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Agenda Item: ID#15-123 (5:30 P.M.)

Date: 2/26/15

2015 FEB 24 PM 2 50

CITY CLERK, FRESNO CA

## FRESNO CITY COUNCIL



### Supplemental Information Packet

Agenda Related Items – ID#15-123 (5:30 P.M.)

### Contents of Supplement: Three Letters of Support

#### Item(s)

Actions pertaining to adopting a five year plan for water rates, pursuant to Proposition 218

1. \*\*\*RESOLUTION - Adopting a Five Year Water Rate Plan in Compliance with Proposition 218
2. \*\*\*RESOLUTION - 522nd amendment to the Master Fee Schedule ("MFS") Resolution No. 80-420 to adjust water fees in the Public Utilities Water Fee Section according to Proposition 218
3. \*\*\*RESOLUTION - Adopting a Water Affordability Credit Program ("Water ACP")

#### **Supplemental Information:**

Any agenda related public documents received and distributed to a majority of the City Council after the Agenda Packet is printed are included in Supplemental Packets. Supplemental Packets are produced as needed. The Supplemental Packet is available for public inspection in the City Clerk's Office, 2600 Fresno Street, during normal business hours (main location pursuant to the Brown Act, G.C. 54957.5(2)). In addition, Supplemental Packets are available for public review at the City Council meeting in the City Council Chambers, 2600 Fresno Street. Supplemental Packets are also available on-line on the City Clerk's website.

#### **Americans with Disabilities Act (ADA):**

The meeting room is accessible to the physically disabled, and the services of a translator can be made available. Requests for additional accommodations for the disabled, sign language interpreters, assistive listening devices, or translators should be made one week prior to the meeting. Please call City Clerk's Office at 621-7650. Please keep the doorways, aisles and wheelchair seating areas open and accessible. If you need assistance with seating because of a disability, please see Security.



Building Industry Association  
of Fresno/Madera Counties, Inc.

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2015 FEB 24 PM 2 40

CITY CLERK, FRESNO CA

February 19, 2015

Fresno City Council  
2600 Fresno Street  
Fresno, CA 93721

RE: Water System Improvement Plan

Dear Council Members:

The City of Fresno has developed a plan to address the replacement of aging infrastructure, to provide capacity to accommodate the demands of future growth, and to comply with recent legislation that will dictate how water is utilized.

There are many examples of the role that a sustainable and reliable water supply plays in the health and economic vitality of communities. The building industry is keenly aware of this relationship and supports a sound plan that ensures that the water supply for Fresno is both reliable and sustainable. Without infrastructure improvements, the City's water supply will continue to be depleted and all of us will suffer – residents, schools, businesses, trades. It is critical that the City move forward with plans to repair and replace existing and aging infrastructure and construct the new Southeast Surface Water Treatment Facility.

The Building Industry Association (BIA) also wants affordability for existing and new residents and businesses. The infrastructure and rate plan proposed by the City meets these criteria and ensures a sustainable water supply for our community at a cost we can afford. As part of the financial structure of the plan to help with affordability, the City recently received a commitment from the State of California for a low-interest loan for a significant portion of the infrastructure costs.

Without a reliable water supply, businesses whose product and sales depend on water supply will suffer, including many of the businesses represented by BIA. In addition to hurting businesses already here, the City's water problems will impair our ability to attract new businesses and accommodate new residents; this means reduced tax revenue for the City, fewer opportunities for business, and fewer jobs for Fresno citizens.

The BIA is requesting that the City Council approve the water rate structure proposed to finance and implement the Water Infrastructure Plan.

If you have any question, please call me at (559) 226-5900.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Michael Prandini', with a long horizontal flourish extending to the right.

Michael Prandini  
President & CEO



# Stationary Engineers Local 39

INTERNATIONAL UNION OF OPERATING ENGINEERS AFL-CIO

2015 FEB 24 PM 2 40

CITY CLERK, FRESNO CA

**JERRY KALMAR**  
BUSINESS MANAGER-SECRETARY

February 23, 2015

Fresno City Council  
City of Fresno  
2600 Fresno Street  
Fresno CA 93721

**Re:** Letter of Support for Recharge Fresno Plan

Dear Fresno City Council:

I would like to extend my sincere appreciation to the Fresno City Council for encouraging the Administration to aggressively pursue financial support from the State of California for the City's Recharge Fresno Water Plan. I was pleased to learn that this financial support will save the ratepayers of Fresno, and Local 39 employees that live in Fresno, over \$100 million during the next 30 years, and that the City will apply for an additional \$150 million to further reduce water costs in our community. This helps all of us.

The employees of Local 39 and the City of Fresno are charged with the responsibility of delivering clean, safe and reliable water service to every residence, business, industry, and institution in the City's 110-square-mile service area. Rest assured that we take this public health and safety responsibility very seriously as we work on behalf of the community to ensure water delivery 24/7/365 – rain or shine, day or night, hot or cold.

Our members work with the City's existing groundwater pumping system every day. They see, first-hand that this system is at risk due to more than 100 years of overdraft and contamination. We know that our current reliance on groundwater is not sustainable. We also recognize that there is no greater responsibility in the water profession than the proper and safe operation of a water treatment plant, and the production of drinking water for a community. Our members currently (and proudly) operate the City's Northeast Surface Water Treatment Facility and T3 Water Treatment Facility, and we will be responsible for operating the new Southeast Surface Water Treatment Facility.

Accordingly, we are eager to work with the City's Administration to deliver the needed and overdue infrastructure to bring additional surface water supply to the City on time, within budget, and at the highest possible quality.

In addition to ensuring production of safe drinking water, the employees of Local 39 are responsible for inspecting, repairing, and replacing aging and often failing water system assets on a daily basis. We bring first-hand knowledge of how fragile the system's aging assets are,

Fresno City Council  
Letter of Support for Water Plan

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and we support the Administration's plan to invest \$82 million to repair old infrastructure. The members of Local 39 are also in the best position to assist the Administration with developing a plan to prioritize system assets for repair, rehabilitation, and replacement. We believe it will be critically important for our members and the Administration to work in partnership to repair and replace the City's aging assets before they fail, rather than after, when costly and potentially catastrophic service interruptions disrupt the community and create unnecessary public health and safety risks. Again, we know from our collective and in-depth experiences that investment for asset repair, rehabilitation and replacement is essential.

Many Local 39 members and their families live, work, learn, and play in the City of Fresno – and none of that is possible without water. We understand clearly that the Administration's proposed water plan will place a great deal more responsibility on Local 39 to ensure that safe, clean water is available at all times and without interruption. We welcome that challenge and look forward to working the Administration to demonstrate that we can deliver what we promise.

In closing, I, and the members of Local 39, look forward to the City Council adopting the proposed capital plan and rate plan on February 26, 2015, and to the Administration submitting additional financial assistance applications to fund other Recharge Fresno projects. I want to emphasize that the employees of Local 39 are very proud of the public health and safety responsibilities we perform for the many and diverse residents, businesses, industries, and institutions in the City of Fresno – and we look forward to expanding those responsibilities as part of the Administration's water plan. Given our members' role in operating the community's groundwater system and surface water treatment facilities, we are prepared to start work immediately and in partnership with the Administration, to improve the long-term safety, reliability, and resiliency of the City's water supply system for ourselves, our children and our grandchildren.

If you have any questions please do not hesitate to contact me at (559) 233-0839.

Sincerely,



Marina Magdaleno  
Business Representative  
IUOE, Stationary Engineers Local 39

Cc: Ms. Ashley Swearengin, Mayor, City of Fresno  
Mr. Bruce Rudd, City Manager, City of Fresno  
Mr. Thomas Esqueda, DPU Director, City of Fresno



February 24, 2015

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Council President Oliver Baines  
Members of Fresno City Council  
Fresno City Hall  
2600 Fresno Street  
Fresno, CA 93721

CITY CLERK, FRESNO CA

**RE: RECHARGE FRESNO SUPPORT**

Dear Mr. Baines:

The Fresno Chamber of Commerce respectfully writes in support of the proposed plan to raise water rates in Fresno to fund water sustainability. The business community understands access to clean and safe water isn't free, and upgrading Fresno's water system is necessary to deliver reliable water for generations to come.

Over the last year, the Fresno Chamber has watched and weighed-in as the City developed and fine-tuned this plan. City staff and elected leaders have challenged one another to consider options for low-income residents, find the best funding plan, and encourage conservation, all of which have improved the plan greatly. The Chamber is also supportive for the following reasons:

- We need to stop drawing down the water table, or the state threatens to take over our water management
- New raw water pipelines, fixing/replacing aging pipes, treating wells for contaminants, and a surface water treatment facility would all work together to create a sustainable water supply
- Delaying the project would only make it more expensive down the road

The Fresno Chamber appreciates all the effort that has gone into this water plan and feels confident it is the right thing for Fresno residents, property owners, and business owners. We urge you to support our water future by voting yes to raising water rates to fund this vital project.

Sincerely,

A handwritten signature in blue ink, appearing to read "Al Smith".

Al Smith  
President & CEO

GREATER FRESNO AREA



CHAMBER *of* COMMERCE

**Cc: Lee Brand  
Steve Brandau  
Paul Caprioglio  
Clint Olivier  
Sal Quintero  
Esmeralda Soria  
Tommy Esqueda  
Ashley Swearengin**