agency
P.O. Box 11628
Santa Rosa, CA 95406

Dear Mr. Goddard:

As a landowner in the Sonoma Valley, we believe there is a pressing need to develop a recycled water distribution system to help conserve our precious water resources. We support the efforts of the Sonoma County Water Agency to develop such a system to provide agriculture with a reliable source of water.

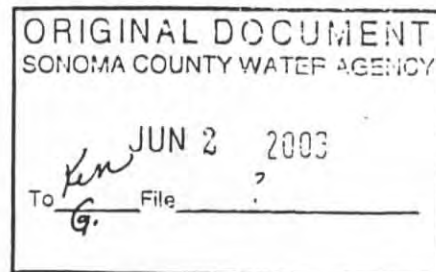
We currently farm 4 acres of GRAPES. As such a project is developed, we believe that we can probably participate by receiving recycled water.

Sincerely, *Nick Greben*

Name *NICK GREBEN*
Title *OWNER*

*NICK GREBEN
18470 CARRIGEL RD.
SONOMA, CAL
95476*

F. Kiser & Sons
22840 Broadway
Sonoma, CA 95476-8235



May 29, 2003

Mr. Ken Goddard
Sonoma County Water Agency
P.O. Box 11628
Santa Rosa, CA 95406

Dear Mr. Goddard:

We have been informed that the Sonoma County Water Agency is studying the possibility of making high quality recycled water available to agriculture for irrigation in the Sonoma Valley.

We currently farm approximately 1400 acres of hay and grain on Camp 3 in the Southern Sonoma Valley. We would be interested in using some of the recycled water, if water delivery to our location is economically feasible for both F. Kiser & Sons and the Sonoma County Water Agency.

Sincerely,

Bill Kiser

Bill Kiser
Partner

Ken Goddard Serial 170-0-14

Date June 2 2003

Mr. Ken Goddard
Sonoma County Water Agency
P.O. Box 11628
Santa Rosa, CA 95406

Dear Mr. Goddard:

As a landowner in the Sonoma Valley, we believe there is a pressing need to develop a recycled water distribution system to help conserve our precious water resources. We support the efforts of the Sonoma County Water Agency to develop such a system to provide agriculture with a reliable source of water.

We currently farm 6 1/3 acres of Vineyards & Winery. As such a project is developed, we believe that we can probably participate by receiving recycled water.

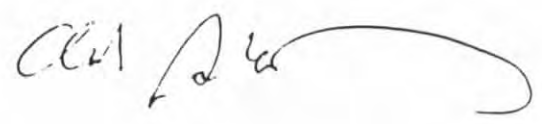
Sincerely,

Name
Title

BERTHOUD
Vineyards & Winery

Claude H. Berthoud
Johanna Berthoud
1265 Craig Ave.
Sonoma CA 95476

Owner

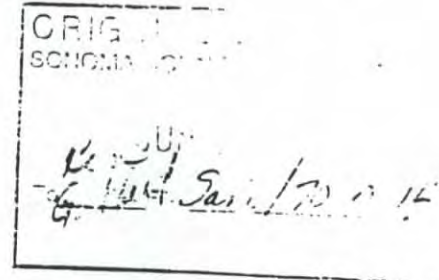


LOS ARROYOS
5000 Stage Gulch Road
Sonoma, CA 95476

TEL: 707-938-3012 FAX: 707-938-8854

DATE: June 3, 2003

TO: Mr. Ken Goddard
Sonoma County Water Agency
P.O. Box 11628
Santa Rosa, CA 95406



Dear Mr. Goddard:

As a landowner in the Sonoma Valley, we believe there is a pressing need to develop a recycled water distribution system to help conserve our precious water resources. We support the efforts of the Sonoma Water County Water Agency to develop such a system to provide agriculture with a reliable water source.

We currently irrigate 48 acres of golf and farm land. As such a project is developed, we believe that we can probably participate by receiving recycled water.

Sincerely,

Handwritten signature of Charles B. Reynolds.

Charles B. Reynolds
President/Owner

ORIGINAL
SONOMA COUNTY
JUL 11
- 11 - 5/31/03
G.

Date 5-31-03

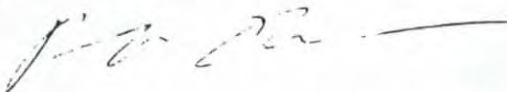
Mr. Ken Goddard
Sonoma County Water Agency
P.O. Box 11628
Santa Rosa, CA 95406

Dear Mr. Goddard:

As a landowner in the Sonoma Valley, we believe there is a pressing need to develop a recycled water distribution system to help conserve our precious water resources. We support the efforts of the Sonoma County Water Agency to develop such a system to provide agriculture with a reliable source of water.

We currently farm $\frac{1}{2}$ acres of GRAPE S. As such a project is developed, we believe that we can probably participate by receiving recycled water.

Sincerely,



Name
Title

ROBERT + KAY BROWN
OWNERS
2025 DENMARK ST,
SONOMA, CA. 95470

Brown
P.O. Box 613
Vineburg CA
95487

File: Sari / 70-12 14

Date 5/23/03

Mr. Ken Goddard
Sonoma County Water Agency
P.O. Box 11628
Santa Rosa, CA 95406

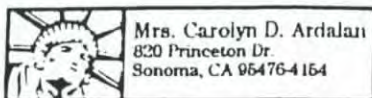
Dear Mr. Goddard:

As a landowner in the Sonoma Valley, we believe there is a pressing need to develop a recycled water distribution system to help conserve our precious water resources. We support the efforts of the Sonoma County Water Agency to develop such a system to provide agriculture with a reliable source of water.

We currently farm 14.7 acres of WINEGRAPES. As such a project is developed, we believe that we can probably participate by receiving recycled water.

Sincerely,

Name CAROLYN ARDALAN
Title OWNER-GROWER



Sari / 70-0-14

Date *May 22, 2003*

Mr. Ken Goddard
Sonoma County Water Agency
P.O. Box 11628
Santa Rosa, CA 95406



Dear Mr. Goddard:

As a landowner in the Sonoma Valley, we believe there is a pressing need to develop a recycled water distribution system to help conserve our precious water resources. We support the efforts of the Sonoma County Water Agency to develop such a system to provide agriculture with a reliable source of water.

We currently farm _____ acres of _____. As such a project is developed, we believe that we can probably participate by receiving recycled water.

Sincerely,

Name *Jesse Davis*
Title



Mr. & Mrs. Jesse Davis
21007 Broadway
Sonoma, CA 95476

Our property is under contract to Sangiacomo Vineyards. They will respond to your survey.

Date

DOCUMENT CONTROL
SONOMA COUNTY WATER AGENCY
MAY 22 2003
Orig. Filed Sani/70-12-14

Mr. Ken Goddard
Sonoma County Water Agency
P.O. Box 11628
Santa Rosa, CA 95406

Dear Mr. Goddard:

As a landowner in the Sonoma Valley, we believe there is a pressing need to develop a recycled water distribution system to help conserve our precious water resources. We support the efforts of the Sonoma County Water Agency to develop such a system to provide agriculture with a reliable source of water.

We currently farm 120 acres of Grapes. As such a project is developed, we believe that we can probably participate by receiving recycled water.

Sincerely,

Samuel D. [unclear]

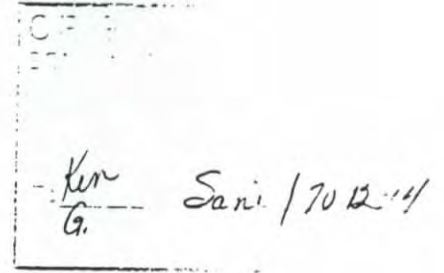
Name

Title

Partner

Are you?
ae
MAY 22 2003

*Are you any relation to
that d'hippie artist that used
to live on the East side of the
Plaza? Just curious.*



May 20, 2003

Mr. Ken Goddard
Sonoma County Water Agency
PO Box 11628
Santa Rosa, CA 95406

Dear Mr. Goddard:

As a landowner (Oxfoot Associates LLC) in the Sonoma Valley, we believe there is a pressing need to develop a recycled water distribution system to help conserve our precious ground water resources. We support the efforts of the Sonoma County Water Agency to develop such a system to provide agriculture with a reliable source of water.

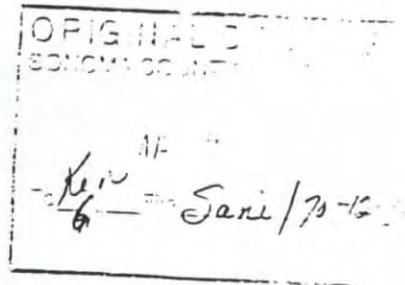
We currently farm 176 acres of grapes and 134 acres of row crops in the valley. As such a project is developed, we would be interested in participating by receiving recycled water.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Peggy Phelan". The signature is written in dark ink and extends to the right with a long, sweeping underline.

Peggy Phelan
Director of Operations

Sand Hill Ranch
1951 Felder Rd
Sonoma, CA 95476



Date

Mr. Ken Goddard
Sonoma County Water Agency
P.O. Box 11628
Santa Rosa, CA 95406

Dear Mr. Goddard:

As a landowner in the Sonoma Valley, we believe there is a pressing need to develop a recycled water distribution system to help conserve our precious water resources. We support the efforts of the Sonoma County Water Agency to develop such a system to provide agriculture with a reliable source of water.

We currently farm 200 acres of grapes. As such a project is developed, we believe that we can probably participate by receiving recycled water.

Sincerely,

Name
Title

Stephen B. Hill
General Manager

MICHAEL BASS & ASSOCIATES
775 E. BLITHEDALE # 387
MILL VALLEY, CA 94941

Original
Ken
G. Sari 170-0-14

Date 5/20/03

Mr. Ken Goddard
Sonoma County Water Agency
P.O. Box 11628
Santa Rosa, CA 95406

Dear Mr. Goddard:

As a landowner in the Sonoma Valley, we believe there is a pressing need to develop a recycled water distribution system to help conserve our precious water resources. We support the efforts of the Sonoma County Water Agency to develop such a system to provide agriculture with a reliable source of water.

We currently farm 4 acres of VARIOUS. As such a project is developed, we believe that we can probably participate by receiving recycled water.

Sincerely,

Name Michael Bass
Title owner

ORIGINAL
SONOMA COUNTY WATER AGENCY
- Ken
G. - Sasi / 70-12-14

Date

Mr. Ken Goddard
Sonoma County Water Agency
P.O. Box 11628
Santa Rosa, CA 95406

Dear Mr. Goddard:

As a landowner in the Sonoma Valley, we believe there is a pressing need to develop a recycled water distribution system to help conserve our precious water resources. We support the efforts of the Sonoma County Water Agency to develop such a system to provide agriculture with a reliable source of water.

We currently farm 120 acres of Grapes. As such a project is developed, we believe that we can probably participate by receiving recycled water.

Sincerely,



Name

Title

Partner

Betty J. Horne
1754 Napa Road
Sonoma, CA 95476

Handwritten notes in a box:
Ken = Sam / 20-12-04
G.

Date May 19, 2003

Mr. Ken Goddard
Sonoma County Water Agency
P.O. Box 11628
Santa Rosa, CA 95406

Dear Mr. Goddard:

As a landowner in the Sonoma Valley, we believe there is a pressing need to develop a recycled water distribution system to help conserve our precious water resources. We support the efforts of the Sonoma County Water Agency to develop such a system to provide agriculture with a reliable source of water.

We currently farm Five acres of Vineyard. As such a project is developed, we believe that we can probably participate by receiving recycled water.

Sincerely,



Name BETTY J. HORNE (MRS. RICHARD G.)
Title HORNE VINEYARDS

We sell our Cabernet Sauvignon Grapes to
Walter Schug and Dennis Richardson - they have been prize
winning grapes, and we do not have good water here- have been using
creek water when available, and then buying water from Petaluma.
Our well has boron in the water and is not useable for irrigation
We would be good customers if we could buy treated water from
Sonoma County!

ORIGINAL FILE
SONOMA COUNTY
MAY 21 2011
To Ken - Sonoma / 70-12-11
G.

Date

Mr. Ken Goddard
Sonoma County Water Agency
P.O. Box 11628
Santa Rosa, CA 95406

Dear Mr. Goddard:

As a landowner in the Sonoma Valley, we believe there is a pressing need to develop a recycled water distribution system to help conserve our precious water resources. We support the efforts of the Sonoma County Water Agency to develop such a system to provide agriculture with a reliable source of water.

We currently farm 10 acres of wine grapes. As such a project is developed, we believe that we can probably participate by receiving recycled water.

Sincerely,

Ron Palmer

Name Ron Palmer
Title

RON and WENDY PALMER
21177 Peary Avenue
Sonoma, CA 95476

ORIGINAL COPY
SONOMA COUNTY WATER
MAY 13 2003
-for - Sani/70-12-14
G.

Date 5/17/03

Mr. Ken Goddard
Sonoma County Water Agency
P.O. Box 11628
Santa Rosa, CA 95406

TED NAGEL
NATHANSON CREEK VINEYARDS
19080 GEHRICKE RD
SONOMA, CA. 95476

Dear Mr. Goddard:

As a landowner in the Sonoma Valley, we believe there is a pressing need to develop a recycled water distribution system to help conserve our precious water resources. We support the efforts of the Sonoma County Water Agency to develop such a system to provide agriculture with a reliable source of water.

We currently farm 16 acres of wine grapes. As such a project is developed, we believe that we can probably participate by receiving recycled water.

Sincerely,

Ted Nagel

Name
Title

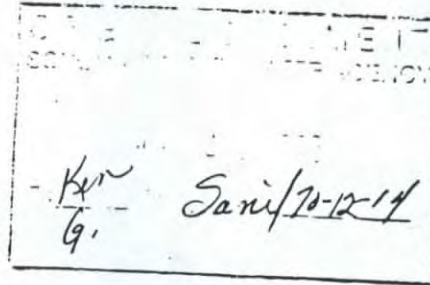
TED NAGEL
OWNER - NATHANSON CREEK VINEYARDS

Y. TITO SASAKI
PO Box 200
Vineburg, CA 95487

Tel: (707) 938-8888

Fax: (707) 938-2222

Attn: Mr. Ken Goddard
Sonoma County Water Agency
PO Box 11628
Santa Rosa CA 95406



19 May 2003

Gentlemen:

Letter of Interest: Tertiary-Treated Recycled Water

My wife and I support your plan to provide tertiary-treated recycled water to the Sonoma Valley, and express our positive interest in receiving such water for our irrigation and other purposes.

We farm on 67 acres of land next to the Sonoma Valley County Sanitation District treatment plant. Our activities at this time include vineyard and orchard operations and cattle grazing, and our source of water is the wells on our property.

Should your water become available free or at reasonable cost and without legal "traps," we would use it for irrigation, farm implement washing, fire suppression, and other safe and beneficial purposes. We will, however, retain our right to use our own well water at our discretion without any new restrictions or regulations as a condition or consequence of the use of your recycled water. Also, we should not be forced to take your recycled water when we cannot use it, for example, in the wet season.

Yours truly,


Y. Tito Sasaki

Sonoma County Water Agency

P.O. Box 11628

Santa Rosa Ca 95406

5/19/03

ORIGINAL DOCUMENT SONOMA COUNTY WATER AGENCY
MAY 21 2003
To: <i>Lynn</i> <i>Michael</i> File <i>Sani/7012-14</i>

Subject: Recycled Water

I just read your brochure Public Info Series #3.

There is no information on what the homeowner can do to recycle some household water.

What about shower water?

What about mild dishwasher - not much oil, grease or fatty inclusions?

What about wash machine water - what is best soap to use?

What treatment neutralizes soaps and detergents in county treated water?

In anticipation of a reply. - Thanks.

Fred Burger

919 E. Mac Arthur

Sonoma 95476

MAY 21 2003

To: *R. Probst* File: *Soni 170-12-14*

MEMO:

To: Jim Haire, Rich Kiser, Marie Lambert, Angelo Sangiacomo, Lee Schaller,
Norm Yenni, Fred Dickson, Craig Jacobson.
From: Tito Sasaki
Date: 19 May 2002
Subject: Letter of Support to Sonoma County Water Agency, re Recycled Water.

bcc: Randy Poole

Attached is a letter I received from Sonoma County Water Agency requesting a letter of support for their grant application regarding the recycled water distribution. The Water Agency has provided a sample letter, which is attached to the request letter signed by Mr. Ken Goddard.

I have responded with a "letter of interest," a copy of which is also enclosed.

If you are currently not using the Agency's recycled water and could use it in the future, I recommend you to send a letter expressing your interest and support unless you have already done so.

As I stated in my letter, as long as the cost is reasonable (i.e., no more than what we pay for PG&E, diesel fuel, and maintenance costs for using our wells) and there is no legal trap, we should welcome their tertiary-treated water. I understand that the disposal of treated water is a significant issue for the Water Agency – bigger than the supply of water, which in their view is not really an issue. Here is a real opportunity to help each other and, at the same time, diffuse the environmental activists' hype that the ground water is being depleted by farmers and that we, the bad, greedy, ignorant farmers, should be more regulated.

I'd personally appreciate it if you could take time to write and send a short letter of support to the Water Agency. If you know other people in the area who could also write a letter, please pass the information to them.

Thanks!

Randy:

*Thank you for your lightning-fast response, as usual.
Here is my honest – if somewhat crude – response.*

*I will work out the invitation to an NBAA meeting
soon – before you lose your interest.*

5/19/03 TSC

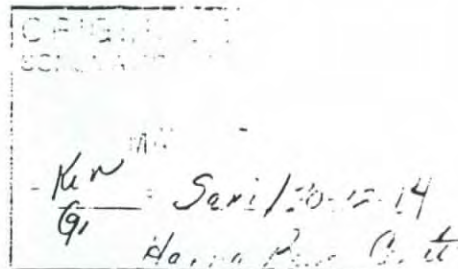
Hanna Boys Center

TURNING HURT INTO HOPE SINCE 1949

17000 Arnold Drive P. O. Box 100 Sonoma, CA 95476-0100
Phone: (707) 996-6767 Toll Free: 1(877) 994-2662 Fax: (707) 996-4742 www.hannacenter.org

22 May 03

Mr. Ken Goddard
Sonoma County Water Agency
P.O. Box 11628
Santa Rosa, CA 95406



Dear Mr. Goddard:

We support the efforts of the Sonoma County Water Agency in their efforts to develop a recycled water system.

Currently we irrigate 15 acres of landscaping. When a recycled water project is developed, we believe that we can probably participate in it by receiving recycled water.

Sincerely,

Wayne M. Antos
Facilities Manager

Cc: Scott Singer

APPENDIX G-5

SAMPLE RECYCLED WATER USE AGREEMENT

Recording Requested By
Sonoma County Water Agency

When recorded return conformed copy to:
Executive Secretary
Sonoma County Water Agency
PO Box 11628
Santa Rosa, CA 95406-1628

smk: f:\ut\tech\wsusank\recycled-template.doc 5/29/2001 8:15 AM

Space above this line reserved for Recorder's use

TW _____

DRAFT RECYCLED WATER USE AGREEMENT between
SONOMA COUNTY WATER AGENCY and _____
(_____ Sanitation Zone)

This Agreement is between the [Sonoma County Water Agency, on behalf of _____ Sanitation Zone,] [or ... _____ County Sanitation District,] a body corporate and politic of the State of California (hereinafter "Agency" or "District" or "Forestville-Graton"), and _____ (hereinafter "Landowner").

RECITALS

- A. Landowner owns approximately _____ acres of real property identified as Assessor's Parcel No. _____ (hereinafter "Lands") as shown on Attachment A, which is used for agricultural [or other] purposes. Attachment A is herein incorporated by reference.
- B. Agency owns and operates wastewater treatment and disposal facilities (hereinafter "Facilities") at _____ Treatment Plant, which generate secondary-treated [tertiary-treated for RRCS] recycled water that Agency must dispose of during certain times of the year.
- C. Agency is willing to provide, and Landowner is willing to accept, delivery of certain quantities of recycled water for irrigation and disposal on all or portions of the Lands subject to the terms and conditions herein.

AGREEMENT

Landowner and Agency agree as follows:

1. **RECITALS**

The above recitals are true and correct.

2. **[OPTION] TERMINATION OF PREVIOUSLY EXECUTED AGREEMENT**

Landowner and Agency agree that the previously executed agreement entitled "_____" and executed on _____, 19____, shall be terminated upon execution of this Agreement.

3. **TERM**

The term of this Agreement is for a period of 5 years commencing on _____ 19____, and terminating on _____, 20____. Landowner and Agency also agree that this Agreement may be extended in whole years up to a maximum of two (2) years subject to the conditions of and upon execution and recording of a written amendment to this Agreement, as specified in Section 14 (Changes to Agreement).

4. **COMMITTED MINIMUM USE**

Minimum: Landowner agrees to use and Agency agrees to deliver a minimum of _____ acre-feet of recycled water, herein referred to as "Committed Minimum Use," during the "Irrigation Season" (defined in Section 5 below) of each year at no cost to Agency. It is understood that such amount represents the *minimum* obligation by Landowner and Agency, and that actual use may be greater than the Committed Minimum Use depending on the Landowner's current operations and Agency's need for disposal of recycled water and subject to conditions and limitations specified in this Agreement.

Requests for additional water during the Irrigation Season: Requests by either party for recycled water in excess of the Committed Minimum Use during the Irrigation Season may be made and approved verbally, subject to approval of both parties and to the conditions and limitations specified in this Agreement.

Changes to minimum: Should Landowner or Agency desire to change Committed Minimum Use, Landowner and Agency agree to jointly determine the Committed Minimum Use by January 5 of the applicable calendar year and shall make changes subject to the conditions of and upon execution and recording of a written amendment to this Agreement as specified in Section 14 (Changes to Agreement).

5. **LOCATION AND TIMING OF DELIVERY OF RECYCLED WATER**

Location of turnout: Agency will deliver recycled water from Agency's recycled water pipeline system turnout to Landowner at location(s) shown on Attachment A.

[For RRCSD only, include the following paragraph:]

Adjustment of application rates: Landowner shall endeavor to adjust recycled water application rates to the specific nutrient uptake rate for the crop to be irrigated. **[Also consider whether the rest of this section should be modified]**

Application periods: Landowner understands that the normal recycled water delivery and application period is the Irrigation Season identified in the table below and that the Committed Minimum Use refers to water deliveries during the Irrigation Season; however, recycled water may also be available to Landowner during the Discharge Season identified in the table below.

[TW: choose one facility; delete the rest]

Facility	Irrigation Season	Discharge Season ¹
Airport/Larkfield/Wikiup Sanitation Zone	May 1+ to October 31+ ²	NONE
Forestville County Sanitation District	May 15 to Sept 30	October 1 to May 14
Graton Sanitation Zone	May 15 to Sept 30	October 1 to May 14
Occidental County Sanitation District	May 15 to Sept 30	October 1 to May 14
Russian River County Sanitation District	May 15 to Sept 30	October 1 to May 14
Sea Ranch Sanitation Zone	May 1+ to October 31+ ²	NONE
Sears Point Sanitation Zone	May 1+ to October 31+ ²	NONE
Sonoma Valley County Sanitation District	May 1 to October 31	November 1 to April 30

¹ Discharge Season, as used in this Agreement, is defined as the time period in which discharge to waters of the State of California is allowed by the Regional Water Quality Control Board (RWQCB).

² The treatment plant for this Sanitation Zone does not discharge, so Irrigation Season is not mandated by the RWQCB. The period shown is the anticipated Irrigation Season. Actual Irrigation Season is determined by weather conditions; irrigation can occur as long as it does not result in runoff.

[Delete the footnotes above that are not applicable:]

Requests for water during the Discharge Season: If either party requests that Landowner take recycled water during the Discharge Season, and the other party approves, Agency agrees to deliver and Landowner agrees to take, accept, and apply recycled water during the Discharge Season subject to the conditions of and upon execution and recording of a written amendment to this Agreement as specified in Section 14 (Changes to Agreement). [this paragraph can be deleted for facilities with no discharge season]

Coordination for water delivery: Landowner shall coordinate with Agency's Operations and Maintenance Section at (707) 523-1070 for all water delivery.

6. LIMITATIONS PRECLUDING DELIVERY OF RECYCLED WATER

Notwithstanding the requirements for Agency to deliver recycled water as stated in this Agreement, both parties to this Agreement recognize and agree that such delivery of water may at times be precluded for reasons beyond the control of Agency. Agency will not be obligated to provide water when delivery is prevented by a cause outside the control of Agency, including, but not limited to, Acts of God, shortage of recycled water, malfunction of Agency's system, malfunction of pipeline owned by neighboring properties, temporary imbalance of recycled water in the various storage ponds, changes in discharge or monitoring requirements, a determination by any regulatory agency that recycled water is not suitable for the intended use, a determination that the activity is unlawful, or a determination that a constituent of the recycled water is harmful to the plants being irrigated. [Option→] In the event that recycled water is not available to Landowner due to Acts of God, shortage of recycled water, malfunction of Agency's system, or imbalances of recycled water, or inability of Agency to secure permanent access rights across properties required to construct a pipeline to serve the Lands of Landowner, Agency will act in good faith in restoring recycled water to Landowner within a reasonable amount of time.

7. IRRIGATION LINE [OPTION] AND TURNOUT

Agency will furnish, install, maintain, and own the irrigation line and turnout from Agency's pipeline to Lands as identified on Attachment A. [If included, flag for ECS so they know it when preparing the environmental document]

8. PERMISSION TO ENTER

Landowner agrees to provide to Agency a right of access to the Lands for the purpose of [option: construction of the turnout/pipeline,] operation, equipment maintenance, sampling, meter reading, and observation as needed for the term of this Agreement.

9. OTHER RECYCLED WATER USERS

Landowner recognizes and understands that Agency cannot assure uninterrupted supply of recycled water to Landowner and that Agency is obligated to deliver recycled water to other recycled water users. Agency will endeavor to supply recycled water to Landowner so that the Minimum Committed Use can be used by Landowner. In the event of shortage of recycled water or reduction in transmission capacity for any reason, the General Manager/Chief Engineer of the Agency in his sole discretion will determine which, if any, recycled water users will receive recycled water. Landowner understands that other such users may be given preference.

Landowner and Agency agree to participate in discussions with other recycled water users as necessary to establish cooperative water delivery schedules.

10. [OPTION FOR LONG-TERM (OVER 5 YRS) AGREEMENTS] FUTURE VALUE OF RECYCLED WATER

At the time of execution of this Agreement, the Agency's Board of Directors has not established a charge (cost per acre-foot) for delivery of recycled water. However, the Board may, at its discretion, impose charges in the future. Such charges, if any, will be negotiated at the time that [this Agreement is considered for an extension of time] [or some other trigger].

11. RECYCLED WATER QUALITY

The recycled water delivered to the Landowner by Agency will be treated to the secondary [tertiary for RRCSD] level and will generally be of quality in compliance with Agency's applicable National Pollutant Discharge Elimination System permit and accompanying Waste Discharge Permits administered by the North Coast [or San Francisco Bay (for SVCSD only)] Regional Water Quality Control Board ("NCRWQCB"). [or ("SFBRWQCB")]. Agency also complies with the current California Department of Health Services regulations. Agency will make available for informational purposes to Landowner such test reports as are periodically required of Agency by regulatory agencies to characterize the recycled water. The results of these tests are maintained at Agency's Operations and Maintenance Section, 2150 West College Avenue, Santa Rosa, California, and may be obtained by Landowner by telephoning (707) 523-1070. No warranty as to the suitability of the recycled water for any particular use is given.

12. RECYCLED WATER APPLICATION RESTRICTIONS

Landowner shall not allow the recycled water to be used in violation of any law, ordinance, or regulation now in effect or hereafter enacted or adopted. Landowner's attention is directed to the regulations contained in the California Code of Regulations, Title 22. Landowner acknowledges that he has read Title 22 and is familiar with its content. Landowner shall comply with the parts of said regulations that are pertinent to Landowner's use of the recycled water. Current excerpts from the current California Department of Health Services regulations, which may be applicable to Landowner, are included in Attachment B for Landowner's convenience only and should not be relied upon by Landowner as a statement of current or future law. In addition, Landowner acknowledges receipt of Attachment B attached hereto which contains information regarding restrictions that may be applicable to Landowner's use of recycled water.

Landowner agrees to notify Agency's Operations and Maintenance Section (707-523-1070) of Title 22 violations or damage to Agency irrigation facilities within 24 hours of discovery of such violation or damage. Landowner shall be solely responsible for the cost of repair for damage occurring to Agency equipment as a result of Landowner's activities.

If Landowner does not comply with laws, ordinances, or regulations governing the use of recycled water, Agency may immediately curtail recycled water delivery, notify Landowner of such infraction in writing, and, if Landowner does not rectify the infraction within two (2) calendar days after notice, Agency may immediately terminate this Agreement.

13. TAXES

Landowner recognizes that this Agreement may create a possessory interest subject to property taxation and that Landowner may be subject to the payment of property taxes levied on such interest (Revenue and Taxation Code Section 107.6). Landowner shall pay, before delinquency, all taxes, assessments, license fees, and other charges (hereinafter referred to as "taxes") that are levied or assessed during the term of this Agreement against Landowner's interest in personal property installed or located in or upon Landowner's premises and any such taxes measured by the value of Agency's interest in such personal property. Upon Agency's demand, Landowner shall furnish Agency with satisfactory evidence of any such tax payments. If any taxes are levied against Agency or if, as a consequence of this Agreement, Agency incurs a tax obligation greater than, or in addition to, that which would be borne by Agency in the absence of this Agreement, Landowner, upon demand of Agency, shall immediately reimburse Agency for the sum of taxes so levied against or borne by Agency.

14. CHANGES TO AGREEMENT

Verbal authorization: Requests for additional water during Irrigation Season, as referred to in Section 4 (Committed Minimum Use), may be authorized verbally.

Written amendments by General Manager/Chief Engineer: Changes to the term of the Agreement, as referred to in Section 3 (Term), or changes to the Committed Minimum Use, as referred to in Section 4 (Committed Minimum Use), or requests for water during Discharge Season, as referred to in Section 5 (Location and Timing of Delivery of Recycled Water) may be authorized by written amendments to this Agreement signed by Landowner and the General Manager/Chief Engineer of Agency.

Written amendments by Chair of Agency's Board of Directors: All other changes to the Agreement may be authorized only by written amendments to this Agreement, or by separate written agreements, signed by the Landowner and Chair of Agency's Board of Directors. The parties expressly recognize that, except to the extent authorized herein, Agency personnel are without authorization to waive Agreement terms.

15. ASSIGNMENT AND DELEGATION

The right and benefit to receive and the obligation to take recycled water shall be a covenant running with the Lands, and the obligation to provide recycled water shall be that of Agency. Upon transfer of title or interest of either Agency Facilities or Lands of Landowner, all rights, duties, and obligations undertaken by this Agreement shall succeed to the new owner(s), lessees, heirs, executors, or assigns.

Landowner agrees that recycled water will be used only on the Lands. Except as expressly set forth herein, neither party to this Agreement hereto shall assign, delegate, sublet, or transfer any interest in or duty under this Agreement without the prior written consent of the other, and no such transfer shall be of any force or effect whatsoever unless and until the other party shall have so consented.

16. MUTUAL INDEMNIFICATION

Landowner, including its officers, agents, and employees, agrees to accept all responsibility for loss or damage to any person or entity, and to defend, indemnify, hold harmless, and release Agency, its officers, agents, and employees, from and against any and all actions, claims, damages, liabilities, or expenses that may be asserted by any person or entity, including Landowner, arising out of or in connection with the Landowner's actions related to the use of the recycled water. Agency agrees to defend, indemnify, hold harmless, and release Landowner, its officers, agents, and employees from and against any and all actions, claims, damages, liabilities, or expenses that may be asserted by any person or entity arising out of or in connection with Agency's actions related to providing the recycled water.

17. METHOD AND PLACE OF GIVING NOTICE

All notices shall be made in writing and may be given by personal delivery or by mail. Notices sent by mail shall be addressed as follows:

Agency: Operations Superintendent, East/West (CSD)
Sonoma County Water Agency
PO Box 11628
Santa Rosa, CA 95406

Landowner: _____

and when so addressed, shall be deemed given upon deposit in the United States mail, postage prepaid. In all other instances, notices shall be deemed given at the time of actual delivery. Changes may be made in the names and addresses of the person to whom notices are to be given by giving notice pursuant to this paragraph.

18. MISCELLANEOUS PROVISIONS

18.1 **No Waiver of Breach:** The waiver by Agency of any breach of any term or promise contained in this Agreement shall not be deemed to be a waiver of such term or provision or any subsequent breach of the same or any other term or promise contained in this Agreement.

18.2 **Construction:** To the fullest extent allowed by law, the provisions of this Agreement shall be construed and given effect in a manner that avoids any violation of statute, ordinance, regulation, or law. The parties covenant and agree that in the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

Landowner and Agency acknowledge that they have each contributed to the making of this Agreement and that, in the event of a dispute over the interpretation of this Agreement, the language of the Agreement will not be construed against one party in favor of the other. Landowner and Agency acknowledge that they have each had an adequate opportunity to consult with counsel in the negotiation and preparation of this Agreement.

18.3 **No Third Party Beneficiaries:** Nothing contained in this Agreement shall be construed to create and the parties do not intend to create any rights in third parties.

18.4 **Section Titles:** The section titles in this Agreement are solely for convenience of reference. They are not a part of this Agreement and shall have no effect on its construction or interpretation.

18.5 **Merger:** This writing is intended both as the final expression of the agreement between the parties hereto with respect to the included terms and as a complete and exclusive statement of the terms of the Agreement, pursuant to Code of Civil Procedure Section 1856. No modification of this Agreement shall be effective unless and until such modification is evidenced by a writing signed by both parties.

18.6 **Time of Essence:** Time is and shall be of the essence of this Agreement and every provision hereof.

19. TERMINATION

Except as expressly set forth in Section 12 (Recycled Water Application Restrictions) herein, should one party breach any of the terms and conditions in this Agreement, written notice of such breach shall be given to the other party. If reasonable steps toward correcting the breached term or condition(s) are not

taken within fifteen (15) calendar days from such notice, the other party may, in addition to any remedies provided by this Agreement or by law, terminate this Agreement on fifteen (15) calendar days written notice to the breaching party. ~~Mike's intention to be able to terminate after the first 15 day notice to after an additional 15 days?~~

20. **RESTRICTIONS ON DISCHARGE INTO WATERS OF THE STATE**

~~[for Forestville/Graton/Russian River/Occidental:...] Landowner understands and acknowledges that Agency is legally required to dispose of recycled water on land during certain times of the year and is not permitted to release it into the Russian River or its tributaries during other times of the year. [for Sonoma Valley:...] Landowner understands and acknowledges that Agency is legally required to dispose of recycled water on land during certain times of the year and is not permitted to release it into Schell Slough during other times of the year. [for ALW:...] Landowner understands and acknowledges that Agency is legally required to dispose of recycled water on land and is not permitted to release it into any waters of the State of California at any time. [for all:...] Therefore, Agency is relying on a good-faith performance of Landowner in accepting and using recycled water. [Option: If Landowner, as reasonably determined by Agency, fails to accept and dispose of the recycled water as agreed herein, Landowner and Agency agree that Agency will suffer irreparable harm and will not be adequately compensated by money damages for said harm. The parties to this Agreement agree that Agency may obtain an injunction compelling specific performance of this Agreement together with such other relief as may be allowed by law.]~~

21. **MEDIATION OF DISPUTES PRIOR TO ARBITRATION**

If a dispute arises out of or relates to this Agreement, or an alleged breach of it, and if the dispute cannot be settled through negotiation, then before resorting to arbitration, the Landowner and Agency agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Commercial Mediation Rules, with the following exception to those Rules:

- A. The mediation shall be conducted at Santa Rosa, California.
- B. Unless otherwise agreed in writing by all parties participating in the mediation, the mediation shall be concluded no later than ninety (90) days after initiation of the mediation, and any party may elect at that time to initiate arbitration pursuant to Section 22 (Arbitration) of this Agreement.
- C. Not later than thirty (30) calendar days after initiation of mediation, the parties shall exchange all relevant non-privileged documents.

Any mediation proceeding shall be confidential and shall not be admissible in a subsequent proceeding. If any party commences an arbitration or court action based on a dispute or claim to which this section applies without first attempting to resolve the matter through mediation, then the other party may apply to such arbitrator or judge for an order staying the arbitration or court action pending mediation.

22. **ARBITRATION**

Any claims, disputes, or controversies arising out of or relating to this Agreement, or breach thereof, if not previously resolved by negotiation or mediation pursuant to Section 21 (Mediation of Disputes Prior to Arbitration) of this Agreement, shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules (except as modified by A and B immediately below) and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof, provided, however, that:

- A. All arbitration proceedings shall take place in Santa Rosa, California.
- B. In order to expedite matters and limit costs consistent with the purposes of arbitration, the number of depositions and other discovery shall be appropriate to the amount in dispute and the complexity of the issues, and the arbitrator shall have express authority to limit the number of depositions and other discovery if the parties cannot agree. Written interrogatories will not be permitted. With these exceptions Commercial Arbitration Rules regarding discovery shall apply.

/
/
/
/
/
/
/
/
/
/
/

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as set forth below.

Reviewed as to substance
by Agency:

Randy D. Poole
General Manager/Chief Engineer

Reviewed as to form
by County Counsel:

County Counsel

LANDOWNER (signature of notary attached)

By: _____

(Please print name here)

Title: _____

Federal ID No: _____

SONOMA COUNTY WATER AGENCY
ON BEHALF OF _____ SANITATION ZONE
[OR] _____ COUNTY SANITATION DISTRICT

By: _____
Chair, Board of Directors

Date: _____

Attest:

County Clerk, and ex-officio
Clerk of the Board of Directors

State of _____

County of _____

On _____ before me, _____
DATE NAME, TITLE OF OFFICER – E.G. "JANE DOE, NOTARY PUBLIC"

personally appeared _____
NAME(S) OF SIGNER(S)

() personally known to me – OR – () proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

SIGNATURE OF NOTARY

DESCRIPTION OF ATTACHED DOCUMENT

DESCRIPTION OF DOCUMENT (OPTIONAL)

State of _____

County of _____

On _____ before me, _____
DATE NAME, TITLE OF OFFICER – E.G. "JANE DOE, NOTARY PUBLIC"

personally appeared _____
NAME(S) OF SIGNER(S)

() personally known to me – OR – () proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

SIGNATURE OF NOTARY

DESCRIPTION OF ATTACHED DOCUMENT

DESCRIPTION OF DOCUMENT (OPTIONAL)

ATTACHMENT A

map showing "Lands" clearly designated

also show how/where connection is to Agency's/District's pipeline

ATTACHMENT B RECYCLED WATER USE REQUIREMENTS

Recycled water produced at the Facilities by _____ Sanitation Zone/District generally meets the requirements for disinfected [secondary-2.2 or -23] [or tertiary] recycled water as defined by California Code of Regulations (CCR) Title 22, Division 4, Chapter 3.

Irrigation with recycled water shall be performed in accordance with CCR Title 22 and the applicable National Pollutant Discharge Elimination System (NPDES) permit. The treatment, storage, distribution, or reuse of recycled water shall not create a nuisance as defined in Section 13050(m) of the California Water Code. Agency will notify the Regional Water Quality Control Board if recycled water will be used for irrigation at the Lands.

Irrigation Area Requirements

Irrigation area requirements specified in CCR Title 22, Section 60310, which pertain to disinfected [secondary-2.2 or -23] [or tertiary] recycled water include, but are not limited to the following:

- No irrigation with, or impoundment of, disinfected [secondary-2.2 or -23] [or tertiary] recycled water shall take place within 100 feet of any domestic water supply well.
- Any use of recycled water shall comply with the following: (1) Any irrigation runoff shall be confined to the recycled water use area unless otherwise authorized by the regulatory agency; (2) Spray, mist, or runoff shall not enter a dwelling or a food handling facility; (3) Drinking water fountains and designated outdoor eating areas shall be protected against contact with recycled water spray, mist, or runoff.
- No spray irrigation of any recycled water, other than disinfected tertiary recycled water, shall take place within 100 feet of a residence or a place where public exposure could be similar to that of a park, playground, or school yard.
- All areas where recycled water is used and that are accessible to the public shall be posted with conspicuous signs that include the following wording in a size no less than 4 inches high by 8 inches wide: "RECYCLED WATER - DO NOT DRINK."
- Except as allowed under Section 7604 of Title 17, no physical connection shall be made or allowed to exist between any recycled water system and any separate system conveying potable water.
- The recycled water system shall not include any hose bibbs. Quick couplers that are different from that used on the potable water system may be used.

The Landowner shall report monthly the quantity of recycled water irrigated to the Water Agency Operations Superintendent. If necessary, the Landowner shall construct a groundwater monitoring well for the collection and analysis of groundwater samples. The Agency will, at no cost to the Landowner, collect and analyze groundwater samples, as necessary.

Allowable Uses of Recycled Water

Allowable irrigation uses of recycled water are specified in CCR Title 22, Section 60303. As indicated above, the Facilities produce disinfected [secondary-2.2 or -23] [or tertiary] recycled water. According to CCR Title 22, this recycled water can be used for irrigation of the following:

- Orchards where the recycled water does not come into contact with the edible portion of the crop.
- Vineyards where the recycled water does not come into contact with the edible portion of the crop.
- Non food-bearing trees. Christmas tree farms are included in this category provided no irrigation with recycled water occurs for a period of 14 days prior to allowing public access.
- Fodder and fiber crops.
- Seed crops not eaten by humans.
- Food crops that must undergo commercial pathogen-destroying processing before being consumed by humans.
- Cemeteries.
- Freeway landscaping.
- Restricted-access golf courses.
- Ornamental nursery stock and sod farms.
- Pasture for milk animals.
- Any inedible vegetation where access is controlled so that the irrigated area cannot be used as if it were part of a park, playground, or school yard.