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Title: Approve Amendment No. 7 to the November 17, 2016 Copper River Ranch Water Supply Implementation Agreement requesting to eliminate the requirement for the construction of PS 371 following a new water supply analysis conducted by the Developer (Council District 6).

Sponsors: Department of Public Utilities

Indexes:

Code sections:

Attachments: 1. Seventh Amendment to the Copper River Ranch Water Supply Implementation Agreement.pdf

Date	Ver.	Action By	Action	Result
12/2/2021	1	City Council	approved	Pass

REPORT TO THE CITY COUNCIL

December 2, 2021

FROM: MICHAEL CARBAJAL, Director
Department of Public Utilities

SUBJECT

Approve Amendment No. 7 to the November 17, 2016 Copper River Ranch Water Supply Implementation Agreement requesting to eliminate the requirement for the construction of PS 371 following a new water supply analysis conducted by the Developer (Council District 6).

RECOMMENDATION

The Administration recommends the City Council approve Amendment No. 7 to the Copper River Ranch Water Supply Implementation Agreement (Agreement) to eliminate the requirement for the construction of PS 371 following a new water supply analysis conducted by the Developer of the Copper River Ranch Development relating to the water supply needs in the original project area and reviewed by the City.

EXECUTIVE SUMMARY

The Fresno City Council approved the Agreement on November 17, 2016, whereby Developers are to provide 4,900 GPM of firm water supply capacity within the Project Area (as set forth in the 2003 FEIR) in accordance with a mutually-agreed upon project completion schedule. The Agreement also includes a payment schedule for Developer's fair share contribution (Development Fee) related to the

City's Northeast Surface Water Treatment Facility (NESWTF). The Agreement has previously been amended six times for the convenience of the Developers to extend deadlines set forth therein. The current amendment request incorporates a new water supply analysis conducted by the Developer and reviewed by the City relating to the Project Area and in light of updated applicable water supply standards, construction of PS 371 is no longer necessary to meet water demands within the Project Area. The Administration recommends the City Council approve the amendment.

BACKGROUND

Pursuant to the Agreement, Developers are obligated to provide water for the Project Area within the Copper River Ranch Development via the construction of new wells, pay a fair share fee for the NESWTF, and construct a Disposal Bypass Line - all to occur based upon an agreed timeline. The Agreement has previously been amended six times for the convenience of the Developers to extend deadlines set forth therein. The NESWTF fee is now paid in full, and developer has completed water supply infrastructure as noted in the table below. The construction of PS 371 is currently the Developer's final construction obligation under the Agreement.

On July 30, 2021, Developer completed the analysis "Full Build-Out Demand Estimate From Meter Data, Copper River Ranch, Fresno, California" to summarize the estimated water demand for the Project Area (the area analyzed and set forth in the 2003 FEIR) based on actual meter usage data in 2020. Upon review of this analysis, the City and Developer agree that construction of PS 371 is no longer necessary to meet water demands within the Project Area. The proposed Seventh Amendment to the Agreement will relieve the Developer of all obligations to construct or place PS 371 into service. With the elimination of PS 371, the Developer has performed all its obligations to construct infrastructure as set forth in the Agreement. In addition to the elimination of the requirement to construct PS 371, the Seventh Amendment to the Agreement reaffirms that EDU's may only be utilized in the original Project Area and that such EDUs may not be utilized outside of said "original" Project Area including any area added to the Project Area after 2003.

Milestone Requirement	Originally Agreed Upon Completion Date	New Required Completion Date
Increase Capacity of PS 330 from 1,200 gpm to 1,800 gpm	March 1, 2017	Complete
New PS 369 (minimum capacity 1,000 gpm)	March 1, 2017	Complete
New PS 370 (minimum capacity 500 gpm)	June 30, 2017	Complete
New PS 371 (minimum capacity 500 gpm)	December 1, 2018	No longer Required
Mn Discharge Pipeline for PS 330, 369, 370, and 371	March 1, 2017	Complete
1 st Payment Developer Fee Obligation	December 17, 2017	Paid
2 nd Payment Developer Fee Obligation	June 30, 2017	Paid
3 rd Payment (1 st Installment) Developer Fee Obligation	December 1, 2018	Paid
3 rd Payment (2 nd Installment) Developer Fee Obligation	December 1, 2018	Paid

The City's Administration has authorized the continued issuance of certificates of occupancy for lots within the Project Area until such time that the Fresno City Council considers Amendment No. 7.

Should the Fresno City Council not approve Amendment No. 7 to the Agreement, the Administration will discontinue issuing certificates of occupancy in the Project Area effective 8:00 am on Friday, December 3, 2021.

All other terms and conditions of the Agreement shall remain in effect. By entering into Amendment No. 7, the Developer may utilize, and City may issue Certificates of Occupancy for, up to 3,682 EDUs, which represent 100 percent of the total EDUs authorized for the Project Area. For clarity, EDU's do not carry any monetary value if unused.

Amendment No. 7 to the Agreement has been approved as to form by the City Attorney.

ENVIRONMENTAL FINDINGS

Pursuant to CEQA Guidelines section 15378(b)(5), this is not a project for the purpose of CEQA, as this is an organizational or administrative action of the government to enforce an existing obligation, and will not result in a direct or indirect physical change in the environment.

LOCAL PREFERENCE

Local preference was not considered because this Agreement regarding water supply infrastructure development does not include a bid or award of a construction or services contract.

FISCAL IMPACT

There is no financial obligation for the General Fund for this Agreement and entering into this Amendment will not impact the General Fund.

Attachment:

Seventh Amendment to the Copper River Ranch Water Supply Implementation Agreement